



Proceedings
of the
House of Assembly

During the First Session
of the
Thirtieth General Assembly
of Newfoundland

1952

PROCEEDINGS
of the
FIRST SESSION
of the
THIRTIETH GENERAL ASSEMBLY
OF NEWFOUNDLAND

WEDNESDAY, March 12, 1952.

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

HON. J. R. SMALLWOOD (Prime Minister): May it please Your Honour, the House of Assembly, agreeable to Your Honour's Command, has proceeded to the selection of a Speaker and has elected Mr. Sparkes, the Member for the District of St. Barbe to that office and by their direction I present him for the approbation of Your Honour.

HIS HONOUR: I assure you, Sir, on behalf of Her Majesty of my high opinion of your sufficiency and fitness for the office of Speaker and on behalf of Her Majesty gladly confer my approval of you as Speaker, of this General Assembly.

MR. SPEAKER: Your Honour's ready approval of the choice with which I have been honoured by the House having constituted me in due form the Speaker of the House of Assembly it has now become my duty in the name of the representatives of Her Majesty's loyal subjects, the people of this Province, and respectfully to claim to Your Honour their accustomed rights and privileges and that they shall have freedom of speech in their debates that they may be free from arrest during their attendance in

Parliament and that I, as Speaker, may have full access to Your Honour's presence and that they have confirmed to them all their ancient rights and privileges which have been confirmed to them by Your Honour's predecessors.

HIS HONOUR: On behalf of Her Majesty I do confirm this House in the enjoyment of all its ancient and undoubted rights and privileges.

His Honour was then pleased to open the Session with a Speech from the Throne as follows:

MR. SPEAKER AND MEMBERS OF THE HONOURABLE HOUSE OF ASSEMBLY:

The General Assembly which was dissolved in November was the last during the reign of His Majesty King George VI. A great King has gone out into the darkness and put his hand into the Hand of God. He has laid down the immense burden of sceptre and crown which he bore so long, so uncomplainingly, and so well; he has relinquished at last the cares and responsibilities which fate had thrust into his unprepared hands but which he accepted as a divinely committed heritage and carried out with inestimable courage. Now he lives at peace among his royal forebears at Windsor; and the sorrowing nations of the Commonwealth, realizing only in their

loss the true stature of his greatness, remember him fondly as "George the Good."

The Imperial mantle which he so bravely wore has fallen upon the slender shoulders of his young daughter. Shaken with grief at the sudden loss of a beloved father, she was at the time called upon to take up his duties. The drapes of mourning were a moment parted for the glittering panoply of the Accession Ceremony and the Proclamation as Queen, Head of the Commonwealth and Defender of the Faith of the High and Mighty Princess Elizabeth, now by the Grace of God Queen Elizabeth II.

To Her Majesty the Queen, the recollection of whose visit is still warm, this Legislature records its unswerving loyalty and deep and sincere devotion. God save the Queen! We pray that God may bless her and her Royal Consort, and the Nations and Peoples over whom she reigns; and grant her and to them prosperity, progress and peace—such is the prayer of this Oldest Colony for its new Queen.

Following closely after the dissolution of the Twenty-Ninth General Assembly last Autumn a General Election was held in the Province. My Government sought from the people a fresh mandate for their policy of economic development, and this mandate the people gave with an unmistakable majority of their votes. My Ministers are determined to press forward resolutely with this policy, and you will be asked to ratify several pieces of legislation to give further effect to it. The present year promises to be the most prosperous in all our history, even more prosperous than 1951. More people will be employed for more wages than in any year before. The prices paid to our fisher-

men for salt-dried codfish will be better, from present indications, than those paid last year. Several new industries will get into full production, while others will commence and complete construction. The great new machinery plant at the Octagon, in the District of Harbour Main-Bell Island, will not only be constructed in 1952, but will get far ahead in its production programme. You will, I feel sure, be pleased to learn that this particular plant has a fair chance of obtaining defence orders.

The year 1952 is to see the greatest drive for mineral development ever experienced in this Province. More geological and prospecting parties will search for minerals, more men will be employed at this work, and more money will be spent on it than in any quarter of a century before. The year 1952 will in these respects exceed even last year, which itself established new records in Newfoundland.

Information presently at hand from Exploration and Mining Companies indicates that during the forthcoming season not fewer than 300 men will be employed in various forms of field exploration of our mineral resources, and that two and a half million dollars will be spent in these investigations. These men will work in approximately one hundred geological, geophysical and prospecting parties for eight different companies.

In addition to these efforts by private interests, the Government of Newfoundland are continuing their policy of securing basic information on the geology and mineral resources of Newfoundland and Labrador, and plan to expand substantially their activities in this direction, justifying this policy by the fact that the data obtained by Government in the past, are in no

small degree responsible for the increasing interest now being shown by private capital.

The great iron ore development of Labrador proceeds with more acceleration than ever. More than fifty million dollars will be expended this year in the remarkable drive to reach by railway the vast deposits of high grade iron ore in Central Labrador and adjoining Quebec. Newfoundlanders in many hundreds played a very valuable part in this project last year, and will do so in even greater numbers this year. It is the intention of the promoters, by intensification of their drive, to commence the shipment and sale of ore by the year after next.

My Government have profound faith in the mineral possibilities and prospects of this Province, and will renew and intensify their efforts to speed development in this branch of our Natural Resources. As part of these intensified efforts my Ministers have adopted a policy of abolishing the Department of Natural Resources and creating a Department of Mines and Resources in its place. Legislation to give effect to this Policy will be laid before you at the present Session.

My Government have been instrumental in securing the interest of a prominent United States Financier, in the Oil possibilities of our West Coast. Mr. John Fox is carrying out a vigorous campaign of exploration and drilling, and in his efforts he will be followed by the lively interests of all our people. Already his activities in Newfoundland have attracted the attention of others interested in oil, and it is a safe prediction that his success in Newfoundland will touch off at least a minor boom in oil exploration in this Province. I am confident that you will share my Minis-

ters' hope for Mr. Fox's success in the months immediately ahead.

Pursuant to legislation enacted last year my Ministers proceeded with the organization of Newfoundland and Labrador Corporation. The first meeting of the shareholders was held in St. John's in the month of December past, when the directors were elected and preliminary discussions held on the Corporation's programme. Several distinguished Canadians and Americans have accepted Directorship under the chairmanship of Sir William Stephenson, and my Ministers are confident that important developments will occur in Newfoundland and Labrador as a result of Corporation efforts. The Board of Directors will gather in St. John's after this present month for their second meeting.

My Government have retained the services of the well-known firm of Coverdale and Colpitts, consulting industrial engineers, to examine into the report upon the value and prospects of the three industrial plants established by the expenditure of public funds. These are the birch, cement and gypsum enterprises. The report of these engineers is expected to be received toward the end of this month.

It has been and is my Government's policy to dispose of these three plants by sale, and legislation affecting such a sale will be laid before you at the present session. An amount of over nine million dollars of the Cash Surplus has been spent to establish these plants and provide working capital for them and their sale would have the effect of restoring this sum to the Surplus. It is the policy of my Ministers to employ the money so recovered mainly in further economic development, though not necessarily in the same manner.

More than a year ago the Government of Newfoundland and the Government of Canada joined in the creation of a body known as the Fisheries Development Committee. This Committee, under the Chairmanship of Sir Albert Walsh, is made up of representatives of two Governments as well as the fishermen and mercantile firms engaged in the fisheries. They have been served by a corps of able technologists and economists, and since the investigation began considerable work has been accomplished. The Committee are presently engaged upon the preparation of their report and recommendations to the two Governments, and my Ministers are awaiting these with great interest. It is my Ministers' hope that the report of the Fisheries Development Committee will constitute a foundation for sound and progressive fishery development policy for this Province.

My Government have lately appointed Mr James Thompson of Montreal, to be their financial advisor for the purpose of assisting in the preparation of Newfoundland's case for the Royal Commission that is to be appointed, under the Terms of Union within eight years from the date of Union to review this Province's financial position. During the next few years, Mr. Thompson will collect and compile data for Newfoundland's use before that Royal Commission, for my Ministers are convinced that the Province must be adequately prepared for that important review of Newfoundland's financial position.

Mr. Speaker and Members of the Honourable House of Assembly, the financial position of the Province continues to be sound, and my Ministers are confident that its soundness will be maintained and even improved. Full details will be laid before you in

the Budget Speech and Estimates later in the Session.

I request you to provide Supply to Her Majesty.

I congratulate all Honourable Members upon their election to this Thirtieth General Assembly, and I invoke God's blessing upon your labours.

MR. SPEAKER: I have to inform the House that at three of the clock this afternoon His Honour the Administrator was pleased to open this Thirtieth Session of the General Assembly of Newfoundland. His Honour the Administrator delivered the Speech from the Throne which for purposes of accuracy I have obtained a copy and will read to the House.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, before considering the Speech from the Throne, I would move that a Bill, entitled "A Bill to Amend the Newfoundland and Labrador Corporation Limited, Act, 1951," be read a first time.

Moved and seconded read a first time, ordered read a second time on tomorrow.

MR. SPEAKER: New members to be introduced.

MR. P. J. CASHIN (Leader of the Opposition): Mr. Speaker, it gives me pleasure to introduce to members of the House, Mr. Jackman, elected member for the District of Harbour Main-Bell Island. When we were sworn in yesterday afternoon, Mr. Jackman was unavoidably absent—Mr. Jackman—

MR. SPEAKER: The honourable member may take his seat.

MR. BROWN: Mr. Speaker, I rise to move that a Committee of this House be appointed to draft an address in reply to the Speech from the

Throne. In so doing it is my very pleasant duty to congratulate you, Sir, upon your re-election as Speaker of this House. The present session will be Your Honour's fifth so that we may safely describe you as a veteran in your exalted office. You, Sir, are the embodiment of rules and regulations of the House. These rules and regulations and laws were made by the House itself and yours is the great responsibility of enforcing them. When therefore you enforce them strictly and impartially without fear, favour or affection you are entitled to the complete and entire support of the House for in defying your enforcement of the House's rules a member is defying the House itself. In Your Honour is vested the keeping of the honour of this House, the keeping of its honour and the preservation of its great democratic principles of orderly procedure. If the people lose respect for this House it will come only because Your Honour allows members to lower the dignity of the House. I feel that I speak the sentiments of the House when I say that there is every confidence that you will maintain the dignity and authority of the House against any conceivable tendency to undermine them. It is a great and far-reaching responsibility that the Speaker of the House must carry, but as the responsibility is great so too is the cause of orderly, decent debate and democratic decencies.

The gracious Speech from the Throne expressed eloquently the mournful feelings of all Newfoundlanders over the death of our beloved King, George the VI. He was truly a great man, a monarch indeed, but a father, too, a father of his peoples. His was an example of public service that is an inspiration to us all throughout the British Commonwealth and

Empire and indeed throughout the whole world. His death brought a pang of sorrow to millions but nowhere more than his most ancient and loyal colony.

We were all proud of the eloquence of the Honourable Premier when he joined with all the Premiers across Canada in a tribute to the late King and a welcome to our gracious young Queen. No Premier in Canada spoke for his people more sincerely or more movingly than did our Premier on that occasion and we were proud of him for it. As the Princess Elizabeth, Heir to the Crown, she won our hearts completely, as our Queen she has our love and commands our willing loyalty and devotion. We are proud to serve her. We are proud to utter the prayer, "God Save the Queen, long may God spare Her to rule over us."

When the last General Assembly was dissolved and a General Election was ordered I was happy to accept the invitation of the Leader of the Liberal Party to become Liberal candidate for the great district of Bonavista South. I say "great district," Mr. Speaker, for the people of Bonavista South take second place to none in Newfoundland. They are hard-working, frugal, sober and God-fearing. They fear God and they honour the Queen. It is a proud privilege to be their member and a proud privilege to serve them. I said I was happy to accept my Leader's invitation to become the Liberal candidate for I could not possibly agree with anything more than I agree with the party policy of economic development. I am, as you can see, a young man. There are thousands like me in this Province today, young men and women with most of there living still before them. What has fate in store for them? Is this Newfoundland going to be a place

where young men and women can earn a good living, where they can marry and have families, where they can thrive and prosper? Or is it going to be as it always was in the past, a place that tens of thousands of young people were forced to leave because there was no decent living in it for them? The policy of economic development is a young man's policy; it is a policy which expresses our faith in Newfoundland's economic development, with such a policy Newfoundland must and will surge ahead, without it Newfoundland must and will drop behind. Newfoundland is a fair land and we love it, it is our home and we want to live in it, and to die in it, and if any of our young men leave it they want to do so not because they are forced to go, but freely and of their own choice. Today, as I am speaking to you, there are more Newfoundlanders outside Newfoundland than inside, tens of thousands, yes hundreds of thousands have been driven away by lack of opportunity. Economic development is a policy to challenge out loyalty and stimulate our imagination.

I was out to visit the great birch industry at Donovans, and I hope that every member of this House has been out there. Like so many Newfoundlanders I have seen thousands of cords, millions of feet of prime birch slaughtered in the forests or just rotting away, I have seen it slashed into birch junks and selling for the proverbial mess of pottage. In there in that new industrial enterprise I have seen our birch turned by modern machinery into beautiful and profitable articles for sale. Instead of birch junks you can see birch ply-wood and all sorts of beautiful hardwood flooring, and inside the mill you can see Newfoundlanders learning new trades

and earning wages, while outside around the Island you see hundreds cutting and transporting birch trees and earning their living at it. We have all heard of making two blades of grass grow where but one grew before. This new birch industry is making two blades of grass to grow where none grew before. It is entirely new and useful and profitable. I have not yet had the privilege of seeing the great new cement plant on our West Coast nor our gypsum wall-board plant, but there again you have two new industries in Newfoundland, two new Newfoundland industries using Newfoundland raw materials being manned mostly by Newfoundlanders.

When I was a student at Memorial College and even before that at Bishop Feild College I, with other students, heard of great deposits of limestone and gypsum in Newfoundland. Everybody knew of these great natural resources that Divine Providence so bountifully provided for us. But what was done with them before this progressive and energetic Government turned their attention to them? Nothing, Sir, nothing at all. Those vast deposits of natural wealth lay there long before John Cabot discovered our Island but they had to wait for the drive and energy of the present Liberal Government and the present Liberal Premier to be developed into jobs for Newfoundlanders and cash wealth for Newfoundland. After all the criticism is spoken Sir, there are the facts that will remain, and they will remain long after the critics have gone and have been forgotten and it will be remembered that these industries did not exist until this present Government created them. These industries are facts and our Newfoundland people want more such facts.

It is a very remarkable thing in our Newfoundland history that there always were knockers. There were knockers and doubters when a Newfoundland Government built the railway. The knockers are forgotten, the railway is here. There were knockers when a Liberal Government built the great Grand Falls Industry. The knockers are forgotten, Grand Falls is here. There were knockers when the great Humber Industry was started by a Liberal Government, they are gone too but the Humber remains. So will it be, I believe, with these birch, cement and gypsum industries. They will be providing a good living for Newfoundlanders and strengthening Newfoundland's economy long after the knockers have been forgotten.

This gospel of economic development is a patriotic gospel to stir the blood of Newfoundlanders, to challenge loyalty and enthusiasm. Sir, the people are stirred and are enthusiastic. They did indeed, as the Speech from the Throne said, show their support in an unmistakable majority of their votes, in their very blood they feel that the Government's policy is the right policy for Newfoundland. The people do not expect perfection from any Government. They know full well the Government has made mistakes and that they will make more mistakes, but they know also that the only man who makes no mistakes is the man who does nothing at all.

For myself, Mr. Speaker, it is a great privilege and a great honour to be a member of this House and a strong supporter of the Honourable Premier. In the first place I believe I share the aspirations and ambitions of all my generation in Newfoundland today, I am anxious to see Newfoundland develop and grow strong and I am anxious by my support of this

Government to assist in that good work. In the second place I am very proud of the fact that an ancestor of mine William Brown, my great, great-grandfather occupied a seat in the very first elected House of Assembly in Newfoundland under Representative Government. If his spirit hovers around here on this opening day of a new General Assembly, I pray that my conduct will merit his approbation. In the third place my revered father occupied a seat in this House for many years. Words cannot express to you my sense of satisfaction at following in his footsteps. It was in this very Chamber that he was stricken, and I am very conscious of that fact and that his thoughts are very much with me at this moment. My father, Sir, was always, and is today, a great believer in Newfoundland's destiny. He believes in the development of Newfoundland. He was long associated with the great industry at Grand Falls and one of those in the Liberal Party who created the Humber Industry. From him, on many occasions, I have heard the gospel of economic development and I would not be faithful to his teachings if I did not support this Government's great and constructive policy of economic development. I am a Liberal because I inherited Liberalism in my very blood, and because my mind leads me to it as well. My father, if he enjoyed his former health and vitality would be here today in support of this great policy of the present Government. I speak for him and for myself when I say that I can do no other, Mr. Speaker, it is my very great privilege to move that a Committee of this House be appointed to draft an Address in Reply to the Speech from the Throne.

MR. NORMAN: Mr. Speaker, I rise to second the motion moved by

the honourable member for Bonavista South and in so doing would like to offer my sincere congratulations on his maiden speech in this House. He is the worthy son of a worthy father and I can speak for him a very successful career in public life in this Province.

The whole population of this Province was stricken with sorrow by the death of our beloved King. He was a great and good man and we feel the poorer for his passing. Our hearts go out in love and loyalty to our gracious Queen and as one we pray "God Save the Queen." As the Princess Elizabeth she won our hearts. We are proud to serve under her as Queen Elizabeth the Second.

Before I proceed further, Mr. Speaker, I should like to offer my sincere congratulations to you upon your election as Speaker over this new General Assembly. I did not have the honour to hold a seat in the last General Assembly but even as an outsider I heard often of your great skill and fairness and I firmly believe that you will uphold the dignity and authority of the people's House.

Mr. Speaker, as the gracious speech declared, a General Election was held last Fall. The Liberal Government appealed to the people for a fresh mandate for their great policy of economic development and the people responded with wonderful support indeed. How could they do otherwise? Here are a Government who have given every evidence of a straight sincere desire to develop Newfoundland. They do more than just preach economic development, they practise it. That is what our people have been praying and longing for all their lives, a strong Government that would throw itself into that great task. The people also know their friends; they

know that the Liberal Government are on their side; they know that the Liberal Government are determined to govern Newfoundland in their interest. The people, Sir, are well aware that this Government are not perfect, well aware that they have made mistakes and will make mistakes in the future. They are prepared for that, so long as their Government make these mistakes in a straight and manly effort to develop the Province.

I had the honour of canvassing the great and progressive District of Burgeo LaPoile in which I have lived and worked for so many years, and I had a good opportunity to learn people's feelings. The people of Burgeo and LaPoile are very strong Confederates, as I am myself. They supported Confederation in the referendum, as I did myself; they were very pleased that Confederation won the day, as I am. They never for one moment thought that Confederation would put an end to all their problems but they did know that Confederation would bring great benefits to them. What fair-minded man or woman in Newfoundland today would deny that Confederation has been a great blessing to our people. A few people still refuse to admit that Confederation brought a great blessing to Newfoundland but in their hearts they know it. The people of Newfoundland have a very high regard for the Leader of the Liberal Party, the Honourable the Premier, and in no district is that regard higher than in Burgeo-LaPoile. The people know how the Honourable the Premier toiled day and night to bring this great Island into Confederation with Canada, they know he toiled day and night ever since to develop this Province. There are some who bear a bitter hatred for him. There are some who sneer at

him. But these are only a small few out of our whole population. The great majority of Newfoundlanders are well aware that in the Leader of this House they have a leader who will give the last ounce of his strength, the last particle of his ability to make this Province lastingly prosperous for the common people. For me personally as a Confederate and a Liberal it will be an honour to serve under his leadership as a loyal supporter of the Liberal Government, for I know there is no man in Newfoundland today, in or out of this House, who can serve Newfoundland with the same energy and skill.

Mr. Speaker, I have never been a politician. All my life to the very day I entered the General Election last Fall I have been a working man earning my living by work for wages. I have for the past six years, as a member and Chairman of the Port aux Basques Town Council given my best to better conditions in that town, without remuneration. I know nothing of the tricks of the politician, and I want to know nothing of them. My highest ambition is to serve the people of Newfoundland in general and the people of Burgeo-LaPoile in particular to the best of my ability, I shall always do my best to serve the people and it is my firm conviction to do that best is in being a supporter of the Liberal Government. I am not a blind participant, and I have lived too long to think that a Government cannot make mistakes. But we must all earn our living by principle and the sounder and truer the principle the sounder and truer our living will be. The principles of Liberalism appeal to my mind and to my heart and it is for this reason before all else that I am a loyal supporter of the Liberal

Government in this House and outside it.

I have the honour, Mr. Speaker, to second the motion so ably moved by my colleague, the honourable member for Bonavista South.

MR. SPEAKER: Moved and seconded, a Committee be appointed to draft an Address in Reply to the Speech from the Throne.

MR. CASHIN: Mr. Speaker, I rise as Leader of the Opposition in this House of Assembly to play my small part in the functions of this afternoon. This is the sixteenth occasion on which I sat as a member in this House and witnessed the opening of the Legislature by the Government. Therefore Sir, first let me express to you on behalf of myself and I might add, the congratulations of the other members of the Opposition on your being elected to the highest office in the Land. During two and a half years, or a little over, I sat on this side of the House in an Independent Seat and at all time your rulings were fair and I feel confident that in this session of the Legislature and the subsequent ones that will take place we will have the same fairness shown to members of both sides as you have displayed in previous Legislatures.

Now, Sir, I also wish to express my personal congratulations to the mover and seconder of the Address in Reply to the Speech from the Throne. They have done well. One of these young gentlemen I happen to know personally. His father came into this House the same as I did twenty-nine years ago this Spring. He was also a member of the National Convention, as I was. Unfortunately at the time Mr. Brown suffered a very severe attack and he has since been unable to take

his place either as a member of the House or to take any particular active part in the affairs of the country. I feel confident, Mr. Speaker, that the young gentleman's revered father, if he had the opportunity to take his part in the administration of affairs on either side of this House during the past three years, he would have shown the same fairness and the same ability towards the people of Newfoundland as he did for the previous years when he stood as a member in this House and administered the affairs of Newfoundland. I extend to that young gentleman particularly, my very great and sincere congratulations and from the manner in which he expressed himself this evening I feel confident we will hear much from him in the future.

I imagine I am probably the oldest member in the House, in both years and seniority as a member. I also wish to express my congratulations to the newly elected member for Burgeo-LaPoile for the manner in which he performed his duty here this evening.

It is not my intention to make any lengthy address here this afternoon, that will remain for some future date. My only remarks will be directed in a very brief way, to first express on behalf of myself and my colleagues our very, very sincere sympathy in the death of our beloved King, George VI who passed away around the end of January last. That is one thing in this world we can all be sure of, we are going to die one day. Some day, we do not know what day, whether we be King or ordinary commoner, that one thing is going to happen, we are going to die and there is one thing, I, as Leader of the Opposition in this House of Assembly, must say with respect to the Late Sovereign, King George VI. He was

an outstanding man a wonderful family man and this afternoon I take the opportunity of saying publicly in the Legislature Chamber of this oldest Crown Colony, "May the Lord Have Mercy on His Soul." To His young daughter who visited this Island as Princess Elizabeth, whom many of us met personally, I this afternoon, as well as my colleagues also pledge our loyalty and our affection, to that Sovereign. It was, I think, in the reign of Queen Elizabeth the First that Great Britain prospered the greatest. I hope and trust, and am confident, that in the reign of Queen Elizabeth the Second, some four hundred and fifty years later, Britain will regain the same prestige and economic standing in the world as she did in the days of Elizabeth the First.

Now, Mr. Speaker, with respect to other matters contained in the Speech from the Throne I have little to say this afternoon, with this exception: A General Election was held, as pointed out in the Speech from the Throne, and whether the Government likes it or not, whether they are disappointed or not, there are six members sitting in the Opposition today who join in pledging their loyalty to the Queen just the same as the members did on the other side of the House. I have listened, as I said, to some sixteen Speeches from the Throne in this Legislature and if we traced them all back to the first one I heard in 1923 we would find very little difference in any of them, either ones I was identified with or ones I edified as a member as the Opposition or as an Independent, they are always the same. There have been many, many remarks made with respect to Speeches from the Throne by prominent members of this House and who occupied seats in this Opposition in by-gone

days, remarks I do not intend making here this afternoon. However, I want to make it quite clear, Mr. Speaker, on listening to the mover and seconder of the Address in Reply, we, as members of the Opposition, are just as much in favour of economic development in this country, Island, Province, call it what you like, as a member occupying a seat on the Government side of the House. Our job in here—we were elected on one platform and one only, if I might be permitted to use, Sir, the words of that great statesman, Winston Churchill, a platform of blood, sweat and tears. We had nothing personal to offer the electorate but we told them we felt we should have an opposition in the House and if they elected us our job would be to assist the Government in its economic programme but at the same time we must find out the facts, facts referred to by the mover of this Address in Reply this afternoon. That is our job in here, Mr. Speaker, and as Leader of this Opposition and representative of the District of St. John's West, I say we are going to carry out that job to the best of our ability.

MR. SMALLWOOD: Mr. Speaker, I join in congratulating Your Honour as Speaker of the House. Your Honour, as far as I can recollect is the first member of the House in the present century to be elected Speaker of more than one General Assembly. Your Honour was Speaker throughout the whole of the 29th General Assembly and is the Speaker of the House in the new 30th General Assembly. I have personally seen and heard and known every Speaker of this House since 1913 when the Chair was occupied by the Late John R. Godison of Carbonear from which town we had another Speaker, the Late Judge Penney. In that long line of Speakers from 1913

no man has occupied the Chair with more ability, more knowledge, more fairness or impartiality as Speaker than Your Honour has shown in the four sessions we have had since Your Honour first occupied the Chair. I am happy to hear the honourable Leader of the Opposition express somewhat similar sentiments here this afternoon. I am perfectly confident that under Your Honour's guidance the affairs of the House of Assembly will be transacted in an orderly and proper manner and in an orderly and proper atmosphere.

Mr. Speaker, I am very proud to be the Leader of a political party that can produce such men as the two honourable gentlemen who have moved and seconded the motion now before you. Rarely in the history of this House has this motion been moved more impressively in a maiden speech than it was done today by the young honourable member for Bonavista South. His father will be a very proud man when he learns, as he will, of the very distinguished manner in which his son discharged that historic duty of the opening day of a new session. I am sure that my honourable friend the Leader of the Opposition who knew Ken Brown, as some others of us did, listened with intense interest to his son today and with a vivid recollection of many speeches by Ken Brown in and out of this House, heard his son with great interest and with some curiosity to see if this was to be a chip off the old block. I believe that the honourable member for Bonavista South has a very fine career ahead of him. I have said that before of the honourable member for Green Bay, the honourable member for Fogo, the honourable member for Placentia West and other honourable gentlemen on this side of the House

who have moved and seconded this same motion in other sessions of the House, because I am indeed very proud of the fact that this party has the vitality, the life and the policy to be able to attract such men, men such as the honourable member who seconded the motion today, the honourable member for Burgeo-LaPoile whose name in that District and whose name in the Town of Port aux Basques and Channel is respected as no other is respected as one who has given himself, spent himself, his ability and energy for nothing in the creation of and the building up and financing of that town council which I am sure my honourable colleague, the Minister of Supply, will agree is one of the most progressive and prosperous and successful of all the thirty town councils in this Province today. And so it goes with all my colleagues. I am very proud indeed that the Liberal Party could attract to its ranks as candidates such men as my honourable colleague, the Minister of Finance, the member for Placentia-St. Mary's a gentleman who, in my opinion, possesses one of the most brilliant minds that politics has ever seen in this Province, a man whose authorship of the "Sacred Cow" articles in our Confederate newspaper, the "Confederate" marked him as one of the most brilliant political satirists Newfoundland has ever seen; proud that we could attract to our ranks so brilliant a lawyer as the honourable member for Port de Grave and my honourable colleague in this Government, the honourable gentleman for Harbour Main-Bell Island. Now my old friend across there, another member for Harbour Main-Bell Island objected once when I called his colleague of that day, the senior member for Harbour Main-Bell Island. I think

he claimed he is the senior member and I was not too sure whether he claimed seniority on the grounds of age or the number of votes he got.

MR. JACKMAN: I was senior in both.

MR. SMALLWOOD: You are still senior in votes but I don't know about age, I hardly know. The honourable gentlemen should get together and swap ages and compare notes on ages so that the House can know whether to address my honourable colleague as the honourable the senior member for Harbour Main-Bell Island or use that title for the honourable gentleman opposite. But my honourable colleague in Cabinet, the honourable member for Harbour Main-Bell Island is the only member on this side of the House who occupied a seat in the House before Confederation, as my honourable friend the Leader of the Opposition is the only member on that side of the House who occupied a seat. Certainly the traditions of this House are likely to be preserved when we have here two men, two honourable gentlemen who are well aware of the traditions of the House, such personal knowledge and experience in years gone by and we in the Government are very proud indeed to have as a colleague a brilliant Queen's Counsellor in the person of the member for Harbour Main-Bell Island. Taking the whole party, I see in the Chamber today, I will not say a "Stranger" it would seem strange to apply that term to the only Newfoundlander living today who is an ex-Premier of Newfoundland, but I see here a gentleman who was Premier of Newfoundland, one I think of the greatest gentlemen who occupied that office, and I do hope that no one will take offense when I say this party as it sits here today ranks high, ranks high in the Par-

filaments that have sat in this Chamber in the past. Few have reached as high as this party does in the quality of its personnel, and very few indeed ever reached higher, if any at all. So, Mr. Speaker, with great sincerity I congratulate the mover and seconder of this motion.

I will not reply to anything my honourable friend the Leader of the Opposition has said about the Speech from the Throne. It seems that the old practice has gone, the practice of criticising the Speech from the Throne on opening day. It appears to have become the practice in the last General Assembly to say virtually nothing at all about the Speech from the Throne and for the Leader of the Opposition and the Premier in reply to confine themselves entirely to some words of congratulations to Mr. Speaker and the Mover and Seconder of the motion and to some matters of State perhaps referred to in the Speech. So I cannot reply to anything my honourable friend has said.

I am genuinely sorry that four of our colleagues on this side of the House are no longer with us. Mr. Spratt, Mr. Vardy, Mr. Horwood and Mr. Mackinson. I am not so sorry yet sorry that we have not with us in the Chamber, Mr. J. G. Higgins and Mr. Fahey, neither of whom offered themselves as a candidate in the last General Election. I notice on the opposite side some new faces, good-looking faces, intelligent-looking faces and I do hope that they will use all their ability to criticise the Government, that they are anxious to criticise the Government's conduct and above all to criticise the Government's legislation. How the fairy-tale got into circulation last Fall that this Party and that I wanted no Opposition is something, Sir, that I don't

know. I have no knowledge of how it originated. It was just a fairy-tale indeed, nevertheless it is one of these fairy-tales believed by children from seventy-five years of age down, a fairy-tale that got wide circulation in Newfoundland. "That the Leader of the Liberal Party wanted no Opposition." From that fairy-tale it is easy to move on to the inference that the Leader of the Liberal Party is an insidious Hitler, a would-be dictator. It was a very short step indeed and a justifiable step to take. If a man wanted no Opposition then clearly he must be a would-be dictator. I think, if I am a dictator, I am one in exactly the same sense as the late Franklyn Roosevelt was called a dictator by his Opposition and as the Leader of any party desiring a strong working majority is apt to be called a dictator by the Opposition of his day. I say: "I am glad that we have some opposition." Time will tell if it is a better Opposition than the one that was here before; time will tell if their criticism of the Government, its actions, its legislation is more telling, more penetrating; time will tell if they will help Newfoundland by their criticism more than did the Opposition of the past three years. Time alone will tell—I can only wish them luck.

I don't think I can wish my honourable friend the Leader of the Opposition very much luck in his ambition, the ambition he is alleged in recent weeks to have expressed on the Southern Shore, the ambition to be Premier by October. I don't think I can wish him much luck in that. I might be generous and wish him luck in that, and add that he will need the luck—he will need it—

MR. CASHIN: I might need a lot of sympathy from you.

MR. SMALLWOOD: Now, Mr. Speaker, I had made a note to draw the attention of the House to the gift recently received by this House of Assembly from a sister Province, a new Treasury Table, but it is not in the Chamber at the moment, and so I will perhaps leave that to another more suitable occasion.

I wish to close with a very brief reference to the first part of the Speech from the Throne. Many hundreds of Newfoundlanders met the late King on his visit to Newfoundland, some others met the King in England perhaps some met him in France during the first World War, I don't know. To have met the Monarch is to give one more of a sense of a Monarch's reality than if the Monarch merely bore the name or is a picture one sees in the newspapers or on the motion pictures, and if the feeling I had when the King visited Newfoundland and when I had the great honour to be presented to him, was typical of the feelings of hundreds of others who met him, then I think the feeling would be that he was a good man, I think the feeling would be that there was something pathetic about him, something sad. I have always had the feeling that our late King was a man who was sad, he rarely smiled very much. Many noticed that his daughter, our present Queen, when she was here last year rarely smiled as though she too seemed to have some of that same sadness which some of us at least noticed in our late King, her father. There was nothing gaudy about him, nothing spectacular about him, a simple man, plain and simple, a humble man, a good man. The Honourable Leader of the Opposition said he was a good family man, known throughout the world for that, a good man, a good father, a good family

man, a humble man, good living, plain decent, plain simple, about the last man you could picture as a Monarch and I suppose no man ever expected so little to become a Monarch as he did. I have always had the feeling that his Monarchy, his Kingship, was a great burden, unwelcome, imposed on him by historic selection, that he fulfilled with a great sense of duty. I could almost feel, Sir, that his death was something of a release from a terrible burden. The Gracious Queen that we love, all of us, all Newfoundlanders, young, beautiful, gracious and charming is now carrying that terrible burden, one of the greatest burdens in the world, Queen of England, Monarch of this great Commonwealth. I would not wish it to my relative, nor to an enemy, I would not wish it on any human to bear for the rest of her life, as long as she lives, and I pray God it may be as long as Victoria did, for so long as she lives that terrible burden of sceptre and crown. Mr. Speaker, I ask the House and everyone present to stand and join with me in singing the "National Anthem."

MR. SPEAKER: Moved and seconded that a Committee be appointed to draft an Address in Reply to the Speech from the Throne.

Honourable members to constitute that Committee: The Mover and Seconder of the Motion, the Honourable Leader of the Opposition.

MR. CURTIS: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Newfoundland Corporation Tax Act, 1949."

"A Bill to Amend Chapter 125 of the Consolidated Statutes, 'Third Series,' entitled 'Of Trustees'."

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Local Government Election Act, 1951."

A Bill, "An Act Relating to Designation of Certain Local Government Officials."

HON. DR. H. L. POTTLE (Minister of Public Welfare): I give notice Mr. Speaker, I will on tomorrow ask leave to introduce a Bill entitled "A Bill Further to Amend the Department of Public Welfare Act, 1949."

MR. SMALLWOOD: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Timber License Revision to Crown Act, 1951."

"To Amend the Fire Patrol Act, 1948."

MR. SMALLWOOD: Mr. Speaker, under Standing Order No. 88, it is provided that a Committee of five be named by the mover, shall be appointed on motion of the Leader or other member of the Government as early as possible in each session, whose duty it will be to prepare a list of members to compose the following Standing Committees of the House:

- (1) On Privileges and Elections.
- (2) On Standing Orders and the Library.
- (3) On Miscellaneous Private Bills.
- (4) On Municipal Affairs.

MR. SPEAKER: I move therefore in accordance with Standing Orders in question, The Honourable the Attorney General, The Honourable Minister of Finance, the Honourable Minister for Education, the Honourable Minister for Supply, the Honourable

Minister of Fisheries and Co-operatives be the Standing Committee under the Standing Order in question.

MR. SMALLWOOD: Mr. Speaker, I ask leave of the House to have the Report of the Auditor General printed for submission to the House, the Public Accounts in short. They may be orderd by the House to be printed. They are in fact ready to be printed when the House orders them to be printed. That is normal procedure.

DR. POTTLE: Mr. Speaker, I lay on the Table of the House today a receipted regulation, "Old Age Assistance 1951 made on provisions of the Old Age Assistance Act, 1951."

Notice of Question

MR. FOGWILL: To ask the Honourable the Minister of Economic Development to lay on the table of the House information relative to the Machine Plant now being erected at the Octagon.

1. From whom did the Government acquire the property and what was the cost?

2. How many buildings are to be erected? State dimension and classification of each building such as Pattern Shops, Foundries, Machine and Fitting Shops, etc. Give details.

3. Inform the House in detail of the class or type of machinery it is proposed to manufacture, such as grinding and milling machines, farming machinery, factory and machine shop tools, etc.

4. Was there a market survey made in the areas where the products of the plant are to be sold? If so, who made the survey? What did it cost? and table survey.

5. Give an estimate of the total number of workers to be employed at the plant in the various classifications such as draughtsmen, pattern makers, moulders, machine operators and other technical skills.

6. From where is the skilled help obtained?

7. From the total number of workers to be employed, what percentage will be Newfoundlanders?

8. In respect to the proposal to set up a vocational training school at the plant, give an estimate of the number of persons to be trained, the period of training, and the estimated cost to the Government per year.

(2)—To ask the Honourable the Minister of Economic Development?

1. Where is the proposed Textile Plant to be located?

2. From whom was the site for the Plant purchased and what amount was paid for the property?

3. Inform the House of the number and dimensions of each building to be constructed; also the number of looms and spinning machines to be installed, including the type or class of textiles the Plant is designed to manufacture; also state where the product of this Plant is to be sold.

4. How many male and female workers are to be employed and what percent of the total will be Newfoundlanders?

(3)—To ask the Honourable the Premier:

1. To inform the House of the result of the water power investigation made by the Power Corporation of Canada in the Bay D'Espoir area.

2. What is the completed survey expected to cost and what amount has been paid to date to the Corporation?

3. What is the estimated cost of developing this area per electrical horsepower?

MR. FOGWILL: To ask the honourable the Minister of Public Works:

(4) 1. To table a statement showing the total cost of the Trans-Canada Highway to February 29, 1952, statement to include the number of miles of highway completed including paving, the number of miles of highway completed and ready for paving as well as the number of miles of highway presently under construction.

2. How many contracts have been awarded to construct portions of the highway, information to include the names of individuals or firms to whom contracts have been awarded, the number of miles completed and under construction and the amount paid to each contractor.

3. What progress has been made in the construction of bridges on the highway? State the number of bridges completed and under construction, the type of bridges, concrete or steel, the dimension and cost of each bridge to date; also state if this work has been contracted for or is being done by the Department of Public Works.

4. Inform the House of the total amount paid to February 29, 1952, by the Federal Government of Canada to the Government of Newfoundland in respect of the Federal Government share in the cost of construction of the highway.

5. Give an estimate of what amount this Trans-Canada Highway plan will cost the Province when finished.

MR. FOGWILL: To ask the honourable Minister of Supply to table the following information:

(5) 1. The total amount expended for printing and advertising by the Government since April 1st, 1951, to date, giving the names of the firms or individuals who received this business together with the amount paid to each.

2. The total amount expended for drugs and medicines supplied the various Government Hospitals in St. John's and elsewhere since April 1st, 1951, to date, giving the names of the firms or individuals who supplied these drugs and medicines as well as the amount each firm or individual was paid.

3. The total amount expended for dry goods and hospital equipment since April 1st, 1951, to date, give the names of the individuals or firms to whom this business was given, together with the amount each firm or individual was paid.

4. The total amount expended on office equipment, typewriters, stationery, etc., since April 1st, 1951, to date, this to include desks and furniture for offices. Give the name or names of individuals or firms who received this business as well as the amount paid each individual or firm for such goods.

5. How many pounds of ham and bacon were supplied to the various Government institutions for August, September, October, November, December of 1951 and January and February of 1952.

Information to include the name of Government institutions in St. John's for the months of July, of the supplier for each month as well as the brands and the price per pound.

(6). To ask the honourable the Minister of Public Works:

1. Inform the House of the nature of the reconstruction or repairs made to the residence recently vacated by the Chief of Police.

2. Give the names of the individuals or firms employed to do the plumbing, heating, and woodwork, etc.

3. Were tenders called? If so, was the lowest tender accepted?

4. Is the building to be used as office quarters only? Give details.

(7). To ask the honourable the Minister of Public Works:

1. Is it the intention of the Government to construct a bridge over Placentia Gut?

2. Is the design for a bridge over the Gut, which Colonel V. S. Thompson of the Federal Department of Reconstruction and Supply had been working on in 1949, to be used as the plan for this Bridge?

3. What is the estimated cost of this bridge?

(8). To ask the honourable the Minister of Finance:

1. To table a statement showing the total amount spent, committed to be spent, loaned, or loans guaranteed in respect to industrial development since April 1st, 1949.

(9). MR. HOLLETT: To ask the honourable the Attorney General to lay on the table of the House the following information:

1. What member of the Newfoundland Bar was appointed Assessor under the provisions of Sec. 5, sub-sec. (4) of the Government-Seigheim (Agreement) Act, 1951?

2. Has Dr. Seigheim thus far promoted under the laws of Switzerland a company know as "Latuco," and has he assigned and transferred his rights, duties and obligations under the Agreement in accordance with section 14 of the Government-Seigheim (Agreement) Act.

3. What law firm at St. John's represented the Seigheim Group in its various negotiations last summer and autumn with the Government, the R.C.A.F. and the Canadian National Telegraphs?

4. What steps have thus far been taken by the "Financier" named in the Government-Seigheim Agreement to train people from Labrador and Newfoundland to become skilled workers, officials and scientists in silviculture and agriculture as per agreement? Also have the Board of Regents of the Memorial University thus far given their consent for Dr. Seigheim from East Germany to establish a chair of Forestry for the purpose of affording advanced education in modern silviculture?

(10) To ask the honourable the Premier or appropriate Minister to lay on the table of the House the following information :

1. A copy of the Agreement made between the Government and Dr. Sennawald relative to the setting up of an Optical Co.

2. What was the cost of the use of the R.C.A.F. plane used to intercept Dr. Sennawald at Gander last Fall and to bring him to St. John's. What German National went to Gander to intercept Dr. Sennawald? Was the cost of the plane a charge on the Newfoundland Treasury?

3. What, if any, negotiations were

undertaken with Mr. Forsyth, the President of D.O.S.C.O., relative to the steel plant promised for Bay Roberts? Is the German firm of Krupps interested in this project?

4. Give a detailed statement showing the number of Beer and Wine Licenses presently at issue, the name of the taverns, clubs or hotels and the names of the Licensees to whom the Licenses were issued and the date of issue. Also state the fee charged for each License.

(11) To ask the honourable the Minister of Natural Resources to table the following information :

1. How many aerial photographs of the Seigheim concession were developed by the Department for Dr. Seigheim and/or his agents?

2. What was the cost of same, and was this cost borne by the Department at the request of Dr. Valdmanis and Mr. Graudin?

3. How much money was loaned to the Stadium Co. Ltd. by the Government, and under what conditions? Is it the intention of the Acting Minister to proceed with the erection of the Stadium as a Government project as promised during the recent by-election in St. John's West?

(12) To ask the honourable the Minister of Fisheries and Co-operatives to lay on the table of this House the following information :

1. What was the exact financial position of Richards Ltd. when taken over by the Government?

2. Who were the Directors at the time, and upon whose recommendations were the four Icelandic Boats acquired by the Government?

3. What were the reasons why the Government assumed the Debt of \$397,143.80, owed by Richards Ltd.

4. Give a complete statement in detail of monies advanced to Richards Ltd. from time to time, with dates of said advances; showing also Directors' Fees, and to whom paid, lawyers' fees and to whom paid; also a statement as to earnings of these boats since they were acquired by the Government.

5. What wharfage and care-taking charges are presently being paid, and to whom?

6. What, if any, fees have been paid to Directors Keough, Chalker, Forsey and Curtis since the boats were taken over by the Government and what monies, if any, were paid to Messrs. Lewis, Bjarnason and Zoega, since the first arrival of these Icelandic Boats in Newfoundland?

(13) To ask the honourable the Minister of Economic Development to lay on the table of the House the following information :

1. The total cost up to the end of February, 1952, of the government owned Birch Plant, and the total amount of monies as of February 29th, 1952, paid by the Government to Newfoundland Hardwoods Ltd.

2. A copy of the Agreement or Agreements between the Government and Chester Dawe or Chester Dawe, Ltd., and/or between Newfoundland Hardwoods and Chester Dawe or Chester Dawe, Ltd.

3. The total number of men and women now employed by Newfoundland Hardwoods, Ltd., and total amount of monies per week presently being paid out in salaries and wages.

4. The total nett earnings to date of the Newfoundland Hardwoods, Ltd.

5. What quantities have been sold and to whom?

6. Give particulars of a recent breakdown in the machinery at this plant. Who is the plant Engineer and what salary is he being paid?

7. Who are the Directors of Newfoundland Hardwoods, Ltd., and what Directors' Fees are being paid to each?

8. Have any offers yet been made for the purchase of this Plant and if so by whom, and price offered.

(14)—MR. HOLLETT—To ask the Honourable the Minister of Finance to table the following information :

1. The amount of Travelling Expenses incurred (a) by the Premier and Minister of Economic Development (b) by the Director of Economic Development, Dr. Valdmanis, in detail since April 1st, 1949.

2. The number of dinners given at Woodstock during the past twelve months by Dr. Valdmanis as Director of Economic Development, the names of persons attending each dinner, and the cost of same.

3. The nature of Dr. Valdmanis's recent trip abroad and the cost of same.

4. The amount of legal fees paid out by the Government and/or Government Departments to individual lawyers and law firms since April 1st, 1949, stating services performed and the names of lawyers and solicitors concerned.

5. What lawyers or law firms prepared the necessary Agreements between the Government and the following companies or individuals and what fees were paid in each instance? (a) Dr. Arthur Seigheim, (b) Latuco, (c) Chester Dawe or Chester Dawe, Ltd., (d) Newfoundland Hardwoods Ltd., (e) Fishery Products, Ltd., (f) North-

eastern Fish Industries, Ltd., (g) Arctic Fisheries Products, Ltd., (h) John Penny & Sons, Ltd., (i) Northlantic Fisheries, Ltd., (j) St. Lawrence Corporation of Newfoundland, Ltd., (k) Hollett Sons & Co., Ltd., (l) Falconbridge Nickel Mines, Ltd., (m) United Cotton Mills, Ltd., (n) Canadian Machinery and Industry Construction, Ltd., (o) Frobisher, Ltd., (p) Newfoundland Tanneries Ltd., (q) Dr. Sennewald, (r) Newfoundland-Labrador Corporation, Ltd., (s) Newfoundland Fur Industries, Ltd., (t) United Engineers and Contractors, Ltd. What fees were paid in each instance and to whom? Name the Government Director on each of the companies to whom the Government has loaned money or made commitments, and what, if any, remuneration is being made to each?

(15) To ask the Honourable the Minister of Provincial Affairs or appropriate Minister to table the following information :

1. What was the cost to the Treasury of the Novmber General Election and the cost by districts?

2. What was the cost to the Treasury of the recent by-election in St. John's West?

(16) To ask the Honourable the Minister of Fisheries and Co-operatives:

1. Is it correct that the Government has decided to discontinue Experimental fishing?

2. Will the Honourable Minister lay on the table of the House a detailed report of the Government's experiments in (a) long-lining, (b) Danish seining, (c) any other methods, showing costs of the various experiments, on what basis the crews were paid, i.e. on shares or on wages, and the share of wages in each case.

3. Is the Minister prepared to make any recommendations to the fishermen of the Province as a result of the experiments?

(17) To ask the Honourable the Premier to table the following information :

1. Has any action been taken to implement the recommendation of Mr. James C. Thompson of Peat, Marwick, Mitchell & Co., made on January 20th, 1950, relative to the formation of a purchasing committee, consisting of the Deputy Ministers of Finance, Supply, Health and Public Works Departments, or responsible officers appointed by them? If not, why not?

2. Is it correct that the Birch Plant, Cement and Gypsum Mills are being handed over to the Newfoundland-Labrador Corporation, Ltd.? Who is the Managing Director of this Corporation, and is he receiving any salary for same? If so, how much?

3. Give a detailed statement of monies paid out of the Suplus Account to date to industrial companies of Foreign origin, and how much is still due these several companies or account of Commitments made by the Government? Is it still the intention of the Government to borrow against the credit of the Province unlimited amounts to further finance these and other foreign industrialists?

(8) To ask the Honourable the Minister of Public Works to table the following information :

1. The amount of money expended by the Government on Road Work in each of the following periods by districts: November 3rd, 1949 to November 26th, 1949; November 3rd, 1950 to November 26th, 1950; November 3rd, 1951, to November 26th, 1951.

(19) To ask the Honourable the Minister of Finance or other appropriate Minister to lay on the table of the House the following information :

1. The numbers of Newfoundlanders apart from the House of Assembly who are employed in the Colonial Building?

2. The number of foreigners presently working in the Colonial Building. Give salaries of the individual Newfoundlanders and of the individual foreigners.

3. Relative to the Surplus Account as of Date of Union, how much is left to the credit of 1/3rd Current and how much overdrawn is the 2/3rd for Economic Development?

(20) MR. DUFFY: To ask the Honourable the Minister of Public Works to table the following information :

1. How many individuals of European origin are employed by the Department of Highroads. Give the names of such employees—the salaries they are being paid—the duties they are performing. Also inform the House whether or not the Government paid their transportation from Europe; and if so, is it the intention of the Government to deduct this amount from their salaries.

(21) MR. DUFFY: To ask the Honourable the Minister of Public Welfare to lay on the table of the House the following information :

1. How many Welfare Officers have been appointed to the various electoral districts throughout the Province?

2. Give the names of the persons appointed to such position—the districts to which they have been appointed and the salaries paid each Officer annually.

3. Also inform the House if travelling and other expenses are being paid such Officers and if so, what amount has been paid to each individual officer?

4. What was the cost annually for Relieving Officers throughout the Province prior to the appointment of these welfare officers.

5. What amount of money was expended by the Welfare Department for the fiscal year 1950-51 and the eleven months of 1951-52 for broadcasting purposes over station CBN? What is the purpose of such broadcasting? Has any additional money been paid the Deputy Minister of Welfare for this broadcasting and if so what amount has he been paid for the period above mentioned?

(22) MR DUFFY: To ask the Honourable Minister of Public Works to table the following information :

1. What amount of money was expended on the construction of the new addition to the Mental Hospital during the fiscal year 1951-52?

2. What has been the total amount of money expended on the construction of this new addition to the Mental Hospital since construction began a few years ago?

3. Is the new addition to the Mental Hospital now completed? If not, what further expenditure is necessary to complete the buildings?

4. Give the names of the individuals or Contracting Companies who performed the work of construction as well as the amount of money each individual or firm has received for work performed. This refers to the new wings on the Mental Hospital.

(23) MR. DUFFY: To ask the Honourable the Minister of Public Works:

1. To inform the House what progress has been made with respect to the construction of the Nursing Station at Trepassey.

2. Also to lay on the table of the House the information relating to the awarding of the contract for the construction of this Nursing Station at Trepassey.

Were tenders called for the performance of this particular job? If so, table a copy of all Tenders and inform the House if the lowest tender was accepted. Also advise the House the amount of such Tender.

3. To inform the House the total amount of money expended on the reconstruction of Highroads in Ferryland District from August 1st, 1951, to December 1st, 1951. Is it the intention of the Government to continue this season with the reconditioning of the Ferryland Highway and what amount of money will be expended in this respect?

4. Also inform the House the total amount of money allocated to Ferryland District in the way of local grants specifying the amount spent in each settlement.

(24) MR. HIGGINS: To ask the Honourable the Minister of Finance or the appropriate Minister to table the following information:

1. A statement showing the total amount advanced for the construction of the Gypsum Plant at Corner Brook, giving the total cost of this Plant to the Government.

2. A statement showing any contracts made for the sale of the Gypsum product.

3. Whether the Plant is for sale and if negotiations have taken place or are taking place for the sale of this Plant.

4. A statement showing from whom the machinery for this Plant was purchased; the cost thereof and whether any inspection was made by anyone on behalf of the Government as to the condition of this machinery.

(25) To ask the Minister of Finance and/or the appropriate Minister to table the following information:

1. A statement showing the total amount advanced for the construction of the Cement Plant at Corner Brook, giving the total cost of this Plant to the Government.

2. Is the Plant now operating at full capacity?

3. How many persons are employed at the said Plant and what are the nationalities of the employees?

4. What sales, if any, have been made of the finished products of the said Plant?

5. A statement giving all the facts relative to any breakdown in the machinery and other equipment of the said Plant since the date of its formal opening, whether this trouble has been overcome, and whether there has been any cost to the Government involved thereby.

(26) MR. CASHIN: To ask the Honourable the Minister of Finance to table the following information:

1. A Copy of the Report of the Comptroller and Auditor General for the fiscal year 1950-51.

2. Total amount of cash surplus remaining to the credit of the Exchequer in the Bank of Montreal at St. John's as at February 29th, 1952; as well as the total amount of cash to the Credit of the Province of Newfoundland on deposit with the Federal Government at Ottawa at the present time.

3. The Cash surplus to the Credit of the Newfoundland Savings Bank at the end of December, 1951; also the total deposits in the Newfoundland Savings Bank at the present time, together with a statement showing the securities and Cash held by that Bank against these deposits.

4. The total Cash surplus to the Credit of the Board of Liquor Department as at February 29th, 1952; together with a statement showing the value of stock on hand by that Department, as well as a statement showing any outstanding debts that may be due by that Department for purchase of liquor.

5. The total Ordinary Revenue exclusive of subsidies or grants from the Federal Government received by the Treasury from April 1st, 1951, to February 29th, 1952. This information to be given under the various Departmental headings.

6. The total subsidies and special grants received from the Federal Governments from April 1st, 1951, to February 29th, 1952. This information to be given showing special grants for Health and Welfare Departments as well as subsidies and Transitional grants received under the Finance Department. In other words table all information covering the total amount of money received from the Federal Government over the period April 1st, 1951, to February 29th, 1952.

7. Table a statement showing the total Ordinary Expenditure by the Provincial Government under specific Departmental Headings from April 1st, 1951, to February 29th, 1952.

8. The total Capital Expenditure under the various Departmental Headings from April 1st, 1951, to February 29th, 1952.

9. The Grand total Expenditure of the Province of Newfoundland under the various Departmental Headings from April 1st, 1951, to February 29th, 1952; also the grand total revenue for the same period under the various Departmental Headings.

(27) MR. CASHIN: To ask the honourable the Minister of Finance and/or appropriate Minister to table the following information:

1. A statement showing the actual Cash Loans made to various Industries and Companies for Fishery development—the amounts of the original loans—the rate of interest charged on such loans—and the amounts due by each Company at the present time. This information to include loans granted by the Commission Government prior to April 1st, 1949—giving the names of the various Corporations or individuals to whom such loans were made.

2. A statement showing Bank guarantees given various Corporations or individuals by the present administration from April 1st, 1949 to date—together with the names of the corporations—the dates the guarantees were given—and the amounts outstanding at the present time.

With reference to these two questions give all details as to terms, etc.

(28) MR. CASHIN: To ask the honourable the Minister of Finance to table the following information:

1. Under what Department do the Loan Boards under the Chairmanship of Mr. James Baxter function?

2. Table a statement showing the number and names of the various individuals working in conjunction with these loan boards, showing the salaries paid to each individual.

3. From what vote in the estimates for 1951-52 have these various salaries been paid?

4. What loans or advances have these loan boards made or recommended to be made since their inception?

5. Give the names of the Corporations or individuals to whom such loans or advances have been made—the dates the loans were made—and what security the Government has been given for such advances.

6. Give a detailed statement covering the administration of the three amounts voted by the House in the 1950-51 estimates amounting to \$1,500,000.00 for the three Loan Boards under Mr. Baxter's chairmanship. Inform the House if these three amounts were passed over to custody of the Loan Boards or deposited in a separate account in the Bank of Montreal at St. John's for administration by the Loan Boards. Give full particulars covering the administration of this particular amount of money. This question has reference to three specific amounts voted in 1950-51 estimates as follows: Industrial Loan Board \$300,000.00, see page 2—Estimates. Fisheries Loan Board \$1,000,000.00, see page 57, Estimates. Co-operative Loan Board, \$200,000.00 see page 58, Estimates 1950-51.

(29) To ask the honourable the Minister of Finance to table a statement showing the amount of money collected under the Social Security Act from April 1st, 1951 to February 29th, 1952.

To ask the honourable the Minister of Public Welfare to table a statement showing the amount of money paid out to persons all over the Province as outlined under Section 2, sub-section L

of the Social Security Act. This information to be given in detail as applied to each classification.

(30) To ask the honourable the Minister of Economic Development to table the following information:

1. What amount of money has been advanced to the Canadian Machinery Construction Limited?

2. What progress has been made in the construction of this plant at the Octagon on Topsail Road?

3. Give the names of permanent employees at present engaged and under salary with this Company—together with the rates of salary being paid each individual.

4. Have any negotiations been made either by officials of the Machinery Company or the Premier and Attorney General on behalf of this particular Company to sell the Bond Issue of some \$2,500,000.00 which was guaranteed by the Government under an agreement enacted in the Legislature at its last session?

5. If any negotiations have taken place table the information requested and inform the House what the prospects for selling the Bond Issue are and at what price it is anticipated such bond issue will be sold?

(31) To ask the honourable the Minister of Finance or the Minister of Economic Development to table the following information:

1. What amount of money has been advanced to the Newfoundland Tanneries—William Dorn, Limited, by the Government?

2. Has the Company made any effort to sell its Bond Issue of \$300,000.00 which was guaranteed by the Government under an agreement entered into

last autumn and which was passed by the Legislature at its last session? If the Company has not been successful in selling this particular bond issue, what steps are being taken to recover any monies advanced by the Government, or did the Premier and the Attorney General make any effort during their visit to financial centres in the United States and Canada to negotiate the sale of these particular securities? If so, what progress was made?

(32) To ask the honourable the Minister of Finance and/or the Minister of Economic Development to table the following information :

1. What amount of money has been advanced to the United Cotton Mills, Limited?

2. Has the Company made any effort to sell the Bond Issue of some \$2,000,000.00 guaranteed by the Government, under an agreement entered into last autumn and which was passed by the Legislature at its last session? If the Company has not been successful in selling this particular Bond Issue, did the Premier and the Attorney General make any effort to negotiate the sale of such Bond Issue during their visit to the Mainland and the U.S.A. in January last? What progress was made in this respect?

3. Give a statement showing the amounts paid to individuals or Companies for properties purchased by either the Government or European Companies for the purpose of establishing certain new industries in Newfoundland. For instance, what price was paid for the Octagon property on the Topsail Road—the property for the Cotton Mill in St. John's West—the property for the Oil-hardening Plant in Harbour Grace and any other properties purchased for the estab-

lishment of new industries. Give full particulars regarding the purchase of such properties.

33. To ask the honourable the Minister of Economic Development to table the following information :

1. The report submitted by the Rockefeller Organization known as IBEC, which report presumably covers a survey of Labrador areas and the possibility of establishment of another pulp and paper mill.

2. Inform the House what was the charge made by the Rockefeller Organization for conducting this particular survey.

3. Table a statement showing the names of all personnel employed in the Department, whose services have been acquired in Europe.

4. Give the specific position each individual occupies, together with salary paid.

5. Was free transportation provided to bring these people from Europe?

6. A statement showing the total amount expended by the Department of the Premier as well as the Economic Development for travelling expenses from April 1st, 1951, to February 29th, 1952—to whom the amounts were paid and what services were rendered in connection with such travelling.

7. What machinery and/or equipment has been imported from Europe for the fiscal year 1951-52 to be used in the establishment of certain new industries sponsored by the Government—the value of such machinery—who inspected the machinery on behalf of the Government? If no inspection was made, why not?

8. Inform the House what work is being done by the firm of Coverdale

& Colpitts on behalf of the Government, and what arrangements have been made with that firm regarding payment of their fees, etc.?

9. What is the present position of the Newfoundland-Labrador Corporation? Has the Government subscribed its \$900,000.00 for shares in this Corporation? Have Harriman-Ripley & Co., as well as Wood, Gundy Co., and others subscribed its \$100,000.00 for shares in the Corporation? What investigations or surveys has the Company conducted? Give all particulars regarding the activities of the Corporation up to the present time.

(34) MR. CASHIN: To ask the honourable the Minister of Finance to table the following information:

1. Why has it been necessary to appoint Mr. James Thompson as Financial Adviser to the Government?

2. What are Mr. Thompson's specific duties?

3. What salary or fee is Mr. Thompson being paid for his services as Financial Adviser?

4. Has Mr. Thompson been engaged as a permanent employee of the Government or on a part-time basis? Does Mr. Thompson still remain a partner in his auditing firm?

5. Table a statement showing what amount of money has been paid to the firm of Peet, Marwick, Mitchell & Company or to Mr. James Thompson for services rendered the Newfoundland Government since April 1st, 1949, to date.

6. Table a statement showing what amount of money was paid the firm of Peat, Marwick, Mitchell, & Company or Mr. James Thompson for services rendered the Newfoundland

Delegation, which negotiated the Terms of Union with Newfoundland and Canada in 1948-49. Also table the financial Budget and recommendations supplied the Newfoundland delegation to Ottawa and prepared by Mr. Thompson or his firm during the negotiations of Union of Newfoundland with Canada.

7. In view of Mr. Thompson's appointment to this important position in the Government, it is to be assumed that Mr. Allen the Auditor General and Mr. Marshall, the Comptroller of the Treasury are not considered competent by the present administration?

(35) MR. CASHIN: To ask the honourable the Premier or the Minister of Finance to table the following information:

1. When Union with Canada was consummated on April 1st, 1949, did Mr. James Thompson suggest to the Government or to the Delegation that negotiated the Terms of Union a Budget showing the estimated revenues and expenditures of Newfoundland as a Province of Canada? Would the Premier or Minister of Finance table such Budget for the information of the House?

2. What have been the total expenditures of the Province of Newfoundland both Current and Capital for the fiscal years 1949-50 and 1950-51. Table a statement showing such expenditures for each fiscal year.

3. What have been the total revenues for each fiscal year 1949-50 and 1950-51? Table a statement showing such revenue.

4. Table a statement showing what amount of actual Cash has been taken from the Cash Surplus which was on hand on April 1st, 1949 from Ordinary

Current Account Expenditures and for Capital Expenditures. Also inform the House what is the actual Cash surplus remaining to the Credit of the Province at the present time?

(36) To ask the honourable the Minister of Economic Development and/or the appropriate Minister to table the following information :

1. What has been the total cost to the Province of Newfoundland for the Campaign "to buy Newfoundland Products" instituted during the fiscal year 1950-51?

2. Give a detailed statement of the amounts paid; to whom they were paid; what particular services were rendered for such payments?

3. Give the names of the individuals who had charge of this particular campaign; as well as the amounts paid to each individual for services rendered in connection with the campaign.

4. It is requested that this information covering this particular information is to be certified by the Auditor General or the Comptroller of the Treasury.

Orders of the Day

MR. SMALLWOOD : Mr. Speaker, I move that the House at its rising do adjourn until Tuesday, March 18, at 3:00 of the clock, by which time, Mr. Speaker, I would hope that my honourable friends opposite will be prepared to proceed with the debate on the Address in Reply, if by then the Address in Reply has been brought down by the Committee appointed by Your Honour this afternoon.

MR. CASHIN : In seconding the motion to adjourn until Tuesday next I would say to the Premier that the Opposition will be prepared to go

ahead with the Address in Reply just as quickly as possible and particularly on the receipt of answers to questions which we have tabled here this evening.

MR. SPEAKER : Order—I must say the motion to adjourn does not require a seconder.

MR. SMALLWOOD : May I say the Government does not propose to postpone the debate until all the questions have been answered. We will undertake they will be answered before the debate on the budget.

MR. SPEAKER : The House will be governed by parliamentary rules pertaining thereto.

House is adjourned until tomorrow, Tuesday, March 18 at 3:00 of the clock.

TUESDAY, March 18, 1952.

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

HON. DR. H. L. POTTLE (Minister of Public Welfare) : Mr. Speaker, as the House is aware, beginning January 1st, of this year under proclamation, the Government of Canada accepted entire responsibility for old age pensions at the rate of \$40.00 per month for all persons over the age of seventy years. Prior to January 1st, the cost was Dominionally and Provincially shared, and the annual cost to the Newfoundland Treasury was approximately \$1,300,000. It is also known to the House effective January 1st, of this year under Provincial Old Age Assistance . . . (This Dr. Pottle read from report tabled).

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I would like to lay on the table of the House regulations which have been made by the Department of Public Works under the Public Works Act, 1950. These regulations were brought into force and published on the first day of May 1951 by the Lieutenant Governor in Council. I also beg leave to lay on the table, another copy of regulations published under the Department of Public Works Act, 1950, brought into effect on the 31st, of May, 1951.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, in accordance with the rules, I beg leave to table the Public Accounts of the year ending March 31, 1950, together with the Auditor General's Report thereof.

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, I beg leave to table the annual report of the Department of Education for the year ending March 31, 1951. Honourable members will find a copy of this report on their desks.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I beg leave to lay on the table of the House, a report on the establishment of a cement mill in Newfoundland. Copies of this report have been prepared for all members of the House. I also have a report prepared on the establishment of a gypsum and gypsum wallboard plant in Newfoundland. Copies of this too, are available for all members of the House, and copies of a report on the establishment of a machinery plant in Newfoundland of which also copies are available for all members of the House; copy of a report of the establishment of a gypsum or pressboard industry in Newfoundland with copies for all members of the House, copy of a report on the

establishment of a leather tannery in Newfoundland with copies for all members of the House.

I may say two things about these reports; first that for the most part these reports were prepared many months ago for the Government and are now issued after some revision in the light of additional information gathered since the original editions were prepared for presentation to the Government; secondly, that other reports on industries are in course of preparation and will be tabled very soon in this House.

Presenting Petitions

MR. DROVER: Mr. Speaker, I beg leave to present a petition from the people of Baie-Verte and White Bay, signed by 1,450 persons requesting that a road from Baie-Verte be linked with the Trans-Canada Highway. The people from Seal Cove, Conche, Western Arm and several places in Green Bay signed the petition. At the present time, there is a snow-trail for about two miles of road, approximately eighteen more miles are to be built in connection with the Trans-Canada Highway.

Baie-Verte is a central spot and in summer time, people from wide areas can get in to Baie-Verte by boat and during the winter time by snowmobile trail. I have much pleasure, Sir, in supporting this petition and ask that it be tabled in the House and referred to the proper authorities.

Mr. Speaker, I have another petition from the people of Quirpon, Noddy Bay, Carpon Cove, Cape Bauld, and other settlements. It is signed by three hundred fishermen and they are requesting the Government, or asking the co-operation of the Government to build an up-to-date Salt

Fish Curing and Drying Plant at Quirpon. They also would like for ten years guarantee to pay back such a loan, and for the plant to be operated forthwith. I have pleasure in supporting this petition and ask that it be tabled in the House and forwarded to the department concerned.

MR. SMALLWOOD: Mr. Speaker, I rise to support the prayer of the petition just presented from the people of Quirpon, and on that matter, it might be well if I put on the record the facts of the case today.

There is already at Quirpon, as my honourable friend knows, such a plant as that mentioned in the petition. It was built there last year by means of a loan granted by the Fisheries Development Loan Board made to three private business men. That decision was taken as a result of numerous conferences in my office between the three businessmen in question, the Minister and Deputy Minister of Fisheries, and the Deputy Minister of Co-operatives, and certain delegates to the fishermen's convention and, I believe, the honourable member for White Bay. The undertaking on the part of these businessmen was this: In return for a loan from the loan board, they would build and operate a plant in Quirpon and when the fishermen there were properly organized into a co-operative association and properly trained in the principles of that organization for which purpose a field worker was to go there and did go there to organize the fishermen and conduct study clubs, then the businessmen would pass the plant over to the fishermen's organization to be operated on a co-operative basis.

Now my honourable friend, the member for White Bay, is perfectly familiar with all this and it is not for

his benefit I say it, but rather to get it on the record that the businessmen in question undertook to pass the plant over at cost to the co-operative association, if and when such an organization came into existence, and could be approved by the Co-operative Department. I have no doubt whatsoever that the three businessmen in question will do as they undertook to do as soon as conditions have been met, so that in fact, there will be no need for the fishermen in Quirpon to build yet another fish plant, there is a fish plant already there for them the moment they are ready to take over and operate in their own interest. This is the deal that was made, but with the general sentiment of the petition I must, of course, express complete agreement and support its prayer.

MR. JACKMAN: Mr. Speaker, I rise to a question of privilege. Since the last sitting of this House, Sir, we have lost a man who represented Harbour Main-Bell Island District on this side of the House, in the person of Ron Fahey. If it is in order, Sir, I would like to move a resolution that this House would record its sympathy and send a message of condolence to his wife and family.

MR. CASHIN: Mr. Speaker, I rise for the purpose of seconding the motion made by the honourable member for Harbour Main-Bell Island in respect of the death of the late Mr. Fahey who died last week. He has been very ill for the last year, and he passed away and was interred on Saturday last. I have great regrets really in supporting this resolution asking that the House forward the usual motion of condolence to the family of Mr. Fahey.

MR. SMALLWOOD: Mr. Speaker, I had intended to move that motion

myself before the Orders of the Day were called and I support the motion moved by the honourable gentleman with real sincerity. The late Mr. Fahey was regarded with affection by all members of the House, on both sides of it. We were all indeed sorry that the state of his health prevented him from taking part in the recent general election, and thereby depriving himself a seat, probably in the present general assembly.

Mr. Fahey, I have heard the deputy-speaker of the last general assembly, and I have heard you, Sir, say adapted himself to the procedure and rules of the House more rapidly and probably more readily than did any other new member of the last General Assembly. He had not an evil bone in his body, he was perfectly decent, perfectly frank, perfectly fair, perfectly friendly. He was a man you just could not help liking, and it was with great regret indeed, with real sorrow I think that all of us who were here last time heard of his sickness and finally of his death. It was for me personally a matter of very great regret that on Saturday I found myself unable to attend Mr. Fahey's funeral. I left a Cabinet meeting at 1:30 p.m. on Saturday with the intention of getting a quick bite to eat and getting on to the funeral, forgetting completely that General Whitten had already made an appointment to come to my office at 2:30, and other people from out of town, who had made appointments and I just could not leave and I was genuinely sorry I could not pay my last respects to an old friend, who was a friend of mine many long years before this House of Assembly elected us three years ago. I think I speak for everyone in the House as did the honourable Leader of the Opposition and the mover of the motion, when

I say we are all extremely sorry in the death of Ron Fahey, and all of us here today support the motion to extend condolence to his family.

MR. FOGWILL: Mr. Speaker, in supporting the motion that this House send expressions of sympathy to the family of the late Ronald J. Fahey, I think, Sir, that I have known Mr. Fahey for a longer period and have been more closely in touch with him than anyone else in this House. I have known Ron Fahey for the last quarter of a century, and to know Ron Fahey and know him well, as I did, to know of his work on behalf of his fellow workers in the trade unions and to know of his courage and determination in anything he undertook to do along with his fellow workers, and to know him as I did know him, as a friend, I say, Sir, that the community has lost a good citizen and this House has lost a good member. Thank you.

Resolution that a letter of sympathy and condolence be forwarded to the widow of the late Ronald J. Fahey adopted.

MR. MORGAN: Mr. Speaker, I beg leave to present a petition signed by the residents of Baie-Verte in the district of White Bay, Middle Arm, South Brook, Little Bay, etc., in the district of Green Bay praying that a road be constructed joining Burlington to the Baie-Verte Road. In the Fall of 1950 some work was done on this road, but since that time nothing has been done. The road is being used by practically all the residents of the North side of Green Bay, as it is their only connection to the Bowater logging camps at Baie-Verte. In addition to that, there is a hospital at Baie-Verte and it happens quite often that urgent cases have to be taken over this road. At the same

time, I should also like to support the petition just presented by the honourable member for White Bay as this Burlington Road would connect with Baie-Verte and so on to the Trans-Canada Highway.

I have great pleasure in supporting this petition and move it be placed on the table of this House and referred to the Department concerned.

MR. BROWN: Mr. Speaker, I beg leave to present to this House a petition signed by twenty-nine residents of Birchy Cove in the district of Bonavista South, requesting that a school be built. They request that this building be erected at that place at the earliest possible opportunity. There are thirty-five children in the community, twenty of whom are of school age, and they are presently attending school at Newman's Cove, a little over a mile distant. The road between the settlements skirts the shoreline. It is open to the broad Atlantic and travel at the best of times is hazardous and dangerous. As a consequence the children are unable to attend school on many occasions. The residents of the community are prepared to contribute on a fifty-fifty basis toward the erection of the school and I have much pleasure in supporting their demand and I request that the petition be tabled in the House and referred to the Department of Education concerned.

Presenting Reports of Standing and Select Committees

None.

MR. SPEAKER: Motion is that the Address in Reply be adopted.

MR. SMALLWOOD: I move the debate be adjourned to a later hour this day.

DR. POTTLE: I beg leave to lay on the table of the House gazetted copies of regulations being the Blind Persons' Allowance Provisions, under the provisions of the Blind Persons' Allowance Act, 1951.

MR. SMALLWOOD: Mr. Speaker, before you come to the Orders of the Day, I should like to call the attention of the House to the newest gifts received by us from sister provinces of Canada. Since the last General Assembly, a very beautiful table has been received as the gift of the Province and Legislature of Quebec. It was made in the Provincial Handicraft Centre of Quebec, by hand, and is, I should think, a very fine example of Quebec handicraft. The top of the table has set into it in brass the crest of Newfoundland and on the end there is another plaque stating the fact that it is the gift of the Province of Quebec to the Legislature of Newfoundland. At the time that the Premier of Quebec suggested to me that his Province, his Government, his Administration of the Government would like to make a gift to Newfoundland the Premier of New Brunswick was present. He too declared the eagerness of New Brunswick to make a gift to the Legislature of Newfoundland and so it was arranged between them, Premier Duplessis and Premier McNair, to exchange designs so that New Brunswick would make a set of chairs that would blend into the design of the treasury table. The chairs, two of which are in the Chamber at the moment, one occupied by the Clerk of the House, and the other, in the corner yonder, the third being out of the Chamber, are the gift of the Province and Legislature of New Brunswick. Unfortunately, it appears that the measurements of the table must have been a little astray

because instead of being a bit narrower than the one it replaces, it appears to be even a little wider leaving even less room than there was before for the passage of members between the Chair on either side and the front desk, and so with great regret it has appeared necessary not to use these chairs on the side of the Treasury Table. Mr. Speaker, I don't know if it is in order at this stage to make a motion to the effect that this Legislature express to the Provinces and Governments and Legislatures of Quebec and New Brunswick its deep appreciation of their brotherly feeling towards us in making these gifts. If that is in order, I would so move and if not I would so move on another more suitable occasion. There is left now in all of Canada only one Province that has not made a gift to this House, and that is the Province of Nova Scotia. That is an omission for which Nova Scotia cannot be blamed, as the Premier of that Province has already asked me what I thought would be a suitable gift from his Province and the Legislature of Nova Scotia. As soon as we can find a suitable object for the House, I will be happy indeed to suggest to Mr. McDonald the Premier of Nova Scotia what would make an acceptable gift for this Chamber. The clock is the gift of Manitoba, the beautiful sword of the Sergeant at Arms is the gift of the Province of Saskatchewan, the incomparably beautiful mace is the gift of the Province of British Columbia, the very beautiful throne or chair for Mr. Speaker, was handcarved in Ontario and is the gift of the Province and Legislature of Ontario. The gavel is the gift of Prince Edward Island, the table of Quebec, the chairs of New Brunswick, and soon, I hope that all the Provinces of Canada will

be represented physically here in this Chamber of ours. Could you advise me, Mr. Speaker, if it is in order for me to move that at this stage.

MR. SPEAKER: The motion is quite in order.

MR. SMALLWOOD: I do so move and if it could be a motion of the whole House, which Mr. Speaker would convey to the honourable Premier of Quebec and the honourable Speaker of the Legislature of Quebec and to the honourable Premier and the honourable Speaker of the Legislature of New Brunswick in warmest possible tones, an expression of the appreciation of the Legislature of Britain's oldest Colony, Newfoundland, the newest Province, for their great kindness and brotherly feelings towards us which we hope will continue. I would now suggest this be added to the resolutions or the letter conveying our appreciation, more especially to these two Provinces which lie physically closest to the Province of Newfoundland.

MR. CASHIN: I have great pleasure in seconding that motion, and I don't think there is any necessity for me to comment at this time in connection with these gifts from the various Provinces of the Dominion. I have great pleasure in seconding the resolution.

MR. JACKMAN: Mr. Speaker, I too, support the motion in one part, and one part only. I am prepared, Sir, to thank the Premier of New Brunswick for his gift to this House, but as far as I am concerned, I am not prepared to thank the Premier Duplessis unless first of all he will agree to the boundary which was set down many years ago by Newfoundland.

DR. POTTLE: Mr. Speaker, I presume that similar acknowledgements

have gone to other Provinces for their respective gifts?

MR. SPEAKER: Yes.

Giving Notice of Motions and Questions

Mr. Cashin and Mr. Hollett give notice of questions on tomorrow.

Honourable the Premier asks leave to introduce a Bill, "An Act to Amend the Fire Patrol Act, 1948." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Premier asks leave to introduce a Bill, "An Act to Amend the Timber License (Revision to Crown) Act, 1951." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Attorney General asks leave to introduce a Bill, "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees.'" Bill read a first time, ordered read a second time on tomorrow.

Honourable the Attorney General asks leave to introduce a Bill, "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Supply asks leave to introduce a Bill, "An Act Relating to the Designation of Certain Local Government Officials." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Supply asks leave to introduce a Bill, "An Act to Amend the Local Government (Elections) Act, 1951." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Public Welfare asks leave to introduce a Bill, "An Act Further to Amend the Public Welfare Act, 1949." Bill read a first time, ordered read a second time on tomorrow.

Notice of Question

MR. SPEAKER: Questions 1, 2, 3, 4, 5, 6, 7.

MR. SMALLWOOD: Mr. Speaker, the property at the Octagon on which the Machine Plant is being constructed we purchased from the Spurrell Estate for \$50,000. The factory is proposed to be built in successive stages the first stage of which is presently in process of being realized with construction of a warehouse and personnel barracks, both of which have been completed and a large factory building is now being built. By September 30th, 1952, the first stage of the plant should be completed; production, however, can start even before completion, namely in June 1952.

Description tabled.

Question 1. (3) Description of type of machinery tabled.

(4) The survey was made by the owners of the plant on the Continent of Canada and the United States of America. It cost the Government nothing, they did not make the survey, and we do not propose to have it tabled.

(5) Five hundred men will be employed in this plant from the first stage of the plant, the stage presently in process of being realized.

(6) Their expectation is to employ some thirty skilled men who will be brought in from the Continent of Europe, thirty Germans out of five hundred, four hundred and seventy

will be Newfoundlanders in Newfoundland or out of Newfoundland, if they are not to be in Newfoundland, and if not in or out then other Canadians will be employed, but only up to the limit that Newfoundlanders cannot be gotten. Four hundred and seventy in the first stage of development will be Newfoundlanders. Four hundred and seventy out of the first five hundred.

(8) In respect to the proposal to set up vocational training schools there will be no cost whatsoever to the Government. The training will be carried on by the company which is erecting as part of the plant a vocational training school. How long exactly each worker will be trained I am afraid I don't know. I do know, however, that apprentices beginning from scratch will require much longer than men or older persons with some skill to begin with. This I do know that in every case where a complete case of training is offered and received by a worker, that worker is expected to undertake to work with the plant for a minimum of two years.

Question No. 2.

(1) The proposed Textile Plant is to be located exactly at the corner of James' Lane and Blackmarsh Road.

(2) The site consisting of twenty acres purchased for \$37,500 from Thomas James and the Cowan Estate.

(3) There will be eight hundred employees, sixty percent male, forty percent female, five percent European. Ninety-five percent Newfoundlanders. There are to be eight buildings, the main one five hundred feet by seven hundred and fifty feet. There will be two hundred and twenty-five looms and five thousand spindles manufacturing one million feet of cotton yarn

and four million yards of cotton fabric. The products of the plant to be sold wherever the company can find sales. It is expected to be very largely in Canada, which includes Newfoundland.

(4) This I have already answered.

Question No. 3.

First I have pleasure in tabling the report of the Power Corporation of Canada on their investigation into the Bay D'Espoir Watersheds. The report shows that there can be developed there, two hundred and eighty thousand horsepower at one hundred and eighty-two dollars per horsepower. One thousand million working hours at 0.46c. per kilowatt. That is almost half a cent. The total cost including the cost of installation is fifty-one million dollars. The cost to the Government of having the survey made is \$386,414.15.

MR. CASHIN: Did the honourable the Premier table the cost?

MR. SMALLWOOD: All the information I have given is contained in the report with exception only of the work done for us by the Power Corporation of Canada. That is not in the report, obviously.

MR. FOGWILL: With respect to a question just answered by the honourable Premier—No. 2 of that question asks: What amount has been paid to date to the Corporation?

MR. SMALLWOOD: I just gave that. \$386,414.15. It has been paid.

Question No. 4.

MR. SPENCER: Mr. Speaker, the answer to No. 4 is in course of preparation.

Question No. 5.

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I have part of the answer to number 5. (1).

Answer tabled as follows:

The following is a list of the firms with whom Orders for Advertising were placed during the period 1st. April, 1951 to 29th. February, 1952, showing the amount paid to each firm and the total amount expended for advertising during that period:

LOCAL FIRMS:

Daily News	\$ 5,935.16
Evening Telegram	6,144.62
Sunday Herald	2,096.40
Newfoundland Gazette	9,072.87
Fishermen's Advocate	217.80
Grand Falls Advertiser	958.25
Western Star	1,740.62
Nfld. Journal of Commerce.....	288.75
Cap & Gown (Memorial University)	18.00
Observers Weekly	12.60
The Newfoundlander	28.50
Local Firms	\$26,453.57

FOREIGN FIRMS:

Maritime Advocate	\$ 162.00
Canadian Medical Association	183.26
Canadian Journal of Public Health	20.00
Sydney Post Record	46.54
Canadian Medical Association Journal	37.73
Halifax Herald	187.17
St. John Telegraph-Journal.....	18.20
Atlantic Guardian	60.00
Financial Post	1,301.00
Canadian Dietetic Journal.....	10.00
Globe & Mail	314.30
Halifax Chronicle	30.00
Roads Engineering Construction	60.00
Guardian Press	275.00
Nova Scotia Agricultural College	20.00

Canadian Association of French Speaking Education	25.00
Financial Times	600.00
Times Globe & Telegraph	65.20
Journal of the Canadian Association of Medical Students	30.25
Canada Gazette	51.60
The Postal Tribune	75.00
The Montreal Star	64.60
Canadian Nurse	15.00
The Toronto Star	16.20
Foreign Firms	\$ 3,668.05
TOTAL	\$30,121.62

MR. HOLLETT: Mr. Speaker, may I ask—a point or order— I am just a newcomer, I notice a question before the House asking the Minister to table this information, does that mean he has to read it all out? I would like a decision on that, Sir.

MR. SPEAKER: I would say in this respect, questions should be as short as possible and answers as brief as possible. However, it is impossible to confine Ministers to length of answers and it has been the custom followed here that replies to almost every question except a very long one has been read and also tabled.

MR. SMALLWOOD: I may say the Government reserves the right to table the answers in writing or verbally as and when it pleases.

MR. HOLLETT: Mr. Speaker, may I ask on what that reservation is based, on what rule? The Premier said he reserved the right to answer, the Government reserves the right, on what rule is that based?

MR. SPEAKER: I am afraid the Chair cannot answer. If it is a debate as to whether the questions should be tabled and read, the custom here is for Ministers to read and

table the answers. That is the course followed. As for what reservations the Government might make and whether it is based on parliamentary procedure.—In the present instance we are following procedure we have followed for a number of years.

MR. FORSEY: Mr. Speaker, I am quite prepared to table the information as far as I am concerned it is rather wearysome reading answers. I am just about to the end of this.

Mr. Speaker, I have the answer to No. 5 (5) which I beg leave to table. I have the lists of ham and bacon for each month and, Mr. Speaker, I might say these questions were comparatively easy to schedule, but the other questions here for drugs and medicines and dry goods are not easy. It will involve the investigation of some thousands of tenders and I believe it would be necessary to have some of our staff back at nights to do the work and it would result in a cost to the Treasury. So, if the honourable member for St. John's East is agreeable, I would suggest, Mr. Speaker, that a Committee of the House be appointed to investigate on the spot in the Department of Supply these various tenders. We will have all the requisitions and correspondence and tenders relating to the drugs, medicines and hospital equipment there for their investigation and I would appoint two of the senior officials of the Department to be there to give answers and/or help, and information they want and at their convenience, either morning, afternoon, or night. I think that would be much better.—Any question on any subject?

MR. SMALLWOOD: May I ask the honourable Minister, my colleague,

in Supply, if his statement amounts to this; anything anyone wants to know in this House about any prices the Government business is there ready for any member to see, all the requisitions made, all the contracts awarded, all the tenders submitted?

MR. FORSEY: That is correct, Mr. Speaker.

MR. CASHIN: That is not the point. As I see it, an honourable member on this side, or on either side for that matter, asks a question, and whilst it is realized sometimes, it is difficult to get information quickly and sometimes it is most difficult to dig out from the accounts specific information, at the same time when asked in the House, if they are going to be answered, members should not have to run back and forth to the various departments to see the tenders and what prices have been paid.

MR. SPEAKER: On the other hand, the Chair must remind honourable members a question is not properly in order if the answer is available to the general public. Furthermore, whilst almost any question within reason may be asked no honourable member may insist on an answer or the form of answer. Therefore, if the honourable Minister decides to answer questions No. 5 by making all the data and information available to the inquiring member or a committee of the House, there is no recourse to take, but to take that as an answer to the questions if the honourable members of the House decide to avail themselves of the opportunity or not would be for themselves to decide.

Question No. 5 tabled as follows :

The following statement shows the total number pounds of Ham and Bacon supplied Government Institutions for the period 1st, April 1951, to 29th, February, 1952, together with the names of suppliers, brands and the price per pound :

Total number of pounds of Ham and Bacon supplied Government Institutions :

Ham 32,034 lbs.		Bacon 36,760 lbs.
Supplier of Ham	Chalker & Co. Ltd.	26,744 lbs.
	Peter Pan Sales Co.	5,290 lbs.
Supplier of Bacon	Chalker & Co. Ltd.	29,410 lbs.
	Peter Pan Sales Co.	7,350 lbs.

H A M

Months	Supplier	Price Each Month
April, 1951	Chalker & Co. Ltd.	70c. per lb.
May	" " " "	69c. " "
June	" " " "	69c. " "
July	" " " "	70c. " "
August	" " " "	71c. " "
September	" " " "	71c. " "
October	" " " "	69c. " "
November	" " " "	67c. " "
December	" " " "	66c. " "
January, 1952	Peter Pan Sales Co.	63c. " "
February	" " " "	63c. " "
March	Chalker & Co. Ltd.	60c. " "

B A C O N

Months	Supplier	Price Each Month
April, 1951	Chalker & Co. Ltd.	60c. per lb.
May	Peter Pan Sales Co.	56c. " "
June	" " " "	57c. " "
July	Chalker & Co. Ltd.	60c. " "
August	" " " "	60c. " "
September	" " " "	65c. " "
October	" " " "	65c. " "
November	" " " "	60c. " "
December	" " " "	68c. " "
January, 1952	Peter Pan Sales Co.	58c. " "
February	Chalker & Co. Ltd.	49c. " "
March	Peter Pan Sales Co.	44c. " "

MR. SPEAKER: Question No. 6.

MR. SPENCER: Mr. Speaker, in reply to question No. 6, Order Paper March 18th, 6 (1) Alterations are being made to the house recently occupied by the Chief of Police for adoption for use as office building. Some additional windows have been installed to provide additional light and minor operations to change the arrangement of the home; new lighting and a new heating plant as the existing installations are old and unsuitable.

6 (2) The plumbing, heating and wood work and electric work, plumbing heating and wood work done by William Tiller, electric work, Joseph Ashley, painting, Mr. R. J. Green, and all other work was done by the staff of the Public Works Department.

6 (3) Tenders were invited on plumbing and heating work from the only two local firms with staffs large enough to handle the job with dispatch and having on hand the necessary materials to perform the work, the lower tender was accepted. Owing to the nature of the work involved to make alterations to the existing building, it was not possible to determine in advance the extent of the work to be done in electrical and painting and the tradesmen named before were engaged on a day's work basis.

6 (4) The building is to be rented to the Newfoundland Labrador Corporation for offices. There is one bed-livingroom.

MR. SPEAKER: Question No. 7.

Question 7 (1), (2), (3), the answer is no.

MR. SPEAKER: Question No. 8.

MR. POWER: This requires clarification. If the honourable member

will submit the question in greater clarity, the matter will receive attention.

MR. SPEAKER: Question No. 9.

MR. SMALLWOOD:

9. (1) No appointment has been requested nor made under the provisions of Section 5, sub. sec. (4) of the Government Seigheim (Agreement) Act, 1951.

(2) I have received no information and therefore, cannot answer this question.

(3) Dr. Seigheim was not represented by any lawyer or law firm when his agreement with the Government was negotiated. I know nothing of any negotiations with the RCAF and the Canadian National Telegraphs.

(4) I have received no information and, therefore, cannot answer this question. I would like to add that the Government has had no dealings with any Dr. Seigheim from Eastern Germany.

MR. SPEAKER: Question No. 10.

MR. SMALLWOOD: I would like to preface my answer first by saying with great emphasis what my honourable colleague has just said. We have no knowledge of any Dr. Seigheim from Eastern Germany, and have nothing to do whatsoever with any Dr. Seigheim from Eastern Germany.

10. (1) It is in the Attorney General's Office, and I have asked my secretary to have it sent up here to me.

(2) No RCAF plane was used to intercept, he was not intercepted, no German or anyone else went to Gander to intercept Dr. Sennewald, therefore, there was no cost to the Newfoundland Treasury for the intercept-

tion of Dr. Sennewald at Gander which did not occur.

(3) I would suggest an enquiry direct to the German firm of Krupp which might, or might not ascertain whether or not they are interested in this project. In regard to negotiations with Mr. Forsyth, I can say I did negotiate with him, accompanied by the Attorney General, and the Director of Economic Development, on the matter of the sale of Bell Island iron ore and Canadian coal for use of the Steel Mill in Newfoundland which we expect to be in the town of Bay Roberts.

(4) I have asked the Chairman of Liquor Board to furnish the information and as soon as he does, so I will table it in the House.

MR. SPEAKER: Question No. 11.

MR. SMALLWOOD:

11. (1) No aerial photographs of the Seigheim concession were developed by the Department for Dr. Seigheim, therefore, there was no cost.

(2) No request was made by Dr. Valdmanis nor Mr. Graudin.

(3) One hundred thousand dollars free of interest and on conditions that if and when they built the Stadium, it would become available for such purposes along the lines of fairs and exhibitions for our products of the fisheries, farmers and forests, as the Government might care to operate there. There is no Acting Minister. I happen to be Minister of Natural Resources. No such promise was made as that, the Government would build the Stadium and certainly the Government has no intention of building a Stadium in the city of St. John's.

It is about the last thing that the city of St. John's would expect from Her Majesty's Outport Government.

MR. SPEAKER: Question No. 12.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, the answer to No. 12 is still in the course of preparation, also the answer to question No. 16.

MR. SPEAKER: Question No. 13.

MR. SPEAKER: I would inform honourable members at this stage, that no question has been asked until called from the Chair. This paper merely contains notice of questions to be asked and will only be asked when the member indicates he intends to proceed with them. Honourable members will appreciate it is otherwise impossible for the Chair to keep track of questions.

MR. SMALLWOOD: Mr. Speaker, I am afraid I have nothing to answer to the first part of question No. 13. I will have the information and will gladly furnish a copy of the agreement, and the agreement between the Government and Chester Dawe, Limited. That again is at the Attorney General's Department, and I have asked to have a copy of it sent to me and I will, of course, table it as soon as I get it.

(3) (4) (5) (6)—All these questions which more properly could be directed to the Newfoundland Hardwoods, Limited, and are certainly questions the Government has no intention of answering.

13. (6) The name of the engineer is L. Lecaille. What his salary is, I don't know. I have visited the plant every day without exception including Sundays and holidays, and I can personally vouch for the fact that there has been no breakdown recently or otherwise in that plant.

(7) The directors are, Chester Dawe, Mrs. Chester Dawe, Mr. R. C. B. Mer-

cer, Q.C., and myself. I receive no director's fee whatsoever. The others do, and I speak from memory, I can't confirm it, but I think something of the order of two thousand dollars per year per director, I receive nothing, I represent the Government on the Board of that Company.

(8) I don't understand that.

MR. HOLLETT: Mr. Speaker, there is nothing wrong with that question, it is quite clear. It is perfectly plain to me.

MR. SMALLWOOD: It is not to me, I am very sorry. I don't know if it means offer made to the Government of Newfoundland.

MR. HOLLETT: Has any offer been made to you as a Government?

MR. SMALLWOOD: No offer has been made to the Government for purchase of that plant.

MR. SPEAKER No. 14.

MR. POWER: Mr. Speaker, this information is now being compiled. Section (2) and (3) should be directed to the Honourable Minister of Economic Development for answer and Section No. (4) and (5) should be directed to the Honourable the Attorney General.

MR. CURTIS: I cannot answer Section (4) Mr. Speaker, it is only now I have learned it is being turned back to me, but I will have that prepared.

(5) In all these cases the agreements were prepared in the Department of the Attorney General by the officials of that Department and no fees were paid.

MR. CASHIN: These companies had lawyers as well?

MR. CURTIS: At the time all these contracts were made, none of these companies were represented in Newfoundland by attorneys.

MR. HIGGINS: Surely, Mr. Attorney, Chester Dawe Limited is represented.

MR. CURTIS: Chester Dawe was represented by Mr. R. C. B. Mercer. I presumed you meant the European firms. All these agreements were prepared in the Department of the Attorney General. In one case only did we have to engage outside help and that was in the case of Dr. Seigheim. When Dr. Seigheim came here our department was very busy drafting legislation, and I could not get an official to draft the papers and I called in Mr. Dawe, who assisted the Department. No fees were paid to him. No fees were paid. Name the Government Directors on each of the companies to whom the Government has loaned money or made commitments, and what, if any, remuneration is being made to each?

Dr. Arthur Seigheim—None—Latuco—None—Chester Dawe Limited, the Honourable the Premier. Newfoundland Hardwoods Limited—I think that is the same;—Fishery Products Limited—The Honourable Minister of Fisheries and Co-operatives; Northeastern Fish Industries, Limited. The honourable Minister of Fisheries and Co-operatives; Arctic Fisheries Products, Limited, the Attorney General, John Penny & Sons, Limited. The Honourable Minister of Fisheries & Co-operatives; Northlantic Fisheries Limited, None that I know of; St. Lawrence Corporation of Newfoundland, Limited. The Attorney General; Hollett & Sons & Co., Ltd. None, Falconbridge Nickel Mines, Limited, None; United Cotton Mills, Limited, None; Frobish-

er, Limited; None; Newfoundland Tanneries, Limited, none; Dr. Sennewald, None; Newfoundland-Labrador Corporation, Limited; The Honourable the Premier, the Attorney General and Dr. Valdmanis; Newfoundland Fur Industries, Ltd., None; United Engineers and Contractors, Limited, None.

What fees were paid in each instance and to whom? None.

Name the Government Director on each of the companies to whom the Government has loaned money or made commitments, and what if any remuneration has been made to each? No provision has been made for remuneration in any case and no remuneration has been paid.

MR. SMALLWOOD: There is not going to be any either, not on any of them. I am a director of North Star Cement and Atlantic Gypsum, and Honourable Chairman of the Board of the Newfoundland and Labrador Corporation and a Director on Chester Dawe Limited, Newfoundland Hardwoods Limited, and I get no pay and don't intend to get any. Furthermore, the Honourable Minister of Fisheries and Co-operatives is a director on a number of companies to whom the Government has made loans and he gets no fees and will get none. The Honourable the Attorney General is a director of several to whom we have made loans. He gets no fees and will get no fees. We are quite a Government.

MR. SPEAKER: Question No. 15.

MR. SMALLWOOD: This morning at Cabinet I asked the Honourable Minister of Provincial Affairs if he had it ready. He said he did not, but as soon as it is ready, it will be passed to me, and I will table it here.

MR. SPEAKER: Question No. 16.

MR. KEOUGH: Mr. Speaker, Question 16 is in course of preparation.

MR. SPEAKER: Question No. 17.

MR. SMALLWOOD:

17 (1) No. Because it is not the policy of the Government to do so.

(2) The answer is no. The Newfoundland-Labrador Corporation has no Managing Director or presently any General Manager. It has no General Manager, it has an Honourary Chairman. The Directors are Chairman of the Board, President of the Company, Dr. Valdmanis, who receives no salary for the job; he already gets a large salary in another capacity, as the House knows.

(3) I hold that question ought to have been disallowed, Mr. Speaker, with all due deference to your Honour. "Have you stopped beating your wife?" Is it still the intention of the Government to borrow against the credit of the Province unlimited amounts."

MR. HOLLETT: Mr. Speaker, may I inject something there, a supplementary question?

MR. SMALLWOOD: I have not answered this yet.

MR. HOLLETT: I want to clear up this idea of unlimited.

MR. SMALLWOOD: Mr. Speaker, is the honourable gentleman in order?

MR. SPEAKER: I am afraid that part of the question is out of order.

MR. SMALLWOOD: With regards to the first part of question 17 (3). I apologize to the House for having only one copy of the answer and if

the House would care to take it down, I would read it quite slowly, and the

answer would then be in possession of everyone.

Expenditures to January 31, 1952 :

	Actual Amounts Paid Out	Commitments
Canadian Fur Industries Ltd.....	None	\$ 750,000
Nfld. Tanneries, Wm. Dorn Ltd.....	\$ 196,800	103,200
Can. Machinery & Ind. Ltd. (CIL).....	1,275,000	1,275,000
United Cotton Mills	25,000	1,075,000
Atlantic Hardboards Ltd.	None	575,000
Nfld. Asbestos Limited	75,000	None

MR. CASHIN: Is this an expenditure or a loan?

MR. SMALLWOOD: When we make a loan it is most definitely an expenditure, a recoverable expenditure.

MR. CASHIN: An expenditure is when you spend money and don't get it back, on a loan you get it back.

MR. SMALLWOOD: I should think that when you loan money, you spend it. It may be recoverable but it is an expenditure.

MR. CASHIN: I imagine it is gone all right, there is no doubt about that.

MR. SMALLWOOD: My honourable friend is welcome to any conclusion.

MR. HOLLET: Mr. Speaker, I rise to a point of order. Am I to get an answer to my question, or must we put up with this between the two gentlemen?

MR. SPEAKER: The point if well taken. The Minister is answering question 17.

MR. SMALLWOOD: The commitment I may say is also a commitment as of this date. United Cotton Mills has a total commitment of \$2,500,000 on which we have paid half.

MR. CASHIN: Would the honourable the Premier mind if I asked a question in connection with this particular amount. In reply to another question by the honourable member for St. John's East an answer was given with respect to the purchase of property at \$37,000. Does that not belong to this United Cotton Mills.

MR. SMALLWOOD: The difference has been absorbed by the Government. It was purchased by the Government for \$37,000 and sold to the Company for \$25,000. We deliberately took a loss.

Atlantic Hardboards Limited—That has not yet come before the House. That is the latest of the new industries, the press board.

Newfoundland Asbestos—That \$75,000 I may say is not a loan, but a purchase by the Government of shares in that company. It is an investment.

That about covers all the foreign industrial companies in respect of which this Department is aware that expenditures have been made or commitments incurred.

MR. SPEAKER: Question No 18.

MR. SPENCER: Question No. 18 is in course of preparation.

MR. SPEAKER: Question No. 19. count will be answered in No. 26

MR. POWER: The first two parts of No. 19 are being compiled, and the latter part regarding the surplus ac-

MR. SPEAKER: Question No. 20.

MR. SPENCER:

20. (1) The answer is five.

(2) Name	Salary	Position
Janis Bumbulis	\$4,800	Resident Engineer
Sigurd Mikilsons	\$4,800	Resident Engineer
Voldeman Saulite	\$4,800	Resident Engineer
Edward Jakobsons	\$6,000	Bridge Engineer
Nikolajs Strauss	\$4,200	Asst. Bridge Engineer

(3) The cost of transportation from Europe to the Port of Disembarkation (Halifax or Gander) was paid by the International Refugee Organization. Transportation costs from that point to St. John's were borne by the Newfoundland Government.

(2) Total expenditure since construction was commenced in 1949 was \$1,877,198.35.

(3) The buildings are nearly complete, but work still remains to be done on

(4) No.

a. installation of kitchen equipment in services (equipment not yet received) at a cost of \$25,352.44.

MR. SPEAKER: Question No. 21.
DR. POTTLE: Mr. Speaker, the answer to this question is being prepared.

b. installation of a few small items of hardware not yet received.

MR. SPEAKER: Question No. 22.

MR. SPENCER:

c. completion of an Operating Room which was not part of the original contract at a cost of \$20,600.

22. (1) Expenditure in connection with the construction of the New South Wings at the Hospital for Mental and Nervous Diseases in 1951-52 to date was \$789,474.73.

d. balances due various contractors on release from their contracts total \$59,535.09.

(4) General Construction	Amount Received
Nfld. Engineering & Construction Co. Ltd.	\$1,177,681.02
Plumbing and Heating	
Thomas O'Connell, Ltd.	197,133.93
Electrical Services	
City Service Co. Ltd.	25,419.33
Other Services	
Performed under the supervision of Public Works	476,964.07

MR. SPEAKER: Question No. 23.

MR. SPENCER:

finish is now proceeding. A sewer has been installed. A contract has been let for plumbing and heating and materials are now being gathered for installation.

23. (1) The Nursing Station at Trepassey has been completed as to its exterior, and work on interior

(2) Tenders for the construction of the building were invited by advertisement in the public press. Four tenders were received in the following amounts: \$35,134, \$21,800, \$42,400, \$22,250. The lowest tender, \$21,800, was accepted.

Tenders for plumbing and heating services were also invited by advertisement in the public press. Four tenders were received as follows: \$4,431, \$4,993, \$4,350, \$5,100. The lowest tender, \$4,350, was accepted.

It will not be feasible to table tenders as the tender forms are lengthy, and much typing would be involved in the preparation of copies. If my honourable friend wishes to see the tenders, I would suggest that he visit the Department where the documents would be shown to him.

3. (a) \$28,257.

(b) The Government has made no decision.

4. Settlement	Committee Contribution	Government Grant
Admiral's Cove	\$200.00	\$200.00
Aquaforte	150.00	200.00
Bay Bulls	400.00	450.00
Brigus South	150.00	150.00
Calvert	700.00	800.00
Cape Broyle	450.00	455.00
Cappahayden	200.00	325.00
Ferryland	400.00	500.00
Kingman's & Blacksmith	250.00	250.00
LaManche, Bauline, Burnt Cove and St. Michael's	300.00	300.00
Mobile	250.00	325.00
Portugal Cove South	250.00	250.00
Renews	300.00	550.00
St. Shott's	200.00	275.00
Tor's Cove	400.00	550.00
Trepassey	600.00	700.00
Witless Bay	500.00	575.00
	<hr/>	<hr/>
	\$5,700.00	\$7,030.00

Note:

MR. SPENCER: In every case commensurate with the ability of the people to perform the work, the lowest tender is always accepted. I think, I am reminded by the Honourable the Premier, Mr. Speaker, that it has been our experience to receive some very absurd tenders for certain work for which we called for bids. I would cite one example, one that probably would be sufficient to show the House just

why we have to put in that reservation "the lowest tender not necessarily accepted." When we first called for tenders to build a section of the Trans Canada Highway from Glenwood to Neil's Bridge near Notre Dame Junction, the Department received on that occasion, several tenders four or five of which were quite in order but two or three were of the rather ridiculous class. One of which I shall give as an example read as follows: "I

hereby submit myself as a tender to build the road from Glenwood to Neil's Bridge. I do not know much about the territory over which this road is to be erected, but taking the good with the bad I think I can perform the job for \$250 a month, and the Government pay my expenses, or I will undertake to do the job for \$300 a month and pay my own expenses." It reminds me of a case, Mr. Speaker, which happened some years ago on Bell Island. I expect the honourable member for Harbour Main-Bell Island may recall this one as the story has been very familiar over there a few years back. A certain respectable businessman on Bell Island was being pestered day after day during a shortage of supplies and each evening a group of men would rush into the store and say: "Mr. So-and-So, have you got the flour yet?" His answer unfortunately had to be in the negative. Finally, he decided he had better tell the reason why as it so happened on this occasion the flour had arrived and could not be delivered; for this reason, the flour she in the boat, but the water she so small, the boat she can't get in.

It is a somewhat similar situation in which we find ourselves with regards to tenders for the Glenwood road. This has taken a little time of the House which is not necessary, but it does illustrate some of the ridiculous tenders received. In such cases I may say the Department does not consider seriously with all due respects to the individual, they mean well, but such people are not quite sure of what they are trying to do.

Tenders for plumbing and electrical services are always invited by advertisement in the public press and four tenders were received.

MR. SPEAKER: Question No. 24.

MR. POWER: Mr. Speaker, this question is being referred back to the Honourable Minister of Economic Development for answers.

MR. SMALLWOOD:

24. (1) Total amount spent was \$2,092,273, estimated was \$2,052,300. No negotiations are taking place for the sale of the plant. The plant is for sale.

The machinery was purchased from the firm of MIAG in the Town of Brunswick, West Germany, in the British zone.

From memory I am afraid I can't give the cost, but I can get the information and will table it.

The inspection was made by the Government engineer assisted by two assistant engineers and the machinery was found to be in good condition.

MR. SPEAKER: Question No. 25.

MR. SMALLWOOD: I gave a wrong answer there, the Gypsum Plant machinery was purchased from the firm of BENNO SCHILBE of West Germany and the Cement Plant was purchased from the firm of Miag. The cost I am afraid I have not got, but the machinery was included in the figures I have already given you. The amount for the Cement Mill advanced to February 29, 1952, was \$3,145,274, estimated cost \$3,700,000. The plant is not operating at full capacity.

(3) I have sent for the information, but I can say that 95% of them are Newfoundlanders.

(4) I prefer not to answer that. I do not think it would be in the public interest to give the answer.

(5) There has been all of the normal dislocations and mechanical de-

fects to be found in any plant especially any new large plant, numerous things which had to be ironed out, at no cost to the Government because the plant is to be delivered under the agreement with MIAG to the Government in first class working condition and they are to operate it before the Government takes delivery of it.

MR. CASHIN: Have they a contract?

MR. SMALLWOOD: Yes, to build and deliver to us, we taking delivery only after we have every last inch of it examined and certified to us as being in first class working condition.

MR. CASHIN: You have already given them money, have you not?

MR. SMALLWOOD: Definitely, we have the money we paid to them in progress from time to time with certain guarantees on their part backed by the largest bank in Germany, a very considerable bank.

MR. CASHIN: Not by the largest bank in Canada.

MR. SMALLWOOD: That is true, but the largest in Germany, whom we

had investigated through the Bank of Montreal.

MR. CASHIN: What is their dollar position?

MR. SMALLWOOD: Their dollar position is worth some hundred such mills, two hundred at least.

MR. CASHIN: I mean their dollar currency?

MR. SMALLWOOD: It can handle at least one hundred such mills.

MR. HOLLETT: Mr. Speaker, could I interject a question there? What was the original contract made with these people, how many million was it?

MR. SMALLWOOD: No, I think my honourable friend is thinking of the combined amounts of the two contracts, one to William J. Lundrigan to do excavations and to erect certain buildings, the moving of the machinery as such to Newfoundland and getting the mill as such in operation. The two together came to certain figures, I forget the amount at the moment, but it was more than the amount of the original figure.

MR. SPEAKER: Question No. 26.

MR. POWER:

Answers to 26 (1), (2), (3), (4), (6), (8), Nos. (5), (7), (9).

26. (1) The Report of the Auditor General for 1950-51 is being tabled today with the Public Accounts for 1950-51.

(a)

(3) The words "Cash Surplus" in this Question require clarification. If the honourable member would kindly resubmit the Question in greater detail, the matter will receive attention.

(b) \$24,083,536.51.

i	Sterling Securities	\$ 580,687.26
ii	Dominion of Canada Securities	19,040,920.45
iii	Newfoundland Victory and War Loans	369,366.17
iv	Commonwealth of Australia External Loans	931,532.49
v	Canadian Provincial, and guaranteed Provincial Loans	3,386,625.00
vi	Newfoundland Utilities	52,360.00
vii	Bowaters, Newfoundland Pulp & Paper Mills Ltd.	145,515.00
viii	Eastern Trust Company	250,000.00
ix	St. John's Municipal Council	569,775.00
x	Cash on hand and in Bank	177,464.20
26.	(4) a. \$287,563.43	
	b. \$1,250,460.00	
	c. \$167,675.17	

To January 31, 1952, only. February figures not available at present.

26. (5)

Department	Amount
IV. Finance	\$4,783,454
V. Provincial Affairs	21,811
VI. Education	235,517
VII. Attorney General	84,933
VIII. Natural Resources	676,031
IX. Public Works	718,919
X. Health	441,557
XI. Public Welfare	72,146
XII. Board of Liquor Control	2,275,000
XIII. Supply	29,698
XIV. Fisheries and Co-operatives	45,014
XV. Economic Development	5,229
XVI. Labour	42,930
TOTAL	\$9,432,239

26. (6)

IV. <i>Department of Finance</i>	
(a) Transitional Grant	\$6,500,000
(b) Subsidies in lieu of taxes rented	5,965,950
(c) Federal Subsidies	1,569,132
V. <i>Department of Provincial Affairs</i>	
(a) Slum Clearance	2,525
VI. <i>Department of Education</i>	
(a) Grant-in-Aid, Vocational Training	59,035
IX. <i>Department of Public Works</i>	
(a) Grant-in-Aid, Hospital Construction	144,870
(b) Grant-in-Aid, Trans-Canada Highway	302,976
X. <i>Department of Health</i>	
(a) Expansion of Existing Health Services	377,888
XI. <i>Department of Public Welfare</i>	
(a) Old Age Pensions, etc.	3,194,299
TOTAL	\$18,116,675

Question 26. (7), (8), (9).

Head	Expenditure	\$ Current	\$ Pre-Union Surplus	\$ Total	\$ Total Revenue
I. Consolidated Fund					
Services		327,120	99,560	426,680	.....
II. Legislative		70,059	.....	70,059	.....
III. Executive Council....		136,336	.....	136,336	.....
IV. Finance		919,366	6,622	925,988	19,025,597
V. Provincial Affairs.....		52,700	69,475	122,175	264,597
VI. Education		4,541,880	515,215	5,054,095	298,104
VII. Attorney General....		1,209,944	494	1,210,438	85,054
VIII. Natural Resources....		795,109	164,071	959,180	687,947
IX. Public Works		3,520,501	5,294,517	8,815,018	1,442,429
X. Health		4,684,612	338,227	5,022,839	819,444
XI. Public Welfare		9,066,721	.....	9,066,721	3,266,445
XII. Board of Liquor					
Control		187,293	.....	187,293	2,500,000
XIII. Supply		385,443	214,828	600,271	36,442
XIV. Fisheries and					
Co-operatives		305,206	174,046	479,252	115,014
XV. Economic Develop-					
ment		40,191	8,964,364	9,004,555	15,790
XVI. Labour		54,053	20,000	74,053	42,930
TOTAL		\$26,296,534	\$15,858,419	\$42,154,953	\$28,599,793

MR. SPEAKER: Question No. 27.
Information being prepared.

MR. SPEAKER: Question No. 28.

Question No. 28 read and tabled, as follows:

28. (1) The Industrial Development Loan Act, 1949, is administered by the honourable Minister of Economic Development and the Fisheries Loan Act, 1949, and the Co-operative Development Loan Act, 1949, by the honourable Minister of Fisheries and Co-operatives.

(2) This question should be directed to the honourable Minister of Economic Development and the honourable Minister of Fisheries & Co-operatives respectively.

(3) Salaries are charged against the Fisheries Loan Fund, the Industrial Development Loan Fund and the Co-operative Development Loan Fund on a pro rata basis.

(4) As in (2) above.

(5) As in (2) above.

(6) Prior to the end of the 1950-51 financial year, the following (Bank of Montreal) in the amounts shown:

(a) Fisheries Loan Fund: \$500,000.

(b) Industrial Development Fund: \$150,000.

(c) Co-operative Development Loan Fund: \$100,000.

No additional amounts have since been deposited to the credit of these Funds. The signing officer for each

Fund is the Comptroller of Finance, cheques being issued by him only upon the written request of the Chairman of the Boards.

MR. SPEAKER : Question No. 29.

MR. POWER : The answer, Mr. Speaker, is \$2,920,779.

MR. SPEAKER : Question No. 30.

MR. SMALLWOOD : I think this question has already been answered in another form, Mr. Speaker. They began a week ago today to erect the steel structure, a week ago today, and they have made very rapid progress as can be seen by anyone who passed by on that road during the past number of days. They will be manufacturing machinery in that plant in the latter part of June of this present year and that is nothing short of a miracle of construction efficiency.

MR. CASHIN : Miracles are abundant these days.

MR. SMALLWOOD : That depends, of course, on who is the Government, the miracles are all still on this side.

MR. CASHIN : We have a few over here too, you know.

MR. SMALLWOOD : We will wait with great interest to see or hear them. It will be a great pleasure to hear of them and quite a change.

(3) If I knew it, I would not tell it. It is none of the business of this House what permanent employees that company has and what rates of pay they give them. I can say they have only two employees at the plant, the Plant Superintendent and the Assistant to the President of the Company. The Plant Superintendent of the whole thing was here, but has gone back to Europe and he is due back again in a few days. Only two employees.

Construction workers employed there are not employed by the company.

MR. HOLLETT : I thought they began erecting steel a week ago.

MR. SMALLWOOD : The contracting people did, not the company.

(4) The answer is, no.

(5) That does not arise in view of the answer I gave a moment ago.

MR. CASHIN : The second part of question No. 29 should be directed to the honourable Minister of Public Welfare. It is my fault. It is not often I make a mistake.

DR. POTTLE : It is the responsibility of the Department of Public Welfare and the answer will be prepared.

MR. SPEAKER : Question No. 31.

That question has been forwarded to the Minister of Economic Development.

MR. CASHIN : We got that.

MR. SMALLWOOD : The answer to the first part is, yes—to the second part, the answer is, no.

MR. SPEAKER : Question No. 32. Referred to Minister of Economic Development.

MR. SMALLWOOD :

(1) Answer already given.

(2) Answer—No.

(3) Same answer.

MR. SPEAKER : Question No. 33.

MR. SMALLWOOD :

(1) It is not in the interest of the public to publish this information, and it will not be tabled.

(2) I have sent to my Department to get the information for me and will table it at the next sitting.

(3) Ernest Laya, \$6,000 a year, our chief engineer in the construction of the two plants in Bay of Islands the cement and gypsum plants; Alexander Steinberg, assistant engineer \$4,800 a year, C. Lunde, Assisting Engineer, \$4,800, natives of Latvia and citizens of that country. These are the only people in Europe employed by the Department of Economic Development.

(5) No.

(6) Being prepared.

(7) I am not prepared at the moment to answer that; yes I have the information before me.

(8) They are being retained by the Government to make a close observation of the three plants built with government money, the birch, cement and gypsum plants to appraise their value and pass on their economic and commercial prospects. We hope to have the report delivered to us on the 20th. of this month in New York and in a day, two or three later should be delivered to us here in St. John's, when I shall have great pleasure in tabling them in the House. The fees paid \$15,000.

MR. CASHIN: How many men were here?

MR. SMALLWOOD: Two engineers from the greatest firm of its kind in the world.

MR. SPEAKER: I must call the question period to an end, to call the Orders of the Day otherwise we cannot adjourn.

MR. SMALLWOOD: Mr. Speaker, I move all further Orders of the Day be deferred, and the House at its rising, adjourn until tomorrow, Tuesday, at 3:00 of the clock.

MR. SPEAKER: May I remind the House and all visitors, silence must be maintained while the motion is being put and carried.

The House adjourned accordingly.

TUESDAY, March 19, 1952.

The House opened at 3.00 of the clock.

Notice to have the whole Province of Newfoundland established as an area free from T.B. (Bovine) read by Mr. Smallwood.

HON. JOSEPH R. SMALLWOOD (Prime Minister): I regret, Mr. Speaker, I have but one copy of the statement but am having additional copies typed and they will be here later in the course of the present session, and will be available at once to representatives of the press and radio.

Presenting Petitions

MR. BAXTER MORGAN: Mr. Speaker, I beg leave to present a petition signed by some seventy residents of the settlement of Round Harbour in the district of Green Bay praying that a road be constructed between Round Harbour and LaScie for the purpose of winter transportation of snowmobile. At the present time the settlement of Round Harbour of some fifty families is completely isolated during the winter months and as the settlement is served by the nurse at LaScie it is sometimes very difficult for the nurse to get to and from there and allow the patient to receive attention. In addition to that the settlement is practically without mail service during the winter months due to the fact that they have no communi-

cation. It gives me very great pleasure to support the prayer of the petition and I move the petition be placed on the Table of the House and referred to the department concerned.

Reports of Standing and Select Committee

None.

Giving Notice of Motion and Questions

HON. LESLIE R. CURTIS (Minister of Justice): Mr. Speaker, I give notice I will on tomorrow on behalf of the honourable Minister of Education ask leave to introduce two bills: "An Act Further to Amend the Education (Teacher's Pensions) Act, 1950." "An Act Further to Amend the Education (Teacher's Training) Act, 1944."

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a bill, "An Act Further to Amend the Dependents' Allowance Act 1949." I give notice further I will ask leave to introduce a bill, "An Act Further to Amend the Mothers' Allowance Act, 1949."

MAJOR PETER J. CASHIN (Leader of the Opposition): Mr. Speaker, with your permission I would like to point out with reference to questions asked the other day when the reply was: "Would the honourable member please submit the questions in greater clarity?" I would like to make this explanation Sir, with your permission "Under the Newfoundland Savings Bank Act any profits made by the operation of that bank, if I remember correctly are accumulated year by year and no amount would be paid as profit to the Department of Finance or the Government or anyone else for that matter until such time as twenty

percent of the total profits were accumulated in an actual period, the end of the fiscal year December 31st. each year and on December 31st., profits made for operation during that year and all the amounts of profits or accumulated profits are brought forward either in cash or in securities."

MR. SMALLWOOD: Mr. Speaker, to a point of order. I deliberately refrained from rising to a point of order until the honourable gentleman has said what he had to say but I think it should not be permitted to go unchallenged. It is not competent to offer information in asking a question. The honourable gentleman has been offering information for the last two minutes which is out of order. It ought not to be adopted as a practice.

MR. CASHIN: Mr. Speaker, in reply to this question the words I received were, it requires clarification.

MR. SPEAKER: The Chair is quite aware that the person asking questions may not give any information. The Chair also understands an honourable member is not allowed to ask a question which has already been asked in the present session. The clarification has been demanded by the Minister by whom the question was asked.

MR. CASHIN: I was just trying to help out, Mr. Speaker,

In giving notice of questions there was one, Mr. Speaker, I wrongly directed to the Minister of Finance yesterday who was unable or refused to answer.

Question No 35 Answers to 34 (5) and 34 (6).

34 (5) Table a statement showing what amount of money has been paid to the firm of Peat, Marwick, Mitchell

& Company or to Mr. James Thompson for services rendered the Newfoundland Government since April 1st., 1949, to date.

(6) Table a statement showing what amount of money was paid the firm of Peat, Marwick, Mitchell & Company or Mr. James Thompson for services rendered the Newfoundland Delegation, which negotiated the Terms of Union with Newfoundland and Canada in 1948-49. Also table the financial Budget and recommendations supplied the Newfoundland delegation to Ottawa and prepared by Mr. Thompson or his firm during the negotiations of Union of Newfoundland with Canada.

(5) (6) Answers are tabled.

MR. CASHIN: I take it Mr. Speaker, these questions are the ones we knocked off at yesterday, and I will draw the attention of the honourable Minister of Economic Development to one just prior to that, relative to the Newfoundland Labrador Corporation.

MR. SMALLWOOD: Mr. Speaker, in that same question No. 33 (3) the answer is \$79,728. 13,00 (9). Yes the Government has subscribed its portion. Harriman-Ripley & Co., as well as Wood Gundy Co., and others have subscribed their \$100,000.00. Yes, The Company has conducted no investigations or surveys. I don't know what is understood by the word "particulars" nor what he meant by the "present position." Speaking very briefly I may say that the corporation was formed in December past pursuant to legislation; the first meeting of the shareholders was held here in the city of St. John's. Then at the meeting of the directors great consideration, great preliminary consideration was given to the purpose of the corporation and to a programme of

action to be taken by the corporation in the year 1952, the present year. That involved calling into consultation at the meeting the Government geologist, Mr. Howse and Mr. George J. Thomas until just before recently retired from that position; Dr. J. A. Reddy perhaps the greatest pioneering geologist in all the new world. Answers to questions 35 (4) have already been tabled but the figures are subject to final audit.

MR. SMALLWOOD: That is being prepared. I may say, Mr. Speaker, it was prepared at the last session and I had it here on my desk, it has been asked by the honourable the Leader of the Opposition and when the question was called he was in Montreal or if not in Montreal he was not present in the House so that the question was never answered. I have it here.

MR. CASHIN: Do you mind if I reply to that, Mr. Speaker? I quite well remember that afternoon I happened to be in here, he looked at it and said it was not correct, that he would have it corrected and tabled later. I think the honourable member for St. John's East was in the House at the same time, if my memory serves me correctly.

MR. SMALLWOOD: My memory is that the question was asked by the then Leader of the Opposition and because of the way in which it was asked I got angry and would not answer it, just because of the tone and whole approach I considered it was a political question asked in a political way and got angry and would not answer. Then my honourable friend the present Leader of the Opposition asked the question and I had the answer here, it was not given properly the first time but it did come in finally and in the proper form and

I had it here and at that moment the honourable member was absent from the House. But now it is being prepared again and we will table it.

MR. FOGWILL: In order to clear the point, Mr. Speaker, am I permitted to say a word or two supporting the honourable Leader of the Opposition's recollection? On the afternoon the present Leader of the Opposition did enquire as to the answer he presented, my understanding is that it was on the second occasion, if I recollect correctly, when the enquiry was made by the present Leader of the Opposition the honourable Premier said he could wait for it, and he was in his chair.

MR. SPEAKER: However all that is past and the honourable the Premier announces he is having the answer prepared.

MR. SMALLWOOD: The complete answer, referring to that whole thing, is being prepared.

MR. CASHIN: Mr. Speaker, before we go on to the Order Paper for today might we check some of the ones which were not answered in full yesterday, we could call the questions to which replies yesterday were being prepared.

MR. SMALLWOOD: And may I suggest, Mr. Speaker, it would be sound if we accepted the practice of other Houses and if a Minister is not ready to answer a question, if he has not yet got the answer, especially if Your Honour now calls the numbers on yesterday's Order Paper, the Minister might save time. Just say the word "Stand" taken to mean the answer is not yet forthcoming and let it stand over until another time.

MR. CASHIN: I am afraid I am

an old timer and would prefer "In course of preparation."

MR. SMALLWOOD: The word "Stand" is somewhat shorter.

MR. CASHIN: You see I am antiquated and only able to understand the words: "In course of preparation" anyway much better than I can say the word "Stand."

Question No. 4:

MR. SMALLWOOD: The honourable Minister had to leave the House for an hour, Your Honour, may I ask to have it stand?

Question No. 10:

MR. HOLLETT: To ask the honourable the Premier or appropriate Minister to lay on the table of the House the following information:

(1) A copy of the Agreement made between the Government and Dr. Sennewald relative to the setting up of an Optical Co.

(2) What was the cost of the use of the R.C.A.F. plane used to intercept Dr. Sennewald at Gander last fall and to bring him to St. John's? What German National went to Gander to intercept Dr. Sennewald? Was the cost of this plane a charge on the Newfoundland Treasury?

(3) What, if any, negotiations were undertaken with Mr. Forsyth, the President of D.O.S.C.O., relative to the steel plant promised for Bay Roberts? Is the German firm of Krupps interested in this project?

(4) Give a detailed statement showing the number of Beer and Wine Licenses presently at issue, the name of the taverns, clubs or hotels and the names of the Licensees to whom the Licenses were issued and the date of

issue. Also state the fee charged for each License.

(1) MR. SMALLWOOD: I had hoped to have it here but actually find I cannot produce it, it is not proper as it is only an agreement at the moment between the Government and Dr. Sennewald and must come before the House as a piece of legislation for ratification. That will be done.

(2) MR. HOLLETT: Mr. Speaker, before going on in question No. 2 there some exception was taken to the word "intercepted" yesterday. I merely asked a simple question as to what the cost of the plane was and what was the name of the German who went out on it.

MR. SMALLWOOD: If my honourable friend cares to have me read the question without the word "intercepted" and to use the word "meet" or to "confer with" I will accept the question and answer it.

MR. SPEAKER: May I remind honourable members now that questions may not contain innuendo, insinuations or anything of that nature. That is for honourable member's own protection.

MR. HOLLETT: On that point, Mr. Speaker, is it the ruling of the Chair that there is any innuendo there?

MR. SPEAKER: I am merely quoting parliamentary procedure that any word that may be construed as innuendo is improper.

MR. SMALLWOOD: Mr. Braun Wogan who incidentally arrived in St. John's yesterday again from Germany, not as an employee of the Government, he was employed by the Government last year for several

months in the Department of Economic Development, the one and only one we have employed in Newfoundland, this present Government. Mr. Braun Wogan (a hyphenated name) who speaks perfect English is a Russian National speaking perfect German, Spanish. Last fall we had a number of Europeans here in Newfoundland as many as four or five different groups, at one time from different European countries. He is an expert linguist, German, Swedish, Spanish, French, and Russian, and is so quite a linguist. His mother incidentally was a Russian, not that he is Russian. We asked him to come here to spend a few months to work with the Government as a linguist, translator and interpreter for the Director of Economic Development to confer simultaneously with three or four different groups of European industrialists. I asked Mr. Braun Wogan to go to Gander, as I had asked him previously and subsequently to meet the industrialists from Europe, as I did on that occasion, to go to Gander to meet Professor Sennewald, as we did previously and did subsequently and will continue to do quite frequently, send someone from the Department to meet distinguished industrialists, as the case may be, arriving from Europe. That was an interesting one and one less expensive than other cases. We have chartered private planes, we tried on that occasion to charter a private plane but there was none to charter and no T.C.A. plane available. It was important to meet that industrialist and so I telephoned Ottawa and endeavoured to charter an R.C.-A.F. plane, and they agreed. They charged two or three hundred dollars and that is payable by the Treasury of Newfoundland. We have not as yet paid it. I am not too sure

whether the bill has been received. I have not seen it personally. I think that is the answer. I saw a statement in the paper purporting to quote a Minister of the Crown or under-secretary of the Crown in the Government of Canada to the effect that the bill had been refused but the payment had not yet been received.

Question No. 12 :

MR. SMALLWOOD : The Minister of Fisheries, Mr. Speaker, is sick in bed.

Question No. 13 :

MR. CASHIN : To ask the honourable the Minister of Economic Development and/or the appropriate Minister to table the following information :

(1) What has been the total cost of the Province of Newfoundland for the Campaign "to buy Newfoundland Products" instituted during the fiscal year 1950-51?

(2) Give a detailed statement of the amounts paid, to whom they were paid; what particular services were rendered for such payments.

(3) Give the names of the individuals who had charge of the particular campaign; as well as the amounts paid to each individual for services rendered in connection with the campaign.

(4) It is requested that this information covering this particular information is to be certified by the Auditor General or the Comptroller of the Treasury.

MR. SMALLWOOD : Parts (1), (2) : I have the agreement, Mr. Speaker, I don't think I have the costs. I have asked the Finance Department to send it down to me, I

have not received it as yet. This is the copy of the agreement. (Tabled).

I would like to have it understood, Mr. Speaker, I don't think it is incumbent upon me or perhaps of the House to inquire of the private details of the private company. The Newfoundland Hardwood Company is a private company which entered into a lease contract with the Government of Newfoundland under which the Government for fifteen years leased them a plant which the Government owns, they operate it. I don't think it is necessary for the Government to know how many workers they have there.

MR. SPEAKER : I would remind the honourable members it is a dangerous practice to answer questions already answered.

MR. HOLLETT : I have no knowledge of this being answered at all, Mr. Speaker.

MR. SPEAKER : The Premier gave the reply, no answer on certain grounds.

MR. CASHIN : Mr. Speaker, on the point raised by the Premier I wonder if this is a private company, the Government having put the money into it.

MR. SMALLWOOD : Mr. Speaker, to a point of order : Is it proper for a member to debate a reply of a Minister of the Crown?

MR. SPEAKER : It is out of order. I have already pointed out that it is a dangerous practice to refer to questions already answered on a previous day.

Question No. 14 :

MR. POWER : Mr. Speaker, I beg

leave to table the answer to Question No. 14, paragraph I.

Question No. 15 :

MR. HOLLETT : To ask the honourable the Minister of Provincial Affairs or appropriate Minister to table the following information :

(1) What was the cost to the Treasury of the November General Election, and the cost by districts?

(2) What was the cost to the Treasury of the recent by-election in St. John's West?

MR. SMALLWOOD : I telephoned the Department this morning and he was to have the information here. It may come during the afternoon and if it does I shall table it.

Question No. 16 :

MR. HOLLETT : To ask the honourable the Minister of Fisheries and Co-operatives :

(1) Is it correct that the Government has decided to discontinue Experimental fishing?

(2) Will the honourable Minister lay on the table of the House a detailed report of the Government's experiments in (a) long-lining, (b) Danish seining, (c) any other methods showing costs of the various experiments, on what basis the crews were paid, i.e., on shares or on wages, and the share or wages in each case.

(3) Is the Minister prepared to make any recommendations to the fishermen of the Province as result of the experiments?

MR. SMALLWOOD : Stand.

Question No. 18 :

MR. HOLLETT : To ask the Hon-

ourable the Minister of Public Works to table the following information :

(1) The amount of money expended by the Government on road work in each of the following periods by districts : November 3rd, 1949 to November 26th, 1949, November 3rd, 1950 to November 26th, 1950, November 3rd, 1951 to November 26th, 1951.

18 : Stand.

Question No. 19 :

MR. HOLLETT : To ask the Honourable the Minister of Finance or other appropriate Minister to lay on the table of the House the following information :

(1) The number of Newfoundlanders apart from the House of Assembly who are employed in the Colonial Building?

(2) The number of foreigners presently working in the Colonial Building. Give salaries of the individual Newfoundlanders and of the individual foreigners.

(3) Relative to the Surplus Account as of Date of Union how much is left to the credit of the 1/3rd., Current and how much overdrawn is the 2/3rd for Economic Development?

MR. POWER : No. 19 (1) and (2) have been referred to the Honourable Minister of Economic Development, (3) Answer tabled. \$10,711,506. Two-thirds portion is not overdrawn.

Question No. 21 :

MR. DUFFY : To ask the Honourable the Minister of Public Welfare to lay on the table of the House the following information :

(1) How many Welfare Officers have been appointed to the various elec-

toral districts throughout the Province?

(2) Give the names of the persons appointed to such positions, the districts to which they have been appointed and the salaries paid each officer annually.

(3) Also inform the House if traveling and other expenses are being paid such Officers and if so, what amount has been paid to each individual officer?

(4) What was the cost annually for Relieving Officers throughout the Province prior to the appointment of these Welfare Officers?

(5) What amount of money was expended by the Welfare Department for the fiscal year 1950-51 and the eleven months of 1951-52 for broadcasting purposes over station C.B.N.? What is the purpose of such broadcasting? Has any additional money been paid to the Deputy Minister of Welfare for this broadcasting and if so what amount has been paid for the period above mentioned?

Answers tabled.

Question No. 26:

MR. CASHIN: To ask the Honourable the Minister of Finance to table the following information:

(1) A copy of the Report of the Comptroller and Auditor General for the fiscal year 1950-1951.

(2) Total amount the cash surplus remaining to the credit of the Exchequer in the Bank of Montreal at St. John's as at February 29th, 1952; as well as the total amount of cash to the credit of the Province of Newfoundland on deposit with the Federal Government at Ottawa at the present time.

(3) The cash surplus to the credit of the Newfoundland Savings Bank at the end of December 1951; also the total deposits in the Newfoundland Savings Bank at the end of December 1951; also the total deposits in the Newfoundland Savings Bank at the present time, together with a statement showing the securities and cash held by that Bank against these deposits.

(4) The total cash surplus to the credit of the Board of Liquor Control Department as at February 29th, 1952; together with a statement showing the value of stock on hand by that Department, as well as a statement showing any outstanding debts that may be due by that Department for purchase of liquor.

(5) The total Ordinary Revenue exclusive of subsidies or grants from the Federal Government received by the Treasury from April 1st, 1951, to February 9th, 1952. This information to be given under the various Departmental headings.

(6) The total subsidies and special grants received from the Federal Government from April 1st, 1951 to February 29th, 1952. This information to be given showing special grants for Health and Welfare Departments as well as subsidies and Transitional grants received under the Finance Department. In other words table all information covering the total amount of money received from the Federal Government over the period April 1st, 1951 to February 29th, 1952.

(7) Table a statement showing the total Ordinary Expenditure by the Provincial Government under specific Departmental Headings from April 1st, 1951, to February 29th, 1952.

(8) The total Capital Expenditure under the various Departmental Head-

ings from April 1st, 1951 to February 29th, 1952.

(9) The Grand Total Expenditure of the Province of Newfoundland under the various Departmental Headings from April 1st, 1951, to February 29th, 1952; also the grand total Revenue for the same period under the various Departmental Headings.

MR. CASHIN: I believe I drew attention to sub clause (6) and (7) of that question to which we have no reply yet.

MR. POWER: I beg leave to table the answers. Sub Section (2) is being prepared.

Question No. 29:

DR. POTTLE: Mr. Speaker, I have here the answer to the second part of No. 29 which I beg leave to table.

Question No. 26: (6) (7) (8) and (9). I have the answers here, Mr. Speaker.

Question No. 27:

MR. FORSEY: Mr. Speaker, I can answer this question orally.

(1) 179.0. Subsequent to last year the cost of living index was taken over by the Dominion Bureau of Statistics which today reads as 103.7. When the Dominion Bureau of Statistics took over the compilation they started off on the basis of one hundred.

MR. CASHIN: Forgive me, Mr. Speaker, I was not paying attention.

MR. FORSEY: The cost of living index is 179.0. Today it is compiled by the Dominion Bureau of Statistics, who started from last year as one hundred about twelve months ago and today it is 103.7.

MR. CASHIN: In other words it

has gone down? Forgive me, Mr. Speaker.

MR. SPEAKER: You are not out of order.

MR. CASHIN: The cost of living has gone down seventy-six points.

MR. FORSEY: No, Mr. Speaker, it does not mean that. The cost of living had to be converted in terms of our own cost of living. For information of honourable members I worked it out. It is a bit complicated to work out. As the House is aware the Government did some time ago institute a commission of inquiry into the high cost of living and that committee of inquiry submitted a summary which I would like to read for the information of the House because it represents the Government's attitude towards the high cost of living. The Government feels the position as set forth in the summary of the inquiry is quite realistic.

(3) Tenders were called, the only difficulty being in the case of survey parties going out who want packages and even then they are called telephonically.

(4) The position is this, requisitions are sent from the Department concerned and they are opened at noon of a particular day, opened by a Mr. Powers and are witnessed by a Miss Costello, then scheduled by a Mr. Hunter or Mr. Coleman in conjunction with possibly one of the female staff. They are then ticked as to the lowest cost on any particular item and if it concerns the Department of Health, the Department of Welfare, Public Works, Natural Resources; these three are our biggest spending departments. In general, commodities bought for the Department of Health are usually referred for the recommen-

dation of one of the medical officers and the same applies for the Department of Public Works, they are technical things and require the advice of a technical overseer. When the tenders came back in 95% of the cases the lowest tender is accepted but in some cases a doctor down at the institution may not want the type of item and says it is not suitable and refuses to accept it. He appends to the tender in question a written statement setting forth his reasons why he cannot accept the lowest tender. That in turn is scrutinized by the Auditor General periodically, as a matter of fact he just spent about a week in the Department of Supply going through with a fine tooth comb and has found no discrepancies.

(5) With respect to this question, Mr. Speaker, town councils as far as contracts and the awarding of contracts is concerned are completely autonomous bodies. They do not have to consult the Government, and in the vast majority of cases do not, as to who will be awarded any particular contract. Consequently the government could not be involved in any legal action between any contractor, or as a matter of fact I do not know of any legal action being contemplated between any town council and any contractor. I do know of an instance where a town council paid a contractor a certain sum of money who did not in turn pay his bills and the supplier concerned is now suing the town council for a bill which they already paid to the contractor which he in turn failed to pay.

(6) Mr. Speaker, referring to special authority granted by the Legislature for purchase of steel, it did not involve the Department of Supply as the order was placed directly by the Department of Public Works and I

think the question should be more properly directed to the Minister of Public Works, as the Department of Supply has no knowledge and was not involved in the purchase in any way whatsoever.

Question No. 33 :

(6) A statement showing the total amount expended by the Department of the Premier as well as the Economic Department for travelling expenses from April 1st, 1951, to February 29th, 1952, to whom the amounts were paid and what services were rendered in connection with such travelling.

(7) What machinery and/or equipment has been imported from Europe for the fiscal year 1951-1952 to be used in the establishment of certain new industries sponsored by the Government; the value of such machinery; who inspected the machinery on behalf of the Government. If no inspection was made, why not?

MR. SMALLWOOD : (6) (7) I am not too clear as to what it means, I am a bit vague, perhaps if the honourable member would rephrase it and submit it again.

MR. CASHIN : I agree. Yes, Mr. Speaker, I will.

Question No. 38 :

MR. SMALLWOOD : (1) My information it will be taken from both sides of the boundary from the beginning.

(2) An agreement existed between the Newfoundland Government of that day and the company concerned which states five percent of the net profits as defined in the statutory contract. Five percent so I estimate on the basis of the royalty there will come to the Treasury of Newfound-

land of around half a million dollars cash a year after they have been operating the mine a year or so, when they get into the swing. That is at the rate of ten million tons a year. That of course will be double when it is twenty million, and be three times as much when it rises to thirty million tons a year, but on the basis of ten million tons the amount to the Treasury of Newfoundland will be of the order of half a million dollars a year from that company.

(3) The Government gave the company a year or more ago concessions on the Ashuanipi Waterpower which is midway on the line of the railway where it runs through Labardor. Indeed I believe the Railway will run through or over the dam and the dam will serve not only for the development of hydro-electric power but as a right-of-way for the railway at that point. We got the royalty for that additional concession, it was an additional concession to the company, and we got a royalty of one dollar a H.P. in place of the fifteen cents a H.P. which is the rate under their contract for other water power, but for that new additional water power.

MR. CASHIN: We passed legislation for that?

MR. SMALLWOOD: We did not but the Commission of Government did for 15 cents H.P.

MR. CASHIN: Not for that but for the \$1.00 H.P., did we pass legislation for that?

MR. SMALLWOOD: I don't think we have, but under the existing legislation we have no recourse but to give them the water power, it is really covered in the existing legislation although we were able to get the price of it up from the fifteen cents named

in the Act to a dollar which they have now agreed to pay.

MR. CASHIN: We have not passed any legislation?

MR. SMALLWOOD: No. The legislation is already in existence.

MR. CASHIN: How is the legislation in existence if we did not pass it?

MR. SMALLWOOD: The legislation in existence obligates the Government to give them any additional horse-power they required for fifteen cents and we got a dollar.

MR. CASHIN: I know but won't you bring legislation to cover that?

MR. SMALLWOOD: No. I don't think so.

I don't know what progress has been made on the railway but it is fairly common knowledge they are making phenomenal progress. They have decided to build that railway so that they can ship iron ore over it the year after next and they have chopped a year off. It is rather interesting to note that costs have so mounted in the world, costs of raw material, labour, in the past year that the railway when it is into Knob Lake three hundred and fifty miles long will cost twenty million dollars more than they estimated a year and a half ago, twenty-five millions. It will interest the House to know the railway ties for that line are costing the company five dollars each to land in there, that is to say creosoted, treated railway ties, five dollars each. The estimate was \$2.50 and it has gone one hundred percent higher. The railway will be operated by diesel steam, not electric. This hydro-electric power concession by the way can develop only fifteen thousand horse-

power and that is about the only way they are going to develop. They don't need much they are going to run the railway by diesel.

Question No. 39: Stand.

Question No. 40:

MR. BALLAM: Mr. Speaker, I am sorry, I was not in the House when this question was asked and did not receive a copy. However, I will have the answer prepared.

Question No. 41 Stand.

Question No. 42:

MR. SMALLWOOD: The Office of the Newfoundland Labrador Corporation is in the building formerly occupied by the Chief of Police. Actual occupation will occur in the course of a few days. There is no managing director of the company. A Secretary-Treasurer was appointed today and I am very proud indeed to be able to give the House his name, Mr. George G. Thomas, until quite recently the General Manager of the Buchans Mining Company. A man who has spent his entire life in mining all over the continent of Europe, many parts of the continent of Africa and Asia and all over the continent of South America and Central America, the United States and Canada, and who has for some eight or ten years past operated in Newfoundland, who has recently retired as General Manager of Buchans Mining Company and is now residing in St. John's where he intends to make his home in all probability for the remainder of his life. Mr. Thomas, in addition to being Secretary-Treasurer of the Corporation will be advisor to the Corporation on all mining and mineral affairs in this Province. That is important because, in all of Eastern

Canada he is well informed on base metals and we are very glad indeed to have him as the Secretary-Treasurer of the Corporation and its advisor in matters of mining and mineralogy.

(2) The directors are named in the Act which is available to the House and I probably ought not to answer as it is not proper to give information presently available to the House. That is available but if I am not too much out of order, the Chairman is Sir William Stephenson, whom I propose to say something about a little later today. The President is Dr. Valdmanis, who is our Director General of Economic Development; the Attorney General is a director and he was until a few days ago Acting Secretary-Treasurer of the Corporation. Mr. Eric Bowring, C.B.E., Mr. H. M. S. Lewin, Vice-President and General Manager of Bowaters and Mr. C. A. Pippy.

No salaries are paid to directors, no fees are paid; the expenses of directors who come here from outside the Province, their travel and board while attending directors meetings are paid by the Corporation.

The Act provides that directors need not have shares. In fact some directors have and some have not. Government directors have no shares, obviously all shares of the Government are the property of the Government and not of the directors who represent the Government. The same thing applies to the private citizens of Newfoundland, Messrs Bowring, Pippy and Lewin, they too are not owners of shares. From memory I cannot say if the directors outside of Newfoundland are shareholders though their companies are and they have really represented the companies. Col. Griffin representing Wood Gundy;

George M. Mackintosh, Harriman-Ripley & Co.; Sir William Stephenson, Cement and General Development. I believe that Sir William Stephenson has shares in his own name as well as the fact that he represents the firm of Cement and General Development.

(3) Paid in full.

(4) (a) none. (b) none. (c) none, (d) none. (e) none.

(5) None.

(6) The Auditors are the International Auditing Firm of Peat, Marwick and Mitchell and Company, the remuneration I don't know and doubt if it has been fixed.

(7) No.

(8) The Act itself gives the answer. To be quite honest with the House I don't remember what the Bill says on the matter, but I refer the House to the Act and at the same time, as I hope to have a copy before me. I will have pleasure in reading it to make sure myself.

The House is well aware of the purpose of the Corporation which is to function with regard to concessions given it by the House here last year, and to develop the natural resources of that area as a corporation; to induce others to develop. Of the two the latter is clearly the greater function and the more promising one. If the Corporation itself is to develop these natural resources they will need very large sums of capital. If however, it is to induce, as it is able to induce, other companies, great mining companies and forest companies to develop these resources as such companies would have their own capital. It would be done obviously by arrangement between the Corporation and such other companies. The Corporation is in effect the owners of the

areas in question and would receive a share of the profits or royalties or stumpage, apart altogether from the taxation revenue that the Government as such would receive from the exploitation of any such resources.

Question No. 43 :

MR. FORSEY :

(1) The Firm known as Central Bakeries. I think the proprietors of that business are known as Walsh. Tenders were called for and the lowest bid accepted.

(2) Mr. Speaker, that information is not readily accessible. As the House knows the officer who was in charge of the Department of Supply prior to 1949 has been since deceased, and I may say he was a very competent official. Yes, all bakers have been given an opportunity to tender since that date. As a matter of fact only yesterday the supplying of bread for the coming year in institutions in St. John's were called for in the daily press.

Question No. 44 :

MR. FORSEY :

(1) The answer, Mr. Speaker, is no. A considerable amount has been delivered in St. John's.

(2) The same amount as the answer I gave yesterday referring to the period up to the end of February 1952 and there has been no additional money since.

(3) I don't know. I know only the representative. There was no interest at least by the Government.

(4) None, so far as I know.

(5) There is obviously nothing to insure unless it be the machinery they brought here. I have no idea of the dates on which such fire insurance policies were effected.

(6) I take it similar details refer to the four questions. I will take (1).

44-2 (1) Not all but nearly all the machinery has been delivered at St. John's.

(2) The same as the amount I gave in my answer yesterday, none since. I don't know. I don't know the names of the individual group nor the amount subscribed in cash to each individual group. I don't think it is any of my business to know. There was no interest paid at 4% as far as I know, certainly none by the Government.

(3) I have no knowledge whatsoever.

(4) Fire Insurance has been taken out or is in the course of being taken out through Arthur Johnson who of course places it around virtually all the other insurance companies. Arthur Johnson has the largest fire insurance business in Newfoundland acting as a sort of broker for the whole of the insurances on behalf of the company to place it with many other insurance companies.

MR. SMALLWOOD: Mr. Speaker, before you call the Orders of the Day I would like to make corrections to two answers I have given to questions. Yesterday I said that the Power Corporation of Canada had been paid the sum of \$368,000 for making the water power survey in this Province. I am corrected today by the Deputy Minister, Mr. Short and I find that the amount paid is \$168,000. How the error occurred I don't know.

The other incorrect answer I gave yesterday was in connection with the directors' fees paid or payable to directors of the Newfoundland Hardwoods Limited. I said that the directors were entitled to \$2,000 a year each

as directors' fees. The first correction I wish to make in that connection is that no amount is payable in directors' fees to these gentlemen so that in stating that I had received no directors' fees I was taking credit to myself that I did not deserve, the implication being I was the only one of the directors receiving no director's fees. None of the directors receive any directors' fees. In the second place directors' fees can be paid to directors only with the consent of the Government director which is the position which I happen to occupy, and then if the Government Director agrees that directors shall receive fees such fees shall be paid to them out of their own share of the profit as provided in the agreement tabled by me this afternoon. So that if they receive directors' fees none of the money will come from the Government nor the Government's share of the profits of the Newfoundland Hardwoods Limited. I hope I have made that quite clear.

MR. FOGWILL: Referring to the answer of the honourable Premier in connection with \$368,000 quoted yesterday at the cost of the survey made by the Power Corporation of Canada, today he has corrected that answer and gives the amount as \$168,000 paid, I understand now there are \$200,000 due.

MR. SMALLWOOD: I would not be surprised if the Corporation were owed a few thousand dollars yet but if so, a fairly small amount as that \$168,000 virtually covers the whole cost to the Government of the services of the Power Corporation of Canada.

Orders of the Day

Address in Reply:

MR. CASHIN: Mr. Speaker, in connection with the address in reply, I

would like to inform the House and the Government that we in the Opposition will be ready tomorrow to proceed with the address in reply. There were certain answers obtained in the House when both sides know, are essential to the discussion, to address intelligently, and we are having a meeting of our group tonight, to coordinate as best we can the various answers we have received and be prepared, if the Government is agreeable, to begin the debate tomorrow afternoon. That is reasonable on our part, we are not trying to hang up the business of the House, but would be prepared to go ahead on other business, such as second readings, now.

MR. SMALLWOOD: Mr. Speaker, I think my colleagues on this side of the House find that quite agreeable. There is no desire whatsoever on the part of the members on this side of the House, to force the debate to go ahead sooner than honourable gentlemen on the other side are ready to debate, tomorrow would be satisfactory.

I would, however, make this one point; I have already made it on opening day; the information necessary to the House to debate the address in reply is not at all the kind of information that is necessary to the House to debate the budget. It is far from desirable in the procedure of the House that there should be two debates on finances of the Province. The proper time for the debate on finances of the Province is on the budget and in the debate on it, in the debate on the Address in Reply the proper form for that debate to take is mainly on the Government's Policy and the general position of Newfoundland. The particular position relating to finance is one best debated during the debate on the budget. So when my honour-

able friend, the Leader of the Opposition refers to answers to questions and information I think the House agrees that they need information for debate but I must say I can not agree that it is necessary that all the financial information should be available for the Address in Reply. Now in other Houses that motion is well substantiated, in Westminster for example the debate on the Address in Reply occupies a day or two or three at the outset of the session before any questions have been answered more or less and certainly before any financial information is before them. In Ottawa it is somewhat different because there the debate on the Address in Reply is an extremely lengthy matter, virtually every member has something to say on it, two hundred and fifty members and it stretches on for months, even after the budget is disposed of they are sometimes still debating the Address in Reply. But it is a most general character dealing with everything under the sun except finance and that is dealt with in the debate on the budget itself. Personally I am satisfied if the Opposition is prepared to go on tomorrow.

MR. CASHIN: I thank the Honourable Leader of the Government for his courtesy in agreeing with us when we say we are prepared to go ahead tomorrow. There is one further thing which I have to say and that is this: Since we have become a Province of Canada and the Address in Reply has been debated, we generally, on the Opposition side at least, have been going on a couple of speakers the first day and a couple the next and that does not mean the House will adjourn but that other business will be gone on with such as tomorrow afternoon, after question time, our Speaker will go on and when finished we can go on

with other business of the House and the following day, Friday, a couple of more speeches will go on, etc. but it won't hang up in any way the general business. That is what happened here these last three years and I don't see any reason why it should not happen again. We are not in any way anxious to hold up everything, it is not our job. Our job is progress and I think the Government will receive my point and agree to the suggestion I have just made with respect to the Address in Reply.

MR. SPEAKER: I think the Chair should clarify this one point with regard to the debate on the Address in Reply. It is a matter to be decided between the Leader of the Opposition and the Leader of the House. As far as the House is concerned no conditions are warranted at all, it is just a matter of courtesy and I do however recommend newcomers to the House to read one short page of Mr. Beauschene, it would be a great help in delivering their speeches in the debate.

MR. CASHIN: What particular section is that?

MR. SPEAKER: I regret that I can't name it but will refer you to it.

MR. HOLLETT: There is a big book there and especially as a new member of the House I would like to get that page.

MR. SMALLWOOD: The safest way is to read the whole book.

MR. SPEAKER: In a few minutes, I will show you.

MR. HOLLETT: Mr. Speaker, has the Premier read it?

MR. SMALLWOOD: All of it and that is not the only one but also Mr. May and Mr. Erskins.

MR. SPEAKER: I would say no matter how much a member reads he could still get in trouble.

Orders of the Day

Second reading of Bill "An Act to Amend the Newfoundland and Labrador Corporation Act, 1951."

MR. SMALLWOOD: Mr. Speaker, I don't propose to occupy the House very long in moving the second reading of this Bill. This is a bill merely to provide for the addition of the name Sir William Stephenson to the directorate of the Newfoundland and Labrador Corporation. When the Corporation bill was passed in the House last year the directors were named at that time. It was hoped to have Sir William Stephenson on the Board, however no consent had been received from Sir William to accept office so that his name could not be entered in the bill. Since then however the Board were extremely happy to get Sir William Stephenson's consent to act as Chairman of the Board of Directors and he was therefore promptly elected as Chairman of the Board at their first meeting in December past. That action of course was subject to confirmation by the House and that confirmation by the House is now sought in the Bill presently before us for second reading. I move the second reading. Now a word about Sir William Stephenson.

He was born in the City of Winnipeg, Man. In the first world war he went overseas with the Canadian Army. He transferred to the old Royal Flying Corp the predecessor of the present Royal Air Force. After quite a distinguished career in the R.F.C. he settled down as a citizen in Great Britain. He entered business there and was signally successful as an indust-

rialist. He bought out a cement company in England, a company that was twenty-second in size in that country and worked up to be the second in size and importance in the United Kingdom. In the course of his many business activities in the United Kingdom between the two wars he did, amongst many other things, build Earls Court which is one of the great landmarks of London as the House so well knows. I think his activities took him a lot to Central Europe. I have heard from him many stories of King Peter of Yugoslavia and his wife, both of whom he told me he dangled on his knee when they were young children. Just what his past was in central Europe during the two world wars it is a little difficult to say. Some idea for those activities may, however, be gathered from the fact that during world war two Sir William Stephenson was appointed by the Prime Minister of England, Mr. Churchill, to be head of the British Intelligence and Counter-Intelligence for the whole of the Western Hemisphere, a position that he occupied throughout the whole of the period of the second world war. After the war he settled in New York where he has lived ever since. Immediately after the end of the second world war he joined with the late Edward Stettinius, Jr. and General (Wild Bill) Donovan who was the Head of O.S.S., the Cloak and Dagger Organization for the American Government and Armed Forces. The three of them established two corporations one known as World Commerce which last year did a total trade through the world amounting in value to three hundred million dollars. The other being the company of which Cement and General Development Corporation is the present outcome. Sir William Stephenson is one of the world's outstanding authorities on cement, cement

products and cement sales. He is a very wealthy man. His connections in the United States are such as to put him in a class to himself. Our success in getting him to accept the office of Chairman of the Board of this Newfoundland and Labrador Corporation is something of which we are quite proud. We hope and we believe that his acceptance of this office will lead to very profitable results for the people of Newfoundland. Sir William Stephenson has ideas, in a conversation with Lord Beaverbrook recently in Jamaica where they are next door neighbors in Monteigo Bay, each has a winter home there to which they go every winter and Lord Beaverbrook, who is himself one of the most remarkable men in the world and knows a remarkable man when he sees him, described Sir William Stephenson to me as one of the most brilliant men and one of the most remarkable men in the North American Continent today. Sir William Stephenson is a very close and intimate friend of Winston Churchill. Forty-eight times during world war two he flew to England to confer personally with Mr. Churchill to convey information that could not be put even in the remarkable code system that the British had during the latter war. It may interest the House to know that Sir William told me that on one occasion arriving in England, London, I think, early in the morning by plane having left Gander on the way through in an unheated plane at six or seven o'clock in the morning, hungry, cold and a little nauseated by the difficult air trip across the Atlantic he was met at the Airport by the usual officials, was whisked to London, he states, and while there was shown to the Prime Minister's room.

MR. SPEAKER: I shall have to interrupt to say that conversation

amongst visitors to the House are not permitted, they are not permitted to make any expressions whatsoever.

MR. SMALLWOOD: It does not annoy me, Mr. Speaker, I have the habit of shouting and bawling, so I have been told, and I usually drown out the noise, don't even hear it. Other members are far more sensitive.

MR. SPEAKER: The Chair has remarkably keen ears.

MR. SMALLWOOD: On this occasion he was shown into Mr. Churchill's bedroom and he arrived just a moment before Mr. Churchill's breakfast was brought into his room. The breakfast consisted of one large bottle of whiskey, two large long black cigars and four morning papers. He told me, miserable as he felt after that flight he had, all he could do to keep his stomach from turning over. That was the breakfast of that very remarkable man, the Prime Minister of England.

It is quite an accomplishment for Newfoundland. I can not say in detail or in concrete facts exactly what good it will do Newfoundland to have such a man as Sir William as Chairman of this Corporation, to have his connections, his ability, and he is deeply interested in Newfoundland. He has reached an age, he must be fifty-six or seven or eight where he has apparently what money he wants and would like to do something for someone and that someone I have persuaded him should be Newfoundland. He and I got on exceptionally well and I praise my personal friendship with him, and I think that much good may come to Newfoundland as a result. I think that is the only purpose of the Bill just to add Sir William Stephenson to the Board as a Director. I move the second reading.

MR. HOLLETT: May I refer to the previous bill on this?

MR. SPEAKER: It would be difficult for one to speak to the principle of the present bill without reference to the bill which it proposes to amend.

MR. HOLLETT: I would like to speak to this bill on several grounds, first and foremost I am against the principle of this bill despite all the wonderful things the Premier has said about Sir William Stephenson being a brilliant man. I cannot allow that to weigh at least as far as I am concerned with the redundancy of this bill. It is true our talks or so-called speeches are probably going to be a bit redundant too, but this amendment is absolutely redundant as you will note, Mr. Speaker, if you first refer to section two of the main bill which goes on to mention the various directors, the Honourable Joseph R. Smallwood, Premier of Newfoundland, the Honourable Leslie R. Curtis, Q.C., Attorney General, St. John's, Dr. Alfred A. Valdemanis, etc., until we get down to Col. Harold S. Griffin, D.S.O., Resident Manager of Wood Gundy & Co., Halifax, Nova Scotia, together, these are the words I refer to, "together with such other persons as may hereafter become shareholders of the Corporation." Now, Mr. Speaker, that is the point on which I rise to speak. It is absolutely redundant this amendment, it is not called for, not essential, therefore we are wasting the time of this House in bringing in the bill. Surely that section two provides for Sir William Stephenson or any other knight of the Realm which the Government might wish to put on this directorate. True, as the Premier says, Sir William is a brilliant man. The Premier is a judge of brilliant men; only yesterday he described our present Minister of Finance as a most brilliant man and

gave as his reason for doing that, and a very good reason too I think, he referred to him as the author—

MR. SMALLWOOD: To a point of order, Mr. Speaker: The honourable gentleman is not in order in referring to a previous debate on another matter in this present session.

MR. SPEAKER: My recollection was hazy there. I note the honourable gentleman was referring to what appeared to the Chair to be a semi-jocular statement made by the Premier in answer to a question. I am quite sure the honourable member will refrain from referring to previous debates in this session.

MR. HOLLETT: Mr. Speaker, I don't remember any debate I engaged in.

MR. SMALLWOOD: I did. That is the point of order, it is quite clear. In a debate that took place in this House on opening day, beginning and ending that day, I made certain statements to which now the honourable member wishes to refer and it is quite out of order to do so. I suggest that to your Honour and would like a ruling on that.

MR. SPEAKER: I have already given a ruling on it. "At the moment I am at a loss to recall what it referred to" and ended by saying I was quite sure the honourable member will not refer to a matter already decided by the House, which has already been debated in the House.

MR. HOLLETT: Mr. Speaker, I ask you to forgive me. I am not used to addressing the gentlemen in the Chair as Mr. Speaker, but usually as Mr. Chairman so that I would ask your forgiveness for any breaches I may make.

I was saying, Mr. Speaker, that the Premier is a very good judge of a brilliant man and I was referring to certain statements made a few days ago which apparently I am not allowed to do, but this is well known to the Premier and I have a very good idea of the Premier's ability to judge a man. This Sir William Stephenson is doubtlessly a brilliant man, Head of British Secret Service I believe and a good friend of Mr. Churchill's and various other things. He was in the first world war and must be getting up somewhere about the age of some of us and probably getting up towards the age of retirement. He is now a very wealthy man, Mr. Speaker, I believe the Premier said he established two big industries, one the Cement and Development Company. He has become a very wealthy man and is now coming back to Newfoundland to put the finishing touch to his fortune. The amendment, Mr. Speaker, has been made to amend this Section 2 which I have already pointed out is redundant and therefore unnecessary, and I would like, if I may refer to certain sections of the main act which was passed here last year, 1951, I am not so sure I have the right to do that, if I have, that is to say in connection with the duties of directors, Sir William Stephenson will be made a director under this amendment. There are certain rights and privileges and obligations which are incurred under that main act and if I may I would like to refer to some of these.

MR. SPEAKER: Was the honourable member asking for information from the Chair?

MR. HOLLETT: I was but as you did not reply I thought there was none.

MR. SPEAKER: The point is the Chair cannot be asked a hypothetical

question. You cannot refer to acts of a previous session unless you intend to have them rescinded and amended, only on such motion is discussion permissible. However it is permissible to refer to the duties of the directors but not the Act.

MR. HOLLETT: Mr. Speaker, in referring therefore to this original act passed last year you will note with this Corporation Sir William Stephenson, the gentleman under this act at the present time has the right to carry on any trade, business or activity whatsoever within the judgment of the directors or by resolution of the Board which operate there directly or indirectly to promote the industrial and economic development of the Province of Newfoundland. Under sub-section (b) they have the right to hold, sell, transfer convey, or otherwise in any way to deal in to deal with, dispose of or turn to account any or all of the property real or permanent at any time, in any way or manner acquire grants from the Government of the Province of Newfoundland or otherwise. Passing on from there we find, Mr. Speaker, that the directors have been given the right to dispose of or sell or anything they may so desire all the mineral rights and all the timber rights and most of all the water supply, the power supply over some twenty-one hundred square miles of territory in Newfoundland, most of which is in the Island of Newfoundland, the remainder on the Labrador. The question therefore arises should we not be careful about Sir William Stephenson? Is he the type of man to whom this House would delegate all rights for the next 99 years, in most cases under this act to dispose of, to sell, to hand-out to do anything they so please? More than that, Mr. Speaker, this

directorship of which Sir William Stephenson is to be a member, they have the right to borrow money up to an amount of ten million dollars on the basis of these assets, these eleven thousand square miles and they have the right to come back to this House, not this House, Mr. Speaker, but rather to the Lieutenant Governor in Council and say: look here we borrowed ten million dollars, we want you to guarantee it and the Lieutenant Governor in Council, without coming to this House of Assembly, at all, has the right to guarantee ten million dollars on which they may raise bonds on these assets. I take it, Mr. Speaker, we ought all, each one of us men here today should give this good and rather careful notice and note they are taking away from this, or this bill rather is taking away from this House, this people's House therefore from the people of this country, the right to dispose of—

MR. SMALLWOOD: Mr. Speaker, the honourable member would definitely be out of order in making that statement. We are not discussing the provisions of the original bill which has been passed by this House, which is definitely out of order.

MR. HOLLETT: I was just about to wonder just what qualifications he had to perform these duties. I had to point out what he and others could do including the Premier, Mr. Speaker, and the Attorney General and two or three other Newfoundlanders and two or three Canadians and Americans. I just had to point out just what he could do before allowing the point or question of suitability of Sir William Stephenson to act on that Board of Directors. I had to point out, Mr. Speaker, that the powers of this House had been relegated to a committee, as

it were, of citizens of this country and of—

MR. SPEAKER: The honourable member is out of order, that matter was discussed when the original bill was before the House last year. I have already pointed out you cannot comment on that bill except to make a motion to have the bill amended or rescinded.

MR. HOLLETT: That is the amendment, before us today.

MR. SPEAKER: The honourable member is now discussing the original bill passed in the House and it is not competent to do so at this time.

MR. HOLLETT: May I comment that I am making an amendment that this statement be deleted or make an amendment to it?

MR. SPEAKER: It is not for me to advise the honourable member what to do in that respect. I can only assure him he is definitely at the moment out of order.

MR. HOLLETT: Thank you, Mr. Speaker. I shall try to keep within the rules. Now the point I wish to clarify, that is to say the serious duties which Sir William Stephenson as director would have to undertake, he not being a citizen of this country, knowing very little, as far as I know of this country and I am wondering if we would be wise in allowing this to go through without drawing the attention of the House to the whole matter. I do say however that the amendment is absolutely redundant. There is no need for it whatsoever and it is only taking up the time of the House unduly because the main act clearly provides for it—"Together with such other persons as may hereafter may become shareholders of the Corporation" and

I take it, Sir William Stephenson is a shareholder. Thank you, Mr. Speaker.

MR. CASHIN: I quite see my honourable colleague's point of view. According to this section of the Act it says together with such other persons as may hereafter become shareholders of the Corporation; it is entirely unnecessary to bring this in at all. "Such other persons"—assuming tomorrow you wanted to make Tom Jones, down town, a director of this Corporation, you would have to bring in another amendment, I think that is the idea of the incorporation of this company or the articles of association of that company, every time you want to appoint a new director you have to make an amendment to the original act in the House of Assembly. Is that the point, Mr. Speaker? If that is so then every time you make a new director or any time you change a director you will have to bring in an amendment to Section 2 of the Newfoundland Labrador Act which is unnecessary and a waste of time.

I have no objection to Sir William Stephenson becoming a director of this company, none whatsoever. But I believe myself, Mr. Speaker, that the idea of bringing in this amendment is especially because of this more or less publicity for this man who is an outstanding personality, the fact that he was one time a member of the Royal Air Force, one time British Intelligence and another time he proceeded to London to see Mr. Churchill and I do not think it altogether too nice to say that someone appeared in Mr. Churchill's bedroom, in the early morning with a bottle of whiskey and a half dozen black cigars. I don't imagine Mr. Churchill would be pleased either, if a fellow takes a

morning drink he could be classified as some other kind of person.

Now the original act which was brought in here last year was discussed in the House at some length and it is not our intention to discuss the Bill as a whole at the present time, only the fact that we feel this amendment is entirely unnecessary. I have no objection whatsoever to Sir William Stephenson becoming a director of the company. He is a retiring individual I understand and I give him every good wish for the future and no doubt before this House closes we will find further legislation coming in here which will have to do with this particular company and when it does arrive, if what we understand is correct, then we will have a future debate in connection with the whole affair.

MR. CURTIS : I think, Mr. Speaker, it is only fair that I should reply to my honourable friends and make it clear just why we asked for this amendment. The honourable member for St. John's West be it junior or senior, I don't know but the last election he referred to the powers of the company. Now, of course, Mr. Speaker, every company that is incorporated must have its powers strictly defined and this company has its powers strictly defined in paragraph six of the original Act.

If the company has not existing powers to do certain things then the company cannot do those things; if the company is to buy and sell things i.e., goods it must have power in its incorporation to buy and sell goods. In that case this section here in the original Act, Section (a) and (b) which sets forth the powers of it would and as anybody who has had

dealings with companies, and I am sure the honourable Leader of the Opposition has had dealings, he knows you must give certain powers. Now the section to which the honourable members refer was the powers of the corporation wherein he inferred from that, that the corporation would have power to sell and transfer and assign all the land, timbers and other things which have been granted them. Now that is not so. They can only do that, if my honourable friends will refer to Sub-Section 3 of the section he will see that it is expressly limited, and the corporation shall have power at any time and from time to time, with approval of the Lieutenant Governor in Council. The House has already granted these things to the Corporation and I don't think it is in order to discuss them now.

MR. SPEAKER : That point was ruled out of order.

MR. CURTIS : Now if the honourable members will look at paragraph 2, which they quoted of the original bill, where it refers to the constitution of the Corporation, certain names have been mentioned and such names persons together with such other persons as may hereinafter become shareholders of the Corporation and hereby constituted a body corporate. Now the object of that amendment is not to add to the number of those in the body corporate because they are already members of the body corporate but the next section says, the persons named in section two, subject to the provisions of the section shall be directors, now the fact that they are shareholders, making them shareholders does not necessarily create them as directors. The directors are limited in this section to the persons named in section two.

MR. HOLLETT: Will my honourable friend allow me? Is not Sir William Stephenson a director?

MR. CURTIS: Yes, Mr. Speaker, he was made a director at the directors' meeting subject to that amendment being made. That is the reason. If my honourable friend would look at Section 3 the effect is to date it back to the 22nd day of June 1951 and the only object of this is to allow Sir William Stephenson to sit as a director until the first annual meeting of the company when he can be elected a director in the ordinary course of business without this amendment. We can elect him in the course of business without this amendment. We can elect him at the Annual Meeting at the end of this year without this amendment, but he cannot sit in the meantime and the only way in which we can make it possible for him to sit in the meantime is by this Act. The point raised by my honourable friend, the Leader of the Opposition that we have to come back to the House every time we appoint a director is not so, we only have to do that for the first year. After the first annual meeting the directors will be named and elected by the shareholders.

Bill read a second time, ordered referred to Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the Fire Patrol Act, 1949."

MR. SMALLWOOD: Mr. Speaker, the Fire Patrol Act 1949 states that there shall be paid by the Government every year towards the charges of the operation of that board a fixed sum of \$20,000. It may become necessary from time to time to increase the amount of this contribution. The effect therefore of the present Act is to wipe out the reference in the Act

to twenty-thousand dollars and put in lieu thereof such sum as the Lieutenant Governor in Council may decide and this at the same time will bring it in line with the estimate so that the sum to be granted will have to be voted by this House, so that instead of twenty thousand dollars it may be twenty-two or twenty-five or such sum as this House grants from time to time. I move that this bill be read a second time.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of bill, "An Act to Amend the Timber License (Revisions to Crown) Act, 1951."

MR. SMALLWOOD: Mr. Speaker, the object of this Bill is to except from the operation of the Timber License (Revision to the Crown) Act, 1951, passed in the last session, lands and timber licences issued to the Anglo Newfoundland Development Company and Bowaters' Newfoundland Pulp and Paper Limited or owned by these people having been acquired by them from other companies prior to that date.

MR. CURTIS: At the time this was an omission, it was never the intention of the Government to affect leases held by these companies and the objects of this Act, is, as I say, to except their lands and lands they did acquire previous to the date of the passing of that Act.

MR. CASHIN: Mr. Speaker, in connection with this particular amendment, I think I quite understand particularly with respect to Bowaters, I thought within the passing of the original Act under International Power and Paper Company of 1927 a clause was inserted whereby Bowaters could

buy from people who were carrying leases in areas from the Government, could buy them and were not put in the position where they would not have to carry out the provisions of the agreement with respect to building mills on these particular areas and probably this particular amendment is to cover them in this respect and the same applies to the Anglo Newfoundland Development Company so as to cover them in this respect, I can quite appreciate that but while I am on my feet I would like to be made clear on a point in connection with the revision to the Crown Lands, I don't know if I am out of order, Mr. Speaker, but don't think I am, we passed some legislation here last year if my memory serves me correctly with respect to cancellation of licenses because of the agreement not being carried out with respect to certain mills not being constructed in certain territory, I presume that act has been put into effect and the people notified and so forth. Remember now I am not quite certain whether I am in order or out of order at the present time, this is a very general kind of amendment but I would like to ask a question; if some gentleman had not arrived last Autumn with reference to certain interests in the Labrador involving some two thousand square miles of timber land, whether he paid for the fees? I am not quite certain but I did have the privilege of meeting a man who came here last June, privilege or otherwise whatever it might be, I meet all kinds of fellows, I have had the privilege of meeting Sir William Stephenson and met probably just as good, men without the bank roll, however I did have the privilege of meeting him, he met me rather, I did not seek to meet him and I want to ask whether anything was done in connection with this particular matter at this time, and I think I am

entitled to ask that question, whatever my opinion may be about the individual concerned.

MR. SMALLWOOD: No, nothing was done and nothing will be done.

MR. CASHIN: Did he pay you some money, and did you keep it and did not give him his release?

MR. SMALLWOOD: That is what the Act provides, that was what this House passed.

MR. CASHIN: I don't think it is just whether it is this House or any other House.

MR. SMALLWOOD: It is perfectly right and just, if they did not fulfill the other conditions, he does it and does it in the hope he will escape the act, that is his own funeral.

MR. CASHIN: I don't think it is honest on the part of the Government to accept money under these conditions.

MR. HOLLETT: Mr. Speaker, I just want to ask one question on this particular amendment. It appears to me there is such a discrimination there in that particular section. My honourable friend the Leader of the Opposition referred to some case which happened last fall where a man was refused. Money was paid into the Government and he could not get his license, but here is a case where you are giving the right to the A.N.D. Company and Bowaters' Pulp and Paper excusing them from the consequences of the bill you passed last year. What I want to know, Mr. Speaker, is there not discrimination against certain other parties in favour of the A.N.D. and other parties and if so why the discrimination?

MR. SMALLWOOD: The honourable gentleman is perfectly right, there

is discrimination against one and for another, against Springer, Kenneth Springer and his associates and in favour of the A.N.D. Company and Bowaters, very definitely there is discrimination and the reason is this. Kenneth Springer was a speculator from New York City who came here and was well aware of the Legislation, read it, studied it, understood, took legal advice on it, knew that that act provided that if he paid the fees notwithstanding the payment of the fees the land in question reverted to the Crown at the 31st of December, unless development took place on it. There was ample time for the minimum development specified to take place, and notwithstanding that he made no development, he merely hoped that the Government having accepted the fee from him as it was bound to do would then simply violate the Act which it had no authority to do and except him from the operation of the Act. If that is discrimination, it is discrimination this Province needs and this Island when it was not the Province of Newfoundland, has needed for many years past. Now if there is discrimination in favour of Bowaters and the A.N.D. Company it is very justified discrimination. These companies are operating, these companies are producing, these companies give a huge amount of employment to Newfoundland, these companies have a huge stake in the economy of this Province and the prosperity of this Province. The legislation in question which is now to be amended, if the House agrees, is legislation which is aimed at production and development of Newfoundland's natural resources and which says the people who were given areas to develop and did not develop shall lose those areas unless they develop them by the 31st day of December, 1952, an act aimed at bringing about the development

of Newfoundland for which reason this House passed it unanimously. Now by an omission the House, but first the Government which prepared the bill, and the House who passed it, failed to except from the operation of that Act certain areas in the Province of Newfoundland, on the Island of Newfoundland, held by these two great producing companies, which, if this amendment were not brought in and passed, would also revert to the Crown, the last thing precisely the Crown wants. The Crown would prefer that the A.N.D. Company and Bowaters would continue to hold those areas and develop them for the benefit of Newfoundland. That is exactly what this amendment amounts to and that alone was aimed at, discrimination in favour of development of our natural resources and against speculators who have already had more than half a century of having those areas in their possession and doing exactly nothing to develop. I think it was around 1892 the original guarantee was given for the area on the north side of Lake Melville and in Sandwich Bay and in all those years they had not done even one dollar's worth of development, not one dollar's worth and they might go on for another fifty years if this House, last year, had not passed the legislation as it did. But that, Sir, surely was not our thought, that areas held by these two great producing companies should also revert to the Crown and be closed to those two companies. The amendment is one to avert that position that arose from the passing of the Act last year.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Second reading of bill, "An Act to Amend Chapter 125 of the Consoli-

dated Statutes (Third Series)," entitled "Of Trustees."

MR. CURTIS: Mr. Speaker, the Act referred to Chapter 125 of the Consolidated Statutes deals with trustees and the nature of investment that trustees can utilize for the purpose of investing trustee funds in their hands. The effect of that amendment will be to allow trustee companies, approved by the Lieutenant Governor in Council, to issue investments, certificates, carry out the provisions of that amendment which will then be safe investments and legal investments for trustees under the Trustee Act. The amendment is brought forward at the request of the Eastern Trust Company and is in line with the law in other Provinces, the neighbouring provinces of the Mainland. I would move the second reading of this Bill.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of bill, "An Act to Amend the Newfoundland Corporation Income Tax, Act, 1949."

MR. CURTIS: Mr. Speaker, that is a bill which we have found the necessity to enact at every session. Honourable members will know that in addition to paying Federal Income Tax the Province under the Terms of the Tax Rental Agreement is obligated to impose five percent taxation on incomes and it is that tax that this bill proposes to amend. I don't think, Mr. Speaker, it has ever been our practice to go into these bills in detail. The Newfoundland Corporation Income Tax Act is on all fours with the Dominion Tax Act and the idea of this amendment is simply to bring the Newfoundland law into line with the Dominion law so that the one computation of income by

the income tax accessor will serve both the Federal Government and the Provincial Government at the same time. The amendments proposed here are amendments which were made in the Dominion House last year, the Federal House, last year and although we are always a year behind the Department finds it necessary to have the amendment made so as to be able to collect from corporations and others without the necessity of having two sets of returns. If our law was not on all fours with their law every company would have to file a separate return but by having our laws the same the one set of returns does for both laws. I might say, Mr. Speaker, that the Government contemplates receiving instructions from Ottawa to relinquish that tax and to repeal this Act and it is very likely within the new tax agreement this act will cease to exist, but the amendments are necessary nevertheless in as much as this covers amounts due for previous years, for last year and previous years and for that reason we not only have to pass this amendment but will probably be asked, even though the act has ceased, to pass a similar act next year.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of bill, "An Act Relating to the Designation of Certain Local Government Officials."

MR. FORSEY: Mr. Speaker, at a recent convention of the Municipalities of Newfoundland held at Corner Brook, the Convention passed a resolution asking the Government to grant them the right to designate the chief officer of each particular municipality as Mayor, rather than the Chairman, they found the word Chairman too nominal and too inaccurate.

The bill Mr. Speaker, is purely and simply nominal, non-contentious and, if I may say so, almost inconsequential. I move the second reading.

MR. SMALLWOOD: Mr. Speaker, I don't know that I agree fully with my honourable colleague when he says the bill is almost inconsequential. I think it is one of the most consequential bills ever brought before this House. Here we have in Newfoundland a great and growing movement for the organization of municipal governments, already some thirty-five places in Newfoundland have decided to organize themselves into municipalities. A movement of people in many communities to organize themselves into their own local government is a highly significant movement in any land more especially in such a place as Newfoundland where our population is so widely scattered over so many miles of coastline, in so many bays and harbours and where so many of them are so widely separated one from the other. As Her Majesty's Outport Government we take particular pride, particular pride on this side of the House in that great movement instituted by a former colleague of ours here, Senator Quinton, when he was Local Government Affairs Officer and continued so brilliantly by our present colleague the Minister of Supply. We take particular pride in that great development of decentralization of Government in Newfoundland. You have a number of cottage hospitals, identified closely with these cottage hospitals are these bodies contacting thousands of people, thousands of families who operate these hospitals, who contribute to the upkeep of them. Now side by side with that in some of the larger places in Newfoundland, and in some cases of several smaller places acting jointly

in rural district councils you have a movement of government, decentralized government, the assumption by a large number of citizens of additional duties and responsibilities, one of the finest movements along the line of democracy that Newfoundland has ever witnessed in all its history. This present act is inconsequential in the sense that it does not create town councils, it does not affect town councils, but does merely provide that the leader of town councils, the citizen in any town council chosen by his fellow citizens to be their leader, the leader of their local government should bear the honourable and ancient title of mayor of that town.

MR. HOLLETT: Do you appoint the first mayor?

MR. SMALLWOOD: As far as I know, in the local governments the councillors are elected and they elect the Chairman amongst themselves, the first one.

MR. FORSEY: It is the man who holds the highest number of votes.

MR. SMALLWOOD: In short the man chosen by his fellow citizens to be the leader by getting the largest number of votes given to any of the candidates becomes the leader and under this Bill, if it becomes an Act, the mayor of that town.

MR. HOLLETT: I should be premier now, I had more votes than you.

MR. SMALLWOOD: My honourable friend did not have the good fortune to contest an outport district. If he had the extreme advantage of contesting the District of Bonavista North, I can't say as to how many votes he would get, not many. I could name others as well but I shall refrain from doing so. The Minister

of Supply never gets fewer than ninety out of every hundred votes in his great native district of Burin which he has served with outstanding distinction in the past three years. Mr. Speaker, I am very happy and very proud that this Government have the privilege of bringing this legislation here asking the legislature to enact and give that title of honour to the men in these thirty-five municipalities who give much of their time, of their energy and a great deal of their thought to the upbuilding of their own communities. We have here with us on this side of the House an honourable gentleman who was Chairman of a town council, the Town Council of Port aux Basques-Channel, I refer of course to the honourable member for Burgeo-LaPoile. He could speak of his own knowledge, and I hope he does, I hope he gives us a word or two or more to tell us what he thinks of what this Act will do to encourage the development of this democratic self-government in the communities of Newfoundland.

Moved and seconded this Bill is now read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Second reading of Bill, "An Act to Amend the Local Government (Elections) Act, 1951."

MR. FORSEY: Mr. Speaker, this Bill is merely intended to expedite and facilitate the elections in the various municipalities throughout Newfoundland. Up to today, Mr. Speaker, it has been a practice for the local stipendiary magistrate to suggest the returning officer to the Department of Supply who in turn prepares a list of the names of persons concerned for the Lieutenant-Governor in Council. After it has passed the Lieutenant-

Governor in Council the election official was appointed. We feel that this is too formal, takes too long and elections in the various municipalities are hindered somewhat. So we feel we should let the matter rest when it reaches the Department of Supply and the Minister be enabled to appoint the local returning officer in municipal elections upon the recommendation of the local stipendiary magistrate.

Section four, Mr. Speaker, eliminates certain persons from being returning officers and deputy returning officers and to run down the list it should be perfectly obvious why these people should not act as election officials.

Section five; up to date, Mr. Speaker, the sum of ten dollars had to be deposited before anybody had to run as a candidate and we feel that prohibits and eliminates certain people from offering themselves as candidates and we have lessened the sum from ten to five dollars in any municipality in Newfoundland, enabling any person who so desires offering himself for services in a municipality.

Section six, Mr. Speaker, is merely a typographical error and section seven merely to correct a grammatical error and I feel the Act is non-contentious and I would move the second reading.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act Further to Amend the Public Welfare Act, 1949."

DR. POTTLE: Mr. Speaker, at present in order for Welfare Officers to take declarations from persons who are their special concern such as in-

dividuals apply for assistance under various statutory acts, they have to apply for appointment as justices of the peace and then as temporary justices of the peace. By being temporary they have to be reappointed and the reappointment of so many officials who receive their appointments at various times of the year is an inconvenience. The amendment to the Act proposed allows them or empowers them to take statutory declarations and that condition remains permanent during their term of office. The provision is uniform with provisions for other officials where the proposed investigation itself is not a controversial one and I move the second reading of this Bill.

MR. HOLLETT: Mr. Speaker, just one word there. I am an old magistrate, very old and J.P. and so on and I disagree with a law giving welfare officers across the country powers to take statutory declarations on any matter that might come before them in any district. I do agree they might be allowed to take statutory declarations from the persons whom they are sent to take statutory declarations with regard to Welfare but I don't think a Welfare Officer should have the power to take statutory declarations from all persons in the country. I would just draw that to the attention for the Minister of Welfare.

DR. POTTLE: That might very well be discussed in committee, Mr. Speaker, at the present time I see no object in it, the main point of the Bill is to endeavour to do that and only that.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker,

I move that the House at its rising do adjourn until tomorrow, Thursday at three of the clock.

MR. CASHIN: Mr. Speaker, in seconding that motion, the motion to adjourn there is just one thing I would like to draw to the attention, particularly of the Attorney General that is the matter of some inconvenience to the residents of Portugal Cove in the District of St. John's West. The Justice Department are probably aware that at the present time there are some actions being taken in the magistrates' courts with respect to people keeping dogs down in Portugal Cove. It appears some months ago a petition was gotten up with respect to doing away with dogs and this petition, from what information I have received, was gotten up by a certain party, and if these people are brought up here to court and their case deferred from time to time—

MR. SPEAKER: Order: The honourable member is well aware the motion to adjourn needs no seconder.

House adjourned until 3 of the clock.

The House adjourned accordingly.

THURSDAY, March 20th, 1952.

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

Presenting Petitions

HON. CHARLES H. BALLAM (Minister of Labour): Mr. Speaker, I beg to present a petition on behalf of the residents of the town of Summer-side, Meadows, Gillams, MacIvers, Cox's Cove, and towns on the north side of Bay of Islands. These people

are petitioning for the continuation of the road which was begun a year or so ago around the upper part of the Humber Arm eventually connecting them with the outside of the bay, where, as you know, most of the facilities are; hospitals, etc.

This petition is signed by some nine hundred people representing three to four thousand others of these settlements. There is no question in my mind, and I am sure this House will appreciate the fact that these people who live so near the town of Corner Brook, and who, especially in the winter time, are cut off from getting across the bay for either medical or other services, and also work, really need some connection with the main part of the district. I agree with them, and I certainly go along and would ask that the Department concerned, give this petition every consideration. I beg to table the petition.

MR. BALLAM: Mr. Speaker, I have some resolutions under the Labour Relations Act which I would like to table.

Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, on behalf of my colleague, the honourable Minister of Education, I give notice I will on tomorrow, ask leave to introduce a Bill. "An Act Further to Amend the Education Act, 1927."

HON. PHILIP FORSEY (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow, introduce a Bill, An Act entitled "An Act Respecting the Department of Municipal Affairs and Supply."

Notice of Motion

Honourable the Minister of Education asks leave to introduce a Bill. "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950." Bill read a first time, ordered read a second time on tomorrow.

"An Act Further to Amend the Education (Teacher Training) Act, 1944." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Public Welfare asks leave to introduce a Bill, "An Act Further to Amend the Mothers' Allowance Act, 1949." Bill read a first time, ordered read a second time on tomorrow.

"An Act Further to Amend the Dependents' Allowances Act, 1949." Bill read a first time, ordered read a second time on tomorrow.

Notice of Questions

MR. SPEAKER: Question No. 45.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, Question No. 45 is being prepared.

MR. SPEAKER: Question No. 46.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, this question was addressed jointly to the honourable Minister of Fisheries and to me, but the whole of the question was handed to me in fact, and I have referred it to the three loan boards administered by two different ministers, but I merely forwarded it to the Chairman of the three boards for a reply. May I explain to the House that the Industrial Development Loan Board is administered by the Minister of Economic Development, and the other two by the Minister of Fisheries and Co-operatives. Honourable gen-

lemen might bear in mind, and address to the proper minister, questions affecting these three boards, one only is administered by the Minister of Economic Development. As soon as the information comes I shall table it.

MR. SPEAKER: Question No. 27.

MR. SMALLWOOD: I table herewith, Mr. Speaker, the files, and as it is our actual file copy, I might ask the honourable gentleman to take care of it. I will return it and have copies made if he likes, or he could take it now and return it after having copies made. At the last moment, I took them from the files in the Department, and they are the actual original carbon copies.

MR. SPEAKER: Question No. 48.

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, Question No. 48 is being prepared.

MR. SPEAKER: Question No. 49.

HON. WILLIAM J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, the question concerns a loan that was made by the Fisheries Loan Board, and the question has been forwarded to the Chairman of the Board for answers.

MR. SPEAKER: Are there any further answers to questions?

MR. BALLAM: Mr. Speaker, I have the answer here to Question No. 40.

On the 15th December, 1951, there were nine hundred to a thousand employed on this project. Rates being paid for all classes of work herewith. Base rate I might say, is 90c. an hour. There were twelve to sixteen hundred workers from the Mainland and other places working on the project. More than 25% were promoted to higher paid classifications and better jobs. It

is expected that in addition to those working now, an additional thousand men will be employed there this coming season. The hiring will probably begin in May. The scale of all wages attached.

MR. KEOUGH: Mr. Speaker, I have here the answers to Questions No. 39 and 16.

Question No. 39.

1. Newfoundland Fishermen's Convention	\$19,654.14
Grant to Newfoundland Fishermen's Convention....	15,000.00
	<hr/>
	\$34,654.14

2. No information. This question is improperly directed.

3. (a) \$50,000.

(b) This information is the property of the Societies concerned and cannot be disclosed to the House without prior approval of the Societies.

(c) A matter of Government policy upon which no decision has been made.

Question No. 16.

1. No.

2. Report now in course of preparation to be tabled when completed. Lay, etc., "Matthew II" (Danish seining, drag trawling).

Crew was paid minimum guarantee or a share based upon 50% of the net earnings of the vessel whichever proved to be the greater. Fishing instructor, mate and cook receive a proportion of one share, chargeable against the net earnings of the vessel, if the crew's share was in excess of minimum guarantee.

Captain—\$300.00 a month, plus 10% of the gross charged to ship's share.

Engineer—\$350.00 a month, no share.

Minimum Guarantees :

Mate—\$200.00 a month.

Cook—\$200.00 a month.

Crew—\$150.00 a month.

Lay etc., "Hubert G. Smith" and "Ruby L. M. Smith," Long-lining.

Crews were paid minimum guarantees, or shares based upon 50% of the net earnings of the vessels whichever proved to be the greater. Captains, engineers, fishing instructors, mates and cooks to receive a proportion of a share chargeable against net earnings of the vessel if crew's share was in excess of minimum guarantee.

Minimum Guarantee :

Captain—\$250.00 a month.

Engineer—\$200.00 a month.

Fishing Instructor—Mate—\$200.00 a month.

Cook—\$200.00 a month.

Crew—\$150.00 a month.

3. Yes.

MR. SPEAKER: Question No. 10 (4).

Mr. Hollett to ask the Prime Minister, Mr. Smallwood, the following:

Give a detailed statement showing the number of Beer and Wine Licenses presently at issue, the name of the taverns, clubs or hotels and the names of the licensees to whom the license was issued and the date of the issue. Also state the fee charged for each license.

Answer tabled by Mr. Smallwood.

MR. FOGWILL: Mr. Speaker, before you go on to the Order Paper, Question No. 4 addressed to the honourable Minister of Public Works?

HON. E. S. SPENCER (Minister of Public Works): That information was being drafted this afternoon, and will probably be ready for the next sitting.

MR. POWER: Mr. Speaker, I would like to say that the answer to No. 26 (3) is being compiled and also to No. 27.

MR. SPEAKER: Question No. 34.

MR. POWER :

- (1) Because the Government considers that his comprehensive knowledge of and experience in the field of Dominion-Provincial financial relations will be of invaluable assistance to Newfoundland.
- (2) To advise and assist the Government as required from time to time in such matters and to such extent as he or the Government may deem necessary.
- (3) No salary or fee has been determined. Payments will be in respect of services actually rendered.
- (4) (a) Neither. As a consultant only.
(b) This information can be supplied only by Mr. Thompson.
- (5) Payments to 29/2/52

(i) Peat, Marwick, Mitchell & Co.

	Work for Nfld. Govt.	Work for Nfld. Delegation
—————	\$61,108.95	\$18,173.09

The Question relative to the financial budget and recommendations supplied to the Newfoundland Delegation to Ottawa should be directed to the honourable Premier.

(7) No.

MR. HOLLETT: Have we had any reply to Question No. 15, Mr. Speaker?

MR. SMALLWOOD: Mr. Speaker, all questions addressed to the Minister of Provincial Affairs are, I am afraid, delayed, because of the fact that the Minister of Provincial Affairs has spent the last day or two preparing for a case in Court, and is spending today in Court, and I ask, therefore, that questions addressed to him should stand. I know they are in course of preparation by the Department, but they are just a little lack of liaison because of his absence from the Department for a day or so.

MR. CASHIN: Mr. Speaker, if I am in order, I should like an answer that has been given to the House somewhat clarified, that is with your permission.

MR. SPEAKER: Supplementary question for the purpose of clarification?

MR. CASHIN: I could get it by asking across the floor of the House. It is in respect to an answer I got yesterday. The Pre Union Surplus expenditure of \$15,150,000, that included amounts that are committed, or has that been the actual cash expenditure under that particular heading?

MR. SMALLWOOD: Mr. Speaker, I think, if I may, that it would be better if the honourable gentleman gave motion of another question on that.

MR. CASHIN: I will leave it until I speak, and draw it to the attention of the House and get it answered then.

MR. SMALLWOOD: There is no desire in the least to withhold the answers, but a Minister is entitled to ask for notice of question, and if the honourable gentleman will give notice now of the question, it can be tabled.

MR. CASHIN: I pretty well know the answer, and will let it go at that.

Orders of the Day

Debate on the Address in Reply:

MR. CASHIN: Mr. Speaker, before going ahead on the address in reply, as Leader of the Opposition on this side of the House, I would suggest to the Premier, as I suggested yesterday, one of us would speak to the address in reply, the gentleman who follows Mr. Fogwill is absent at the present time, and he has a case in Court also. I think somehow or other he may be here, and I wonder if it would be agreeable for the Government for the member for St. John's East to speak now, and after he has finished, defer the debate and carry on the other orders of the day. If the gentleman is not here, I will adjourn the debate on his behalf.

MR. FOGWILL: Mr. Speaker, since the House met last fall, and the Legislature was dissolved, the people of this Province, as well as the people of all of Canada, and of the British Empire, have mourned the passing of the late King George. He came to the Throne at a very troubled time, Mr. Speaker, but nevertheless, he carried on his duties as monarch in a manner that won for him the love and respect of all the citizens of the Commonwealth, as well as the respect of the people of the whole world. To his sorrowing daughter, the New Queen Elizabeth the Second, we express the hope that her reign will be peaceful and happy and prosperous.

To you, Sir, I want to say that I am glad to see you back here again as Speaker of this House, and as we proceed with our legislative duties, it is possible, Mr. Speaker, members may

sometimes lose their tempers and perhaps break out into a sweat, nevertheless, Sir, I believe your patience and wisdom as displayed in the past will be evidenced and that you will pour the oil on the troubled water and bring peace to the Chamber.

Mr. Speaker, I would like to congratulate the honourable member for Bonavista South, as well as the honourable member for Burgeo and L'Anse-au-Loup for the very able manner in which they moved and seconded that a committee be appointed to draft a reply to the Speech from the Throne, so ably delivered on Wednesday, March 12th, by Sir Brian Dunfield, Administrator. To them, Sir, as well as the several other new members of this House, I extend my congratulations and best wishes that their tenure of office will be a benefit to them, the districts they represent, and as well as a benefit to the Province as a whole. To my new colleagues here on the Opposition side of the House, so aptly referred to by the Premier himself, as the good looking members on the Opposition, I give them my best wishes. I feel confident they will give a good account of themselves in this honourable House. To all other members on both sides, Sir, I don't know who the ugly ducklings are I am sure—probably the Premier will make some profound announcement of that later in the session.

Mr. Speaker, of the several Throne speeches read here since Newfoundland became a Province of Canada, the last one we have heard in this Chamber, to me at least, has been the least interesting, it contains very little. For one thing, Mr. Speaker, if we look at the speech itself, we find that very little is said about the fisheries, except to say that it was expected that higher prices should be paid to those

engaged in the salt cod fishery this year. That may be true, and it may not be true. However, Sir, the experiences of the last three years have shown the prices paid for salt cod fish have been very low, much lower than had been paid in the previous years, and those people engaged in the salt cod fishery since the present Government came into power, have not been given much hope by the Government, or by assistance, so that they could carry on that industry. Of course, Mr. Speaker, it must be realized that we have quite a number of people still engaged in the salt cod fishery, and when the present Government came here in this House, they embarked upon a program or policy of expenditure where there was a great amount of money spent. To me, Mr. Speaker, it was wasted in a fiasco. The Icelandic Herring Venture cost up to four hundred and fifty thousand—half a million dollars was wasted. Also, Mr. Speaker, they spent money in the purchase of several boats which were fitted and put into operation in experimental fishing. I don't know, Mr. Speaker, what is the result of the experiments of these two boats, but in reference to the "Matthew Second" and "Charlott" those boats cost considerable money, for the two perhaps in the vicinity of sixty or sixty-five thousand dollars, the first cost plus the cost of operating them, the paying of the crew, feeding of the crew, and fitting of them for experimental fishing, and I would like to know where are those two boats now? Have the experiments with those two boats been successful or not? It is all very well, Sir, for the Government to say they are going to branch out into experimental fishing, and that in a short time all conditions in our shore fishery will be well, but it has not panned out that way, Sir.

The present committee is preparing the report for this Government, and for the Federal Government, I presume that is the joint committee on fishery matters, and that committee is one that should have been one of the first Acts of the present Government in 1949, instead of branching out into ventures of which they know nothing at all, and resulted Mr. Speaker, in spending and wasting many dollars of public money. Mr. Speaker, if the Government had not rushed into, what I say is a misguided spending program, in regard to the fisheries, this Province would have been hundreds of thousands of dollars better off.

Now, Mr. Speaker, in the Throne Speech too I notice an absolute lack of any word at all about those people who engage in agriculture—our farmers. I cannot find one word of encouragement or hope being held out to them by the present Government, and in their program, laid down by the present Government, they say nothing about that. I know we have not very many men, women, or lads working in the farming industry, however, Mr. Speaker, we have several thousands of people, upwards of six thousand working at farming trying to wrest a living from the soil of this country. What protection have they received from the Government? They have practically been left alone, Mr. Speaker, since this Government came into power, left alone to struggle along as they best know how; up against all kinds of obstacles, high freight rates, high cost of feed and many other conditions, Mr. Speaker. The honourable members of this House are aware of nothing being done about it at all. There have been some small amounts voted in the past two sessions, some small assistance; for agricultural lime and so on, but very little

has been done for these people. To me, Mr. Speaker, these people, these farmers, are one of the most important group of people in the island, those who produce, those engaged in the fisheries, and the farmers are the group producing the food, and they should get the most assistance.

Very little is said in fact, Mr. Speaker, there is nothing said about the high cost of living in the Speech from the Throne, that was one of the points, Mr. Speaker, which urged the people of this country, Newfoundland, to federate with Canada. They were promised emphatically in the press, and over the air, it went out over the air waves all over the land that the cost of living would be reduced forty per cent. Has it been reduced? It has not been reduced, Mr. Speaker, and the people are still living and striving and groaning under a burdensome cost of living, which is gigantic and indeed hard to overcome. The honourable, the Minister of Supply yesterday, in tabling an answer to a question, said the living costs are obtained by living conditions on the mainland, over which this Government has no control. But why make that startling announcement in this House yesterday, when it was known in this country four hundred years ago? To me, Mr. Speaker, it is silly. Everyone knows that the cost of living is caused by conditions outside, then why did the Government of this Province, the year before last, appoint a committee in the first instance, to inquire into retail prices, and that having failed, they appointed a Royal Commission to inquire into the cost of living. And what is the result, Mr. Speaker, of the inquiry of the Royal Commission into the cost of living? The Government said in answer to a question last year, that the report of the Royal

Commission had been received by the Government, and the Government was presently giving consideration to a course of action to protect the consumer, but nothing was done since last year to protect the consumer from the high cost of living, nothing, not one thing, Sir, in any Department or any part of the Government to protect the people in the country from the high cost of living which coupled with the taxation too, these people are groaning under.

Probably it may be all right to say, may feel it all right to say on the Government side of this House, that the taxation imposed upon the people of this island you have no control over either, perhaps you have no control over it now, but you had some, because you entered into an agreement with the Dominion of Canada, whereby they pay you so much money for the tax agreement. We find the taxation by the Dominion of Canada last year in 1951 took from the people of Newfoundland from thirty to forty million dollars, and I challenge the other side to deny it. These taxes, twelve or fourteen million dollars in personal and corporation taxes. The taxation today, Mr. Speaker, is the worst burden ever imposed upon the people of this Island, the worst in the history of this country since this Island was discovered in 1497. Where are the young people in this Island in any town, Grand Falls, Corner Brook, or anywhere else, where are they going to get the necessary money to try and get a little home for themselves, the money to purchase the furniture? It has always been the wish of all the young people in Newfoundland that they could buy a home for themselves so that they could live in contentment and ease, and would not be troubled by paying rental every

month. What do we find? That Mr. Abbott at Ottawa, the Minister of Finance, is stripping the young people of this Island to the bone where they can't save a cent to do the things they ordinarily should do. How, I ask, can anyone survive under the taxation system we have today. Your excise tax and the succession duties, income tax, and in 1950 another ten percent to go on, plus two percent to pay the old age pensions. Where are we going to end up? The taxation, Mr. Speaker, put upon the people of this Island by the Federal Government of Canada, and by this Government eventually will impoverish the nation. That is what it is coming to, it will impoverish the nation. It is all very well to say the people of this Island, or of Canada can get what they want. Sure they can go into any store on Water Street in St. John's, or Barrington Street in Halifax, or any street in Toronto, or Montreal, or Vancouver, and get all the credit they want and put themselves in debt for the rest of their lives, and then retire on forty dollars a month. It is lovely. Excise taxation, Mr. Speaker, from ten to fifteen and twenty-five percent plus the ten percent, plus the three percent provincial sales tax, where is it going to end up? There is no end to it.

Mr. Speaker, what about the IBEC Report? We have heard that talked about in this House so many times. The Opposition last year asked for the Report. It could be given to them privately, but was not to be made public. And why was the IBEC Report not to be made public? What is wrong with it? Is there anything wrong with it? If the IBEC Report on this Island is an inducement to people with money to invest their capital in Newfoundland or Labrador, it should

be made public. Then all those people, Mr. Speaker, who, we were told, were going to come to Newfoundland and pour their money into Newfoundland Industry at the time of Confederation, they no doubt would not hesitate one moment, if they knew the IBEC report was favourable for investment, would not hesitate, Mr. Speaker, to come and pour their millions in here. I understand, Mr. Speaker, the paper mill on Labrador, is supposed to cost in the vicinity of sixty-six million dollars.

MR. SPEAKER: I interrupt the honourable member—has the honourable member seen the Report to which he refers, privately?

MR. FOGWILL: No, Sir, but if I am out of order, I will discontinue speaking.

MR. SPEAKER: If he had, he might be in danger of quoting from it.

MR. FOGWILL: Mr. Speaker, if I am going to quote from any Report, I will say that I am quoting, which I am not.

Mr. Speaker, the power survey on the South West Coast just recently ended, I did read in the paper, I am not quite sure, (I am not quoting from the paper) but I did read a pronouncement from the Government that this probably could be developed at a very reasonable cost, was it \$120 per electric horsepower? The two hundred and eighty horsepower spoken about, would cost this country, or anybody prepared to invest their money in the South West Coast, in the vicinity of fifty million dollars. Newfoundland has not got that money, Mr. Speaker, and is not likely to get it either from the taxpayers, or Ottawa.

Now, Mr. Speaker, what about the Trans Canada Highway? That is an-

other question which is bothering many citizens because this Province is committed to build it, I understand, by agreement with the Dominion Government on a fifty-fifty basis. Is it possible that the Trans Canada Highway will be built at the expense of the other roads in the Island? It appears to me from what I saw in St. John's East last year, that it is so, because what was done on the roads in St. John's East last year, Mr. Speaker, where many thousands of industrial people are living, working on bases, fishing, and working in various industries in St. John's and every place, going to Seven Islands and Knob Lake, and it seems to me the people down there bring quite an amount of revenue into the local Government here, and the Dominion Government, and that these people need their roads, and byways, and pathways, to and from their homes to St. John's, or wherever they want to go. I have already said in this House, Mr. Speaker, over two years ago, that the road from Torbay Airport leading down to Torbay from Flat Rock to Pouch Cove, is not there anymore, and that is more true today, Sir, than it ever was. It blew away in dust, it is gone. And what is the Government going to do about it? The people of St. John's East are industrious, where there is a job, Mr. Speaker, the people there find it, and in many cases by their industry and activity, can get a job before anybody else.

Now, Mr. Speaker, I have very little more to say, except for one word on the Cement Plant, the Gypsum Plant, and the Birch Plant, which I understand is for sale? I would like to know who is going to buy it. It is quite possible the Newfoundland Labrador Corporation, which is a creature of the Government, will purchase

it on loans floated by them, guaranteed by the Government floating the loans, the debentures guaranteed by the Government, and they will buy the Plant, but why should the Government sell them the Cement Plant, or the Gypsum Plant, when it is estimated on the reports tabled here a few days ago that the Cement Plant, and Gypsum Plant both together, will have an estimated profit, net profit, amounting to \$1,500,000 a year? Why would the Government want to sell them, Mr. Speaker, to the Crown Corporation on loans guaranteed by the Government? In order to get the money back, so that they will have something else to play around with.

Mr. Speaker, I sympathize, my sympathy goes out to the Premier, to his Cabinet, and all the members opposite me in the struggle they are making.

I sympathize with them in their inability to cope with the problems of Newfoundland as a Province—I am sorry for them—truly. It does not appear to me, Mr. Speaker, that they are able to do the job, and when they fail in the future, as they will fail in the future—it is easy to see, Mr. Speaker, how the Liberal mind works, no trouble at all, because it is a childish mind, simple, just adding up two and two, forgetting it makes four, sometimes they make it five or three, and that is the reason, Mr. Speaker, for their failing to control and govern this country. They are making so many mistakes, flying off the handle, wasting a half million dollars trying to catch a few little red herring with draggers, Matthew Second, long lining and all the other trawling and all the rest of it, the Royal Commission into the cost of living though there is nothing done about it, and no relief to the citizens, none at all, Mr. Speaker, only the piling on of more taxation, the

cost of living increasing, becoming more burdensome each day, rentals high, anywhere from six hundred to a thousand dollars a year to rent two or three rooms with the use of the bathroom, if you can get in, if the landlord's son is not floating his boat in the bathtub, and if you keep your nose clean, you may use the front door on Sundays. It is the same way in Grand Falls and Corner Brook, where there are many people living. A thousand dollars a year to rent two or three rooms, wonderful, making a great success of this country—a wonderful success. You may think so, but some other people don't think so, and, Mr. Speaker, they will in the future evidence that by the change they will make in the Government of this country—they will show their faith in the ability of this Government here has been wasted.

Mr. Speaker, I have very little more to say, except once again to extend my sorrow and sympathy in their shared inability to cope with the problems of Newfoundland as a Province of Canada. Thank you, Sir.

MR. HIGGINS: Mr. Speaker, I had hoped to follow my honourable colleague today, but due to my absence in another place, I find I cannot. I am not in a position at the moment to address this House as I would like, and I don't think it would be proper showing this House the proper respect by just dashing off something for the sake of passing time. I would move the indulgence of the House, therefore, and move the debate be adjourned until tomorrow. The honourable Premier has stated he would agree to adjournment today.

Debate adjourned.

Committee of the Whole on Bill.

"An Act to Amend the Newfoundland and Labrador Corporation Act, 1951."

Section 1 read and passed.

Section 2 read.

MR. SMALLWOOD: Mr. Chairman, I would ask the members of the Committee to make a couple of changes in that section. In the third last line, the first three words are—"Halifax, Nova Scotia." Would you insert a comma between the letter "a" and the quotation marks in the word "Scotia" and after the words Newfoundland and insert "and" before the word "Sir." Finally in the last line, would you put the full point in front of the quotation marks.

MR. HOLLETT: I take it, Mr. Chairman, due inquiry has been made into the proper characteristics and proper qualifications of this Sir William Stephenson—

Section 2 passed.

Section 3 read and passed.

Section 4 read and passed.

MR. SMALLWOOD: To a point of order, Mr. Chairman, the honourable gentleman is completely out of order. The principle has been adopted, and he has no right whatsoever, to debate the question of the principle. The question of Sir William Stephenson

was settled yesterday, and he cannot now raise it.

MR. COURAGE: The point is well taken, that was the principle of the Bill, that Sir William Stephenson be appointed.

DR. POTTLE: Mr. Chairman, I would make the point that we insert the word "and" before Sir William Stephenson, and delete the word "and" appearing before Col. Griffin.

MR. CASHIN: That means another amendment to delete another word in the original Act.

MR. SMALLWOOD: No, we can accomplish the same by not inserting the word "and" and thereby I withdraw my motion to withdraw the word "and" and leaving the word "and" in the original Act, and omitting it in this section.

Section 2 passed.

Section 3 read and passed.

Section 4 read and passed.

Committee rose and reported having passed the Bill with no amendments. Ordered to be read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, before you call the next order, may I table a reply to question No. 15?

(1) Total cost to the Treasury of the November General Election	\$80,260.55
Cost by Districts (as below).....	57,537.92

St. Barbe	\$2,670.15
White Bay	75.00
Green Bay	75.00
Grand Falls	4,107.72
Twillingate	75.00
Fogo	3,080.83
Bonavista North	2,767.47
Bonavista South	75.00
Trinity North	3,039.00
Trinity South	1,755.00
Carbonar-Bay de Verde	2,054.48
Port de Grave	1,408.14
Harbour Grace	1,616.50
Harbour Main-Bell Island	2,749.10
St. John's East	3,219.72
St. John's West	5,003.30
Ferryland	1,826.00
Placentia-St. Mary's	2,517.71
Placentia West	3,348.30
Burin	1,701.00
Fortune-Hermitage	4,034.50
Burgeo-LaPoile	2,429.05
St. George's-Port au Port	3,822.69
Humber	4,077.26

Cost of Printing, Advertising, Cartage, Clerical Assistance, Telegraphs and Telephones, etc.....	\$22,722.63
---	-------------

(2) Total cost of Bye-election
St. John's West\$5,520.00

MR. CASHIN: Mr. Speaker, seeing that the honourable the Premier is taking advantage to table answers to questions, might I ask the honourable Minister of Finance when we might have copies of the Auditor General's Report? We have not had a copy yet.

MR. POWER: Mr. Speaker, the copy of the Auditor General's Report will be distributed tomorrow.

MR. SPEAKER: In future, will

honourable members remember that once orders of the day have been called no questions may be either asked or answered.

Remaining Orders of the day, the rules permit us to refer several Bills to committee at one time.

Committee of the Whole.

"An Act to Amend the Fire Patrol Act, 1948."

"An Act to Amend the Timber License (Reversion to Crown) Act, 1951."

"An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled "Of Trustees."

"An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

"An Act Relating to the Designation of Certain Local Government Officials."

"An Act Further to Amend the Public Welfare Act, 1949."

Fire Patrol Act, 1948—read by Clerk.

Section 1 read and passed.

Section 2 read.

MR. HOLLETT: Mr. Chairman, could we have read the section that replaces Section (3) of the Fire Patrol Act. It seems to me here again we are giving the Lieutenant Governor in Council authority to do certain things. It might be quite in order but let us not have all the authority remaining, transferred to the Lieutenant Governor in Council, how much to give I don't know, but I think we ought to inquire in every case where-by we are transferring powers from members of the House.

DR. POTTLE: I have no doubt the legislated Act gave a stipulated amount in which case this is an improvement, because it does not bind the Government in Council to vote a certain sum and as soon as they deviate from that sum, they have to change the law. But power is already given in the original Act, I am safe to say.

MR. HOLLETT: I am asking for that original Act. You are giving the Lieutenant Governor in Council unlimited power to vote as much money as they please.

MR. CURTIS: No, the money has to be voted by the House.

MR. SMALLWOOD: Mr. Chairman, the position is made more democratic, in fact the position is exactly opposite to what the honourable gentleman suggests. At the present time, the amount is statutory, and can be changed only by amending the Act. Whether it is right to pay that amount or not, it has to be paid to the Fire Patrol.

This amendment provides it may vary from year to year by the vote of the House of Assembly, because all the Lieutenant Governor in Council can do is, as in any expenditure, they may determine the amount subject to ratification by the House. In this case, whatever amount desired each year by the Lieutenant Governor in Council will be voted, or not, as the case may be the House.

MR. HOLLETT: After the expenditure.

MR. SMALLWOOD: No, most definitely not, voted annually no money to be spent any year except what the House votes. When the last day of the present month comes and passes, that day being the last day of the present year, the Government cannot spend a single dollar except upon the authority of this House, not one dollar for anything, and until the House votes it can't even pay the Civil Servants their salaries, except statutory amounts, and this amount as it is at present, is a statutory amount. Therefore, the amendment is far from being what the honourable gentleman suggests, it is in fact restoring to the House, the right to vote annually, how much money will go to the Fire Patrol, so that the honourable gentleman is one hundred percent wrong.

MR. HOLLETT: Mr. Chairman, the honourable Premier may be quite right, but I am asking to have Section three produced there to see if I am one hundred percent wrong, and I am saying this is the most undemocratic way it could possibly be done. It is not a matter of why all the money is being spent, it is a matter in which the surplus is being spent in hundreds and thousands and millions, and then coming here afterwards and asking to have it ratified. In this particular section, they intend to give the Lieutenant Governor in Council the power and authority by order in council to spend what they deem necessary. It is quite in order, and they probably deem it necessary, but I say we are giving away the authority vested in the people's representatives.

MR. SMALLWOOD: Mr. Speaker, the effect of this amendment is to put this piece of particular expenditure in identically the same class as some thousands of items which appear every year in the estimates, annually in the estimates, the amount voted by the Lieutenant Governor in Council, which are the Government, elected to be the Government of Newfoundland. We must not forget we are the Government elected to be Her Majesty's Government. In exactly the same way as Her Majesty's Government determines each year how much money is to be spent on any individual item, thousands of items so, simply, exactly the same way, this item is to be included amongst the thousands which Her Majesty's Government decides may be spent. Now, when Her Majesty's Government decides what will be spent, Her Majesty's Government comes before the Legislature, votes, or does not, as the case may be. What is more democratic than that?

MR. CASHIN: As I see it, Mr. Chairman, this argument is merely because the honourable gentleman asked that Section 3 be tabled. What is Section 3 at the present time?

DR. POTTLE: Section 3 of the original Act passed during the Commission of Government. "It shall be lawful for the Government in Commission to pay to the association out of the Consolidated Fund, the sum of twenty thousand dollars annually."

MR. HOLLETT: That is what I was trying to get at. They are limited under that Act to that expenditure, but take out the twenty thousand there and under this there may be paid to the association annually, the cost of the association, or such sum as the Lieutenant Governor deems.

I am just objecting to the principle—if I may be allowed to refer to the principle at this time or stage of committee.

MR. COURAGE: That remark was out of order, as it contained innuendo.

MR. HOLLETT: There is a time, however, in the discussion of a Bill when the discussion of the principle is in order, and which may be out of order if referred to in committee. No innuendo intended. I am trying to say that Section limited the amount which the Lieutenant Governor in Council could spend or pay over to the Fire Patrol, but, in this case there is no limit, the Lieutenant Governor in Council may by order of Council pay over a million if they wanted. I know they are not going to do it, but I am saying they are taking away from this House, the right which it truly should have to decide what amounts will be spent. Now that the Section has been read, I am content

to know what Section was to be replaced.

MR. SMALLWOOD: Mr. Chairman, again on the point raised by the honourable gentleman—if he meant what he said, and I have no doubt he did, I have not the right to suggest he did not mean what he said, I assume what he did mean was what he said, and he should move an amendment, put an amendment to this amendment but such an amendment, that a maximum amount shall be voted by the House of Assembly. Now, if he moved that amendment, what kind of a ridiculous position would it put him in, but to be consistent, the honourable gentleman should do exactly that—he should now move an amendment to this amendment, this amending Bill providing that the Lieutenant Governor in Council shall fix the amount to be paid to the Fire Patrol, but that such amount shall be voted by the House of Assembly. That reduces his argument to the very depth of the ridiculous, for this reason, that it must be voted by the House, and put into that Bill, an amendment to single one item out of thousands of items, saying this item, the amount of which has been fixed by the Lieutenant Governor in Council shall be spent only when the House votes it, and give that a special place which already thousands of items enjoy, the position being this—the Government meet, and for weeks and even months, morning, afternoon, and night, decide for next year they will spend this amount on this, that amount on that, on thousands of items, and present them in the form of their estimates of what they will spend in the coming year. Having done so, they bring them before the Legislature and say to the Legislature: “We recommend these

expenditures for the coming year, this is what we intend to spend, will you vote us the money to do it?” Now the effect is to bring the annual vote for the Fire Patrol into exactly that same class. What is undemocratic about it?

MR. CASHIN: Do I take it from the remarks of the honourable Premier, that no money is spent now except what is voted by the House, no Minutes of Council are passed, no money without that amount being voted, none paid out and they come in and get authority later?

MR. SMALLWOOD: That is the exception.

MR. CASHIN: Yes, but you were trying to convey to the House, that there was no such thing done. I don't understand very much, but a little, if not an awful lot.

MR. SMALLWOOD: Surely I don't have to explain to the House that there is the Audit Act which lays down specifically the exceptions to the general rule, I do not need to, surely.

DR. POTTLE: It is normal procedure for instance in salaries—and salaries are not an inconsiderate part of the total budget, for instance, the salary paid can be determined by the Lieutenant Governor in Council if the actual sum is not stipulated, very rarely is it specific as in the case of certain officials of the Government, salaries are set by statute, they number probably less than four, otherwise every time a cost of living bonus is added, whether ten cents, or ten dollars a month, it would have to be an amendment of the Act, but the statute normally prevents that by stating, for instance, in the Fisheries Loan Act, under that Act the salaries to be paid for officials concerned shall be such

as fixed by the Lieutenant Governor in Council, normally all salaries are paid that way.

MR. HOLLETT: Will the honourable Minister tell the Committee why the change is made, not sufficient, too much or what?

DR. POTTLE: I am not piloting the Bill, but I do know that the costs of preventing fires in Newfoundland are shared by a number of parties of which the Newfoundland Government is one, the A.N.D. people are another. Now the cost of administering, the cost of fire protection in the last few years has increased considerably. The C.N.R. is another partner.

MR. CASHIN: It should have decreased.

MR. SMALLWOOD: It has increased, and we feel our share of twenty thousand dollars was not adequate, and we should be in a position to pay more in order to avoid changing the Act every year, so put in this amendment, to avoid having to come in here every year.

MR. HOLLETT: Who administers this amount of money, the Fire Patrol or a Department of the Government?

MR. SMALLWOOD: It all goes to the Fire Patrol, and may I say, the whole idea of putting the vote in a position where the amount voted and determined annually, shall be by the House. If you want to raise it, put it in the estimates submitted to the House, or to decrease it do accordingly. In recent years more has been spent on Fire Patrol than formerly.

MR. CASHIN: I thought when the railway changed from coal to oil that a considerable fire hazard was eliminated. In previous years when

they were burning coal a lot of fires were started, particularly on the West Coast of the Island in the timber areas, but now the C.N.R. has practically all fuel oil or diesel engine, and they are still causing considerable forest fires. I am rather astonished at that.

MR. SMALLWOOD: The wages of the employees have gone up and other expenses of the fire patrol have gone up, and they are doing more patrolling.

Section 2 passed.

The Committee passed the Bill without amendment.

"An Act to Amend the Timber License (Reversion to Crown) Act, 1951."

MR. CASHIN: Mr. Chairman, in connection with these two companies, these two companies surely did not own any property which were not directly, or indirectly under operation. If I recollect correctly, when the International Power and Paper took over Corner Brook territory in 1929, they had negotiated an agreement at that time, there was a clause that any leasehold property they purchased from so-called speculators, they would not have to carry out the provisions of the Act with respect to the erection of mills on that particular property which they bought from these speculators. Now the A.N.D. Company had been in operation in Newfoundland for many years before that, and they had acquired their property in somewhat similar manner from lease holders away back in the first part of the nineteen hundreds. As a matter of fact there was no such clause at that time in connection with the A.N.D. I don't know. I am not objecting to this thing whatsoever, I feel that

A.N.D. Company and Bowaters are doing a good job in Newfoundland, giving a lot of work and employment North, South, East and West for that matter, and I believe they should have that protection and they have to make big profits. As a matter of fact, we are behind Corner Brook today to the tune of ten million dollars, and they have to make good money to pay that, for it is more than ten millions now because if they went broke tomorrow, we would have to pick up the English amount and our own as well. That is the position.

MR. SMALLWOOD: You are inevitable.

MR. CASHIN: I have heard that before, this is not the first time I have heard I am inevitable. What else was it I was supposed to be, my colleague here should remember what the Premier called me. I think it was unpredictable.

MR. CHAIRMAN: Order, we are not discussing that point.

MR. CASHIN: We are behind Corner Brook today to the tune of ten million dollars. Suppose tomorrow the mortgage is foreign, you want to protect our money, to buy out the other. You have a couple of lawyers who can tell you that, they are used to mortgages.

MR. CURTIS: We would still be getting a bargain.

MR. CASHIN: I know, but my point is we are now behind Corner Brook to the tune of twelve or thirteen million dollars, I know our guarantee is down to six millions, but in order for us to get equity in the whole thing, we have to buy out the British mortgage. I know we are not going to, they are making a good profit. As

a matter of fact, the A.N.D. Company is not making such a wonderful profit on their paper, the profit is out of the ore at Buchans. Their mill is more or less outdated in comparison to the Bowaters in Corner Brook. However, we passed an Act, as pointed out by the Premier, last year to confiscate as it were the property of promoters.

MR. SMALLWOOD: No, recover.

MR. CASHIN: Recover—That is all bunkum, we confiscate, all the A.N.D. Company and Bowaters were was speculators to begin with. The A.N.D. was speculative away back in the early part of the century, Harry S. Crow was the man who brought the A.N.D. Company in here, therefore, if some speculator had not taken a hand, we might not have gotten the A.N.D. Company, and with respect to Corner Brook the Reid Newfoundland came in and built a railway, and received certain timber concessions, and they brought Corner Brook here, no Government brought it, either A.N.D. or Corner Brook, they came here and asked for certain concessions. It was brought about through promoters who brought them in here and Corner Brook was brought in by Reids, who were given concessions by the Government for constructing a railway in 1890, and they lost the works—came out without a dollar. Some speculators don't get everything, they had half of Corner Brook when it opened, half of fifty million dollars, and they did not get fifty cents out of it in the long run. I am glad to see this Clause put in here with respect to the A.N.D. Company and Corner Brook. I have no sympathy for so-called speculators on the Labrador or anywhere else, one was supposed to pay us five dollars a cord royalty on wood. I will have a few words to say about them when

the opportunity arises—came out here from Germany.

MR. SMALLWOOD: East Germany?

MR. CASHIN: Yes, Sir, East Germany, came here to Newfoundland and employed people here, then got out of here, and without paying wages, and then this month someone arrives here with a couple of thousand dollars in behalf of Seigheim to pay off one of the creditors, he is back again now, but I don't know what brought him back, that is the interpreter.

MR. HOLLETT: Retroactive to 1952—Can the honourable Minister explain why?

MR. CURTIS: Mr. Chairman, the reason is this: If we don't date the Act back to that date, which is the date of the original Act, the property would be cancelled already, so we have to date it back.

Passed without amendment.

"An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees'."

Passed without amendments.

"An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

MR. HOLLETT: Mr. Chairman, could the Minister explain why the Quebec Savings Bank is mentioned in there, I would like to have some explanation as to why the Quebec Savings Bank Act should apply.

MR. CHAIRMAN: Section 2 read and passed.

Section 4 read and passed.

MR. HOLLETT: Mr. Chairman,

can the Minister explain why the tax is applicable to 1949?

MR. CURTIS: Because that is the date on which this Act was originally enacted, and this is purely a clarification of this old Act. As a matter of fact, we are not interested in it, Mr. Chairman, the whole idea of it all is just to make it uniform with the Federal Act and in all the signing Provinces. We don't take a great deal of interest, but just try to make it uniform. That is why the reference in paragraph 2 to the Quebec Savings Bank Act. We have no interest in it, it is a matter of having it uniform.

MR. HOLLETT: Who prepared the Act?

MR. CURTIS: Ottawa.

MR. HOLLETT: We know nothing about it, good or bad, but we are being asked to pass it.

MR. CURTIS: It is Dutch to you, and double Dutch to me.

MR. HIGGINS: There is no danger that some corporation has paid a tax in 1949 which is now likely to come under any other taxation clause?

MR. CURTIS: I don't think—Ottawa would not do a thing like that.

MR. HOLLETT: There are no Corporation who could get out from under between 1949 and the present time, Page 6, Sub-Section 6, paragraph 5—"Applicable to the 1949 taxation year."

MR. CURTIS: That is all I can say. This is the Act we are asked to pass, Mr. Chairman, under this tax rental agreement we have either got to impose this five percent taxation and allow the Federal Government to collect it, or if we fail, we have to re-

pay them the shortage, so for that reason, it is just a matter of form for us to adopt this Act and pass it. If we don't, they will come to us and say our collections are short, and deduct the difference from their payment under the tax agreement to us, so it is simpler just to adopt this and pass it, than to pay the shortage.

MR. HOLLETT: I quite understand that, but I don't feel like sitting down here like a stooge and having something placed under my nose prepared in Ottawa, about which I know nothing and be asked to pass it. I don't know what I am doing, that is why I raise the point, if it could be understood what we are voting on, it would be all right, but the fact that it is prepared in Ottawa, I don't think that is good enough. We should have somebody here capable of explaining the various Sections to us. What it means to the farmer, I don't know, or they may have paid since 1949 and got out of it according to this.

MR. CURTIS: If the House is agreeable, I would be glad to prepare a brief, if they are interested, as the honourable gentlemen want it. We could raise the Committee and let it stand until that is done. Now I don't want to go through the trouble if the honourable gentlemen don't want to follow me when I do, but I don't want to shirk my responsibility.

MR. HOLLETT: For myself, I would like an explanation to every Section there. It is so easy for us to get lax and pass something here tomorrow, or the next day sent from Ottawa, and we will be all hanged, not saying we should not—some of us.

MR. CURTIS: I think it is up to the Committee. I asked the honourable gentleman before if they wanted

it, and I thought they did not, but if they want it—

MR. HOLLETT: Various other Sections are applicable to 1950 and 1951. I would like to know why some Sections are one date and others another date.

The Committee rises and reports progress and asks leave to sit again.

"An Act Relating to the Designation of Certain Local Government Officials."

Committee sat and passed the Bill without amendment.

"An Act to Amend the Local Government (Elections) Act, 1951."

MR. HOLLETT: Mr. Chairman, what is the idea behind the change there?

MR. CURTIS: That is what I explained yesterday on second reading, it is for the purpose of holding first elections after incorporation, the Lieutenant Governor in Council shall appoint one or more officers—the only difference now is that the Minister does it.

MR. HOLLETT: Does that add to the dignity to have the Minister do it?

MR. CURTIS: We always find the Lieutenant Governor appointing them is just a routine matter, we don't know the men, actually nominated any way. We found in the last election it was better to leave certain powers to returning officers, rather than have the Lieutenant Governor in Council determine polling booths etc. instead of allowing the returning officer to do, it is too petty stuff for the Lieutenant Governor in Council to do. He has to appoint a returning officer, a deputy-returning officer, and polling

clerks, a lot of routine work which the Minister could properly handle.

MR. HOLLETT: It is merely that there may be a danger of Provincial politics entering into the selection of town councils when it is left to the Minister. There are twelve there, including the Lieutenant Governor, thirteen, and the Minister himself is one of those. See what I mean.

MR. CURTIS: The Government decided to make this recommendation to the House.

MR. HOLLETT: On what grounds? Why is it difficult for the Lieutenant Governor in Council to look after it? I am only thinking it might add to the dignity of local councils if a person appeared in the press, John Jones, or Smith, Returning Officer or Mayor, for instance if the Minister appointed him Mayor of the Town of Twillingate, which would be the more dignified, would you say?

The Committee passed the Bill without amendment.

"An Act Further to Amend the Public Welfare Act, 1949."

DR. POTTLE: Just a small amendment to that sub-clause. The amendment comes at the close of the clause "In matters relating to Public Welfare" to be added.

The Committee passed the Bill with some amendment.

The Committee rises and reports having considered the following Bills:

"An Act to Amend the Fire Patrol Act, 1948" (without amendments).

"An Act to Amend the Timber License (Revision to Crown) Act, 1951" (without amendment).

"An Act Further to Amend Chapter

125 of the Consolidated Statutes (Third Series) entitled "Of Trustees" (with amendments).

"An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Made progress and asks leave to stand again.

"An Act to Amend the Local Government (Elections) Act, 1951" (without amendments).

"An Act Relating to the Designation of Certain Local Government Officials" (without amendments).

"An Act Further to Amend the Public Welfare Act, 1949" (passed with some amendments).

DR. POTTLE: Mr. Speaker, may I suggest that for the purpose of the records, this Act be read "An Act Further to Amend the Department of Welfare Act, 1949."

MR. SPEAKER: The Honourable Minister could take care to have that as a purely nominal amendment on third reading.

MR. CURTIS: Mr. Speaker, I move the Bill "An Act to Amend the Newfoundland and Labrador Corporation Act, 1951" be recommitted and third reading be rescinded.

Committee of the Whole:

MR. CURTIS: Mr. Chairman, the reason I have asked to have this Bill recommitted is that I have been looking at the Bill as it is drafted now, and it looks a bit clumsy. As a matter of fact, if my honourable friends will refer to the Act, they will see the Section which appoints the board who are afterwards named as directors, my department drafted this Bill and added the name of Sir William Stephenson

after the last of these names. Now by adding the name of Sir William Stephenson you come against striking out the word "and" and it would be much simpler to put the words in the middle of the sentence instead, so I move we just amend the structure by inserting there in the middle of the sentence after the word "Quebec."

MR. HIGGINS: You are promoting Sir William a step up the ladder.

MR. CURTIS: That is the effect, really it will save all the nonsense about "and." Then the words "Sir William Stephenson" should be printed in capitals because all the names in the original Act are in capitals. I move that amendment, Mr. Chairman.

The Committee sat and reports having passed the Bill with some amendments.

Ordered read a third time tomorrow.

MR. CURTIS: Mr. Speaker, I move the House at its rising adjourn until tomorrow, Friday, at three of the clock.

The House adjourned accordingly.

FRIDAY, March 21, 1952.

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

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, in the course of the past two days, the Government have been in receipt of a number of telegrams from places in the District of Burgeo-LaPoile, on the South West Coast, particularly from fishermen

complaining that foreign druggers, trawlers, and possibly other fishing vessels have been fishing along the coast well within the three mile limit. Some of the telegrams state that some foreign fishing vessels have fished to within half a mile of the shore. They state further, that damage has been done to fishing gear belonging to Newfoundland fishermen in the Coastal waters in that part of the Province. They state further, that a considerable quantity of fish has been lost to the Newfoundland fishermen as a result of the presence of these foreign boats. They pointed out that up to the time foreign boats appeared, the fishery was very good indeed, and since then it has practically disappeared.

One of the largest Newfoundland Companies operating a modern Fish Plant on that Coast complained that their production of fish has fallen off very steeply since the foreign ships made their appearance in these coastal waters. The ships, Mr. Speaker, are supposed to be French and Danish. Surely they are violating international law. Under the Treaty of 1918, the Americans are permitted to fish in the coastal waters of Newfoundland in that area from Ramea on the South Coast around Port aux Basques, and down the West Coast to some point on the Western Shore of the Straits of Belle Isle. I believe that on the French Shore, French vessels are permitted to fish in the waters beginning at Point Riche, I believe in the District of St. George's, Port au Port going down the coast Northward to the Straits of Belle Isle, and around the Straits of Belle Isle Southward to Cape St. John. But these French and Danish vessels have no right whatsoever to fish where it is alleged they have been fishing now.

The Government naturally have taken a very serious view of this violation

this alleged violation of International law. As a Government we have no power in the matter, no authority, we can do no more than make prompt and urgent representation to those who have the authority, namely the Government of Canada. This we have done, requesting that pending the arrival in these waters of a Federal Fisheries Patrol Boat an aircraft be sent at once to patrol the waters and do the necessary photographing and taking such other steps as might be needed to establish the facts. These representations have been made and I have some reason to suppose that prompt action will follow.

MAJOR PETER J. CASHIN (Leader of the Opposition): Mr. Speaker, before going on with general orders of the day, might I be permitted to draw attention of the House to an article in the Daily News this morning, which, in my opinion, was of great public interest. There is here in the "Daily News," a copy of which paper I have here, and which I will table an article headed "Bertie Says Newfoundlanders In-Bred Half-Wits." The article reads as follows:

"Colonel Robert (Bertie) McCormick, globe-trotting, Chicago newspaper tycoon, yesterday expressed his opinion on the biological habits of Newfoundlanders after being delayed by Customs inspectors at Gander Airport. What's more, he said, he'd never set foot in Newfoundland again. Irrked by a four hour delay at Newfoundland's aerial crossroads while making a 20,000-mile world tour in his private plane, the Colonel vented his spleen in an article in his Chicago Tribune which referred to Gander officials in particular and Newfoundlanders in general as anything but gentlemen. He pronounced the customs officials "moronic" the baggage-

handlers "torpid" and a Newfoundland flier who had engine trouble on the runway a "lunatic." Bertie, who is known to his Chicago fans as "Colonel McCormick" and whose hatred for all things British is matched only by his high regard for Spain's General Franco continued: "We are told to excuse them because Newfoundlanders are so in-bred as to be half-witted. That does not help our tired crew whose planned 12-hour flight was lengthened to 17 hours. If I again resume travels, they will not include Newfoundland."

Premier Smallwood on hearing of the Colonel's wrath announced coolly:

"I regret that a distinguished citizen of the United States was inconvenienced at Gander. Many hundreds of thousands of passengers pass through there, and the occasional inconveniencing incident is perhaps inevitable.

It is Newfoundland's misfortune that so famous a man should be the victim on this occasion. If Colonel McCormick would change his decision and visit us, we would be glad to entertain him and allow him to see Newfoundlanders under happier circumstances."

Now, in my opinion, Mr. Speaker, that is a grave insult to the people of Newfoundland generally, and we as members of this House on both sides, should not allow this to pass unnoticed. I have read the Premier's statement with regard to Colonel McCormick. Now, Colonel McCormick is known throughout the length and breadth of the world as being anti-British, opposed to everything British. He derived the name Colonel McCormick in a peculiar fashion, and it is more or less an honorary degree conferred upon him. In the first World War, he never took an active part and

wound up by making a trip around the world and a tour of Russia. I feel, Mr. Speaker, I am not alone voicing the sentiment of this House, but the sentiments of the people throughout the country, when I say that I would not in an official capacity, invite that individual back to Newfoundland anymore. I would say good riddance to bad rubbish to McCormick. His fortune was founded on the sweat of the western farmer of the United States plus the misery and misfortune of poor unfortunate individuals who probably got in difficulties or trouble and were publicized through his scandal sheet, the Daily News, in the city of New York. He owns two paper mills in Canada, and I am sure that those identified with the newspaper industry in Canada, producing the most newsprint in the world feel anything but friendly towards this man McCormick. Now, I feel that every member (I am not trying to play politics remember) but Newfoundlanders are prone to genuflect or bend the knee to every foreigner of every character whatever. One came here some years ago and an article appeared in "Colliers" written by 'Davenport,' then again during the visit of the Queen as Princess Elizabeth to this country a short while ago: She attended service at the Church of England and another nitwit newspaper correspondent in describing the Cathedral, which he had never entered, pointed out in his dispatch abroad that you could see the imprints of fishermen's leather boots on the floor of that great Cathedral—wooden floor, he said. I have visited that Church often and on more than one occasion, if my memory serves me correct, there is no such thing as wooden floors, and this goes to prove the ignorance of that individual, because that Cathedral is

considered one of the greatest pieces of architectural structure in North America. Now, if other members of this Legislature are prepared to allow him to get away with that sort of thing, I am not. Today I received a telephone call, in fact two or three, one happened to catch me and asked me for my comment on this, and told me the Secretary of State, Mr. Bradley, is very grieved because of Colonel McCormick's inconvenience in Newfoundland. I told him, and I repeat here now that Colonel McCormick could not expect any better and that the Secretary of State is just as anti-British as Colonel McCormick.

MR. SPEAKER The honourable member must confine himself to the subject. No it is not my duty to protect the members of the Federal House, still —

MR. CASHIN: I am describing actually what happened to me. I did not seek an interview with the press, the press rang me, and I told him just what I thought, and I repeat here for the information of the House and my repetition is correct. I don't know what other members think, and I don't care, but I feel, we as Newfoundlanders, as Legislators, should pass a resolution in this House condemning the statements made by Colonel McCormick, in connection with Newfoundland and the Newfoundland people, and I, therefore, move such a resolution be promptly passed.

MR. HOLLET: Mr. Speaker, I think I should have preferred to have seen such a resolution coming from the Government side of the House. I think it would have been more properly in order, and in my case, I should like to have seen some member on the opposite side second the motion,

and I should like to see that now. If some member on the opposite side would accept, then I would sit down, but if there is to be no one from the Government side to second that motion, then it should be the duty of someone on this side to do so. I suppose I might speak to the motion, but would prefer that some member from the opposite side would second it.

MR. SPEAKER: As far as the Chair is concerned, the honourable Leader of the Opposition has moved a resolution. I presume on the grounds of Breach of Privilege, has made a complaint of the statement alleged to emanate from a certain visiting gentleman. It is only for me to inquire what is the wish of the House regarding the complaint lodged by the honourable Leader of the Opposition. He has filed a copy of the newspaper, and it could be left to a committee, or if the House, as a House decided to take no further action—

MR. COURAGE: Would it be out of order to speak in connection with this Breach of Privilege now? I agree very largely with what the Leader of the Opposition has to say, but I don't think that we should dignify Colonel McCormick's childish remarks to the extent of moving a resolution in this House. As far as I am concerned, of course I am merely an in-bred Newfoundlander, the only difference between Colonel McCormick and a village idiot, is that he is a world idiot, an idiot on a larger scale, and makes himself ridiculous to more people.

MR. SMALLWOOD: Mr. Speaker, there is no motion to which to speak, but to the point raised by the honourable the Leader of the Opposition. I can say that we cannot be too blunt, nor too pointed amongst Newfoundlanders regarding what Colonel Mc-

Cormick said. We Newfoundlanders do not feel that we are in-bred, we don't agree with him—we do not feel that we are half-witted—but some of us feel that too much notice can be taken of Bettie McCormick, some of us feel that he can be taken too seriously. I too, personally, when I was asked last night by British United Press to comment on Colonel McCormick's statement, I had to decide whether I would lash out at him, or if I would perhaps be more in order if I had done so. The honourable Leader of Her Majesty's Government said Colonel McCormick is a citizen of the United States, and I don't know that it would be fitting for the Leader of the Government of a British Province to take that much notice of a private citizen of the United States, even so distinguished and famous a man as Colonel McCormick, so famous a publisher, so influential a publisher, as he, I don't know if it would be altogether fitting for the Leader of the Government of a British Province to take him that seriously. Certainly I could not hope to compete with Colonel McCormick in the use of guttersnipe tactics, so I thought probably I would not reply in those terms. I doubt that anyone in Newfoundland could compete with Colonel McCormick in the use of guttersnipe tactics, and if none could, would it be wise to make the attempt? I thought of making a wisecrack, a flippant remark such as: We never heard of him here in Newfoundland, he can't be very important. Something such as that might raise a smile across the North American Continent. Then I realized even that would be unbecoming to a Leader of a Government. Then it occurred to me that a dignified statement, showing no rancour, no rage, no feelings, just that we were sorry this distinguished citizen of the

United States had been inconvenienced and sorry he thought that of Newfoundlanders—and if he would come down here, we would give him a better opportunity to see.

MR. GASHIN: Give him worse.

MR. SMALLWOOD: No, I did not think, and still do not think it would be sound to reply in any terms of anger, annoyance, rancour or bitterness. Remember this statement was to be quoted probably in every paper and over the radio all over North America. We are a small Province and everyone would expect we would be up on our hind legs braying like a jackass with teeth bared. Instead of which, it seemed to me the best possible answer to Colonel McCormick would be to say: "We were very sorry so distinguished a citizen was inconvenienced. These things happen, unfortunately, but that it should happen in this little part of the world, should happen at this time to so famous a citizen. If he would come down and get to know us better under happier circumstances—"

That was my feeling. I think I was right. I think for this Legislature, which is a Sovereign Legislature—don't forget a Sovereign Legislature, not big, but nevertheless, Sovereign—just as Sovereign in Newfoundland as the Parliament of Canada is in Canada. It would be beneath us, unbecoming, for this Legislature to take any notice whatsoever.

I understand, and I appreciate the feelings of the honourable gentlemen opposite. I think we feel the same on this side of the House, but let us not take this thing too seriously. "Who is this Bernie McCormick?" I would not even want that quoted in any newspaper outside Newfoundland. Outside don't let us take him too serious-

ly, and slam hell out of him here in Newfoundland, so long as no outsiders know we are irritated. Let them think we are taking this thing in our stride, we are too big, we Newfoundlanders to do otherwise.

MR. HOLLETT: Mr. Speaker, since when has our Premier become so mild in his remarks about people who cast reflections on our country? I am sure that must be of recent date. Anyway, I would like to compliment the Premier on the manner in which he has taken this particular incident. He has taken the sting out of the remarks which appeared in the "Daily News" to the effect that he would like to have him come here again, this man McCormick. I think he has taken the sting out of that for me in the language which he used towards the statement of Mr. McCormick this afternoon. I want to say that I thank him for that, for I too, like the Leader of the Opposition, felt very much aggrieved that the Premier had asked this man who looked upon us as inbred halfwits, that he should be invited back to the country by the Premier of this 10th Province of the Great Dominion of Canada. That had peeved me as it did the honourable and gallant Leader of the Opposition, so that I am glad that the honourable Leader of the Opposition has raised the point, and I again want to thank the Premier for the statement he has just made, and I am quite sure all of us here agree it is as well to ignore the guttersnipe tactics of this great McCormick of the United States of America. I think we all have great regard and great respect for the great United States of America and we trust and we love them.

MR. GASHIN: More than McCor-mick.

MR. HOLLETT: And we are proud to be associated so closely with our friends of the United States. We all have friends there, brothers, sisters, uncles, aunts, and God knows what. We are part of them and they are part of us, they surround us with armies to protect us from those guttersnipes like McCormick who hate the British.

MR. SPEAKER: Honourable members will have noticed that the Chair had relaxed the rules, and I will be frank with honourable members and say, I was at a complete loss how to deal with the situation when a point of privilege was brought against a citizen of a friendly power. I take it the House is satisfied with the exchange of comments on the person complained of.

MR. CASHIN: Mr. Speaker, I notice that today there are no questions on the order paper, but there are several which have not been answered. I don't know if the honourable members want to ask any.

MR. SPEAKER: We take the questions immediately before entering the Orders of the Day. At the moment, we have Notice of new questions.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

MR. HOLLETT: I had a couple of questions now outmoded by the statement with regard to Rose Blanche made by the Premier. I am glad he made it and it allows me to tear up a question directed toward him.

Notice of Motions

Honourable the Minister of Public Welfare asks leave to introduce a Bill, "An Act Further to Amend the Education Act, 1927." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Supply asks leave to introduce a Bill, "An Act Respecting Municipal Affairs." Bill read a first time, ordered read a second time on tomorrow.

HON. CHARLES H. BALLAM (Minister of Labour): Mr. Speaker, before going on with the Orders of the Day, I beg leave to table a report and financial statement of the Workmen's Compensation Board, audited.

Notice of Questions

MR. SPEAKER: Question No. 46.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I have the answer here to No. 46, which I think is the clarification of No. 26 (3). Tabled.

MR. SPEAKER: Question No. 27 (2).

Question No. 27 (2) tabled by Mr. Power.

MR. SPEAKER: Question No. 4.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I have here the answer to Question No. 4 on the Order Paper of March 18th. Again I repeat all these bridges constructed are constructed by members of the Department of Public Works in this Province. I think, Mr. Speaker, I might be permitted to elaborate slightly on this merely by saying that since the answers to questions include only up to February 29th, it does not show the true picture at the present time. Actually since February 29th,

a very considerable sum has been received in lieu of this account and will continue to be received up to the end of the financial year March 31st, 1952, which is now rapidly approaching. Honourable members who were present in this House during the last session, will recall that a similar question was asked, and I was privileged on that occasion to table a reply. The answer was stated then as somewhat of a guess estimate, and it must still remain so. For the purpose of this answer today, I state as follows: The answer to this question will be found in the answer tabled by me in this House in reply to Question No. 29 on the Order Paper of March 2nd, 1951. My honourable friends who ask for this information will realize that the figures given can not be more than a guess. A large portion of the route in question has not been surveyed, and locations have not been established, the total mileage, therefore, is not yet known, but it will be in the vicinity of six hundred miles. Honourable members will recall further that I stated when giving that answer some twelve months ago, that we were unable to estimate exactly or even approximately the actual cost of that highway for the simple reason that we do not know exactly how many diversions may yet be found necessary. Any figure given in the lack of that information, together with the fact that costs appear to be mounting rather than decreasing, it would only be a guess estimate, I think for the information of the House at that time I was prepared to go out on a limb and give a personal opinion wherein I said that the cost would be in the vicinity of forty million dollars of which Newfoundland's part would be approximately twenty millions. Again, Mr. Speaker, I repeat that that figure can only at present be a guess

estimate. I table copies for all members of the House.

MR. SPEAKER: Question No. 46.

Question No. 46 tabled by Mr. Curtis.

MR. SPEAKER: Question No. 27.

MR. SMALLWOOD: Mr. Speaker, as for loans made by the Loan Boards only the Industrial Development Loan Board comes under my jurisdiction, and only affecting that Board should the questions be addressed to me, but I forwarded all through to the Chairman of the Boards.

MR. CASHIN: That question was readdressed.

MR. SMALLWOOD: I sent the questions to the Chairman of the three Boards asking for a reply and he sent me the information for all three Boards. I have consulted with my honourable colleague, the Minister of Fisheries and Cooperatives, and he is quite agreeable to my tabling the answers affecting all three Boards. The answer is not complete because it does not give the names of parties to whom the loans were made. I do not say that we will not give the names, I say only at this moment that the Chairman of the Board has raised the question in correspondence with me as to whether or not it would be proper to table the names.

MR. CASHIN: He is not working in a bank now.

MR. SMALLWOOD: He feels that he is working in a bank, and when citizens come to him as Chairman of these Boards, asking for loans, they should feel the same immunity from public inquiry as they would feel if they were to go to the manager of a chartered bank. Now I realize that

probably that can not be the case, nevertheless, he raised the point, and until that matter is settled, I think probably we might refrain from tabling the names. That does not mean we refuse to do so, or that we have decided not to do so, it means merely at this juncture we don't table the names. All the rest of the information is there. I feel we will have to do so, it is public money loaned to private individuals, private persons under the terms of the Act, and should be accounted for here in the people's House, it is the people's money. The Chairman, for instance, suggests that the information could be given privately to members of the House, but I don't think that would meet the case. I have to say at the moment, I do not have the names, I agree fully they must be tabled, but only this information has been sent on to me.

MR. SPEAKER: Question No. 36.

MR. SMALLWOOD: I have here the answer to the famous No. 36, the Buy Newfoundland Campaign, and in the greatest possible detail. Answer tabled.

MR. SPEAKER: Question No. 49.

HON. WILLIAM J. KEOUGH (Minister of Fisheries and Cooperatives):

(1) \$11,000—half the estimated amount of the outlay required.

(2) Approved in principle by the Fisheries Loan Board in April, 1951, and finalized some months later. The loan was made to the Quirpon Fish Company Limited.

(3) Our understanding is that the plant was ready for operation last fall.

(4) It is not incumbent upon the Department of Fisheries and Cooperatives to inspect or report on the op-

erations of a private enterprise by reason of a loan being made through the Fisheries Loan Board.

(5) The financial assistance was extended on the basis of a business transaction after the pros and cons had been carefully weighed by the Board. There was never the slightest suggestion on the part of the Board that the loan had any features of a conditional nature. In other words, it is a clear-cut transaction, well secured and subject to a program of annual payments.

MR. CASHIN: I would like, with your permission, to have question No. 39 clarified. It refers to the Fishermen's Federation and part of the question was this: How many officials are employed by the Federation? Give the names of those employed, salaries paid, and if the amount was voted in the estimates.

MR. SMALLWOOD: In any case, I could not answer any more than if the Minister of Labour were asked how many officials connected with the Labour Federation, and how much salary, or the various youth clubs to which we make grants.

MR. CASHIN: In other words, this federation while it is in a sense supported with the Government finances, we can give money and they don't have to account to us, to the House as to how they spend it. That is unusual.

MR. SMALLWOOD: No, I think Mr. Speaker, I am not out of order, the Legislature grants money to various organizations here in Newfoundland. There is an annual grant for a number of youth clubs, the C.L.B., Catholic Youth Centre, The Kinsmen's Club, the Jubilee Guild, and a number of others, and we never know, it is not a bit of difference.

We don't know what employees these clubs engage, or what they pay them, we just don't know, and we would not feel we had the right to ask. We make grants to orphanages, and merely because the Legislature votes grants in aid to them, that does not mean the Government has a right to ask them anything of their private business. We don't feel we have that right. We make grants to the T. B. Association, we believe and to various organizations in Newfoundland, but I don't think the Government has the right to ask these organizations whom they employ and what they pay their employees merely because the Legislature votes grants of money to them, and the Federation of Fishermen is in exactly the same position. There is no difference.

MR. CASHIN: There is some justification for the Premier's attitude, but at the same time, I understand this Federation occupies offices in a Government building, and comes directly under the control of the Fisheries Department.

MR. SMALLWOOD: No. Not in the least.

MR. CASHIN: You gave them fifteen or twenty thousand dollars. Do you mean to say they can do what they like with it? Don't you get any account? I know the Church of England Orphanage for instance, has to spend twenty thousand feeding unfortunate children. I know that these orphanages are publicly kept by donations and grants and I agree there, but this is an entirely different matter altogether. Big salaries are being paid out and some people have been appointed to big jobs and the people are entitled to know what they are getting, public funds have been paid them. I

am sure employees of the orphanages are not getting big salaries.

MR. HOLLETT: Did I understand, Mr. Speaker, that Question No. 14, Sections (2) and (3) were re-directed to the honourable Minister of Economic Development, or am I supposed to rewrite them?

MR. POWER: I have referred them to the Minister of Economic Development, or at least my Department has.

MR. HOLLETT: There is one other question, Mr. Speaker, No. 18.

MR. SPENCER: Question No. 18 is in course of preparation, Mr. Speaker.

Orders of the Day

Address in Reply.

MR. HIGGINS: Mr. Speaker, in rising to speak for the first time in this House, I am glad to make it my first duty to offer to you, Sir, my congratulations on the honour done you by the House in again electing you to the august position which you so deserve. My contact with you as Speaker, has necessarily been limited, but I have had the good fortune to have met you in other places than this House, and the respect which I then acquired for your ability and integrity has been heightened in the few days that I have been privileged to see you preside over the debates here. I trust that, if in my inexperience, I should inadvertently transgress the rules of debate, Your Honour, will regard the infraction as the result of ignorance, and not as arising from any disrespect to you, Sir.

To the mover and seconder of the address in reply, I would say a word of perhaps envious congratulations, envious in the sense that to another

novice the ease and grace with which they discharged their respective tasks make emulation difficult, and I congratulate them, because both the honourable members by their performance did credit not only to themselves, but to this House.

Now, Mr. Speaker, as I have said, this is a new and perilous voyage on which I am embarking, to attempt to discuss the Speech from the Throne, that document replete as it is with happy predictions and positively dripping with that peculiar brand of milk and honey, which this Government seems to keep on tap for distribution to the public when the occasion demands it. It is the sort of a speech that could only be properly appreciated by one of the faithful for anyone unfortunate enough to be afflicted with any desire to analyse cannot be expected to be properly sensible of the real message contained therein. The Speech notes with commendable satisfaction that the Government was returned to power in the general election with an unmistakable majority of their votes, that of the votes of the people.

Now, Mr. Speaker, when we consider the situation on the holding of the general election, can any person of any sensitivity take any pride in such a hollow victory, a victory which in the situation reflects not credit upon the party that won, but rather on the party that, taken unawares, bereft of organization funds, could yet manage to not only maintain its status in this House, but to knock three Cabinet Ministers off in the process. We were informed yesterday that the cost to this country of the general election was some eighty thousand, two hundred and twenty dollars, and fifty-five cents, and the by-election in St. John's West, five thousand five

hundred and twenty dollars, and this is a large amount of money despite the easy grace with which some of our Ministers toss around hundreds of thousands, eighty-seven thousand dollars is a lot of money for a small country such as ours. This large amount of money was spent to satisfy the Government's desire to eliminate opposition, because, Mr. Speaker, no one in his right senses could be expected to take at face value the passionate assurance of the Premier that he wanted a fresh mandate from the people. Whatever about a fresh mandate, he has certainly acquired some new faces, and I hope as this session continues, he will have no need to revise his original estimate of those new faces, those good-looking faces which now form part of what, following the Premier's description of his Government, might be properly described as Her Majesty's Urban Opposition.

It is interesting to note, as my colleague, the member for St. John's East remarked yesterday, that the speech contained no reference to the cost of living, and it must have been a source of great consolation to those lazy, loafing longshoremen of St. John's to hear from the honourable Minister of Supply that the high cost of living is no longer attributed to them, and we understand from the utterances the other day from other quarters, this continued high cost of living must or should be due to a source of communication barriers. It is unfortunate that the memories of some people are so inconveniently long, but the sad fact remains—these were the original promises, like it, or not, the cost of living in this country in the past years far from dropping has increased, increased even when calculated on the basis lately adopted by the Minister of Supply.

It is all very well to talk of new industries, of new jobs, of more money, but can the Government deny the fact that a great portion of this money, and what there is of it, is being siphoned off by Mr. Abbott in far-off Ottawa. Speaking of money being put in circulation, is it not a fact that the American Bases provide more ready cash for our people than all the industries so far conjured up by the good Dr. Valdmanis. These bases were established in this country during the second world war, and they are being maintained and expanded because of the present threat of conflict. Does the Premier or the Liberal Party wish to accept the credit for the state of the world today which makes these bases a necessity in our country? Surely their worst enemies would never accuse the Premier of hiding his light under a bushel, but it is hardly likely that despite the place in history undoubtedly awarded him, he would wish to claim the credit of starting a world war.

Another revelation in the Speech from the Throne was the announcement that various new plants are for sale. In reply to a question which I asked on opening day the Premier informed the House that no negotiations are presently in progress toward the sale of the cement plant. That is somewhat striking, in view of the announcement made in November of 1951 by the Premier to the effect that the Canada Cement Company had made inquiries regarding the purchase of this particular plant. Of course, it will also be remembered that, at that time, Mr. Joseph Breen, the President of Canada Cement denied in the press that any such inquiries had ever been made. But I am prepared to accept the Premier's version. Incidentally, accepting, as I do, the truth of the

Premier's statement, I naturally find myself asking where is that man Breen now? Is the cement plant less attractive in March 1952 than it was a few months ago during the election campaign?

Speaking of these new industries, on Tuesday, the Premier in his capacity of Minister of Economic Development, tabled some five reports on as many new industries. From the card attached it is to be assumed that these volumes, no other word would do justice to their gilt lettering and chaste binding, those volumes originated in the Department of Economic Development, but to the uninitiated they might well have been written in the advertising offices of one of the brokerage offices in Toronto, that specialized in attracting the dollars of unwary American investors. Some of them contained nicely printed pictures, and one, I think it is the report on the machinery plant, showed an artist's conception of the finished plant at the Octagon, and without any intended impertinence, I would say the artist has taken full advantage of that license generally allowed his trade.

But, Mr. Speaker, stripped of all the guady verbiage and tales of estimated profit, just how sound are these industries the Government completed? They started a textile plant when at the same time the Daily papers carried reports of established plants in other parts of the Dominion having to close down. Are we to assume that the men who will operate this textile plant will, despite the difficulty attendant on long freighting distances, and other costs incidental to producing and marketing in this country, which are equally as manifest for exporters as for these factors to which the honourable Minister of Supply made such feeling reference a few days ago, when

quoting the report of the Commission of Inquiry on the cost of living; are we to assume, Sir, that these handicaps can be overcome, and that despite the apparent slump in the textile industry at present, this new textile industry will be a success? I submit, Mr. Speaker, that based on the scanty information we possess at the present, an affirmative answer can hardly be expected.

But, Mr. Speaker, let us take these books as being sound in their facts of the new industries. If the estimates contained therein are to be accepted, then we must ask ourselves the question why sell these money-making ventures? Can it be that the Government is in need of money? Perish the thought. Indeed judging from the line-up announced by the Premier a few days ago of such eminent men as Sir William Stephenson, Mr. George Thomas, and others it would appear there must still be money to be made in this little country, or in the wilds of the Labrador.

Speaking of Sir William Stephenson, it is interesting to hear from the Premier that Sir William once dangled a Premier of Yugoslavia on his knee—a king, Mr. Speaker, the king of Yugoslavia on his knee. Without any intention of being disrespectful, I venture to hope that he did not dangle our Premier on his knee. The memory is all too vivid of a well-known radio character named Edgar Bergen who had a somewhat similar routine. Again, Sir, we are told with honest pride that Mr. George J. Thomas has been persuaded to accept office with the Newfoundland Corporation. Mr. Thomas is undoubtedly a fine man, although to the stadium starved St. John's folks, his chief claim to fame lies in his importation of mainland hockey players to win championships for Buchans.

The one disturbing feature, as I see it in the acquisition of these gentlemen is that they are being eagerly sought by a Government.

The honourable member for Bonavista South in moving the Address in Reply envisaged this Government as a young man's party, whilst these fated to walk with kings are gentlemen past the age of retirement. I do know this, that neither of these gentlemen is senile, but I will suggest that the great interests with which both the gentlemen I have named have been associated should have seen fit to allow them to retire to the rest they have thoroughly earned. It is, however, difficult to conceive of either of these gentlemen venturing forth to the Labrador to open up that brave new world which has been promised.

Now at the risk of trespassing on the preserves of my colleague, the member for St. John's West, I should like to make a passing reference to the Stadium. After all it is in the District which I have the honour to represent. The stadium, that unfortunate victim of political double talk which, in so far as the Government is concerned, we are now assured is as dead as a doornail. A day or so ago, it was stated in this House that the Government had never promised to build a stadium in St. John's East. In the light of that statement it is interesting to recall the exchange of letters between the Premier and Mr. Arthur Johnson which appeared in the "Daily News" on the 3rd, January this year. It is not my intention to quote these letters verbatim, but I feel sure that any member of this House who read them could not but have been convinced of the sincerity of the offer that was made at that time, the offer which induced Mr.

Johnson to venture into the political arena.

MR. SMALLWOOD: Why not read them out?

MR. HIGGINS: I have not got them with me—but again, as I say, if my memory serves me right, I believe the phrase was used somewhat along these lines in the letter to Mr. Johnson from the Premier—that he should be personally surprised or disappointed if there is not some project early in the Spring of 1952—The general tone of the letter was, I suggest: if Mr. Johnson took over, he would be allowed to build the stadium.

MR. SMALLWOOD: Hear! Hear!

MR. HIGGINS: It is unnecessary to dilate on the result of that election. The visible evidence of the choice of the people is seated to my right. Mr. Speaker, it is a wonderful thing to know that in this country of ours today, we still have people with enough independence of spirit to vote as they want to vote, who will not be lured by blandishments or any other means that may be used in an attempt to condole them. Mr. Speaker, it is somewhat unusual to find the Premier solidly entrenched as he is as Premier of Newfoundland making the statement that St. John's should not expect anything from Her Majesty's Outport Government.

MR. SMALLWOOD: Pardon me, I never said that.

MR. HIGGINS: Subject to correction, Sir, you said something very similar to it.

MR. SMALLWOOD: Far from it.

MR. HIGGINS: Would the Premier repeat what he did say?

MR. SMALLWOOD: Gladly. I was referring to the stadium and the

stadium alone, and nothing else when I said that surely it is not expected of Her Majesty's Outport Government that we would build a stadium in St. John's.

MR. HIGGINS: I accept the Premier's correction, Mr. Speaker. It would be presumptuous on the other hand for me to suggest to the Premier what he already knows much better than I in my poor way could suggest that as Leader of the Government, he does not represent only those particular districts which returned his adherents, but the country as a whole, and I am very happy to have that misconception cleared up, very happy to realize that the Premier is not going to shut us out in the cold. He may not build a stadium, it is true, but otherwise we will be allowed to live and go our accustomed way. Indeed having read and heard, and who of us have not, of the Premier's magnanimity of spirit to be defeated, I really believe that great things are in store for St. John's, Ferryland, and at least half of Harbour Main-Bell Island.

There are one or two other items in this Throne Speech, Mr. Speaker, to which I think at least passing reference should be made. The House was told that the Government has retained the services of the well known American firm of Copperdale and Colpitts, consulting engineers, to examine into and report upon the value and prospects of the three industrial plants established by expenditure of public funds. These are the Birch Plant, the Cement Mill and the Gypsum Plant. The House was also told that two gentlemen from that firm came down here, made an examination of these three plants and have gone off to New York to write a report. That little junket around the country cost us some fifteen thousand dol-

lars. It is interesting to speculate, Mr. Speaker, as to why there was any necessity to have these two gentlemen here because we have been told, when I say we, I mean the country as a whole, that in the Director of Economic Development, we had a person who was of the very first water, a man whose ability was not only in one field, but in a variety of fields and was beyond question. That being so, it does seem, I suggest, Sir, a little unnecessary that fifteen thousand dollars should be tossed away to this American firm when the services of our own expert were available to the Government. Unless it might be that prospective purchasers would not be prepared to accept the estimate of his worth put upon those plants by the good Doctor Valdmanis. That seems a very reasonable thing, that having done so, they go off to New York with our money, but that is the Government's privilege to do what they wish with our property.

Mr. Speaker, the temptation to ramble on is strong. The Speech from the Throne is so delightfully full of nothingness that one could speak for a great deal of time to find out what, if anything the Government proposed to tell us, but for a beginner modesty is the watchword. I can only hope that when the budget is brought down this House will be given the facts to which it is entitled, and not the rosy dreams and ingenuous juggling of estimates and costs to which it has been submitted in the Speech from the Throne.

MR. CASHIN: Mr. Speaker, that is our part in the programme for today, and I do not know whether any gentleman on the Government side is desirous of making any remarks now in connection with the Speech from the Throne. I suggest if there are,

they might do it now, as I feel we might wait over until Monday for our next member to speak on this Address. If no member on the opposite side wishes to speak, one of our members could move the adjournment.

MR. SMALLWOOD: Mr. Speaker, it is slightly unusual to have the honourable Leader of the Opposition suggest the timetable.

MR. SPEAKER: The motion is the Address be carried. I put the motion that the Address be carried—but before doing so, there was a long silence, the last honourable gentleman spoke and sat down and there being no speaker, His Honour is quite in order to put the motion. The honourable Leader of the Opposition is kind enough to suggest now that one of his adherents speak and probably the honourable the Premier might wish to have one of his.

MR. SMALLWOOD: Mr. Speaker, I am quite agreeable to have the debate adjourned until tomorrow, but I do hope that beginning on Monday, we can get it proceeded with without any further delay and complete it. Without any desire to have the first place in the debate on Monday, I move the adjournment.

Orders of the Day

Third Readings:

"An Act to Amend the Newfoundland and Labrador Corporation Act, 1951." Bill read a third time, ordered passed.

"An Act to Amend the Fire Patrol Act, 1948." Bill read a third time, ordered passed.

"An Act to Amend the Timber Licence (Reversion to Crown Act, 1951)." Bill read a third time, ordered passed.

"An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees.'" Bill read a third time, ordered passed.

"An Act Relating to the Designation of Certain Local Government Officials." Bill read a third time, ordered passed.

"An Act to Amend the Local Government (Election Act) 1951." Bill read a third time, ordered passed.

"An Act Further to Amend the Department of Public Welfare Act, 1949." Bill read a third time, ordered passed.

Committee of the Whole :

"An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949." Ordered referred.

Second readings :

"An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, if the House would have forbearance, I would take the second reading of this Bill in place of my colleague, the Honourable Minister of Education.

The Bill, as the title indicates has to do with the amendment of certain sections of the 1950 Act, having to do with Teachers' Pensions. The first amendment, as indicated in Clause Two, which I might read :

(g) "Any period not exceeding in the aggregate three years during which a teacher attended, whether before or after the enactment of this Act, a course of study or instruction relating to his service as a teacher, if that period is approved by the Minister for the purpose of the Act."

"(h) Periods of absence from employment as a teacher.

- (i) on sick leave not exceeding in the aggregate twelve months in any period of four years calculated from the commencement of the earliest period of his pensionable service;
- (ii) on other special paid leave with full pay granted under and taken in accordance with such conditions as may be prescribed by or under The Education Act, but no period of sick leave shall be counted during which the teacher was on sick leave and be in receipt of less than full pay in consequence of such sick leave."

In other words, this Clause provides conditions under which certain individuals in training might be considered pensionable. The original Act was ambiguous, and ambiguity centred around the point where the Minister had the authority to cover periods of leave towards improving oneself or in course of training before this Act came into effect. Now this amendment clarifies this section. Now (b) repeals the original paragraph and (h) of section 10 and substitutes (1). The original section could be construed that the twelve months had to be taken consecutively, but the amendment provides that the twelve months may be spread over any four years, and it furthermore provides that four years may be calculated from the commencement of the period of pensionable service so that service given prior to the passing of this Act can be recognized here as it could not in the original Act.

The second part of the Clause is of benefit to teachers in that it provides for special conditions which were not foreseen or provided for in the original Act, namely: Conditions under which a teacher may have to absent himself from school under certain cir-

cumstances such as the President of the Newfoundland Teachers' Association attending a conference abroad as President of the Association. Now under this, Sir, the original section (c) of the Act is amended. If members wish the original section to be read, I shall do so, but I can name here the purpose of the amendment. If this amendment were not made there would be doubt as to the rate of premium the teacher would have to pay, but this amendment makes clear the teacher's rate he will have to pay, had he been teaching instead of taking the leave. At present there is some doubt as to whether it should be the current rate or whether it should be the rate in operation at the time of the leave. This amendment clears up that.

Now, Sir, the final amendment at the bottom of the page, page two of the Bill (B) Sub Para. (1) and (2) gives teachers taking advantage of the special privilege from now on a year's grace in which to pay the premium with interest, and teachers who took advantage of the privilege before the passing of this Act will have until June 30th, 1953, in which to pay arrears of premiums with interest.

These are simply amendments to smoothen the administration of the Teachers' Pension Act and not one singly or all of them in aggregate affect the principle of the main Bill, and I would move the second reading.

MR. HOLLETT: There is one thing, Mr. Speaker, I would like to have clarified. Section 3, does that mean the teacher who has been sick or on sick leave has to pay this premium for the period of his or her illness? If not, then I would agree with the principle but if teachers have to pay a premium during periods of illness.

DR. POTTLE: He is allowed sick leave aggregating twelve months in any period of four years reckoned right back to the beginning of the pensionable service without having to pay that on account of his pensionable service.

Bill read a second time, ordered referred to Committee of the Whole on tomorrow.

Second reading of a Bill, "An Act Further to Amend the Education Teacher Training Act, 1944."

DR. POTTLE: Mr. Speaker, in moving the second reading of this Bill, I would make the same introduction: I am reading it on behalf of my colleague, the Honourable Minister of Education.

This Act is designed to amend the Teachers' Training Act of 1944, and the sub-clause of Clause 5 is changed in the original only by the changing of the Memorial University College to the Memorial University of Newfoundland. The Clause in the main has to do with the names of those institutions which will be regarded as institutions for training teachers under the Education Act. The special feature of this first amendment takes into special consideration, where certain teachers taking Grade Ten may be included, and where such schools as Holy Cross, Curtis Academy, or St. Michael's may be regarded as training institutions under Clause 5 of the schools of Newfoundland other than those named in Paragraph (a).

This provision is designed to keep in step with the development of training of teachers under the policy of the Council of Education. Further, teachers who are taking their training outside of Newfoundland may have their period of training outside regarded as

valid for working out their itinerary as if training in Newfoundland under the authority of the Department of Education. Clause three then gives the Council power to prescribe the actual classes of schools in Newfoundland for training of teachers. I move the second reading, Mr. Speaker.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second Reading of a Bill. "An Act Further to Amend the Mothers' Allowance Act, 1949."

DR. POTTLE: Mr. Speaker, in moving the second reading of this Bill, I wish to say that there is no amendment here which interferes substantially with the principle of the original Act. Like other Bills which have come before us this afternoon, this one is designed likewise to smoothen the operation of administering the Mothers' Allowance Act, as a result of experience gained in administering the Act for the last three years, more or less.

In Clause 2, Sir, the word "Director" is to be deleted as the word "Director" in the original Act is redundant as far as the operation of the Act is concerned and we now submit the usage of the word "Chairman" in uniformity with the Dependents' Allowance Act in which the word "Chairman" rather than the word "Director" appears.

There is more substantial amendment in Clause 3, sub-clause (h) having to do with the definition of the word "Incapacity." It should be of considerable interest to the House that we have lowered the period from nine months to three months in that clause. Now in order to certify an application for any person under (5) mostly always

we get in the Department of Public Welfare the certification of an officer of the Department of Health, and their advice is that when the period is longer or as long as nine months, it is very difficult to certify it on that basis. Even medical doctors are rather doubtful about certifications, not curable in nine months, so we have a wide difference there so that to lower it to three months will make it more satisfactory for medical officers to certify applications and for ourselves to administer the Act.

Clause 4 is an inconsequential amendment. (b) and (c) will be of interest, and can be explained in this way: Under the present provisions of the law, a woman who has been deserted by her husband for two years and has been unable to make reconciliation or reunite with him, may be regarded as a mother or widow—for the purpose of this Act. But the period has to be two years. Now in actual circumstances, a woman may be in just as needy circumstances in the usual operations of this as if she had, in fact, been deserted for two months, but the Board is limited in the present Act to wait for two years. Here we are trying to protect children and here we give the Board the right as long as the fact of desertion is established. At the present time, she must certify by formal agreement or by divorce, as the case may be, and that it took place two years ago. The time factor again, I say, is omitted because a woman may be separated in actual fact for only a month or two months, and her distress be just as great as if she had been separated for years. The Board therefore, gives powers of discretion when assured the woman is in fact separated, and has made every reasonable effort to reunite herself with her husband.

Clause 5, Sir, merely improves the diction. It brings the Director of Child Welfare into the picture to certify that the allowance is essential, I think I should go further there, and say that there has been some criticism as far as Clause 5 (4) is concerned—Children born out of wedlock—ordinarily the Board may be tempted when an unmarried mother and child present themselves for consideration the application might be approved of, because there is the child and the unmarried mother, there are the circumstances, but this amendment provides that an allowance will be paid only if it can be certified that an allowance is essential for maintenance and rehabilitation of the mother and such children. Ordinarily the best form for the mother is to be re-established in employment, if it is in the best interest of the mother and the child that an allowance be made only in such circumstances will an allowance be made.

Clause 6 and 7 require no comment, I presume, Sir. I move the second reading.

MR. HIGGINS: Could the Honourable Minister explain Paragraph 4, sub-section (b) A woman who has been deserted by her husband? Is there any provision made for a case where a woman has had to leave her husband through ill-treatment, necessity or otherwise. I think the Attorney General will agree with me that in certain circumstances a woman who has had to leave her husband is said to be deserted.

MR. SPEAKER: Before the Honourable Minister replies, does any honourable gentleman wish to speak, as when the mover of the second reading speaks for the second time, the debate is closed. Perhaps you would

rather take the questions and answers together.

MR. HOLLETT: Mr. Speaker, there is one item, and it is on the same section my honourable friend inquired about, but on a different point. I hope and trust the Honourable Minister of Welfare is not making it too easy for our wives to desert us. We are worried most of us. What I meant to say is, I hope he is not making it too easy for us to desert our wives so that they can go down to the Honourable Minister and get an allowance. Supposing a woman who has no children is deserted by her husband the day after marriage, she has no means but is not incapacitated in any way, but goes down to the Department of Public Welfare and makes a complaint, probably the husband is only a week old, or a year, or ten, as the case may be—what protection have you?

It might be quite easy I submit, for any woman, unscrupulous perhaps to get a nice little allowance. I was wondering if it does not make it too easy. I am satisfied with the principle. Of course if there are children, naturally the Department will look after them. I am thinking of the case where you have a man deserting his wife after one or two years, as the case may be, she is in perfectly good health, perfectly able to earn her own living. Is it possible for that woman to go down and get an allowance, and if so, what would be the allowance? If I can satisfy myself on that, I am in agreement with the principle.

DR. POTTLE: Mr. Speaker, I think I can answer the questions raised. They are both related. Let me say Sir, that the Mothers' Allowance Act covers only these cases where there is a widow and in fact children

under sixteen years of age. Now a widow is widely defined under the Act, as you know. The answer is no in the case of independent people where no children are involved. But an applicant has to show incapacitation which will be provided for under the Department of Public Welfare. But there may be cases where there is distress without incapacitation and at present, we have no adequate legislation to cover the case of a woman who is deserted by her husband shortly after marriage or later without issue. But we are providing for that kind of circumstance in a Maintenance Act, which will come up at this session, and it is a very good question. In that case, it won't be a matter then for the Department of Public Welfare, but a matter before the Family Court, where the court in determination of the circumstances will decide how much will be allowed this particular case, and it will have the service of the Public Welfare to help decide that.

MR. HOLLETT: You are not going to encourage desertion?

DR. POTTLE: No, we are against it. Acts of cruelty are also covered in the Maintenance Bill to come before us shortly.

Bill read a second time, referred to a Committee of the Whole tomorrow.

Second reading of Bill. "An Act Further to Amend the Dependents' Allowances Act, 1949."

DR. POTTLE: Mr. Speaker, I move the second reading of this Bill. It makes two provisions, the first contained in Clause (2) provides that incapacitated shall be differently defined from what it was in the original Act. It does the same in this Bill, as was done in the incapacitation in the

Mothers' Allowance Bill, lowers the time from nine months to three months, and provides that persons receiving assistance under certain statutory benefits will not be entitled to benefits under this.

Clause (2) sub-section 3 provides that where a person is now under the care of the Department of Public Welfare, and receives an allowance greater than he will receive under the Old Age Assistance Act, that he will not be penalized by coming under the Dependents' Allowance Act. In other words, we have dependent people now in boarding homes who are receiving more than they would receive under old age assistance, as much as \$45 a month, and the Government thought no person should be penalized as a result of the paying of the Old Age Assistance Act. So that people now under the care of the Department receiving assistance will not receive less as a result of the passing of the Old Age Assistance Act.

Bill read a second time. Ordered referred to Committee of the Whole tomorrow.

Monday, at 3 of the clock.

MONDAY, March 24, 1952.

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

Presenting Petitions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I beg to table a copy of the second Annual Report of the Board of the Commissioner of Public Utilities for the year ending December 31st. 1951.

I beg also, Mr. Speaker, to table a report in the matter of preparation

and submission to the Supreme Court, in the matter of a Royal Commission of Transportation, and in the matter of application to the Board of Transport Commissioners in subsequent hearing and in the matter of fees payable to Mr. P. J. Lewis, Q.C. solicitor for the Commission.

Amounts paid I believe, were five thousand and twenty-five thousand.

Presenting Reports of Standing and Select Committees

HON. DR. H. L. POTTLE (Minister of Public Welfare): I give notice, Mr. Speaker, I will on tomorrow, introduce a Bill. "An Act Respecting the Maintenance of Parents, Wives and Children."

HON. PHILIP S. FORSEY (Minister of Supply): I give notice, Mr. Speaker, I will on tomorrow, introduce a Bill. "An Act Relating to Assessment of Property and Collection of Taxes by Municipalities."

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I give notice, I will on tomorrow move the House into Committee of the Whole to consider certain regulations for grants to Her Majesty and Certain Sums of Money for Defraying Certain Expenses of the Public Services for the Financial year ending March 1952, and for other purposes relating to the public services.

MR. SMALLWOOD: Mr. Speaker, I give notice, I will on tomorrow, beg leave to introduce a Bill. "An Act Respecting the Department of Mines and Resources." I may say for the information of the honourable members opposite, who did not follow the honourable Minister of Finance, the Bill gave notice relating to temporary supply pending the estimates and the budget.

Notice of Questions

MR. SPEAKER: Question No. 50.

MR. FORSEY: Mr. Speaker, in answer to Question No. 50—

(a) During 1951 the Department of Supply purchased 1352 cartons of Hypro Mouth Wipes at a cost of \$33,785.21. They were supplied by Hygiene Products Limited through the local agents Messrs. Kearney's Limited for use in all Government Hospitals in the Province.

(b) This particular brand and quality specified by the Department of Health for reasons of economy was obtained through the local representative of Hygiene Products Limited on tender. The Hypro Mouth Wipe has been used by the Department of Health for a great many years because it is cheaper and its quality is the type required for Institutional use. During the war years when supplies were difficult to obtain the Department of Health accepted all brands of mouth wipes, being forced to pay higher prices, but when the supply situation improved, they returned to their original specification of Hypro Mouth Wipes. It might be observed that this type of mouth wipe is used in Sanatoria across Canada.

(c) Four hundred cartons of Hypro Mouth Wipes have been purchased so far in 1952 at a cost of \$7,514.70.

MR. SPEAKER: Question No. 12.

MR. SMALLWOOD: Mr. Speaker, the honourable gentleman is sick in bed.

Orders of the Day

Address in Reply:

MR. DUFFY: Mr. Speaker, in rising this afternoon to make, what I

suppose will be my maiden speech, I do so with conflicting emotions. I find myself in a rather unique position. My seat, though comfortable, is a trifle rickety, but I hope, of course, to have that repaired. Like the Premier, I am chock full of hope, that is all that is left.

Now, Mr. Speaker, I crave your indulgence for the apparent shortcomings of my maiden speech for reasons which I am sure you will appreciate. In the past week my mind has been filled with distracting thoughts which have made it virtually impossible for me to give it the attention which a task of this kind demands, and which in deference to the House be given and an event which should be one of great importance to a member of this House.

Now, Mr. Speaker, joining with my colleagues, I should like to pay my brief, but sincere tribute to our Late King, our Late Sovereign, who will be remembered possibly more because of his qualities of goodness than those of his greatness, and yet a man who has borne the mantle of kingship and who is a good man because of that fact, must be a great man because his example is more striking than that of his fellows, and his influence more far-reaching. Our Late King was eminently an example to family life in these days when the sanctity of marriage and the permanence of marriage and family life are assailed from many directions. It is both refreshing and edifying to recall the good qualities of our Late Sovereign. To His Daughter who is now our Gracious Queen, we, the members of this House have pledged allegiance. We pray that her reign may be blessed with happiness and prosperity, and that she may be blessed with length of days.

Now, Mr. Speaker, at this point, I should like to offer you my humble congratulations on your being the unanimous choice of this House to the exalted position that you now occupy and one that I am sure, from the knowledge that I have both inside this House in my short experience, and from what I have heard outside, I feel very, very confident that your deep knowledge and your spirit of impartiality will mean that you will occupy this office with great distinction to yourself which in consequence, will redound to the honour of this House.

I should like also, Mr. Speaker, to offer a word of congratulations to the honourable members who moved and seconded the Address in Reply, although, of course, I am in disagreement with many of the opinions expressed by them, I nevertheless feel that they have committed themselves very creditably indeed.

Now, Mr. Speaker, as to the Speech from the Throne, as my learned colleague, the member for St. John's East intimated, it did not contain much. For my part, I would say it is more noteworthy for what it did not contain than for what it contained. The major, all-embracing policy of the Government is one of industrial development, almost to the exclusion of everything else, and yet, in the Speech from the Throne, which I suppose outlines the policy of the Government, I find but one paragraph couched in general terms which are meaningless in reference to two in this country, in this Island which are colossal industries. The rest of the document is taken up with mineral possibilities, very familiar words. Since I was a boy at school, I have been hearing a lot about mineral possibilities, and they still remain in a potential state.

I, of course, earnestly hope as do the sanguine members of the Government, that these will one day be actual. Passing reference is made to oil. At the risk of being flippant, may I express the hope that the Government will discover oil enough to pour upon the troubled waters through which the Ship of State will probably be sailing before the end of this session.

Now, Mr. Speaker, we members of the Opposition, both individually and collectively, have been accused of being opposed to industrial development. That, of course, obviously to people who think is sheer nonsense. To oppose industrial development without getting sufficient information as to the solidity or soundness of industrial development is hardly to be opposed to industrial development. That is exactly the position that we members of the Opposition have found ourselves in when we went to the country, and of course, many honourable members, who are opposite, have used to great advantage this accusation that we were opposed to industrial development. Of course, to some people who were not thinking and in their simplicity, they took this probably a little more seriously than they should have. From the very beginning, Mr. Speaker, of the industrial development programme of the Government, I, who, at that time, was a private citizen, was rather shocked by the flagrant slogan that which was coined or phrased by the honourable Premier (he can correct me if I am inaccurate) "Develop or Perish." Now with over forty millions of dollars at the disposal of a Premier, and this is not a tremendous territory, a very small population, to embark upon a programme motivated by the spirit of develop or burst, seems to me to be a shocking thing. I know nothing of industry, but I suppose I

can claim a little elementary knowledge of business, and the fundamentals of business. Industry has to be considered in a business-like way, having in mind that the principles of buying and selling apply to industrial plants the same as they do to private business. Consequently, we, who watched with great interest the unfolding of this great industrial programme, watched carefully for the application of fundamental business practice, in many cases, with the scant information at our disposal, we found that they did not stand up against fundamental business practice. We furthermore learned that vital information which was due to the country, or due the Island, after all it was our forty odd millions of dollars, and it seemed to me that we were entitled to information which was not forthcoming, and in many cases has not been uncovered yet.

Now the textile industry to which my friend and colleague the member for St. John's East referred to on Friday: I again know nothing of textiles and I am inclined to think the Government does not know much either, because we see where huge textile plants are closing down in the United States and on the Mainland of Canada. Whether the textile plant envisaged by the Government is of different proportions, that of course the future will tell. But, Mr. Speaker, it seems to me from what we do know that it is certainly a gambling chance, and a gamble which will probably cost us plenty.

Now, Mr. Speaker, in speaking of the industrial programme of the Government, we inevitably must get back to the November election. In November last when this election was sprung on the country, I, like many thousands in this Island, was shocked. It appar-

ently did not make sense. We saw over there on the opposite side of the House, numerically a tremendously strong Government, who already had a mandate from the people to carry on their programme. With, I believe, some two years to run, they in November, pulled a general election knowing full well that the small forces opposed to them were not only unorganized, but were practically non-existent.

Now, I hasten to add that, that is not the responsibility of the Government, but in the very peculiar circumstances of this Island of Newfoundland and knowing the background of what brought about this very powerful Government, it seemed to me, apart from any lack of sportsmanship, it seemed to me to be a very wrong thing to bring this election upon the country. The reasons given were that the Government wanted a fresh mandate, whether their first one had grown a little stale, I don't know, but I am inclined to think that the new mandate is not quite as fresh as they had hoped it would be, as a matter of fact, in many ways it smells. We all know many unfortunate and unhappy things that happened during this last general election. I am going, at the risk of boring you, Mr. Speaker, to refer briefly to the famous, or should I say infamous Sennewald case.

MR. SPEAKER: I don't think the honourable member can refer to any matter concerning the way in which the election was conducted, because the House provides proper channels through which to do that. The general election itself, may be referred to because it is referred to or included in the Speech from the Throne.

MR. DUFFY: Well, Mr. Speaker, please correct me, if I am out of

order, but I won't refer to anything which happened during the November Election, but what I will concern myself with is the fact that a weekly paper carried verbatim, I believe, a statement of the Premier of this country, the Premier of this Island.

MR. SMALLWOOD: Province is the word.

MR. DUFFY: It is an Island too.

MR. SMALLWOOD: Province—This side made it a Province.

MR. DUFFY: I repeat, Mr. Speaker, Island of Newfoundland, a weekly paper which is published in this Island weekly—as I said, it is a weekly paper—that obviously carried a verbatim account of a statement made by the Premier, to the effect that he had no faith in this Dr. Sennewald or his industry. I am quoting this from memory, but I believe he told the German to get out and stay out, or words to that effect. Some weeks later, Mr. Speaker, I took up my morning paper which is always published in this Island, and found that the same Dr. Sennewald had incorporated his company. There is no further comment necessary. The conclusion is extremely obvious.

Now, Mr. Speaker, on Saturday last, on reading this same weekly paper, which I borrowed, I found that the Premier has made some further statements with reference to the now celebrated, but non-existent stadium, in which he said that apparently the people of St. John's West preferred Hollett to a Stadium. What a shocking thing in implication for a Premier to say—what a shocking thing. Possibly the Premier did not think that maybe the people of St. John's West, much as they would love a Stadium, they loved honour more. These are

the things, Mr. Speaker, which have brought me, together with some slight legal assistance, to this side of the House. Because I rise in revolt against things of this kind, I abhor intolerance, and be my stay in this House long or short, I shall do everything in my power to combat what I think is a very evil thing.

That brings me, Mr. Speaker, to a matter which is a little more personal. I refer to the District which I have the honour for the moment, or should I say, at the moment, to represent—the historic district, but unfortunate district of Ferryland. On opening day of this House, I directed a question to the Government: "Is it the intention of the Government to continue this season with the reconditioning of the Ferryland Highway, and what amount of money will be spent in this respect?"

MR. FORSEY: Point of order, Mr. Speaker. The honourable gentleman for Ferryland is anticipating what this House may see fit to do in passing the estimates sometime next month.

MR. SPEAKER: The situation is rather a difficult one since the whole question of the District referred to is subject to judicature, but it is different to rule on a breach as no breach has been committed. The honourable member might take a friendly warning.

MR. DUFFY: I was about to give, Mr. Speaker, if I am in order, the answer to the question. Am I in order?

MR. SPEAKER: The Chair cannot rule on a hypothetical question.

MR. DUFFY: The Government stated, the Government has made no decision about the Ferryland Highway.

MR. SPEAKER: That would bring the point of order of the honourable Minister of Supply quite in order. The Government has made no decision. It is not yet before the House to discuss, and it would be anticipating legislation.

MR. DUFFY: I will refer to what I heard in my District, and was told officially in my District last November, when I was told that a very elaborate programme was to be undertaken, but we are told now that no decision has been made. It has not been made now, and we don't know if the decision will be made. It does not make sense, Mr. Speaker.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I rise to a point of order—the honourable gentleman, and I would like to say I would like to help him, he is trying to be sincere.

MR. SMALLWOOD: Mr. Speaker, to a point of order—may two gentlemen be on their feet at once?

MR. SPEAKER: The speaking member should resume his seat until the point has been made.

MR. SPENCER: Mr. Speaker, it is my hope I may be able to help the honourable member. Since that statement refers to the Department over which I have the honour to preside, and which looks after the work of that type, I would like to point out to the honourable member, and to the House that no decision has been made in respect of any programme of works for any district throughout the Province of Newfoundland for this year, this year 1952, 1953. No programme can be planned or decided upon until such time as the Government decide what the programme is that we present to the estimates. That has

not been done, and in fairness to the honourable member, and I think to this side of the House as well, I state clearly for his benefit, that no such programme has been decided for any district and I am assuming if he meant there, Mr. Speaker; the innuendo, that it had been decided for Ferryland but is now changed, I question that statement. That is my point of order. There is no such programme for any district throughout the Province of Newfoundland at this time. I trust that will help the honourable member to maintain his argument.

MR. DUFFY: Mr. Speaker, I am grateful to the honourable Minister of Public Works for clarifying this point. But you will permit me to say that even previous to this year, and for many years back, there has been no highway in Ferryland, and I think, and I include with the present Government, Governments of the past, it is an absolute disgrace, and has been for years the way Ferryland has been treated. No District in the country has been neglected as Ferryland has. When I went up there on many occasions last Fall, I was appalled when I thought of the highways, the paved highways going around Conception Bay, the Trans-Canada Highway in the offing, I was frankly shocked when I saw this District, of, I suppose, over ten thousand people, with a miserable cow-path. I blame all past Governments for this, and I blame this Government in particular, because they have spent money on highroads. I would not suggest for a moment, that a four lane highway be placed up in Ferryland, but surely, in common justice to the people, who are our own flesh and blood, the road should be made possible. I spoke about this in public following the November election, I spoke about it

when I thought I was defeated, because whether defeated or not, it made not the slightest difference what I felt about those people, the step-children of this country. I saw in the paper one day where a person was extremely ill at Trepassey, and a helicopter brought her to be hospitalized in St. John's. Now, according to the newspaper report, this unfortunate woman would not have survived another night in Trepassey. I wonder what would have happened if the flying conditions had been bad? There would have been one less in Ferryland District. These are things, Mr. Speaker, which should transcend politics altogether, and I have not the slightest doubt that Ferryland has in the past, I hope not in the future, but certainly in the past, been punished for exercising a fundamental right. Ferryland, as we know, has been threatened in the past, Ferryland is used to threats, and I suppose is used to foolish election promises. I feel very strongly on this, and I hasten to add that this has nothing to do at all with my political future, which may last twenty-four hours, or five years, it is completely unimportant to me, but what is important is the way people whom I have grown in so short a time to admire, the way these people are treated! In my opinion, essential rights are withheld from them.

Now, I began to talk about the November election, Mr. Speaker, and again I feel I should make reference to an incident that happened in my District, which again brings out the fact that some queer things are happening in this Island, we have not become accustomed to the things that shock us. For example, during the course of the campaign, a certain gentleman who conducted a business

in Ferryland District, was approached by an ardent supporter of the Government.

MR. SPEAKER: Once again, I must warn the honourable member it is not proper to discuss the manner of waging a campaign in the last general election. The election represents the vote of the people, not new, it is as old as Parliament itself, and the House supplies opportunity for complaints on methods of winning an election and it cannot be raised in a debate of this kind.

MR. DUFFY: Well, Mr. Speaker, I will confine myself, my remarks in a general way, but I think you will permit me to say, in case it should leave a doubt in the mind of anybody that what I wanted to say cast no reflection on the gentleman who opposed me for he was quite innocent of what I had in mind. I say that in justice to him, because being left in mid-air, there might be a peculiar interpretation on what they thought I was saying.

Now I had several other matters to refer to, but in my innocence I find now that they are out of order. I will complete my rather disjointed address, if you can dignify it with that name, and again, Mr. Speaker, I crave your indulgence for, as I said before, the shortcomings. I was not prepared for reasons which I am sure you will appreciate. I will close with a few lines which I think are peculiarly apt at this time, although they were written over one hundred years ago.

"God give us men at times like this,
Decent, strong minds, great hearts,
true faith and ready hands,
Men whom the lust of office does
not kill,
Men whom the spoils of office cannot buy;

Men who possess opinions and a will,
Men who love honour, men who
cannot lie."

MR. HOLLETT: First and foremost, Mr. Speaker, on this my maiden speech in this august assembly, may I add my congratulations to you, Sir, on again being elected to fill the Speaker's Chair. I am sure there must be pardonable pride in you, Sir, when you glance on the walls of the opposite side of the House, just raise your eyes, I mean Mr. Speaker, and see twenty-five portraits of speakers of other years. The honour which you hold, Sir, and which has been gladly placed upon you, I think we all agree, is the greatest honour that can be conferred upon any one individual. It is indeed, Mr. Speaker, a great honour to be elected to this House to represent a District, to represent your fellows, but when those who have been elected, elect to drag you into the Chair, as they did a few days ago, and sit you down in that, Sir, I say is the greatest honour that can be given to any man in this new Province of Newfoundland. Therefore, Sir, I join with my fellows here on the Opposition side to express my congratulations to you. Mr. Speaker, I would too express my congratulations to the mover, the honourable gentleman for Bonavista South, who moved the Address in Reply. The honourable gentleman is indeed a young man, a very young man to occupy the chair in which he sits to represent the historic district of Bonavista South, to him comes the great honour to represent this district. We all regret on this side of the House, Mr. Speaker, that it has fallen to his lot to be on the other side of the House at this particular time. I am sure, however, that he will fill the position which he holds with great honour, and do credit to his father,

whom some of us on this side anyway knew very well, and of whom we are all very, very proud.

Also, Sir, let me congratulate the seconder, the honourable member for Burgeo-LaPoile. He, like me, sits in this House as a member to represent a district for the first time. He did credit to himself in standing up to endeavour to have approval of the district, in which he has lived so long. I am not certain, but I believe he was born and bred in that district. I cannot say, however, that I can agree with all he said, as we are not supposed to agree with all that is said on the opposite side of the House. He did, as I recall, laud to the skies this great thing known as Confederation, wanted it all his life, dreamed about it, and to him in his lifetime, came the honour to get up in this House and say how proud he was that he and others brought Confederation to our shores. Undoubtedly, Mr. Speaker, to those who fought for Confederation, it was an honour to win. I suppose it is always an honour or one feels it is an honour to win a battle. I am not so sure of that, but will let it go at that. But I do say that I cannot accept the whole statement of the honourable member for Burgeo-LaPoile. We do know that we did get certain benefits as a result of that union with the great Dominion of Canada, but we must not forget, Mr. Speaker, we must not forget that many of the benefits that now flow to us have no relation whatsoever to union with the great Dominion of Canada. Many of the benefits we now enjoy come from the fact that there is a war on, that people are fighting and dying, and dying daily in Korea. I am quite sure I have only to point out to my honourable friend from Burgeo-LaPoile the 1949-50, the first

year in which we sat down here in this House as a member of the Great Dominion of Canada. I only direct the honourable member for Burgeo-LaPoile, Mr. Speaker, to look at the Auditor General's Report, the Controller and Auditor General's Report, the Public Accounts for that year, and he will find there, Mr. Speaker that in that first year of Confederation with Canada, this Government paid out four million dollars in relief. Does that point to the end of all our ills by reason of Confederation?

DR. POTTLE: Mr. Speaker, may I rise to a point of information? The information I wish to submit, Mr. Speaker, is that the large amount of relief for that year took care of unpaid bills amounting to one million and a half dollars, I believe, arising out of the business of the previous year.

MR. HOLLETT: We paid out, I repeat, between four and five million dollars in relief according to the Report of the Auditor General in that year.

DR. POTTLE: My point of information still stands, Mr. Speaker, that was not for the current year.

MR. HOLLETT: I am addressing the Chair, Sir, and don't want any interruptions only on points of order, and I am quite sure you will sustain me on that point. I made a statement of facts which can be found in the books of the Auditor General.

MR. SMALLWOOD: The facts are twisted and distorted.

MR. HOLLETT: Mr. Speaker, the mere fact that the Honourable the Premier states that I have twisted and distorted facts means nothing to me. He has said that to me and about me on many occasions, and I therefore, al-

low that statement to stand from the Premier of this Province. I do, however, congratulate both the mover and seconder of this motion that an Address in Reply be prepared to this Speech from the Throne.

Like the others of my fellows on this side of the House, Mr. Speaker, who have looked at this Speech, and have referred to it, I join with the House in their expression of sympathy and loyalty to our Sovereign Lord, the late King, and our Sovereign Lady now living, the Queen. I will say this, Mr. Speaker, that the words which were used in reference to their Majesties, are beautiful words, they well express the thoughts of Newfoundlanders, and I do congratulate the man who composed that part of the Speech from the Throne. There is one, just one little item, there which came to my attention and, Mr. Speaker, I would like to draw it to your attention. "He relinquishes at last the cares and responsibilities which fate has thrust into his unprepared hands, but which he accepted as a divinely committed heritage." As a Divinely Committed Heritage—I may be wrong, Mr. Speaker, but I think that the Divine Right of Kings was questioned many years ago. I think our King was King by Act of Parliament, and our present Queen, Queen by Act of Parliament. I do not attempt, I will say, to say that the composer of the Speech from the Throne meant that our King or our Queen were rulers by Divine Right.

In November, Mr. Speaker, a new general election was called and was held on 26th November, at which time it was my high privilege and honour to seek election. I was defeated. Since that time, as you well know, Mr. Speaker, there was held a by-election, and I now find myself here to speak

on behalf of my constituents, indeed to speak on behalf of the whole Island, as, I think, each member here has the right to do.

There were certain things, Mr. Speaker, there were certain things, I say, which I do not approve of in elections, whether any of those things were done in the November election is another matter. I do deplore the fact, Mr. Speaker, that in this day and age, this generation, it is possible for people to do things to hoodwink the electorate. I regret that people can do those things in this present day and age. I do think that when we seek election, we should go before the people and express nothing but the truth, Mr. Speaker, nothing but the truth. It is a mistake to hoodwink and it is a mistake and it was always illegal, Mr. Speaker, to dispense road work prior to elections, within thirty days, I believe, all road work was cut out. I think it is a great mistake not to do it. Whether that was done in this November election is a matter of record; it is not for me to say at this time, but I regret that things like that can be done under certain laws. I regret, Sir, that people who seek to be represented can get upon a public platform and threaten the electorate, can threaten mothers that they will lose their family allowances. That, Sir, can apparently still be done. Whether it was done in the last general election is a matter of record. I regret, Sir, that any man can rise in his place on a public platform and threaten some old man of seventy or eighty that he should vote this way or that, or his old age pension will be taken from him. I wonder if that was done in this November general election? I wonder if any of us members here would be despicable enough to get up on a public platform and make

such a statement? If there is, Mr. Speaker, this is no place for such a man, this House of Assembly, made sacred by men whose portraits you see on yonder wall, is no place for such an individual, and the quicker he can shake the dust, if there is any dust, of this place from his feet and get out, then I say the better not only for him, Mr. Speaker, but for the country, and for the people whom he represents here.

I said, Sir, that by reason of the resignation of one of the Ministers, a by-election was held in the West End of St. John's, and I consequently am here. In other words, Sir, in a very comparatively short time, I have had to face my constituents in St. John's West twice. I have also had to face those who did not agree with my election, also had to hear things, Mr. Speaker, that happened in that by-election, and if I were to relate, Mr. Speaker, some of the things which took place during that election to you, Sir, you, yourself, in the honourable position which you fill, would be horrified. Is it possible, Mr. Speaker, is it possible for any honourable member of this House, yea, is it possible for any Cabinet Minister to scull around St. John's West, a bottle of rum in one pocket, and a twenty dollar bill in the other—Bet against Hollett, Bet against Hollett, that drunken reprobate, we are going to put him in his place. Mr. Speaker, any member in this House who could go around St. John's West and state these things, if it is possible, then I deplore the laws which allow these things to happen. I am not referring to them, why should I? They are matters of record. The perpetrators know of them, the people know of them and the people will not soon forget. There is another thing one could say, Sir, I am con-

vinced, Mr. Speaker, that we Newfoundlanders are indeed a proud people, and we have reason to be a proud people, and as such, Mr. Speaker, we are entitled to know all the facts on the welfare of our Country. Very little opportunity has been given, Mr. Speaker, in the past few years for the people outside the Avalon Peninsula to know what is happening in Government, very little opportunity have they, no daily paper reaching most of them, the broadcasting outfits, the news, the radio stations; I think CJON is heard pretty widely over this country. That, I submit, Mr. Speaker, has somewhat slanted its news, is there anybody in this House who can deny it? Even up to the last days of the count in the by-election, did not a certain individual on that station say, "There must have been a PC Pocket." I suggest, Mr. Speaker, that individual somehow or other during the last three years has put his hand deep in the Liberal pocket and taken it out, and it has not probably come out. These things, Mr. Speaker, should not happen in any country.

MR. SPEAKER: There must be no noise from the gallery of disapproval or otherwise to interfere with a member's speech, or it will result in the gallery being cleared.

MR. HOLLETT: Mr. Speaker, I go back to November again. It was my privilege during the last two or three years to sit outside in the House, and take notes, and I then saw about the same number on the opposite side as I see now. A big majority. I think it was twenty-two districts, but suddenly after two and a half years after the 1949 election, the House is prorogued, and a new election is ordered. Why, Mr. Speaker, was that election ordered? According to the Throne Speech, the speech given here

—"My Government sought from the people a fresh mandate for their policy of economic development and this mandate the people gave with unmistakable majority of their votes."

I, like my colleague from the District of Ferryland, wondered what was wrong with the old mandate, what was wrong with the mandate in 1949? Did not that mandate give the Government the authority to embark on economic development? Had it not already embarked on that programme? The position in 1949, Mr. Speaker, was roughly this, no national debt, about four millions, no railway, no customs, no post office, very little expenses with forty million dollars in the kitty. A happy country we were, a happy country with no national debt, very little to worry about. What is the position today, Mr. Speaker? The position today is a curious one, and I challenge anybody on the opposite side of the House to say it is not so. It is a serious position financially. Now mind you, Mr. Speaker, I am not standing here with a set purpose of damning the opposite side, no I am not. I can forgive the opposite side for any mistakes, yes, for all their mistakes I can forgive them, and for some of the blunders, I can forgive them, and I am not here to damn them up and down, but it is my duty, Sir, as a representative with my comrade, the Leader of the Opposition, representing the largest district in this country, it is my duty to review some of the things which have happened since 1949. Remember, Mr. Speaker, shortly after the mandate was given, the mandate to go ahead with economic development programme when this country, which was without Responsible Government for fifteen or sixteen years, gave them a book, an open cheque-book as well, and they

were told to go out and make something of this country. Well, I think they started well. I think the Honourable the Premier started well when he suddenly announced he had interested the Rockefeller people, the IBEC, the International Basic Economic Corporation, interested them in coming into this country, and making a thorough survey of the natural resources of this country, and to make recommendations. I was delighted when I heard the Premier two and a half, or perhaps three years ago make that statement. I was delighted. I figured here is a man who knows what is best, he has his mind made up what this country needs, and I think a good many people in this country felt the same way. Well, IBEC came in, they made their report on the natural resources, and thus far, we have not seen the report, it has not been made public property at all, it is kept in the archives of the opposite side. Nobody can see it, a precious document, two and a half or three years old, a report which was to mean so much to the development of this country, has been pigeonholed. Why? Somebody could have told us why. I could tell you why because I have read it, but I had to go to New York to get it, had to send for it. I got it, the IBEC Report.

MR. SMALLWOOD: You did not in New York.

MR. HOLLETT: I read the IBEC Report, Mr. Speaker. Not in New York, I had it sent here. Mr. Speaker, am I a liar, or am I not. Am I to be contradicted? I stated, Mr. Speaker, and I am emphatically stating, and again, I have read the IBEC Report, and I am not going to divulge it. The Government said no, so why should I, but I have read it, Mr. Speaker.

MR. SMALLWOOD: Mr. Speaker, to a point of order: The Report in question is a secret document. I offered to let the House have it in confidence, to let the Leader of the Opposition have the Report.

MR. CASHIN: I never got it.

MR. SMALLWOOD: And they were welcome to it, and any member of the House at any time, and the honourable gentleman did not get a copy in New York.

MR. CASHIN: I saw the same copy. It came from New York.

MR. HOLLETT: Well, Mr. Speaker, the IBEC Report was never produced here in this House, at least I have not seen it, but so far as I am concerned, I have seen it, and it came from New York. Then the Power Corporation of Canada came in. Incidentally, I think the IBEC Report cost \$80,000. Then the Power Corporation of Canada come in at considerable cost, and they made a Report. That is all to the good. Then we had a Cost of Living Commission, then a Commission to look into the price of fish, Bruce Feather's Report that was; then we had a Buy Newfoundland Campaign. Within the last four years, all these things transpired, but the Government, Mr. Speaker, seems to be getting nowhere, getting nowhere with their plans. Nothing came of the IBEC, nothing came out of anything.

Someone there on the Government side decided to take the bull by the horns and start in on the fisheries. So, the first thing they did was to get four boats from Iceland—The Icelandic Boats—Who has not heard of them? Who on the opposite side has not heard of them? Every man, woman and child in the country knows all about the Icelandic Boats. The Ice-

landic Boats came in here, how they got here seems to be a mystery. I asked a few questions, Mr. Speaker, about the Icelandic Boats, some were answered, and some were not. I don't suppose we will ever get all the answers, but I know the people will get the answer in the bill of \$400,000. What did we get out of it? Somebody said they caught seven red herring at one time. "The Icelandic Boats," the Premier said here himself, "are a flop." That was their effort, their own individual effort. By the way, these Icelandic Boats are down there now, for anybody who wants to see them. Mr. Speaker, I believe they are down opposite the Board of Trade Building (a very nice place for them to be) right opposite Job's wharf, four of them tied up today, they are monuments, they are certainly antiques. Every member on the opposite side should go down and take a look at these Icelandic Boats. They are gems for us sea-faring people to see. We should all go down and look at them. I am sure, Mr. Speaker, there must be a considerable amount of pride in the people who brought these boats to this country, had a lot to do with them during the last two and a half years. They can now go down and gaze out at them floating peacefully at anchor off Job's Wharf. I wonder if we have to pay wharfage at the present time.

Then there was the Birch Plant. That is an interesting document, Mr. Speaker, that Birch Agreement. The Birch Plant was an effort on the part of the Government to utilize some of the birch in this country. Undoubtedly, there is a considerable quantity in various parts of the country, some inaccessible, other parts from which it can be brought here very easily. So, Mr. Speaker, they went ahead and built the Birch Plant and entered into

an agreement with Mr. Chester Dawe, and that agreement was made between His Majesty the King in right of Newfoundland and Mr. Chester Dawe. Some of the clauses are interesting. Sub-Clause (a) of five. Building factory at the expense of the Government. Then the operators, that is Mr. Dawe shall not receive any fee or commission for erecting the said plant or installing the machinery, but he may supply at regular market prices, such materials, lumber, cement, etc., and that covers a multitude of sins, as are sold in his own business known as Chester Dawe Limited. Now that plant, I think Mr. Speaker, cost in the vicinity of, it was supposed to be four or five hundred thousand dollars, but cost well over a million or a million and a half at the present time, one million four hundred thousand.

MR. SMALLWOOD: It is not so, that it was to cost four or five hundred thousand dollars.

MR. HOLLETT: It has, however, Mr. Speaker, cost many hundreds of thousands more than it was supposed to cost.

MR. SMALLWOOD: Not one dollar more than it was supposed to cost, not one dollar more.

MR. HOLLETT: The title of the factory is to be transferred to the Government, after the factory is erected, I take it. Now, there is another interesting thing about this—The Government will lease the factory to the operator for a period of fifteen years from the date the factory is in readiness, at an annual rent of one half the year's profit from the operations. So, it goes on. I do sincerely hope, Mr. Speaker, that the Birch Plant will be successful.

At any rate, Mr. Speaker, that was

the extent more or less, of the effort of the Government, and nothing was done about the IBEC Report. Then on one of his junkets away, the honourable the Premier ran into the one and only Dr. Valdmanis without whom he would not be Premier, he states, without whom he has no desire whatsoever to be Premier. Dr. Valdmanis is a Latvian, I believe, who served for a year or two during the last war working with Dr. Shatt?

MR. SMALLWOOD: That is not true.

MR. HOLLETT: Worked with Dr. Shatt.

MR. SMALLWOOD: That is not true, I repeat, Mr. Speaker.

MR. HOLLETT: I repeat, Mr. Speaker, whom I believe, worked with Dr. Shatt, the German Financier.

MR. SMALLWOOD: Not during the last war. That is not true. Does not the honourable gentleman take my word? He is obliged to take my word.

MR. HOLLETT: Mr. Speaker, I have the floor. I was speaking about Dr. Valdmanis. Yes, well, this man is a brilliant financier.

MR. SMALLWOOD: Mr. Speaker, to a point of order: I have told the honourable gentleman that Dr. Valdmanis did not during the war work for Dr. Shatt. I asked him to accept my word, and say he accepted it. I say that as a Minister of the Crown, and ask that he say so.

MR. HOLLETT: Mr. Speaker, I am quoting from memory a statement made in the House of Commons at Ottawa.

MR. SMALLWOOD: This statement I have made in this House, not

at Ottawa. The honourable member does not need to strain his memory, I said it a moment ago, and I asked him to accept my word.

MR. SPEAKER: The statement made now: "As an honourable Minister of the Crown, does the honourable member accept my statement?"

MR. HOLLETT: If the honourable the Premier brings proof.

MR. SMALLWOOD: I don't give proof—I make the statement.

MR. HOLLETT: I made a statement by—

MR. SMALLWOOD: Mr. Speaker, he will accept, or I will move not to permit the honourable gentleman to proceed.

MR. HOLLETT: Move what you like, I'm—

MR. SMALLWOOD: I will move if—

MR. SPEAKER: The statement—

MR. CASHIN: If one wants to prove, why not the other prove?

MR. HOLLETT: Mr. Speaker, Dr. Valdmanis—

MR. SMALLWOOD: To a point of order, Mr. Speaker.

MR. SPEAKER: Point of order.

MR. SMALLWOOD: My point of order, Mr. Speaker, is this: I as an honourable Minister of the Crown now made a statement, I now ask the honourable gentleman to accept my official statement.

MR. SPEAKER: The honourable member is in duty bound to accept a statement of a Minister of the Crown.

MR. HOLLETT: Mr. Speaker, about something that happened in Germany years ago?

MR. SPEAKER: About a remark just made in the House.

MR. HOLLETT: Mr. Speaker, if you order me to accept, I can do no other.

MR. SPEAKER: I am afraid the Chair has no alternative as to a Ministerial statement, as to whether it may, or may not be disproved at some later date, the Chair has no knowledge of that.

MR. HOLLETT: I will modify it and say he did work with Dr. Shatt, and he is not an advisor to the Government of Indonesia. That is the man Shatt against whom Dr. Keenleyside, that famous Canadian —

MR. SPEAKER: That is the point made by the honourable Minister, that Valdmanis did not work with Dr. Shatt during the war. That is the part of this statement to which the Premier objects, and has offered the fact that he did not. The honourable member has to omit that part from his speech now.

MR. HOLLETT: Mr. Speaker, it is not my intention to retract any of it. If it is your order that I get out of this House, I do so now. I made a statement if it was in order, during the war or after the war, then I stand corrected.

MR. SPEAKER: That is the only question.

MR. HOLLETT: Mr. Speaker, what I must do?

MR. SPEAKER: The honourable member made a statement. Part of that statement was corrected by the honourable the Premier, to which the honourable member refused to give credence. Upon which the honourable Premier stated on his honour, as

a Minister of the Crown, it was not so. There is nothing, therefore, for the honourable member to do, but to omit that part of his statement from his speech. Now, if he agrees to accept the Premier's word, he can, therefore, continue his speech.

MR. HOLLETT: Mr. Speaker, were I to accept that, then any Minister of the Crown can get up at any time during my talk, or anybody else and state what is being said is not correct, and demand that it be retracted.

MR. SMALLWOOD: I have not asked the honourable member to retract anything, but to accept my correction of his statement.

MR. HOLLETT: I am not doing it. I am not doubting the Premier's word, if that is what is needed, I don't doubt the Premier. I don't think the Premier would get up and say something he believed not to be so, and I think, if that is what he has in the back of his mind, I think it is rather untoward for the Premier to insinuate that I think he would say something that is wrong, Sir, I respect the Premier's word as Premier, Sir.

MR. SPEAKER: That is all that is required.

MR. HOLLETT: Thank you Sir. I was somewhat interrupted there, and don't know where I left off. Dr. Valdmanis and the Cement Plant and Gypsum Mill, that is right.

Mr. Speaker, I left off on that part of my address—Dr. Valdmanis—Dr. Valdmanis came here on the invitation of the Premier, and immediately set himself to industrialize this country, and his first suggestion was, that they should build a Cement Mill, and a Gypsum Plant at Corner Brook. The

Cabinet at that time, were very much interested. I have heard, whether it is correct or not, the Premier will probably bear me out, that Senator Quinton, at that time, I believe, Minister of Finance, told the Cabinet if they were going to build this Gypsum and Cement Plant, it would be all very well to build it if they had some hope of selling it to some outside party. I believe that is correct. So negotiations were opened with the Cement and General Development Company in New York, I believe, and I understand it was more or less tentatively agreed that when the Government built the Cement Plant, the Cement and General Development of New York would talk the matter over. In that Cement and General Development Corporation, I believe Sir William Stephenson was at that time, a director of the Board. During the course of these negotiations, I believe another Baron in Belgium cropped up and I believe he was anxious to get some hold on this new Cement Plant, I am told. Again, I ask the Premier to correct me if I am wrong, therefore, a fly got into the ointment existing between the Government and Dr. Valdmanis, and the Cement and General Development Corporation. However, negotiations were dropped at that time, or negotiations ceased with respect to the venture which it was building. Dr. Valdmanis proceeded with the plans and built the Cement and Gypsum Plants, and only a day or two ago, Mr. Speaker, we were handed a Report of Dr. Valdmanis' on these two industries, the Cement and Gypsum Plants. Whether you read it or not, I can tell you this fact, that Dr. Valdmanis forecast in his Report on both that he will have a profit of one and a half million dollars per year, out of these two Plants alone. I understand now that it is

the Government's intention to sell these Plants, whether that is correct or not, of course, I would not have any knowledge, but it is pretty accurate, I believe. The Government wants to get rid of them and I ask myself why, if these two Plants, the Cement and Gypsum Plants are to give the Government a profit of one and a half million dollars a year, why on earth do they want to sell them to Sir William Stephenson, whom I understand is presently in Corner Brook, and is today, I hope, looking with satisfaction upon the Cement Mill, I do sincerely hope he is. As I say, he, as Chairman of the Newfoundland Labrador Corporation will have a lot to do with the future development in Cement and Gypsum.

These Plants, that is to say, the Cement and Gypsum and the Birch Plants have cost the country, in the vicinity of nine million dollars, I understand, slightly over, I believe, the Premier stated, and it is now the intention to pass them over to the Newfoundland Labrador Corporation, and in return for that, the Corporation will, in accordance with the powers which it has, and these powers, Mr. Speaker, are very extensive, they will, I believe, get some money which will come back into the Government coffers and be spent, as the Speech from the Throne says, in further, but different development. While I am on that subject, I would like to refer to this Act to Incorporate the Newfoundland and Labrador.

MR. SPEAKER: It will be out of order to discuss an Act—

MR. HOLLETT: I am not discussing it, Mr. Speaker, but referring to certain terms. If that is not in order, I will not do it. It is something which concerns this country very

much. I think that Bill, Mr. Speaker, will have a great effect.

MR. SPEAKER: The honourable member is about to give an opinion of the Act which will certainly be discussing the Act.

MR. HOLLETT: Untouchable—some of these Acts.

MR. SPEAKER: You cannot discuss them. The House provides ample opportunity to discuss, and tear these Acts to pieces at the proper time, and there is nothing to be done, which may not be done at the proper time, and in the proper manner.

MR. HOLLETT: Mr. Speaker, I take it Sir William Stephenson, in a few days' time, will meet the Board of Directors, who are, if my memory serves me right, the Premier, the Attorney General, Dr. Valdimanis, Mr. Eric Bowring, Mr. Chesley Pippy, Mr. Lewis, Mr. Thomas is only Secretary-Treasurer. He has accepted an office, I believe, as Secretary-Treasurer, and is going to advise the Board in regard to mineral possibilities. Then there are a couple of Americans, and a couple more Canadians, and Sir William Stephenson, at the head of that Corporation, who will, Mr. Speaker, have authority to raise unlimited money, as far as I can see, and the Government of Newfoundland of course, will have the right to guarantee it, or not, as they see fit. I have voiced the opinion here before, Mr. Speaker, that it is antediluvian, such an Act, it is pre-historic, it takes you back to the East India Company, it takes you back to the old, the first Hudson Bay Company.

MR. SPEAKER: The ruling has already been given—The Act cannot be discussed—

MR. HOLLETT: I am comparing it with the other Acts.

MR. SPEAKER: In short, discussing it out of the ruling of the Chair. It is also out of order to raise matters of history for matters of argument. However, if the honourable member wishes to discuss the East India Act, the Chair will hear it.

MR. HOLLETT: I will not discuss it any further, but will go back to the fact that the Premier, the Attorney General, and Dr. Valdmanis, went to Germany. May I discuss that they went to Germany? They came back with fifteen new industries according to the Premier, which were to employ twenty thousand or ten thousand, I forget which, probably somebody could refresh my memory. Brought back in the Premier's suitcase from Germany, fifteen new industries. Since that time, the Oil Hardening Plant, Leather and Fur Plant, Steel Plant and Cotton Mill have started. Prior to that of course, they made the most wonderful move, I suppose ever happened in Newfoundland, and that was the agreement made with Dr. Seigheim. I don't know, Mr. Speaker, whether Dr. Seigheim is still in existence, whether his brother with all his money down in South America is still in existence. But I do know that certain arrangements were made last Fall relative to the Seigheim Corporation, LATUCO, which was given the right to cut two hundred cords of wood on the Labrador, and pay the Government five dollars, or less, per cord as royalty. I believe they did have a man down there, a very famous doctor, I believe, but nothing came of it last Fall, in spite of the fact that one of the law firms here in St. John's, one of the law firms, I take it the Attorney General would know about that, wrote to Wing Commander Rose, relative to

the landing of some three hundred Germans supposed to come over from Germany to take part in this big operation. Communications also took place between this firm of lawyers, and the Federal Department of Posts and Telegraphs, relative to the setting up of a Post Office down there. This Dr. Seigheim, Mr. Speaker, was going to start gardening on a large scale, bring in seed, set up a school for forestry, establish a Chair at the Memorial University, and all sorts of things. They had been given by the Government, some fourteen hundred square miles, if I remember, of our territory, and nothing, so far as I can see, came of it, except that Dr. Seigheim and his group went back last Fall, and left bills unpaid here in Newfoundland.

Then there was Dr. Sennewald. You have all heard about Dr. Sennewald, a famous man, a famous character, very famous character, as a matter of fact, he put Newfoundland on the map. I have here in my hand a copy of the "Daily News" November 19th, 1951, which I propose to table, and from which I quote:

"In the issue of the Sunday Herald of November 17th, appears in big black headlines 'The German Is A Bluff Says Premier About Letter' subtitle 'Us Not Him' and the headline continues 'Smallwood Tells How The Newfoundland Government Told The German Not To Come Back—In Answer To Letter Disclosed By Higgins.'

"In an interview Premier Smallwood told a Sunday Herald reporter 'the reason the German was not coming to Newfoundland was because the Newfoundland Government had told him he could not come here.'"

"In the words of the Premier, as reported:

"This man was received by us and his proposition was rejected pure and simple on the basis of being unsound, and I therefore consider the matter closed."

That is a statement propoerted to have come from the Premier of Newfoundland on November 17th, relative to this Dr. Sennewald proposition. It was rejected purely and simply on the basis of being unsound. Yet, Mr. Speaker, when this man was arriving at Gander last Fall, he was met by a Government Official, who was not a Newfoundlander, but a German. I understand he was met by a plane which was chartered from the Royal Canadian Air Force at Gander and brought in here to St. John's.

MR. SMALLWOOD: It was the other way about.

MR. HOLLETT: I understand he came in to St. John's, at any rate, he was taken up on Signal Hill, Mr. Speaker, the Premier took him up on Signal Hill, this Sennewald, this miserable German, this Sennewald about whom and his proposed new industry, optical industry, the Premier had said: "This man was received by us, and his proposition rejected purely and simply on the basis of being unsound, and I therefore consider the matter closed." Yet, Mr. Speaker, before the election took place on November 26th, this man got his contract, and I understand will be given assistance to the amount of some \$75,000 of the people's money.

MR. SMALLWOOD: Mr. Speaker, the honourable member is quoting from the "Daily News" what is reported to be a condensation of another account in still another newspaper. Clearly he is not quoting all from the "Daily News" and it is doubtful if the "Daily News" quoted

all from the "Sunday Herald" so that the House is getting a third rate account. Now, if the honourable gentleman sincerely and honestly wants the facts, I am prepared to give them to him in two minutes. Mr. Speaker, to a point of order—Quoting news papers not tabled in the House—

MR. HOLLETT: Mr. Speaker, I propose to table the "Daily News" and I am tabling it, I think that is the procedure.

MR. SPEAKER: A quotation from another paper—

MR. HOLLETT: At any rate, Dr. Sennewald got his Atlantic Optical Company, or something. He must have learned a lot during his trip to Germany as the proposition was thoroughly unsound before that at any rate, Gordon Higgins did not get to see him, I know that very well.

Then I refer to the Newfoundland Labrador Corporation, Mr. Stephenson, I can't say much, I am not allowed to comment on it, but I do say that Acts similar to that should be given an awful lot of study, not only by the Opposition, but by the members on the opposite side of the House, that every man in this House has a great obligation in bringing such an important Bill as the Newfoundland Labrador Corporation Act, or any other Bill which gives away our heritage, any of the public domain. In that Newfoundland Labrador Corporation Act, I don't think anybody will mind my quoting here, anywhere from twenty-one to twenty-two thousand square miles territory in Newfoundland and Labrador has been handed over to this so-called Corporation. This is a serious thing, and I am sorry we cannot discuss it at the present time.

MR. SPEAKER: Obviously no honourable member may criticize the laws of the land.

MR. HOLLETT: Mr. Speaker, I put it to you, Sir, many laws have been made in the past which have been criticized, and should have been criticized more at the time they were formulated, and they were eventually repealed and thrown out.

MR. SPEAKER: Correct but not in a debate on another subject. However, the Chair will not enter into debate on this subject, the rules stand.

MR. HOLLETT: Mr. Speaker, as far as I see, I am trying to answer the question which I posed when I got up, which was: was the election held in November necessary? The members on the opposite side say they did it in order to get a fresh mandate, but I maintain they did it because they saw they were reaching the end of their tether financially, they were at the end of the rope, and they knew that if they went another twelve months or eighteen, as the case may be, the financial conditions of the country would be in such a mess it would be useless to go back, so they decided to spring an election in November, wipe out the opposition, and go ahead on the few million dollars left in the surplus in Ottawa. That is my opinion, and I take it, Mr. Speaker, I can quote my own opinion. In my opinion that is the reason for calling an election in November, and I have not seen yet any argument to disprove that. All this about what brought that election, what brought it about was the fact that the Government in their inexperience, as it were, I say nothing derogatory, got through about forty odd million dollars almost, I might put it down at a little less than that, say thirty-five. I doubt

whether there are more than six million dollars left, Mr. Speaker, that could be available. I don't think there is any available for any industries.

MR. SMALLWOOD: You will get a surprise—what a surprise.

MR. HOLLETT: We have not been used to getting many useful ones from the other side. This one I hope will surprise me and every one in this country. I do hope there are enough new industries to last for the next five years and enough money to finance them. But I tell you, Mr. Speaker, that unless the Government on the opposite side get a loan very soon, they would not be able to keep up to their commitments made already with the cotton mills and their other plants. I say that without fear of contradiction. I hope they will get a loan if it is as bad as that, but in the name of all honesty and goodness, let us be careful if we are going to put the country ten or twenty or thirty million or fifty millions in debt, without knowing how it is to be spent. I say, Mr. Speaker, that this new Province has been reduced to a state of promiscuous begging and borrowing after about three short years in office, not of the present administration but the one who resigned, or who got out in November.

The Speech from the Throne then goes on to say there has never been more mineral companies in the country than there will be in the forthcoming summer. "Information presently at hand from exploration and mining companies indicates that during the forthcoming summer season not fewer than 300 men will be employed in various forms of field exploration of our mineral resources, and that two and a half million dollars will be spent in these investiga-

tions. These men will work in approximately one hundred geological, geophysical and prospecting parties for eight different companies."

Three hundred men are going to spend two and a half million dollars in investigating the mineral prospects of this country within the next few months. Then the Government goes on—"In addition to these efforts by private interests, the Government of Newfoundland are continuing their policy of securing basic information on the geology and mineral resources of Newfoundland and Labrador, and plan to expand substantially their activities in this direction, justifying this policy by the fact that the data obtained by Government in the past, especially the recent past are in no small degree responsible for the increasing interest now being shown by private capital." I also am tired of hearing about the possibilities of Newfoundland and Labrador. We have had nothing but the possibilities of the Labrador since 1949, and when that IBEC came in they were going to do everything? Nothing. Rockefeller was going to make a Heaven on Earth out of this place, and now he is the worst in the world as far as the Government is concerned, they don't want to hear of him. Now there is Sir William Stephenson, and he is going to make a Heaven on Earth. I tell you, Mr. Speaker, I would not like to be on that Board, which is being set up under this Chairmanship. I would not want to be on the directorate unless I knew more about him. It is all very well to tell us he is a secret service man, dangled the King of Yugoslavia on his knee, and it is grand to tell us he headed companies in England and East Africa, and was on the Board of Directors of the Cement and General Development Corporation, all

of which he has resigned, thrown overboard to come down here and head this Corporation for the love which he bears to us in Newfoundland, Newfoundlanders, throwing up all these big directorships, big incomes. What a man, what a philanthropist, Mr. Speaker. To put that across to our people. Surely the Government realizes the people will only laugh at them. They will not come out and tell the people it is to make money for other people and particularly for himself. Why not tell the people that? They would understand it, but they cannot understand that a man who never heard of Newfoundland except that he read something in the paper—giving up all these jobs and directorships and resigning and coming down here to spend the rest of his days in trying to save Newfoundland from the wolves which have been trying to devour her. It is ridiculous when you come to think of it.

Now paragraph nine of the Throne Speech says: "My Government have profound faith in the mineral possibilities and prospects of this Province, and will renew and intensify their efforts to speed development in this branch of our natural resources. As part of these intensified efforts my Ministers have adopted a policy of abolishing the Department of Natural Resources and creating a Department of Mines and Resources in its place. Legislation to give effect to this policy will be laid before you at the present session."

Did you ever, Mr. Speaker, hear of such a thing—great hopes of the mineral possibilities of the country—yet abolish the Department of Natural Resources under which the Department naturally should come, abolish it, I suppose, because Mr. Johnson was not elected to become the Minister, no job

to build a stadium. Mr. Johnson as Minister of Natural Resources was to build a stadium, they did not get him, so now they overthrow the Department of Natural Resources, which according to Mr. Johnson did nothing since Mr. Russell resigned.

MR. SMALLWOOD: Read the words.

MR. HOLLETT: I read and I repeat, Department of Mines and Resources. Did we not have that before in the Department of Natural Resources, a Division of Mines and Resources? I believe we did, Mr. Claude House is Director of Mines and Resources if I remember right. Anyway, legislation is being brought in to give effect to this policy shortly. A great policy I must say, to abolish the Department of Natural Resources.

Then Paragraph ten, we are told in paragraph ten: "My Government have been instrumental in securing the interest of a prominent United States financier in the oil possibilities of our West Coast. Mr. John Fox is carrying out a vigorous campaign of exploration and drilling, and in his efforts he will be followed by the lively interest of all our people. Already his activities in Newfoundland have attracted the attention of others interested in oil, and it is a safe prediction that his success in Newfoundland would touch off at least a minor boom in oil exploration in this Province. I am confident that you will share my Ministers' hope for Mr. Fox's success in the months immediately ahead."

Mr. Speaker, there are an awful lot of financiers in the United States when we come to think of Rockefeller, Ripley, Harriman, Stephenson, now Fox—"To carry out a vigorous campaign of exploration and drilling . . ."

How we would love for that to happen, Mr. Speaker.

Now, Mr. Speaker, we come to No. 11. The Speech from the Throne refers to the Newfoundland and Labrador Corporation, surely I can discuss that, may I not? "Pursuant to legislation enacted last year my Ministers proceeded with the organization of the Newfoundland and Labrador Corporation. The first meeting of the shareholders was held at St. John's in the month of December past, when the directors were elected and preliminary discussions held on the Corporation's program. Several distinguished Canadians and Americans have accepted directorships under the chairmanship of Sir William Stephenson, and my Ministers are confident that important developments will occur in Newfoundland and Labrador as a result of the Corporation's efforts. The Board of Directors will gather in St. John's later this present month for their second meeting." And yet I have been told by the honourable members on the opposite side that I cannot discuss this Newfoundland and Labrador Corporation, Mr. Speaker.

MR. SPEAKER: The Chair made no such ruling. I trust the Chair knows better than that.

MR. HOLLETT: I am quite sure the Chair is quite familiar with its business.

MR. SPEAKER: I might say also that there is a limit to the patience of the Chair. I ruled three times on that particular question.

MR. HOLLETT: At least I can discuss the Newfoundland and Labrador Corporation.

MR. SPEAKER: Yes, to the remainder of your time. However, the

Chair will tell you what you may not discuss. The honourable member has until one minute past the quarter to six.

MR. HOLLETT: Thank you very much, Sir.

We have another commission coming in here, Mr. Speaker, Collpitts. All commissions, Mr. Speaker, commission after commission, \$20,000, \$30,000, \$79,000. Now, we have another coming in here to inquire into the new Cement and Gypsum Plants and the new Birch Plant, to find out whether they are all right. Now, I don't wonder at that. Only yesterday or this morning, I saw in the newspaper somewhere, or heard that the floor had fallen out of the new Cement Plant up in Corner Brook. I don't believe half I hear, and don't believe half of that, whilst I am on this side of the House, Mr. Speaker, I don't believe all I hear, and don't intend to.

MR. SMALLWOOD: You will stay on that side of the House for that very reason.

MR. CASHIN: We are happy over here.

MR. SMALLWOOD: Settle down for the next twenty years. You will still be there.

MR. HOLLETT: We will be here for the next twenty years all right unless the Government makes a better success of it than they did in the last by-election in St. John's West. Oh! I can't discuss that either.

Paragraph 15. "My Government have lately appointed Mr. James C. Thompson, of Montreal, to be their financial adviser for the purpose of assisting in the preparation of Newfoundland's case for the Royal Commission that is to be appointed, under

the Terms of Union, within eight years from the date of Union to review this Province's financial position. During the next few years Mr. Thompson will collect and compile data for Newfoundland's use before that Royal Commission, for my Ministers are convinced that the Province must be adequately prepared for that important review of Newfoundland's financial position." Now, Mr. Speaker, there is the crux of the whole question as to why the election was held in November. Mr. Speaker, as I pointed out, the Government realized they were going to be broke; they realized there was a clause in the terms of union, whereby they could ask for a Royal Commission within eight years, and a new mandate would give them five years in which they could gamble on some sort of a policy with regard to economic development, or was it not that they hoped they would be able to borrow money and hoped that the Canadian Government would come across with new terms, so that they could get more money to run the country. I think the Premier, Mr. Speaker, has come to the conclusion that these terms of union were ridiculous, absolutely ridiculous, there is no question about it. Otherwise, why in less than two and a half years, did the Government find itself in such a position? Why next year, they will have six hundred and fifty thousand lopped off their revenue, next year they will have to collect another extra million for some other matter, I just forgot what it is now, in connection with pensions and naturally they fail to see where they are going to get enough money to run this country, so they got in this bird, Thompson, I say an expensive bird, charged \$61,000. Mr. Speaker, for that report on the finances of the Province in January 1950, \$61,000 Mr. Thompson got for

that, and if you look through it, there is nothing in it, and there were one or two little recommendations made which the Government said today, it was not the policy of the Government to carry out.

MR. SMALLWOOD: I did no such thing, and will not be misquoted. I was asked if one particular one of a large number of recommendations had been carried out by the Government, and if not, why not. My answer was: No. It is not the Government's policy. That was a question asked and answered in connection with one solitary item in that report, and now don't misquote me by saying we are not carrying out the recommendations of that report. We are.

MR. HOLLETT: Mr. Speaker, may I point out I asked only one simple question on that whole book, and no doubt if I went through it carefully, I could ask a dozen.

MR. SMALLWOOD: Try it.

MR. HOLLETT: I probably shall before this term is over. This Government (when I say this, I refer to the one which was elected in 1949, the people who came before, the Government of 1949-1951) is it not a fact that week after week, almost every Monday they had to set up a new commission of inquiry costing anywhere from twenty to one hundred and seventy nine hundred dollars. They had to get a report from IBEC; they had to get a Royal Commission on the Cost of Living; a Fisheries Report which they refuse to publish; they have to get all sorts of things, Mr. Speaker, all costing the country all sorts of money, and consequently, they find themselves now with practically nothing.

MR. SMALLWOOD: No, we don't,

MR. HOLLETT: Mr. Speaker, I maintain that the Government finds itself with practically no money, out of the two-thirds which was set aside for economic development, and I defy the Government to disprove that statement.

MR. SMALLWOOD: We will.

MR. HOLLETT: I am prepared to give the Honourable Premier, Mr. Speaker, the next five minutes to explain that, and if he can get up on the floor of the House on the other side, and say how much money still remains to finance the two projects, the United Cotton Mills and the Machinery, if he can get up and state they have enough money for that still left, I am prepared to give the floor to the Premier to do it.

MR. SMALLWOOD: I don't need it. I say within two weeks, we will render the entire opposition stunned and dumb, speechless when we give the financial statement of this Province, speechless with dismay from this side, within two weeks.

MR. HOLLETT: I am glad, Mr. Speaker, the Premier took no more of my valuable time. They would render us speechless. I defy him to prove it. Oh, they will come out with a glorified statement, they are doing it all along. We can prove from figures given us here that we are two million dollars overdrawn in the two-thirds. We can prove it right here now.

MR. SPEAKER: No more challenges here across the House. The honourable member for St. John's West is bearing his part in the battle quite bravely, I believe.

MR. HOLLETT: Mr. Speaker, the statement I made was based on the answer to a question which was sub-

mitted to the Government, and that statement showed that the two-thirds account, that is to say, as I remember in the terms of union, two-thirds of the surplus, forty-one or forty-two millions, and incidentally, Mr. Speaker, three or four extra million dollars have been added to that surplus since 1949 on recoverable accounts, so that it is not forty-one or forty-two, but is probably up to forty-five for what I know, but in a question asked here the other day, the answer definitely stated that the two-thirds account set aside for the development of natural resources had been overdrawn to the amount of two million dollars, I may have misunderstood the figures.

MR. SMALLWOOD: Mr. Speaker, to a point of order—The question was: By what amount is it overdrawn and the answer was . . . None.

MR. HOLLETT: Mr. Speaker, will the Premier quote to me how much money was left in the pre-union surplus last March, March twelve months. If I am not mistaken, it was fourteen million dollars. We asked a question the other day, and that is the reply we got. Add it up, and we spent from the pre-union surplus \$15,300,000. We only had fourteen millions when we started last March.

MR. SMALLWOOD: We give the correct figures, but it takes some experience to understand it.

MR. SPEAKER: Order.

MR. SMALLWOOD: The trouble is the honourable gentlemen do not understand the answers given them, great financial geniuses.

MR. HOLLETT: I come now, Mr. Speaker, to practically the only reference that was made in the Speech from the Throne, to that great body of men in this country upon whom

from time immemorial the success or failure and the welfare of Newfoundland depended, I refer to our fishermen, Paragraph 14.

"More than a year ago the Government of Newfoundland and the Government of Canada joined in the creation of a body known as the Fisheries Development Committee. This Committee, under the chairmanship of Sir Albert Walsh, is made up of representatives of the two Governments, as well as of the fishermen and mercantile firms engaged in the fisheries. They have been served by a corps of able technologists and economists, and since the investigation began considerable work has been accomplished. The Committee are presently engaged upon the preparation of their report and recommendations to the two Governments, and my Ministers are awaiting these with great interest. It is my Ministers' hope that the report of the Fisheries Development Committee will constitute a foundation for a sound and progressive fishery development policy for this Province."

And Mr. Speaker, I am quite sure every member on the Opposition side of the House would join the Government in that hope. I maintain, Mr. Speaker, that practically nothing has been done for the fisheries or agriculture since the advent of the Liberal Government to this country in 1949. True they set up a commission of inquiry and have done certain other things, tried out the fishing boats Long Lining and Danish Lining.

MR. CASHIN: We had the Icelandic Boats.

MR. HOLLETT: They have tried all those things. They have wasted several hundreds of thousands of dol-

lars, but so far as I can see, Mr. Speaker, to date they have done nothing whatsoever to help to implement the earnings of these fishermen, who, as I say, from time immemorial like my father, and the fathers of every man here, have endeavoured to eke out an existence from the waves which abound with fish around our shores. I refer the Government, Mr. Speaker, to the Great Canadian Nation to which we belong, and its agriculture, and you will find that every Provincial Department of Agriculture is assisted by the Federal Government. It comes to the assistance of poultrymen, the man who grows vegetables, the man who breeds cattle. They come along in times of stress and not only in times of stress, but prosperity, and keep a ceiling under the prices of these commodities so that people who grow and sell them can survive. We have hope, and I believe we have been promised away back in 1947 that if we came in with this great Dominion; see what they do, they will look after your fisheries, buy it, throw it over the wharf, and pay you the best prices you ever got. I want to ask you, Mr. Speaker, how much we have gone back economically for the welfare of these fishermen. Last year the Premier of this country (I had better correct that) one of the members, at any rate, suggested to the fishermen, they had better haul up their boats, or it may have been a private member, someone on the opposite side stated that the fishermen should haul up their boats, wait till we get our mills ready, our factories, come in all you fishermen and go spinning in the United Cotton Mills, or go in the Machine Plant, haul up your boats, let your traps rot, give up the fisheries. That is what the Government unfortunately, or certain Government mem-

bers, have been throwing at our fishermen.

MR. SMALLWOOD: No Government member has said that—To a point of order, Mr. Speaker. No member of the Government ever said any such thing, no member of the Government.

MR. HOLLETT: I may have been a little unfair, Mr. Speaker, if the Premier meant any member of the Cabinet is a member of the Government—oh well, a private member of the House said it. I trust the Premier won't deny that. At any rate, that has been more or less a sort of philosophy; the fisheries are dead, the Labrador fishery outdone, don't go down there any more, the shore fishery, the Bank fishery, Mr. Speaker, that is a ruinous philosophy to be spreading around among our people, absolutely ruinous.

Mr. Speaker, may I ask you a question with regard to No. 13? "It has been and is my Government's policy to dispose of these three plants by sale, and legislation affecting such a sale will be laid before you at the present session. An amount of over nine million dollars of the Cash Surplus has been spent to establish these plants and provide working capital for them, and their sale would have the effect of restoring this sum to the Surplus. It is the policy of my Ministers to employ the money so recovered mainly in further economic development, though not necessarily in the same manner."

I would like, Sir, if I am permitted, to make an amendment to that paragraph. I take it, it would be in order, Mr. Speaker, I would make the following amendment in paragraph 13, in the last sentence of the paragraph, Mr.

Speaker, I would move that all words after the word "recovered" be deleted, and the following words be added: "It is the policy of my Ministers to employ the money so recovered wholly and solely, in an endeavour to carry out the recommendations of the fisheries development committee." In so far as that might be accepted by and approved by the Federal and Provincial Governments, I would like to table that amendment, Mr. Speaker.

MR. SPEAKER: The honourable member is merely stating that as a suggestion as to how he would have wished that paragraph, it is obvious there can't be an amendment.

MR. CURTIS: He thinks he can amend the Lieutenant Governor's Speech. . . .

MR. SMALLWOOD: Yes, Your Honour, he does move it.

MR. CASHIN: There have been amendments made to throne Speeches before.

MR. HOLLETT: I have yet to see what there is to laugh at in this suggestion.

MR. CURTIS: You should go home.

MR. HOLLETT: I will go home, when I want to, and I will go home. It is an effort, Mr. Speaker, to protect that nine or ten million dollars, which they hope to get through the services of Sir William Stephenson, to protect that in such a way as that, they will spend it to betterment of the fisher men and farmers, and not to have it thrown away on certain German Industries and certain machinery, leather and certain cement projects. This Government is not large enough, not big enough to go borrowing tens of millions of dollars to be thrown into

such industries, but they must be big enough, large enough to borrow money if necessary to put studs under our fishermen, otherwise every settlement from Cape Spear, of this Island home of ours, Sir, every settlement where fishermen have lived for generations and hundreds of years will be wiped out. That is what I am trying to do, and if the honourable members on the opposite side see fit to laugh and jeer at that, they may jeer, I say, Mr. Speaker. Thank you very much.

MR. SPEAKER: No motion has been accepted by the Chair.

MR. JACKMAN: Mr. Speaker, I move the adjournment of the debate until tomorrow.

MR. SPEAKER: Is the House ready for Question?

MR. CASHIN: Mr. Speaker, what is the question?

MR. SPEAKER: That the Address in Reply to the Speech from the Throne be adopted.

MR. CASHIN: Mr. Speaker, the honourable, the senior member for Harbour Main-Bell Island just moved the adjournment of the debate, and his intention in moving that adjournment was that he would speak to the debate on tomorrow. He sat down. Do I take it now it is the intention of the Government not to permit the honourable member for Harbour Main-Bell Island—

MR. SPEAKER: The honourable member is entirely incorrect. There is no point before the Chair. The honourable member for Harbour Main-Bell Island should stay seated while the Chair is speaking over the motion to which there was no second-er. The Chair waited the required

number of seconds, and merely asked if the House were ready for question. As far as the House is concerned, no seconder is offered in the debate.

MR. SMALLWOOD: Mr. Speaker, I take it there is only one motion, before the Chair, that the debate be adjourned. There is no other motion.

MR. SPEAKER: Unless some other member wishes to move the adjournment.

MR. CASHIN: I understood that the Speech from the Throne be adopted.

MR. SPEAKER: That is the question under discussion to which honourable members address themselves. The honourable member for St. John's West completed and the Chair waited to see if any other honourable member wished to speak. The honourable member for Harbour Main-Bell Island, offered the motion that the debate be adjourned; the Chair waited the usual time and as there was no other honourable member had any intention of speaking, therefore, the Chair asks the House if they wish the motion put.

MR. SMALLWOOD: Mr. Speaker, on that point to make the matter quite clear: Your Honour has said in reply to a question I put to you that there is only one motion before the House at the moment, the adjournment of the debate. The reason I say this is that I am quite convinced I have heard the honourable member for St. John's West move an amendment which I then thought I heard the honourable member for Harbour Main-Bell Island second, an amendment to the Speech from the Throne. Your Honour, has not accepted it? The only motion your Honour ac-

cepted is the motion to adjourn the Debate?

MR. SPEAKER: The Chair could not accept it. I can say as far as the Chair is concerned, no amendment has been offered.

MR. SMALLWOOD: Your Honour, I have no objection whatsoever to the motion of the honourable member for Harbour Main-Bell Island, that the debate be adjourned, and I second it now, not for the purpose of securing the place following him in the debate, but merely to give it a seconder.

Debate adjourned until tomorrow.

MR. SMALLWOOD: I would suggest we call it six o'clock, Mr. Speaker.

MR. SMALLWOOD: I move the remaining orders of the day stand deferred and the House at its rising adjourn until tomorrow at 3:00 of the clock.

The House adjourned in the usual manner.

—

TUESDAY, March 25, 1952.

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

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

HON. CHARLES H. BALLAM (Minister of Labour): Mr. Speaker, I beg leave to lay on the Table of the House a report covering matters transacted in 1951 under the provisions of the Labour Relations Act, 1950 together with a report of the Newfoundland Labour Relations Board 1952 and the proceedings of Dominion

Labour Relations Board Wage Act governing the year 1952.

Giving Notice of Motions and Questions

Notice of Motions :

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I give notice I will on tomorrow move the House into a Committee of the Whole to consider granting to Her Majesty certain sums of money for defraying certain expenses of the Public Service for the financial year ending the 31st day of March 1952 and other purposes relating to the Public Services.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice I will on tomorrow introduce a Bill, "An Act Further to Amend the Election Act, 1913." I may say the purpose of this Bill is to clarify the position as to right of appeal to the Supreme Court of Canada.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Family Courts Act, 1951."

Notice of Questions :

Mr. Hollett gives notice of questions on tomorrow.

Answers to Questions

MR. SPEAKER: Question No. 51.

MR. SMALLWOOD: Mr. Speaker, I see these questions today for the first time but the position with regard to No. 51 (1) is that no debts are due nor payable, but I will confirm that, I am practically certain the campaign was stopped some weeks ago and my understanding is that all debts due on account have been paid.

MR. SPEAKER: Question No. 51 (2).

MR. SMALLWOOD: I will bring that answer down, it is not ready at the moment.

MR. SPEAKER: Question No. 51 (3).

MR. SMALLWOOD: I will bring down the answer, I have not got it yet.

MR. SPEAKER: Question No. 52 (1).

MR. SMALLWOOD: I made the announcement that we could do it, not that we would do it.

MR. SPEAKER: Question No. 52 (2).

MR. SMALLWOOD: The Premier did outline how that could be done but made no undertaking to do it.

MR. SPEAKER: Question No. 52 (3).

MR. SMALLWOOD: I informed Mr. Johnson by letter, the letter was published and should be well known, that he would be expected by the Government as Minister of Natural Resources, and because of his particular connection with the stadium and the old arena, the one burned down, the Prince's Rink, he would be expected to proceed to get a stadium built, not to build it. There was no intention at any time of the Government building a stadium. That was never in mind, not alone on our lips. The position of course is well known to the House that the people of St. John's East decided by vote that they did not want a stadium, so we are not interested in the stadium, good, bad or indifferent.

MR. SPEAKER: Question No. 53.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I was not in the House during question time yesterday and was not to my office today except for a half an hour or so early this morning and I see these questions now for the first time. I will have the answers prepared as rapidly as possible.

MR. SPEAKER: Question No. 54.

MR. POWER: The information requested is being compiled.

MR. SPEAKER: Question No. 55.

HON. E. S. SPENCER (Minister of Public Works): The information requested there, Mr. Speaker, is being prepared.

MR. SPEAKER: Question No. 56.

MR. SMALLWOOD: Mr. Speaker, I have not the foggiest notion what the question means, perhaps the honourable gentleman would resubmit it in more specific terms, quite honestly I don't know what it means.

MR. FOGWILL: Mr. Speaker, in answer to the honourable the Premier page 14 of the expenditure for 1951-52, under the heading Sale of Mill Equipment.

MR. SMALLWOOD: That does not mean a single thing, Mr. Speaker, if the honourable gentleman had given me an indication as to what he referred to, if the question refers to a vote in the estimates, that would have made it clearer.

MR. SPEAKER: Question No. 57.

MR. SMALLWOOD: Mr. Speaker, I take it that question has been passed on to the Department of Finance and as soon as information is received I will table it.

MR. SPEAKER: Question No. 58.

MR. SMALLWOOD: The same answer applies, Mr. Speaker, to this question.

MR. SPEAKER: Question No. 59.

MR. POWER: The information is being compiled, Mr. Speaker.

MR. SPEAKER: Any further answers to questions?

MR. HOLLETT: Mr. Speaker, No. 5 and No. 12 are still outstanding, addressed to the honourable Minister of Provincial Affairs.

MR. SMALLWOOD: Mr. Speaker, I conferred this morning with the Minister for Provincial Affairs and reminded him that these questions were still unanswered. He checked with the Department, Mr. Quigley was sick and Mr. Carew away sick and the Minister until quite late engaged in the court and for these obvious reasons there is some delay. He telephoned from the Cabinet this morning and informed me there was only one question outstanding, that is the question dealing with Hansard and he has asked them to expedite the preparation of the answer.

MR. SPEAKER: Question No. 12.

MR. KEOUGH: I thought I would have the answer this afternoon, Mr. Speaker, my Department promised to send it along this afternoon, but I promise to have it by tomorrow.

MR. SPEAKER: Before calling the Orders of the Day I would like to call the attention of the honourable members to the arrangement of the Order Paper which today closely confirms with Standing Order No. 14 Orders of the Day, places assigned to each item, third readings first, committee of the whole second and second readings third, and first readings usually

fourth on the list. I think I should point out to the Ministers that in case of a long order paper that would mean the work done consecutively and first readings probably would not be taken on certain days and this would eventually delay the business of the House, I need only to remind Ministers it is the Government's right to call the order in which every order is placed except on Wednesday when private members have the privilege. For example items Nos. nine, ten, eleven and twelve are first readings. Is it the wish of the Government to call these now?

MR. SMALLWOOD: Yes, Mr. Speaker.

Orders of the Day

Honourable the Premier asks leave to introduce a Bill, "An Act Respecting the Department of Mines and Resources." Bill read a first time.

Honourable the Minister of Public Welfare asks leave to introduce a Bill, "An Act Respecting the Maintenance of Parents, Wives and Children." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Supply asks leave to introduce a Bill, "An Act Relating to the Assessment of Taxes and Municipalities." Bill read a first time, ordered read a second time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I would like now to have No. 10 called especially in view of the lateness of the month and the nearness to the end of the fiscal year.

MR. SPEAKER: Honourable the Minister of Finance to move the House resolve itself into a Committee of the Whole to consider Certain

Resolutions in Relation to the Grant of Supply to Her Majesty.

MR. POWER: Mr. Speaker, I have here a message from His Honour the Administrator, which reads as follows:

"I, the Administrator of the Government of the Province of Newfoundland, recommend that, pending the tabling of the Estimates for the financial year 1952-53, a Vote on account of \$6,000,000 calculated on the basis of, roughly, one-seventh of the total original vote for the year 1951-52 to meet essential public services be provided by the Provincial Legislature."

(Sgd.) BRIAN DUNFIELD,
Administrator.

MR. POWER: Mr. Speaker, I move this House resolve itself into Committee of the Whole to consider Certain Resolutions to Granting of Supply to Her Majesty.

Committee of the Whole.

MR. POWER: Mr. Chairman, this is a Bill, "An Act to Grant to Her Majesty Certain Sums of Money for Defraying Certain Expenses for the Financial Year ending March 31, 1952, and Other Purposes Relating to the Public Services." It is a Bill which is being introduced to enable the Departments to carry on—

MR. P. J. CASHIN (Leader of the Opposition): Mr. Chairman, pardon me, I realize they must have authority for a month at any rate to pay certain obligations of the Government which will be entered into the first of April 1952 for the years 1951-52 but I would like some explanation as to what this amount of money covers. I don't know how long this House is to be open, but I do know this six million dollars is not chicken feed

and we should know as to how it is to be spent. I know civil servants have to be paid but current expenditures do not add to the amount of the figures here, not to more than two and a half or three million dollars in a month but here it seems to cover a period longer than that. Now, if we can get some break-down on this thing, for instance we know we will be here for some time. Finance: What does that cost? Provincial Affairs? Education \$1,000,000? The Education Grant comes to about five million dollars, how are you going to spend that one million dollars, a fifth of what was spent last year roughly. Then we come to the Attorney General's Department \$240,000. That is a bit stiff for a month. Mines and Resources \$260,000, Public Works \$1,000,000. Their expenses are roughly ten million dollars a year. There is only a month before the Supply Bill will be brought in. Health \$1,000,000, Public Welfare \$1,000,000, that is an item on which we don't spend a million dollars a month but go very close to it but some of that comes from the Federal Government. Board of Liquor \$40,000? Is that for salaries? They got to have that. Municipal Affairs and Supply \$100,000? Fisheries and Cooperatives \$80,000? Economic Development \$1,000,000? What are they going to spend another million on during that period? We got to have some explanation. We cannot say okay without some explanation as to what it is all about.

MR. SMALLWOOD: Mr. Chairman, in introducing this resolution the Minister of Finance is merely following the practice of the last four sessions preceding the present one of bringing in a Bill through resolutions to get temporary supply for Her Majesty. It is conventional, normal

procedure when the Government are not ready to submit the estimates for the whole year, it is perfectly normal; after the end of this month the Government cannot spend any money whatsoever that has not been voted by the House. It is impossible to bring the estimates here by that time or for some time afterwards. The Cabinet hope to have the estimates in draft form before the end of this week, then there will be two weeks or ten days after we receive them before we can hope to have reviewed them, item by item and approve them with such amendments and changes as we may make and from that point they go back to the printers to be printed in their final form for submission to the House. How long the House will take to debate them now that we have such a fine Opposition facing us, I would not venture to say. I have known estimates in this House to take many months of debate before their final adoption, I would not assume that it would necessarily be any different in this case and so, therefore, being under the necessity to ask the House for temporary supplies, interim supply to Her Majesty to carry on public services of Newfoundland, we have naturally asked for what we hoped would be enough, pending the adoption of a Supply Bill granting enough for the whole year. I note that in the letter from His Honour the Administrator he speaks of an amount roughly one-seventh of the year's supply, I am glad His Honour used the word "roughly" because it may be one-twelfth or it may be one-sixth or one-third of the year's supply that will be needed before the Supply Bill is passed. At the best it can only be a bit of guess work and clearly it is better to ask for enough at one time than to come in and get it in dribs and drabs. My own hope

would be that this amount of six millions would be ample to carry on until the Supply Bill is passed. Just when the Supply Bill is passed, I am sure, I don't know.

MR. CASHIN: Mr. Chairman, I want to thank the Premier for his remarks about the strong opposition. The Legislature is okay; Executive Council is okay; Provincial Affairs okay; Education \$1,000,000, total vote for last year \$4,800,000. That was the total vote for the twelve months. We know that despite the fact that we are a wonderful opposition we are not going to be here for five or six months; Public Works a million dollars, total vote on current account last year \$3,800,000. It looks like some of this is evidently capital but ordinary current account \$3,640,000; Health \$1,000,000 on current account last year \$5,605,000; Public Welfare \$1,000,000, on current account last year \$10,371,500 on ordinary account, here I am quite happy to see a million dollars. The way things are going now all those Old Age Pensions which were included in this are not in this year because they are being paid by the Federal Government in Ottawa. According to what the Minister of Welfare told us the other day something like a million dollars less are to be paid this year in connection with Old Age Pensions being absorbed by the Federal Government paying the \$40 a month and we have to pay no portion thereof. Board of Liquor Control \$40,000, that is quite all right, the Board of Liquor Control last year estimated \$209,000, that means less than \$20,000 a month; Municipal Affairs and Supply \$100,000, that is a new vote as far as I can see, the supply division was \$445,000 last year for twelve months and we have here now \$100,000. Fisheries and Co-operatives

\$80,000 that was \$352,900 last year and they are now asking \$80,000 which is fair. Economic Development \$1,000,000 for the whole last year the vote was \$67,600. Now where does this go? I think we are entitled to some explanation. If the Minister of Finance would give that information?

MR. POWER: Mr. Chairman, these are the estimates that the Finance Department gave me and they asked me to ask for this amount for supply and I do not know how they calculated the \$1,000,000. Perhaps the Minister of Economic Development and the Ministers of the various departments would possibly give the information.

DR. POTTLE: With regard to the \$1,000,000 asked for the Department of Public Welfare, as the Honourable Leader of the Opposition has said we no longer have to pay the Old Age Pensions but we have Old Age assistance.

MR. CASHIN: I have no objections to the million dollars.

DR. POTTLE: We don't get refunds of these amounts except in arrears every quarter.

MR. CASHIN: I would like some explanation of the others.

MR. CHAIRMAN: I would suggest that the Clerk might begin reading the resolution and then each one might be commented on, and debated.

Legislation \$45,000—passed.

Executive Council \$13,000—passed.

Finance \$200,000—passed.

Provincial Affairs \$10,000—passed.

Education \$1,000,000—

MR. CASHIN: Mr. Chairman if you will notice in compiling the estimates of the whole Education Department for the whole of last year with pre-union surplus was \$5,441,900. Now there is a million dollars here and I wonder if the Minister of Education would give us any idea for two months how this expenditure is to be made, two months would be a million dollars if you put it down, there I am agreeable because it is roughly less than five hundred thousand a month.

DR. POTTLE: Might I say this, Mr. Chairman, under the education item there is some force in this point that at the turn of the year the building committees of the respective denominations have to make outlays to various boards for building of schools for the purpose of supplies and so forth.

MR. CASHIN: I know that—passed—

Attorney General \$240,000.

MR. CASHIN: Last year the estimates were \$1,497,100 for Department of the Attorney General. I wonder if the honourable the Attorney General would explain?

HON. LESLIE R. CURTIS (Attorney General): To keep the police and fire department going—passed.

Mines and Resources \$260,000—passed.

MR. HOLLETT: I don't think there is such a department as Mines and Resources in existence and how can you allocate money to a department which does not exist? In the Speech from the Throne we were told it is the intention of the Government to discard the Department of Natural Resources and form a new department of Mines and Resources but that has

not been done, it is not law and here you are going and allocating \$260,000 to a non-existing department. Would somebody explain that, Mr. Chairman? Who is the Minister of Mines and Resources? Could he answer that question?

MR. SMALLWOOD: Mr. Chairman there is no Minister of Mines and Resources and no Department of Mines and Resources. I just don't know the best way to get over this. There is presently the Department of Natural Resources. Notice of a Bill to abolish that Department and create a new one has been given in the House and the Speech from the Throne said that such a measure was to be submitted to the House and notice of it at least has been submitted to the House, first reading of it is, I think, today, so that there is at least a reasonable assumption that that department will in fact come into existence in the course of the next week or two and possibly sooner. I suppose actually the new Bill will provide for replacing the existing department and in such case monies voted to the Department of Natural Resources would be passed on to the Department of Mines and Resources, it is purely a matter of finance and the Comptroller of Finance prepared this, the Deputy Minister of Finance the Comptroller of the Treasury. This a purely formal matter that we did not even bother to read as the Cabinet submitted it to the House directly from the Treasury.

MR. HOLLETT: That is why you need an Opposition.

MR. SMALLWOOD: I would answer that, that is not why we have an Opposition but to add to the gaiety of the nation and for other reasons as well. The Minister of Finance has

gone to telephone to the Comptroller of the Treasury respecting an explanation of some of these items, we did not anticipate this, it never happened before, not that it should not. My honourable friend, the Leader of the Opposition has sat in the House as an Independent, on each occasion identical legislation was brought in but now perhaps he is taking his duties as a member of the House more seriously as a member of the Opposition now. There is no harm done there. Perhaps this item could be passed over for the time being as the Minister is out of the Chamber for the moment but will be back in a few minutes. Perhaps you would care to move an amendment and have it referred to as Natural Resources and then all the sensibilities of everyone concerned will have been carefully and scrupulously respected.

MR. CASHIN: Mr. Chairman, in my opinion, that should be voted under Natural Resources, when you bring in your new Bill provision will have to be made undoubtedly in that Bill that any funds or allocations or what not under that Department will have to be transferred then to the Department of Mines and Resources. What I want to point out is that the Comptroller of the Treasury prepared this and handed it to the Government and they don't know what it is all about, that is the impression you created.

MR. SMALLWOOD: We are not exactly a crowd of dopes.

MR. CHAIRMAN: Order.

DR. POTTLE: Mr. Chairman, may I just make a point here for clarification: if such a Bill is introduced it will have to be received or become effective before the first of April.

MR. CASHIN: I know, but you can't vote it for a department that does not actually exist at the present time. There are queer things done these days. I would suggest, Mr. Chairman, in order to avoid all difficulties that the Minister of Finance himself change that to the Department of Natural Resources, we still have one and it is right and proper that we would have a vote for them but it is not right to vote \$260,000 to a non-existent body. I just raise the point.

MR. HOLLETT: Mr. Chairman, I would suggest this amendment be made.

MR. CHAIRMAN: Let the item stand for now.

Public Works \$1,000,000.

MR. JACKMAN: I note the Minister of Public Works is not in his seat but I would like to ask a question with regard to that expenditure because I have been informed that if I were elected in this House of Assembly that there would not be a cent spent in Harbour Main-Bell Island District for roads. Where is this million dollars to be spent?

MR. POWER: In reply to inquiries of honourable members, the Deputy Minister of Finance tells me this is a rough estimate of what money will be needed to carry on for one-seventh of the year based on the 1951-52 estimates.

MR. CASHIN: For two months ordinary expenditure, there are amounts included in here obviously not for ordinary account. There is a million dollars, for instance, for Economic Development, how is that to be spent?

The Government should tell the House that.

MR. SPENCER: I felt the same as other members perhaps when this question arose and I was not quite sure whether the figures indicated in this supplementary supply list might be a break-down or not but the honourable Minister of Finance has found that the Department of Finance has merely taken an arbitrary figure, a fraction, one-seventh of the whole of the estimated expenditure for the coming year and there has been no attempt at a break down as far as that is concerned. Take my Department, \$1,000,000, that is merely one-seventh of what is proposed to put in the Department of Public Works this year, last year we had over ten million, of course, the estimates have not been completed at all as the honourable the Premier intimated. This amount does not represent any particular break-down at all, does not mean that four hundred thousand of it will be spent here or that one hundred thousand of it will be spent there. No attempt has been made at all as far as the figures are concerned to have a break-down but is merely approximately one-seventh, merely to carry on for a month or six weeks whatever is necessary.

MR. CASHIN: I can understand the honourable Minister of Public Works because at the beginning of that month each department will have to do certain work apart from ordinary routine work during the early part of the fiscal year but if we look at this amount of six million dollars and we are told it is one-seventh of what is supposed to be spent for twelve months that means an ordinary expenditure of forty-two million dollars. Now we know, dumb and all as we may be, that ordinary expenditure is not any-

thing like forty-two millions, it was up to the end of February including capital account forty-two million dollars, but on ordinary expenditure— We know as members of the Opposition that we have to provide legislation but when you go over that amount we want to know and rightly so, and every member of the Government should know what it is for. Now there are departments here like the Education Department which we passed over which are going to start probably new schools in some outports and they got to have an extra amount of money; Public Works may have work on bridges or roads or something; now the Department of Economic Development, their ordinary expenditure is nothing like a million dollars in twelve months, what is the balance for under the various headings here, can we get an explanation of that?

MR. SMALLWOOD: Yes, I will explain this one.

MR. HOLLETT: Just before we go on I wonder if the honourable the Premier will tell us how much of that million dollars, approximately, will come out of surplus, how much of that would come out of pre-union surplus and how much out of current account?

MR. SPENCER: I presume you are referring that question to the Minister of Public Works. In that case I am afraid it would be utterly impossible for me to tell you actually the division of these figures. As you know when actually voted, there is a division in the estimates but at the present time it is entirely out of the question for me at least to tell you and I don't think any Minister carries the various expenditure amounts in his head and knows exactly what is their proper position whether capital

or current until it is finally decided in the estimates. At this moment there is one other factor I think which might contribute to this arbitrary figure of one million requested for the Department of Public Works. Honourable members, I believe, know that under the present system of accounting in the Department of Finance of carrying out commitments. If we make a commitment in any particular section for any year whether that job is finished or not within that year the money has to be provided and charged to that particular year. Now, it may well be that factor has to do with that supplementary supply, for example summing it up, in the new fiscal year we call for contracts for a new section of the Trans-Canada Highway, or Hospital or any other public works. The very moment we sign a contract with a contractor we make a commitment for a specific sum and that sum is charged to our account and then if we buy a shovel or tractor or snowplow or any other piece of equipment, I can cite a case where we actually bought a shovel in March which was not delivered until December of last year, however, the charge was there and once we make a commitment these charges are in the account. Though not offered entirely as an explanation of why this should be a million dollars, it is perhaps an explanation as to why the amount is really an arbitrary amount and does not even mean it is approximately one-seventh of the expenditure in Public Works. It does not mean the actual expenditure in Public Works will be seven million dollars nor does it mean it won't be ten or eleven, that is a matter to be decided when the estimates are brought down.

MR. HOLLETT: I think the hon-

ourable Minister did not get my point. In last year's estimates he will find that for his department, Public Works, altogether there was slightly over three and half million dollars expended on current account and some six and a half million spent on surplus and now we are asked to vote one million dollars, and we can take it, Mr. Chairman, if Public Works wants a million at least half is coming out of pre-union surplus, Health may be the same and certainly Economic Development where practically all the million must come out of the surplus. We don't know exactly how much is in the surplus yet we are asked to vote for the next couple of months more money than there is in the surplus. I wonder if the Minister of Finance would give us an account of how much money remains available in the pre-union surplus?

MR. POWER: Mr. Chairman, the Public Accounts, the Budget will give all the information to the honourable member when we bring it down.

MR. HOLLETT: But before we can vote six million dollars, surely we ought to know whether we have it in the kitty or not. I see no reason why we are not given an estimate of the amount in the pre-union surplus. We are told all sorts of things here, all sorts of things, though I am not trying to do anything to discredit the country we ought to have some idea of how much money we have. We have all the necessary officials now in the House to tell us that. Why they want it to be hidden, I don't know.

Item Carried.

Health \$1,000,000—passed.

Public Welfare \$1,000,000—passed.

Board of Liquor Control \$40,000—passed.

Fisheries and Co-operatives \$80,000—passed.

Economic Development \$1,000,000.

MR. CASHIN: Now, Mr. Chairman we would like to have an explanation of that amount of money, I think there must be a list of work to be done to want a million dollars for one or two months. I would like the honourable Minister of Economic Development to let us know something about that million dollars. It is an entirely different vote than that of any other department.

MR. CURTIS: With respect to these two items referred to Mines and Resources and Municipal Affairs and Supply, my honourable friends will see on the Order Paper today, or we should have had it yesterday, second reading of a Bill, "An Act Respecting Municipal Affairs and Supply" which presumably will be dealt with today. The Premier has given notice of a Bill for the first time today, an "Act Respecting the Department of Mines and Resources." I see no reason why it should not be distributed and, as members will see, this Act will come into force the first day of April 1952 and if we vote money now to the old Department of Supply, there will be no money available when those Acts which have been drafted will be amended. If we vote money now to the Department of Natural Resources when the new department is organized there will be no money available. I think it would be better to pass the votes as they are now as all those Bills are assented to on the same date when the Lieutenant Governor comes to assent to Bills passed, and since the three go through concurrently I think it would be a clearer bit of legislation to leave them as is.

MR. CASHIN: Technically what

should really happen, we would pass these Bills before passing the money but we are now passing money Bills and even though we pass these other Bills tomorrow, they don't come into effect I know until the first of April, a nice day, but if you were to pass these Bills now you could pass the Supply Bill for them then.

MR. CURTIS: We can do that on third reading, pass all these on the same day. This can be read a third time on the same day as the Mines and Resources Bill.

MR. HOLLETT: As long as the other one is established first we may have—

MR. CURTIS: We may have to ask the indulgence of the House to give it two stages in one day.

MR. CHAIRMAN: We are on item 14, Economic Development, \$1,000,000.

MR. SMALLWOOD: Mr. Chairman this is in exactly the same position as most of the other heavy spending departments of the Government, Education, Public Works, Welfare, Health; Economic Development has become one of the big spending departments of the Government for obvious reasons of which we are extremely proud and so in figuring one-seventh of a year's expenditure in the Department of Economic Development we have the figure of a million dollars. We will spend much more than that.

MR. CASHIN: Mr. Chairman, our position is that while we appreciate that the other ordinary departments need certain large sums of money, the Economic Development for ordinary expenditure does not need anything like a million for two months, therefore it must be in the Government's

mind they must have something in view. The whole of this six million dollars in current and capital, the sixteen divisions are capital and current account.

MR. SMALLWOOD: So is the Department of Economic Development, it is no different in that respect from the other, the million dollars down there for Education, for Public Works and Public Welfare are current and capital combined and so it is in the case of Economic Development, there is no difference whatsoever.

MR. CASHIN: That is not the point I am trying to get at, Mr. Chairman, the point I am trying to get at is multiply that by seven and you have forty-two million dollars and if we get down to brass tacks, we want to find out where is the rest of the money coming from. As pointed out by my colleague the member for St. John's West and as I see it we have not that kind of money. We are going to be speechless here one of those days but I can add a couple of lines as well as the rest and you have not that kind of money at the present moment and you are voting money in that Bill you have not got and the Government knows it. Here are the facts according to your own figures; you had twenty four million dollars on surplus account on March 31, 1951 out of which fourteen millions are to be devoted to capital account and you spent over fifteen and probably got back a million from the Federal Government, that is the position of the surplus, gone, you have nothing left to vote here unless there is a loan coming in and obviously there is a loan or something. I think the Government, in all seriousness and fairness should lay their cards on the table and say what it is all about.

They are not doing that but come in here and ask us to vote a million or two millions and one would imagine it was fifty cents. The Government are looking upon money that does not exist at the present time, there is not that kind of money around in your own Treasury. You are committed for five or six millions for German industries and you have not got it if called upon to without a bond issue being raised and the Government knows it, it is no use telling us we are going to be speechless or something like that, these are facts and every member of the Cabinet knows it, and they can't get up here and talk in the proper way without telling us they are going to render us speechless when they reveal something; I don't have to wait for that, I can talk on the figures you tabled and the Auditor General's Report to the end of March, 1951, any third grade school child can figure it out, we don't need to have any degrees or anything else to figure it out. That is the position; we are voting money we have not got.

MR. SMALLWOOD: Does the honourable gentleman know that Newfoundland has not even got six millions and will not have it? Well then the thing to do is to vote against the whole thing, the grand total and the whole Bill, that is if the honourable gentlemen are sincerely convinced that we have not got it and will not have it, the logical thing to do is to vote against it. The Government on the other hand are quite convinced that we have it and will have it. Does the honourable gentleman suppose that any Government in the world has today in hand what it will spend in the current account two months hence, but they vote those supplies just the same, every Government does

that, that is all there is to it. If the House feels that this six million dollars won't be available the House would make a very grave mistake to vote it to the Government, by the same token the Government would make a very grave mistake to ask for authority to spend it.

MR. CASHIN: I quite understand that you have a certain amount of revenue coming in and get so much each year from the Federal Government at Ottawa which amounts to such and such. Of that coming in you have just enough or not quite enough or just enough I will say to pay ordinarily commitments on current expenditure but here in this Bill as admitted by the Premier are amounts for current as well as capital account and our point is this: we are entitled to know and sooner or later someone will know what is the present position of your capital account. That is the argument we are trying to put over. That has not been told us. The Government knows they have not any money to spend on capital account at the present time, not one dollar, that is at the present time which is not committed and over committed and I realize the Government's position. In the Speech from the Throne, I am not discussing it at the present time but it is in this Financial Bill the whole financial position of the country. Their idea is this, and I hope they succeed, to sell the cement plant, to sell the gypsum plant, to sell the birch plant and get nine or ten million dollars in cash. That is the money we are trying to vote now and if the Government is honest they will come down and tell the House you are right it is not coming in from any source unless you are prepared to bring in a Loan Bill and go into the money mar-

kets and get the banks to lend you the money. You have not that money, you have twelve millions put aside in Ottawa for deficit on current account and four millions one hundred thousand of that is committed. Apart from that you have not a million, not one five cents. We are not prepared to vote but we are prepared to play our part as Newfoundlanders and assist the Government. They may not think it, I know they don't but we are just as good Newfoundlanders as any of that crowd in this House, any of you. We don't want to see her in a mess but we are in a mess and I challenge you to produce evidence contrary to that at the present time—

MR. SMALLWOOD: The more you say we are in a mess the better I like it for the next couple of weeks.

MR. CASHIN: I say again, I say we are in a mess. You have not a dollar to spend on capital account, it is spent and it is overspent, is that right or wrong?

MR. SMALLWOOD: Say it again.

MR. CASHIN: I challenge you, ask the Finance Minister, have you a dollar you can spend of the forty million dollars? I say you have not and not a member of the Government can contradict me, Finance Minister, the Premier or anyone else, they know I am correct.

MR. SMALLWOOD: The honourable member will most definitely not entice the Government into a discussion of the budget. The honourable gentleman must possess his soul in all patience for another couple of weeks and then we will show him something as to what a budget should be like. Yes, he has had a lot of experience with budgets, most of it highly unfortunate, now we will show him a bud-

get that will be an education for him, in a couple of weeks but we do not intend on a temporary supply of six million dollars to be enticed into laying our cards on the table as we must do, and gladly do, when the budget time comes, gladly, we will do it with great joy and very great satisfaction. We can talk about this forever and a day and it will make no difference if the members of the Opposition take the stand that they will not vote expenditure for expenses of the Government except when the Government has the money in hand to spend. There is one solution and one solution only to keep the House in permanent session and have a Supply Bill passed each day of the year. That would make sense, that would be a highly novel arrangement. Of course as the Opposition becomes satisfied that the Government has "X" dollars in the Treasury then and only then will the Opposition vote an amount of money for that day and on the following day, if the Opposition are quite satisfied, another hundred thousand is in the Treasury and would vote another hundred thousand dollars and so on day by day through the 365 days. It would be a highly novel arrangement never known before in the history of human government. What happens of course is that once a year the Government comes in here and asks for authority to spend in the next twelve months \$29,000,000, \$30,000,000, \$31,000,000 on current account and five, six, eight or ten millions on capital account. They ask for that once and the House votes for it once and having done so a year's business is transacted. It is not done from day to day and the Opposition does not ask: Have you got the money in hand? Have you got it in the Treasury now? How can you expect us to vote money to be spent in the

next year which is not in the till now? They don't take that stand but they take it today which is entirely novel, entirely new.

MR. HOLLETT: Mr. Speaker, I disagree entirely with the statement of the Honourable Premier, the Opposition is agreeable to vote a certain amount of money to carry on the business of the country for the next twelve months, we got to spend money on current account but we have not a cent to spend on the whims of Sir William Stephenson and everyone else, money for current account will be coming in but there is none in the surplus account, that is gone, we are told it is nearly two million dollars overdrawn or a million and a half or something like that. The Premier meant to cover the issue but in his statement he said exactly the things we did not object to, we are not objecting to giving the Government authority to spend all the money necessary on current account but we think the time has come for full explanation, and we say this Mr. Chairman in all sincerity, we believe in Economic Development and intend to assist the Government in any right and proper means to develop our country, we were elected, my colleague and I, on that platform but to get the facts on these new industries to build up our country. I see no reason therefore why the Government should try to hide anything which would help us to get these facts. If the Government present the true and proper facts we will assist them in any manner we can to help to develop this country, but we do contend on behalf of the people who sent us here that these facts should be laid before us. It is absolutely useless for any gentleman on the other side to sneer or grin, that is why we are here, to insist and

if the Government says no, we have made our stand, and the people know exactly where we stand in the matter and where the country stands. We have no objection to money for current account, you must have it from day to day to pay salaries and everything else but to spend millions on surplus account in connection with new industries, that is another thing, without having the money in hand. If the Government can tell us they have plenty of money on surplus account; but I say over half of that on surplus account is promised to back up industries they brought in here from the other side of the water. It may be perfectly all right to do but we would like to be able to see where that money is to come from. Can the Government give us any indication where this ten, twenty or hundred millions are anticipated if Coverdale and Collpitts give a good report on the gypsum, cement and birch plants? I take it from what I have heard that the Government's ability to borrow depends on Coverdale and Collpitts' report. We have no definite information on that but we have enough to allow us to go on. We are not objecting to voting money for current account, we know it is wanted to carry on, and you need money to carry on industries, the cotton mill and machine plant we know you are committed to pony up, if I may use the phrase. If the Government would tell us the facts, the Honourable Minister of Finance would tell us how much there is in the surplus. He definitely refuses to tell and maintains silence for two weeks more. Do they hope to negotiate a loan in that time? If so, tell us. Why not lay the cards on the table?

MR. SMALLWOOD: What question has the Honourable Minister re-

fused to answer? What question has anyone on this side of the House refused to answer, with the sole exception of the IBEC Report, what questions have we refused to answer?

MR. JACKMAN: The amount of surplus remaining.

MR. SMALLWOOD: The question has been slapped across the floor.

MR. SPEAKER: That is a question of which notice will have to be given.

MR. SMALLWOOD: Every question which has been tabled in this House has either been answered or is about to be with the sole exception of the IBEC Report.

MR. CASHIN: I can probably clear up this, Mr. Chairman. At the present time in connection with this Bill, a million dollars for Economic Development. In discussing how much is left in surplus account the Premier said we got the answers. Yes, and I am going to tell him now; according to your answers, and even then it is not answered, nevertheless I can figure it out: Here is what you have down in the Bank of Montreal on Feb. 29, \$1,734,000 and \$11,000,000 at Ottawa. We can add up and subtract and you come in here now and are proposing to spend forty-two millions this year and you have only two millions, roughly, to spend on capital expenditure and when we ask, in fairness to the country and to ourselves, where is it coming from, do you say you are going to sell the cement plant and the gypsum plant and the birch plant and get it and have the job done. That is fine but you have not told us that, nothing but vote for the figures or do the other thing. That is the position. Now, I have brought in supplementary sup-

ply with not a nickel in the Treasury and not a possibility of getting it any place but through the customs but when I came in as Minister of Finance and had to explain, as best I knew how, I knew how every vote under each heading was to be spent, and I had to explain it as best I knew how.

MR. SMALLWOOD: This is not supplementary supply.

MR. CASHIN: It is tantamount to the same thing. You are asking for one-seventh of the total expenditure of the country \$42,000,000, and you are asking for six millions and we ask you, how are you going to spend that million under Economic Development? You refuse to tell us and we ask you where it is coming from? Is it capital expenditure? Where is it coming from? You won't tell us but we know you will put it through.

MR. SMALLWOOD: Will the honourable gentleman allow me? Why did he say: Education a million dollars, okay; Public Works, a million dollars, okay; Public Welfare a million dollars, okay; Health, a million dollars, okay; Economic Development a million dollars! You act as though your throat has suddenly been cut, as though it were a million drops of blood, a million dollars—Are we gone mad? Where is it coming from? Is it any worse than the other four accounts of a million dollars all capital account expenditure, not worried about that but suddenly very worried over Economic Development. Now let him worry and turn grey over it.

MR. CASHIN: With respect to Education and Public Welfare; the honourable Minister of Public Welfare said here that his department spends around twelve million dollars a year and nothing on capital, the Health

Department little or nothing on capital, very little is spent, the building of hospital grants probably from the Federal Government. The Department of Public Works asks for a million dollars for two months on current account they spend that or a little better, and I asked about this Economic Development because you do not require any more than salaries and so on to run the Department of Economic Development. The Department does not need it and I am asked to worry. I am prepared to do mine just as well as the Premier. He will have to worry later on. I hope it won't happen. I hope it will come out of the hat when Sir William Stephenson arrives tomorrow or next day and gets the right of way. But I have said in this House and you have not contradicted me when I tell you now you have not a dollar at the present time.

MR. SMALLWOOD: Put it to a vote and see.

MR. CASHIN: Yes.

MR. SMALLWOOD: That is not the House over there, it is only part of it.

MR. CASHIN: I tell you again right now, and the members of your Cabinet.

MR. SMALLWOOD: You will be shown at the right moment.

MR. CASHIN: At the right moment.

MR. SMALLWOOD: By the Budget.

MR. CASHIN: What is in the Bank?

MR. SMALLWOOD: All that information will be in the budget, that is the time for it.

MR. CASHIN: We will find you are raising a loan. You don't have it in the budget. You will bring in a special loan Bill.

MR. HOLLETT: Mr. Chairman, just before you carry that, I want to draw the attention of the House again to the Public Accounts for last year which shows on pre-union surplus for expenses for public services thirteen and three millions on which we can veer and haul. Now, we asked a question a few days ago regarding the expenditure on Public Account and the amount came to fifteen million, roughly. In other words two millions more than we had. We are not talking nonsense. The honourable Premier might think we are. But we are doing it by cold, hard figures. We know we can do nothing about it, but it is up to the Government to justify its own actions, of course.

MR. SMALLWOOD: The whole trouble is the Opposition would like to have three debates on the budget, the Address in Reply, the budget itself and on temporary supply. We insist there should be but one debate and that on the budget itself. The Opposition does expect that on what is a small amount of money relatively, six millions is relatively a small amount to debate. The year begins the 1st of April and we cannot get the budget in by then so we must come in and ask the House for temporary supply on next year's account, relatively a small amount. And if the Opposition thinks because we must do that, we are therefore going to be obliged at this stage to lay on the table all the facts which must be laid on it on presentation of the budget they are making one great mistake. Now, if they twist that into an attempt to hide anything and keep

things from the public let them make the most of it and welcome to it.

MR. CASHIN: The public knows that what we say is correct.

MR. SMALLWOOD: Sure they do. That is why they voted the way they did in the last two elections.

MR. CASHIN: They voted particularly well in some sections of the country. Better than the Premier thought they were going to vote. We are not objecting to current expenditure. We want that definitely understood. Where is the money coming from? When the budget is brought down we will know as much about it as any member on the other side of the House. But we realize there is a Loan Bill evidently coming and the Government knows it and knows that now you have not the money. That is the position. We are voting on something you have not got on capital expenditure.

Passed.

Labour \$12,000—passed.

DR. POTTLE: Before the total is passed, Mr. Chairman; Item VIII, Mines and Resources \$260,000. The point I was going to make to the Legal Officials of the House, the form given in resolutions for previous years is perfect for this one and I suggest it so be considered. I suggest to the House we follow the form of previous years for this purpose.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole on Supply have agreed as to certain resolutions and have instructed me to report same.

Read a first and second time.

MR. SPEAKER: The honourable Minister of Finance asks leave to in-

roduce a Bill based on these resolutions; read a first time, ordered read a second time now. Read a second time, ordered read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, may we now have second reading of a Bill, "An Act Respecting Municipal Affairs and Supply."

HON. P. S. FORSEY (Minister of Supply): This particular Bill, Sir, provides for all the powers contained in the Department of Supply Act, 1944. As the House knows the administration of housing has been the responsibility of the Department of Supply and this Bill provides that there be a department known as the Department of Municipal Affairs and Supply. It provides for a Deputy Minister for each branch of the Department. The only matter contained in the Bill is the fact that we have applied for powers to exercise closer supervision over a number of municipalities due to the fact that these municipalities have sold debentures guaranteed by the Government, in most cases guaranteed by the Government and we feel that a close supervision is necessary of the various municipalities. To that end there is a section granting the Minister of Municipal Affairs and Supply the power to supervise the affairs of municipalities and see that the Government's interest is protected in cases where Government guaranteed debentures are sold. There is nothing very contentious about the Bill, Mr. Speaker, and I move its second reading.

MR. HOLLETT: Mr. Speaker, this Bill has just been handed to me and I have not had a chance to read it over. I know I am not now in a position to speak to the principle of the Bill therefore I move deferment of second reading until tomorrow.

MR. SMALLWOOD: Mr. Speaker, I suggest to you, a member of the Opposition is not competent to move the adjournment of the debate, timing of which is set by the Government. They could, in courtesy ask the Government to adjourn the debate but the motion is out of order and ought not to come from the Opposition. If they are not yet ready to debate, in courtesy I will defer the debate but it is not the prerogative of the Opposition to set the timing of Government business.

MR. CASHIN: Mr. Speaker, we quite understand, and sometimes inadvertently make a mistake because of inexperience or something else. We don't intend to tell the Government when they should bring in or should not bring in Bills but when handed down we are entitled to ask that second reading stand over until such time as we can look at it. We got it here five minutes ago and I think we would like to have a look at it. I suggest, Mr. Speaker, that the honourable Minister defer this second reading until tomorrow.

MR. FORSEY: I am agreeable.

Moved stand deferred until tomorrow, by the honourable Minister of Supply.

MR. SMALLWOOD: We could defer the remaining orders of the day with the exception of No. 1, Mr. Speaker.

Address in Reply:

MR. JACKMAN: Mr. Speaker, first of all I would like to congratulate you on the exalted position you have been put in by the members of the House unanimously and I wish you the best in every respect.

I would also like to congratulate the mover and seconder of the Debate

in Reply. I would also like to say that personally speaking and on behalf of my constituents of Harbour Main-Bell Island which I have the privilege to represent how sorry we are to hear of the death of Our Good King George Sixth. To Our Young Queen I would like to pledge my allegiance and the allegiance of my constituents, that we will be loyal and always faithful to Her. May Her reign be long and happy and blessed.

With regard to the Address in Reply, Mr. Speaker, I might say I have not prepared a speech and I have not done so for this reason; whilst I am not an orator and if I could get down to the business of preparing a speech to outline the deficiencies and mismanagement of this Government there would not be time at my disposal under the rules of the House to do so.

I would like to reply briefly to my friend on the opposite side, the mover of the Address in Reply when he said he was a good Liberal. I would like to let him know, and this House as well, that I come from good Liberal stock, my uncle served in the House of Assembly as Minister of Finance under one of the greatest statesmen Newfoundland ever produced, the late Sir Robert Bond. I would also like to reply to the seconder when he said that he was a good Confederate. I believe the Premier himself said in his manifesto that he was one also, and it was his own opinion and that he was not against anybody who disagreed with him. I want to say here I am anti-confederate, not a die-hard. I happened to be a member of the National Convention when the matter was discussed whether we should go in with Canada or not. I was one of those so-called dictators and I am glad to be associated with four of them left here now, the Leader of

the Opposition, my colleague from St. John's West, and I don't know if you call him the junior or senior member for St. John's East, I can't call him by name. I did, at that time, vote against the Terms of Union with Canada because I felt that it was not in the best interest of our country. I think my judgment, whilst I am only a layman, not a financier, not even a politician, I think my judgment was subsequently proved by the report of MacDonald and Currie, the Chartered Accountants Firm in Montreal who proved that the first terms were far from adequate and I am glad to be associated with the body of people in this country of Newfoundland. Newfoundlanders all and good Canadians if we have to be. When that first delegation was sent to Ottawa and the Government of Canada realized there was a hard core of intelligence and resistance in Newfoundland, the terms were jacked up to some extent. I don't know the exact figures, Sir, but I do know it was millions of dollars. anyway that is the answer to the question of the Confederation or anti-Confederation. That is my opinion Sir, and still remains my opinion.

Now, I have to refer to and deal with the present Liberal Government who apart from three or four members were definitely Confederate in the campaign for Confederation. The others I don't know about but I do say that the record of the present Liberal Government today is as far as I can see—it has a very poor record indeed. For a start the Liberal Government of today did in the very beginning, some members at least made definite statements right in this House that if they did not bring down the cost of living in Newfoundland they would resign. To my knowledge and because of my association with lab-

our we are greatly concerned with the cost of living, we are greatly concerned with the condition of our working people, to my knowledge, Sir, the cost of living since the inception of Confederation has increased by 3.4 the last figure I got. On Jumbo today where they once paid 22c. for it, now they pay 69c. They are not getting flour for \$2.00 a sack and there are a lot of other things they are not getting. They got the baby bonus all right and I got six of them, but we are paying for it, but the people were told that these things were freely given, got them for nothing; come down to my house and I will give you everything. That of course is not so, I say and I challenge this Government which in the first place is derelict, or if not derelict incompetent to bring down the cost of living in Newfoundland, therefore instead of calling a phoney election last November they should have resigned.

Now, Mr. Speaker as I mentioned a moment ago, I did not prepare a speech but I did take a few notes however and briefly I will refer to them. It is pretty hard in my position now to follow the speakers like we have heard yesterday, possibly my remarks in that respect will be more of an anti-climax, still I should refer to them.

I did hear the Leader of the Opposition get up in this House and tell us that a new industry would be started down in the Labrador in a place called Lake Melville. In that community there would be hospitals, schools, there would be recreational centres and the men would get five dollars a cord for their wood. As a labour man, and not as a P.C., I would say, as a labour man and a Newfoundland I was proud to hear that

statement. But what happened to Seigheim?

I will go on a little further now. I will refer to the Icelandic Venture, briefly of course, as I said before it has been covered but what happened to that four hundred thousand dollars of our money, the taxpayers money? It was squandered. That was covered up. Then again we heard of this great foundation in New York which was controlled by IBEC or Rockefeller Interests and we were told by the Leader of the Government that everything would be fine and dandy now that we have the richest corporation in the world behind us, and a million dollars is only chicken feed to them, they could talk in billions. I did hear something of a report called IBEC, I have not seen it tabled, know nothing about it but I did hear it said that it cost \$75,000.

MR. SMALLWOOD: \$69,000.

MR. JACKMAN: Four or five hundred thousand to the Government means nothing. I am now going to refer to the freight rates and before I go on to that I want to recognize my colleague who is opposite me in the House and I want to congratulate him on the strength of the report which came in from Mr. C. E. Hunt yesterday, one of the finest Newfoundland lawyers, I want to congratulate him for a job well done. At the same time I feel it was a needless expenditure for the reason that when the delegation at Ottawa were negotiating they should have seen to it that these freight rates would be properly adjusted. And I have been told the honourable gentleman—

MR. SMALLWOOD: Allow me—

MR. JACKMAN: Mr. Speaker, I don't like to be interrupted. I know the Premier would like to trip me up.

MR. SMALLWOOD: The Terms of Union respecting freight rates have not been changed, they are as when signed. We had the freight rates adjusted. The Government of Canada did not break them, the C.N.R. did and we took the necessary court action to have them stick to the Terms of Union. There was no mistake in the Terms of Union. It was a matter of making the C.N.R. carry them out, that is all.

MR. JACKMAN: I accept the explanation, Mr. Speaker, but were they retroactive? That is my point, the Newfoundland taxpayers did lose a considerable amount of money over these terms, being bungled if you like, and it cost the taxpayers quite a lot of money to get them changed in our favour but it was not retroactive and in the meantime we lost quite a lot of money.

With regard to labour, I have definite information, and if it is necessary I will bring it to this House, that last year Newfoundland labour in Labrador was definitely discriminated against. I will say no more on that.

Now, I am going to come to our new industries, and believe it or not whilst I am a labour man I happen to know something about some of these industries because I did have at one time a few dollars which you could call risk capital and I invested it in some of these industries and I made some money on it. I invested it chiefly to get reports so that I would be informed, I do happen to know that the textile industry today, in Canada, has been depreciated to the extent of thirty percent and the same thing applies in the United States. Now I ask the Government where are they going to get off with a textile plant in this country? There is one possible

solution to it, and I think I can pick that apart out of the manifesto of last November where there were twenty thousand jobs promised with wages of forty million dollars which works out to an average of \$2,000 and when you take the difference between an average of high and low you get 20% as a rule difference and therefore that would give the workers who would be employed in these projects \$125 a month. I have some facts and figures on the cost of living in Canada today and it is higher here in Newfoundland because we are apart from the Mainland, I have facts and figures to prove by research workers, men who are qualified, some of them Newfoundlanders, one of them is a Forsey, the cost of living today in Canada as a whole is \$56.70 and for a family of five. I ask the Government in that respect how they can arrive at a figure of forty million dollars for twenty thousand, unless as I said, they are going to pay slave labour, or as known now throughout Canada, displaced labour. If that is so, I protest on behalf of the workers whom I happen to represent and any attempt by anybody to bring slave labour in this country will be forcefully fought by all the strength of the organization I represent at least, and I think I can say that for the whole trade, labour trade in Newfoundland.

Now, Mr. Speaker, there is very little more I can say, because as I said before, it has all been covered and I know the Leader of the Opposition will follow me, I think he will. This afternoon I just brought out these few points because I believe in justice and fairness and decency. I would like to say too that any measure this Government brings in, if I feel in my heart and soul, P.C. or no, P.C. or anything else, I will support it and I think the

Opposition will too if we know it is in the interest of the working people of Newfoundland. On the other hand anything brought in here which in my opinion is not so, I am not going to vote for it. I have nothing further to say, Mr. Speaker, and I thank you gentlemen for your attention.

MR. CASHIN: Mr. Speaker, I had not intended to say anything until tomorrow but if the House will permit me, I am prepared to begin my address in connection with the Speech from the Throne for a short while and move the adjournment of the debate until tomorrow.

Mr. Speaker, on opening day I think I covered the standard formalities such as extending my personal congratulations to you, to the mover and seconder, and my sympathy on the death of His Majesty King George VI and my unswerving loyalty to Her Majesty the Queen.

Mr. Speaker, there are probably one or two matters which I inadvertently omitted to cover on opening day and which I will try this afternoon to cover. One is that since this House met last, I have become Leader of the Opposition. My friend, Mr. John Higgins has now retired from public life and whom I have known for over fifty years, I feel I would be uncharitable or derelict in my duty if I did not pay tribute to my friend, Mr. Higgins, who occupied the position as Leader of the Opposition prior to the election, for the past three years, Mr. Higgins, who has been known to me for the last fifty-two years, we went to school together, grew up pretty well together and I know John Higgins and his qualities as a citizen and one of nature's gentlemen. I hope, Sir, that I will in some small way be able to follow the path he

travelled as Leader of this Opposition in this House of Assembly.

Then I must also, as Leader of the Opposition, express my personal congratulations to the various new members who are here since last time the House met in November. Particularly I must express my congratulations to two or three new members on this side of the House, my colleague, the other member for St. John's West, and also the other member who has taken the place of the late Leader of the Opposition, of St. John's East. Both these gentlemen, I think, are able to carry out their duties in this House and will give a good account of themselves in the debates and will undoubtedly deserve the respect and the heavy support given them by the people of St. John's East and St. John's West. Also I cannot but express my congratulations to the present member, at any rate, for my old constituency of Ferryland. His seat is in the balance at the present, I also express to him my congratulations on his address on his advent into the Legislature.

Now, first Sir, before I touch on any part of the Speech from the Throne I would just make short reference to some remarks made, I think, by the seconder of the motion in connection with an Address in Reply. I too was an anti-confederate like my other colleague for Harbour Main-Bell Island, I was one on principle, just the same as the honourable member for Burgeo and LaPoile was opposed to my opinion. He has every right in a democracy to have his own opinion. I was not so much opposed to Confederation or union with Canada as I was definitely opposed to the manner in which it was brought about and I think, Mr. Speaker, the fact that I was opposed to it has been

proven today that I was somewhat correct. The honourable member for Harbour Main-Bell Island pointed out the difficulty that has been encountered in connection with the freight rates and I say, Mr. Speaker, that if those terms of union had been properly negotiated, without any doubt whatsoever, it would have been unnecessary for any legal action to be taken which would involve an expenditure by Newfoundland to clear up the matter. I go further and state that even though this matter has been cleared up, the Treasury of Newfoundland has lost probably one or two million dollars, and I realize when making that statement, Mr. Speaker, that it would be difficult for the Canadian National Railway to pay back to individuals excess freight rates which they collected for a period of a year or a year and a half as the case may be, but I do say that it would be quite simple for them to calculate how much more revenue they received than they were entitled to and refund it to the Treasury of Newfoundland which would therefore be placed to the credit of the taxpayers of the country, of the Province. I do not intend to criticize union with Canada at the present time. I am not what you would call a die-hard. I feel we are now a part of the Great Dominion of Canada and I feel that it is our job as members of this House whether on this side of the House or the other side of the House to see that our union becomes successful. Because, Mr. Speaker, if the union of Newfoundland with Canada is not successful we are the ones that will suffer. True we have obtained certain benefits when we entered union with Canada, substantial benefits, but it must be also remembered that we did not get these as a free gift. When we look at the Canadian budget today

and see that a surplus of some six or eight hundred millions has been built up in the Treasury we must realize that Newfoundland pays a proportionate share of that surplus, that the Newfoundland people are being taxed directly or indirectly as the case may be to contribute their portion of the Federal Revenue of Canada as a whole. It would be interesting, a very interesting thing, Mr. Speaker, if we could ascertain the actual revenue collected from the Province of Newfoundland, from our customs, from our railway, sales taxes and corporation taxes and income taxes, it would be very, very interesting indeed and I am prepared to venture my opinion.

MR. SMALLWOOD: If you would allow me I could give the figures.

MR. CASHIN: You can do all that in reply later on.

MR. SMALLWOOD: It may help your argument. I got the figures today from the Department of National Revenue of the Government of Canada, by cable, for the year ending this month. The Government of Canada will have collected from Newfoundland in income taxes, corporation taxes, succession duties, withholding taxes and sales tax some \$20,000,000 for this year.

MR. CASHIN: I understand but there are many other taxes that are not included in that twenty million dollars, many, many other taxes too numerous to mention and it is most difficult for the Department of National Revenue in Ottawa to ascertain what our people today are paying, they have no way whatever of knowing, the large quantity of goods bought in Canada today, the largest quantity ever bought there is being bought today and we are paying taxation which is collected at the source.

We don't know how much. It is not collected in sales tax or anything like that down here, it is collected at the source and we, our wholesale people buying these goods in Canada, are taxed at the source. We don't have to pay it in Newfoundland it is already collected in Ottawa or the Port of Montreal or wherever the goods may be bought. There is no way of getting at it, Mr. Speaker. But look on this as an average which is the only way we can work it out, and I say the total is bound to be for this year, fifty million dollars. There will be five thousand million dollars of expenditure this year in Canada and we have to pay our share of that expenditure and when worked out per capita what do you find? True there are many millionaires in Toronto and in Montreal and the same applies to Victoria and Vancouver in British Columbia which are the rich provinces of Canada, but taking all in all, figuring what the people pay in taxation and you got to average it out: Fourteen million people divided into five billion means three hundred and fifty dollars for every man, woman and child from the Atlantic to the Pacific paid in revenue to the Treasury of the Dominion of Canada. That is the average. The same used to apply here prior to union with Canada. More revenue was collected in the City of St. John's in customs duty, but the man in Harbour Grace paid it because he bought the goods here in St. John's, and so on. Therefore, today we are paying \$350 per head taxation, directly or indirectly in this country, that is on an average.

MR. SMALLWOOD: That is the Canadian average.

MR. CASHIN: The Newfoundland average was, prior to union with Canada \$40,000,000 a year. Divide that

by two hundred and fifty thousand and you will get the average, less than \$200 per year per head. Therefore you are paying \$150 per head, average more than you were prior to union with Canada. Your proportion is up also according to the proportion of the cost of living. The cost of living went up since union, and our people may be living better but still they are paying more. There were people who said if the cost of living did not come down when we entered Canada they would resign from the Government. They have not done it yet. They cannot control the cost of living. You and I don't control it, supply and demand controls it.

Today, before I refer to the Speech from the Throne I want to refer to earning power in Newfoundland which is mentioned somewhere in the Speech from the Throne in reference to Economic Development in Newfoundland. Our pulp and paper industry produces roughly five hundred tons of pulp and paper a year, our mining industry on Bell Island probably produced this year, I understand, over two million tons of iron ore, then there is a mine at Buchans and one at St. Lawrence, and our fisheries. All in all what do they amount to in earning power for our people? These are our industries. What do they amount to in earning power today? Take the American bases and their expenditures out of here today and where are you? It is difficult to say how much money they spend here. The Federal Forces of Canada are also here for defence purposes. But surely, Mr. Speaker, there is to come a day when the threat of war is not over our heads all the time. Let us assume that tomorrow Joe Stalin decided to haul in his horns and get down to common sense and decency

and that there is no threat of war; the Canadian troops in Korea come back. Let us assume that there will be no more expenditure on account of defence. Then we got to go on our own and that is the kind of economy any country wants. How much earning power do we get today from the American Bases, some say \$14,000,000 a year in labour, more say \$20,000,000. It may be a lot more. I don't know but it may be gone tomorrow because it is not an industry, it creates artificial industry, and if we are to talk sound economy in Newfoundland we got to talk it on our own natural resources, what we can produce and what we can sell abroad. We don't produce anything down at the American Bases, at Pepperrell or Harmon or Argentia. We are drawing a lot of money from the American and Canadian bases and putting it in our pockets but when that stops what will happen, I think, and my colleagues here on my left, and I will have a lot to say about my colleague here on my left, "this drunken reprobate," as termed by a Minister of the Crown.

MR. SPEAKER: Incidentally words in quotation which are offensive are out of order.

MR. CASHIN: My honourable friend the member for St. John's West does not take any offense.

MR. SPEAKER: I am not concerned about the honourable member for St. John's West but the Chair may hear no words in quotations which may not be heard without them.

MR. CASHIN: Yesterday I think he reminded this House that a member of the Government (and he was corrected by the Premier) but a member of this House said that the fishermen should haul in their boats or

were going to haul them up and go somewhere else. And he pointed out the importance of the fishing industry to Newfoundland and that is why I say we have three or four sound industries in Newfoundland today, the pulp and paper industry which is at its peak at the present time, our mining industry at Bell Island and at St. Lawrence and Buchans, other potential ones yes, and I hope to refer to one on the Labrador, I may make a special talk on that one. What else have we got, our fisheries? Perhaps we are going to have another one. My colleague reminded me in his characteristic way about Seigheim. I knew when that thing came up that he would disappear from here, which he did and all he left was a trail of unpaid bills and then another fellow came out and I understand he brought the money out and he is back again now. So in speaking of the economy in Newfoundland we have to base our economy on the pulp and paper industry, the mining industry and fishing and what we can produce in agriculture to live on.

Now, we are coming to probably another industry that is to be established or about to be established. Last session in this House we passed certain legislation, the House passed it; one for a textile mill in Newfoundland in which we were to guarantee two millions of dollars and another for a machine plant for which we guaranteed half a million dollars for which we voted money. I don't know if we all voted for it, I could not say whether I did or not because it went through like lightning. When we voted for this particular agreement it was definitely understood at that time that our Government, the Provincial Government would finance these industries at any rate up to a point and

that we guarantee this two and a half million dollars for this industry and for the machinery plant to get them started. We were to pay to get them started and they were to go out and sell a bond, raise a commercial bank loan on the credit of the Newfoundland Government Guarantee. That has not been done, I am told, the House has been told by the Premier. No effort was made to sell these bonds or to get a commercial bank loan and against that mill out on Topsail Road we have advanced five hundred thousand dollars of cash out of the public till. According to figures tabled here this textile mill for which we all voted, every man in this House, Mr. Speaker, including yourself, has read in the papers, if you can believe a lot you see in the papers, that the textile industry in the Dominion of Canada is on the blink, and ten thousand people are out of a job; that the textile industry in the New England States are moving from there and going South, and the textile industry in Canada is beating down the doors at Ottawa looking for further protection in order to save their business from going on the rocks in competition with that of the United States and they have been refused, refused any additional protection from the Federal Government at Ottawa and they have got to stand on their own feet. Now we are going to build one here, there were twenty five thousand dollars advanced to it so far, the machinery and bale boxes are coming in through the customs, we are paying twenty to twenty-five percent customs duty for machinery and it seems to me it is a crazy idea at the time to guarantee to lend them the two million dollars to go ahead in an industry practically bankrupt on the Mainland. That is why, Mr. Speaker, when this particular agreement was being discussed in

this House, we pressed for particulars of marketing, where they were going to sell the products of the plant. Here is the industry on the Mainland today particularly the textile industry right up against it and we are to build another here to compete with the ones which are going bankrupt on the Mainland. It does not seem like sense to me, Mr. Speaker, I think it is all a myth, the whole thing, a dream, and it is to be an unfortunate dream for Newfoundland in which we are going to involve at least another five or six million dollars, which we have not got at the present time.

Now, Mr. Speaker, let me romance a little. Yesterday in this House my colleague, the member for St. John's West, was speaking here and before the conclusion of his speech he was about to move an amendment, he was laughed at, ridiculed at by the members of the Government side of the House, but why? The previous day the Honourable the Attorney General came to that table in Committee of the Whole and moved an amendment to a piece of legislation and did not know what he was talking about, and admitted it. Did we sneer? Did they give the same courtesy to my colleague? They sneered and barked across the House, "Go home," he went home, and he was back here today. I don't know whether the Honourable the Attorney General went home or not, and I don't care whether he did or not, but the Attorney General should be the last gentleman —

MR. SPEAKER: The honourable gentleman must not deal in personalities.

MR. CASHIN: Mr. Speaker, I am here to see my colleagues, under my leadership at the present time —

MR. SPEAKER: Honourable mem-

ber must defer to the rules, personalities are out of order.

MR. CASHIN: Yes, I agree with you, Mr. Speaker, these gentlemen were not in order to sneer at the honourable member for St. John's West. And speaking of the honourable member for St. John's West brings me back to last November and that part of the Speech from the Throne, that we had a general election in November. Yes, we had a general election in November. I was a member of this House for two and a half years prior to that. I sat as Independent in this House. I criticized at the time the Opposition members in this House and suddenly the election was sprung on the country. It was a surprise to me. I knew nothing about it. I did not know why. The Premier came in here one afternoon and we were in the midst of discussing the Bill in connection with the establishment of the machine plant at Topsail Road, the textile mill and the fur plant, and all of a sudden we are going to have a general election. Well, the House dissolved and the Opposition did not know where they were. I did not know where I was. So I realized, stupid and all as I am supposed to be, that there must be some purpose for that general election. The Government may say that they had no mandate to carry out Economic Development, whereas on the second last day before the House closed they passed a Textile Bill and a Machinery Plant Bill. They did not go out and say, we are going too far and want your permission, they passed them before they went out, because they had a mandate from the people in 1949 to do so and, remember this also, Mr. Speaker, when we entered this House in 1949 we came in under a law which said the Government existed for four

years and the Government introduced legislation and made it five years, not two and a half years. They brought in and passed a Bill which said the Government was to have a five-year term in the future.

MR. SMALLWOOD: Naturally.

MR. CASHIN: Naturally, and then what? They dissolved the House on the grounds that they did not have a mandate from the people. I say, Mr. Speaker, and then we had an election and a few of us got elected to the House and I became Leader of the Opposition. During the course of that election, Mr. Speaker, nasty things were said, why? Because it was the policy of the Government to wipe out all opposition in the House. Their definite policy and I don't care what they say or who says it, that was their policy. I became a candidate in the District of St. John's West, and I was elected at the head of the poll in spite of the fact that I was fought three years by the Premier. Then, Mr. Speaker, in the course of that famous or infamous election which ever the case may be, when my majority was down a little, there is generally a good fight in St. John's West, it is always very close, one of the honourable members of the Government came on the air and started sympathizing with me, how he was going to miss me when this House opened and suddenly the voters of St. John's West found another bunch of votes, a missing ballot box, if you like, and I was elected at the head of the poll, in order to satisfy that gentleman's desire; "Poor Peter;"—"How I am going to miss him." Peter is here, the members of St. John's West must have realized that certain members of the Government would miss me and satisfied the Government in that respect and elected the other Government

member as well, who resigned two or three weeks later and then we were told there was to be no contest in St. John's West. We all know what happened to that, suddenly the contest sprung and I am proud, Mr. Speaker, because if I had been in the Premier's place, which I was not, I would not have had an election in St. John's West, if the Premier and his Party had said we are having no election in St. John's our member would have been elected in the Opposition and they could always throw it at him in the House of Assembly that he was allowed to come in here. But they decided not to let that man Hollett in here. That was the programme and a campaign of vilification was started by the members of the Government and I suddenly became involved.

MR. SMALLWOOD: To a point of order. I ask the honourable gentleman to take that back, that a campaign of vilification was begun by members of the Government, is that in order, Mr. Speaker?

MR. SPEAKER: I must confess the remark escaped me.

Order, I have repeatedly reminded visitors to this House they are not to make any comment of approval or disapproval whatsoever but maintain absolute silence or the gallery will be cleared. Referring to the point of order, I was just about to comment that the honourable member was getting on very dangerous ground. I ruled yesterday that the conduct of the General Election which took place last November cannot be discussed in the House for the reason that there are rules that provide for that sort of thing. Certainly no honourable member may make any charges or insinuations that the campaign fought was

incorrupt or improper by any member of either party. If the honourable member made any such remark he should withdraw it.

MR. CASHIN: I did not say incorrupt, Mr. Speaker, we had no money to be corrupt with, we are nearly bankrupt with bills all over the place, and we had no money to be corrupt with. We did not have the Treasury of Newfoundland to throw around. I did say a campaign of vilification started.

MR. SPEAKER: That would be out of order in this debate. The honourable member must retract the statement.

MR. CASHIN: I said a campaign of vilification started. Have I got to say there was no such thing?

MR. SPEAKER: The Chair is not interested in the truth or otherwise but only to say what statement may or may not be made at certain times. The rules provide for any member, if any member were elected by any corrupt practice a special procedure to be adopted but the charge cannot be made in a speech on a general debate.

MR. CASHIN: I made no charge, Mr. Speaker, none whatsoever. It was agreed people outside this House and people inside of it started it.

MR. SMALLWOOD: Mr. Speaker, to a point of order, the honourable gentleman is definitely defying the ruling of the Chair. "People outside the House," "People inside the House," "The members of the Government engaged upon a campaign of vilification." Does the honourable gentleman just continue to defy Your Honour.

MR. SPEAKER: Apart from the point of order taken by the Honourable the Premier, the Chair also adds that the honourable member must withdraw the statement "A campaign of vilification was carried on." It is not permitted to be said in this House.

MR. SMALLWOOD: The honourable gentleman is standing whilst your honour is speaking.

MR. CASHIN: He is not speaking now and I am going to stand. I have nothing to retract, Mr. Speaker, nothing, if I have to come into this House and retract the truth, the truth, then, Sir, the door is open and you have your prerogative to have me thrown out of this House.

MR. SPEAKER: The honourable gentleman leaves me no other recourse but to remind him, and warn him, the Chair is not concerned whether a charge is true or false but merely that certain words may not be used in certain debates. The statement made by the honourable member that a campaign of vilification was carried on by people inside the House and outside the House. The Chair ruled such a remark out of order and the honourable member must be warned the Chair has no other alternative than to ask the honourable member to

withdraw the statement or discontinue his speech.

MR. CASHIN: Mr. Speaker, I take it back but you know what I think.

MR. SPEAKER: The honourable member has a right to his thoughts.

MR. CASHIN: There are other places later on where I can express myself and my right as a citizen and so, Mr. Speaker, I refer now to the by-election in St. John's West, I will come back to the election in St. John's West later on, to the purpose of the closing of this House later on. But two or three weeks prior to that time, I attended every session at that time and I tabled a question to which I got an answer the other day. That was a question as to how certain money was spent in the Buy Newfoundland Campaign, Buy Newfoundland Products. And I feel it is my job whilst I have already in a general way, and the press has in a general way been given the details of this expenditure, a lot of it at the present time is not properly told and I feel that it is competent for me as Leader of the Opposition and the member who asked this question last Autumn and did not get an answer then, finally we did and here is the answer. I am going to name every one and every amount I got:

Donald Jamieson Director—That campaign is over still he got \$4,500—A total of \$9,000.

Florence Handrigan	Advertising Asst.	1,255.90	1,708.72	2,964.62
Lloyd Sparkes	Sales Promoter	818.64	1,468.01	2,286.65
John Baird	" "	1,455.36	1,399.92	2,855.28
John Squires	" "	639.57	973.14	1,603.71
Marguerite Reid	" "	786.16	801.28	1,587.44
C. Laing	" "	705.20	710.05	1,415.25
W. R. Foote	" "	101.26		101.26
Irene Greene	Stenographer	363.12	675.96	1,039.08
Beulah Inkpen	"	137.40	144.00	281.40
Mabel Walsh	"	45.00		45.00

Enid Goodyear	Secretary	319.32		319.32
J. Parker	Sales Promoter	500.00		500.00
R. Holloway	Skilled Labourer	95.02	1,453.20	1,548.22
R. Dormody	Messenger	110.16		110.16
H. Stevenson	"	12.24		12.24
G. Snow	"	12.24		12.24
W. Dormody	Office Boy	48.96		48.96
R. Keats	" "	122.40		122.40
R. Hartery	" "	24.48		24.48
W. Howell	" "	85.68		85.68
L. Lawrence	" "	144.64		144.64
C. Johnston	" "	61.20	367.20	428.40
A. Ryan	" "	61.20		61.20
R. Ryan	" "		36.72	36.72
J. Whalen	" "	24.48		24.48
W. Oliver	" "	24.48		24.48
N. Rose	" "	24.48		24.48
A. Lukas	" "	24.48	12.24	36.72
L. Morgan	" "	12.24	24.48	36.72
H. Clancey	" "	12.24	12.24	24.48
E. Clancey	" "	12.24	12.24	24.48
G. Cole	" "	12.24	36.72	48.96
F. Quirk	" "		24.48	24.48
E. Footc	" "		220.32	220.32
R. White	" "		12.24	12.24
G. Clancey	" "		24.48	24.48
D. Clancey	" "		24.48	24.48
Temporary Employment		770.34	530.00	1,300.34

That was a real sales organization, Mr. Speaker.

Temporary employment: That covers a multitude. I have asked a question to give details of how that was made up.

Then we come to the other side and we find it in two lots. Paid for various companies and newspapers and so on, \$19,000 and \$10,000.

Then on the following page \$2,544—

Basil Fearn Ltd.	\$	\$181.80	\$ 181.80
(1) Sign cutting machine.			
Butler Brothers	658.45		658.45
(3) Typewriters and ribbons, (1) Adding Machine, (1) Stapler			
Exploits Valley Royal Stores Ltd.		1.60	1.60
(1) Hammer, Claw.			
Dominion Machinery and Equipment Co.	133.90		133.90
(2) Filing Cabinets.			
Motion Picture Supplies	1,354.67		1,354.67
(1) Bell and Howell Compact Colour Trailers.			

Snows Iron and Electrical Works	31.21	31.21
Spotlight holders, lens etc.		

Royal Stores Ltd.	397.59	397.59
------------------------	--------	--------

(4) Chair, (3) Desks, (1) Bookcase, (1) Coat Tree.

It is a wonder the new Machinery Plant is not in the corporation.

Travelling expenses—They surely went to town on this business.

Various parties—We don't know what kind whether cocktail or not.

Postage—and so on.

Now Sir, I will look up the Auditor General's Report for the year 1950-51 covering the statement for that year and we find them different from the statement given me, so that there is a mistake somewhere. Public Accounts Act for the year ending March 31, 1951—Total for the Buy Newfoundland Campaign comprising the following :

Salaries and Wages	\$28,485.49
Advertising	30,145.53
Equipment	2,759.22
Travelling Expenses	6,811.56
Rent	2,160.00
Miscellaneous	3,645.27
TOTAL	\$74,007.07

The statement here does not total \$80,000.00 given in the answer to the question so that there is roughly \$2,000 short there somewhere. The same applies to 1950.

Now, Mr. Speaker, the Premier told us the other day that I was in Montreal when the question was tabled. I was in this House at that time. I asked that but it had been previously asked by the then Leader of the Opposition and the Premier, said himself, he got mad and would not reply to it, and has refused to table it in November, 1951, but eventually this time we got a portion of that reply and if any of the Government members feel proud of this, they should.

MR. SMALLWOOD: What was wrong with it?

MR. SMALLWOOD: I think the rent is \$100 a month.

MR. CASHIN: I am not finished with it yet. There are people on that payroll in my opinion that never worked for that Buy Newfoundland Campaign but were working for CJON and being paid out of Government money. I repeat being paid for it—Gaiety Theatre \$90 a month and today someone tells me the Fishermen's Association had to pay a hire for it last year, and the Government paying a rent for it of \$90 a month.

MR. CASHIN: For the areas used by the Buy Newfoundland Campaign? I know it is a very large building. That reminds me a fair was conducted up there and people went to establish booths in there and some paid up to five hundred and a thousand dollars a booth. No, that was in the C.L.B. Armoury.

MR. SMALLWOOD: The C.L.B. Armoury and the Drill Hall.

MR. CASHIN: And this man Jamieson was paid by the Government and started a fair it appears and collected money from the booth-holders who paid up to five hundred dollars a booth, and he working for the Government on a salary on a "Buy Newfoundland Campaign" and getting paid by the Government and going out and establishing this fair and collecting a lot of money from Water Street businesses and every other business, and putting it in his pocket.

MR. SMALLWOOD: What is wrong about that?

MR. CASHIN: If he was working for the Government—yes, every day on that CJON all the people had to do to get their stomach turned was to listen to the real Government machine, indirectly, I say, financed by the present administration. It is a scandal and there should be an investigation. What is more there are bills outstanding at the present time not paid and here is one for the books—The Government never paid out actual cash, they pay cheques as far as I know and some of these bills were paid in \$20 bills, cash money. I don't know whether this man Jamieson went down to the Finance Department without any vouchers whatsoever and went down and fixed up the bills he had and went back and made payment to the Government. But he did pay accounts with actual cash. They are not paid by the Government by actual cash. Find out if I am wrong.

MR. SMALLWOOD: What would be wrong with it?

MR. CASHIN: Had he a contract, if so how much? You don't know. He was an employee of the Government and as such should confine himself to Government business.

MR. SMALLWOOD: He was not an employee of the Government.

MR. CASHIN: I will ask tomorrow in the usual way to table the contract between the Government and Mr. Donald Jamieson, covering his duties. We will have it signed, sealed and delivered by the Government.

MR. SMALLWOOD: The Campaign which Mr. Jamieson conducted, "The Buy Newfoundland Campaign" for which all the people needed were employed was a verbal contract.

MR. CASHIN: A verbal contract—The Cabinet knew, agreed. Was Mr. Jamieson brought before the Cabinet? Then they did not agree. They might agree to delegate one individual, but did they make an agreement? An agreement in writing?

MR. SMALLWOOD: They made an agreement.

MR. CASHIN: I would like to see a copy.

MR. SMALLWOOD: It was not written—We had an agreement.

MR. CASHIN: Can we have it? Is that legal.

MR. SMALLWOOD: Ask the honourable the Attorney General.

MR. SPEAKER: It is not in order to ask the honourable Attorney General for advice.

MR. CASHIN: The thing is a scandal, and I protest the whole thing. It is a contemptible thing. Cocktail parties in Toronto and everywhere else on the Government Account, people working for CJON and that fair business and it being paid for by the Government and then there is a whole lot of money unaccounted for. It is a dirty, low contemptible scandal.

and I cannot express myself strongly enough. Talk about the Walker Inquiry in 1920.

MR. SMALLWOOD: Mr. Speaker, to a point of order: If the honourable member wishes to have a Royal Commission of Inquiry, I challenge him, this is one Government that is honest, honest as the daylight itself.

MR. CASHIN: Have a Royal Commission.

MR. SPEAKER: It is six o'clock.

MR. CASHIN: I move the adjournment of the debate until tomorrow.

MR. SMALLWOOD: I move all further orders be deferred and the House at its rising adjourn until tomorrow, Wednesday, at 3:00 of the clock.

WEDNESDAY, March 26th, 1952.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, yesterday the honourable the Leader of the Opposition made a most serious allegation against the honesty and integrity of the Government, and it is my duty to refute his allegations, and to show that he was completely and absolutely wrong as an Official in this House. He made the statement, Sir, that the reply given by Her Majesty's Government to a question tabled by him with regard to the cost of the Buy Newfoundland Campaign, was two thousand dollars wrong, as compared with the accounts and records of the

Auditor General of Newfoundland. I say, Sir, that the reply I tabled for Her Majesty's Government did not differ by as much as one cent, let alone two thousand dollars from the report of the Auditor General of this Province. If the honourable gentleman can add, we will be happy to let him enter a public office and use an adding machine, or I personally would pay the cost of a correspondence course so that he would learn to add. If the honourable member will take a pencil and paper I will show him where he is wrong. On page one of my reply, the total was \$12,494.05 and the total on page two of my reply was \$1,214.17. The first sub-total on page 3, \$1,544.61 and the second sub-total on page three was \$3,141.28, the third sub-total \$1,300 and the total of page four of the detailed reply was \$2,099, making a grand total of \$41,281.11 which compares exactly with the report of the Auditor General in the Public Accounts Report for 1950-51, page 117.

Giving Notice of Motions and Questions

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice that I will on tomorrow introduce a Bill, "An Act to Amend the Newfoundland Asbestos Limited (Conformation of Agreement) Act, 1951."

MR. HOLLETT: Mr. Speaker, I give notice I will on tomorrow ask the honourable Minister of Supply Question No. 61.

MR. SPEAKER: I have to inform the Sergeant at Arms that visitors are standing in the galleries which is not permitted. Kindly see that police officers see that any visitor who insists on remaining standing will be removed from the House.

Notice of Questions

MR. SPEAKER: Question No. 60.

MR. SMALLWOOD: (a) No agreement was entered into with the Cement and General Corporation relative to the Cement Plant at Corner Brook. The agreement that the Cement and General Corporation would buy the Cement Plant was made before the Government decided to build the Cement Plant, and in so deciding, the Government did so in the knowledge that the sale was arranged before the decision to build was taken.

(b) There was no breach, Mr. Speaker, there was a cancellation by mutual consent between the Government on the one part and Cement and General Corporation on the other. The Government did not have to pay anything on account of breach of contract.

(c) I don't know, I believe he was. I don't know that Sir William was not at that time or during that whole period living in the United States at all. On second thought, he was not a director. Sir William had just shortly to be in charge of British Intelligence for the Western Hemisphere, and had to resign his directorship. He was not a director.

MR. SPEAKER: Question No. 12.

MR. SMALLWOOD: While I am on my feet, I have pleasure in tabling the reply to Question No. 12 on the Order Paper on opening day.

Question No. 12.

(1) Financial position as per balance sheet as at 12th, October, 1950.

(2) Directors at this date were Bjorguin Bjornason, Philip J. Lewis, Hon. W. J. Keough, and the Hon. James R. Chalker, Icelandic boats were acquired by a decision of the Executive Council.

(3) See page 114 of Public Accounts for year ended 31st, March, 1951.

(4) Monies advanced to Richard Limited;

October 25th, 1950	\$70,000
December 22nd, 1950	5,000
January 13th, 1951	5,000
February 2nd, 1951	7,000
February 26th, 1951	60,000
	\$147,000

In addition the amount of \$15,000 was paid to Bjorguin Bjornason being the purchase price of 3997 shares of Richard Limited, on behalf of Richard Limited. Government redeemed the guaranteed bank loan of \$250,000 plus interest \$143.80. The total advance made was therefore, \$412,143.80. No Director's fees have been paid.

Barron, Lewis and Hickman \$4,175.00.

No earnings, policy was solely experimental.

(5) The boats are tied up at Job Brothers & Company Limited, North-side premises. Under an agreement, that Company acts as ship's husband for the Icelandic boats, Matthew II and the two converted Labrador vessels, for which a fee of \$400.00 a month is payable in addition to current expenses of pumping, change of moorings, etc.

(6) No fees have at any time been paid to Directors Keough, Chalker, Forsey and Curtis.

Monies paid to Mr. Lewis: nil.

Amounts paid Bjorguin Bjornason:	
Wage	\$2,000.00
Travelling expenses	1,650.00
Board	629.88
Purchase of 3,997 shares	
of Richard Ltd.	15,000.00
	\$19,279.88

Amounts paid Zoega \$3,446.96.

MR. SPEAKER: Question No. 18.

Answer tabled by Mr. Spencer, as follows:

	Nov. 1949	Nov. 1950	Nov. 1951
Bonavista North		19,078.20	25,111.72
Bonavista South	20,237.49	56,318.12	20,678.32
Burin		22,336.35	28,390.76
Burgeo-LaPoile		714.74	722.88
Carbonar-Bay de Verde.....	4,831.11	77,288.70	35,930.35
Ferryland		26,272.27	9,067.37
Fogo	6,299.72	10,066.03	16,187.08
Fortune-Hermitage	28,373.24	19,605.08	17,435.14
Green Bay	25,291.05	14,819.21	28,746.01
Grand Falls	47,740.65	22,255.46	2,529.29
Harbour Grace		51,684.45	1,988.61
Hr. Main-Bell Island		63,699.84	.....
Humber	28,183.40	63,919.34	24,494.33
Labrador .....		.....	4,219.96
Port de Grave		39,170.85	8,262.41
Placentia-St. Mary's		50,543.83	20,869.94
Placentia West	25,727.81	24,505.07	19,493.51
St. John's East	5,315.12	64,709.07	534.41
St. John's West		17,254.64	30,586.45
St. George's	28,830.67	1,138.75	16,925.75
St. Barbe		841.92	38,252.58
Twillingate		19,424.50	13,125.93
Trinity North		47,087.22	15,247.95
Trinity South	17,801.39	108,831.27	34,285.70
White Bay	5,167.60	5,887.53	28,360.59
	<u>243,799.25</u>	<u>827,452.44</u>	<u>441,447.04</u>

The above does not include maintenance.

HON. E. S. SPENCER (Minister of Public Works): In view of the fact that there was an election coming up, I take it the Department was trying to get rid of me, since they dropped the amount for Grand Falls to a very small amount. The same applies to the Honourable Minister of Health. Mr. Speaker, I think it is necessary to point out that these amounts do not in any way include the maintenance of the roads in the various districts, maintenance goes on under entirely another heading, and has not been included in this. This is the actual

construction or improvement of old roads, or construction of new ones. I would like further, for the benefit of the members and the House, to point out that since the question is asked for November solely, it does not, the figures given do not represent the true picture of the actual position. It is quite possible that accounts for September might actually be processed in November, and it is quite within the realm of possibility certainly, that the October payrolls could be processed in November. That would mean that the figures given here merely show that these are payments made by the Finance Department, who

handle all the payments, in November. I repeat that it could very well be that work performed in October, or even back in September, could be shown in those figures. It also follows that work might have been committed for, and which may not have been paid until December or January. I think it is very important, that for the purpose of this answer, and no doubt, for the purpose of the object of the honourable member asking it, that he recall and remember these facts. I would too point out that the total —

MR. HOLLETT: Point of order, Mr. Speaker. Has the honourable gentleman the right to interpret my reasons for asking that question or stating my reason for asking it?

MR. SPEAKER: No.

MR. SPENCER: Mr. Speaker, I did not attempt to say what reason, I merely referred to whatever the purpose may be, and I am not at all interpreting that—that is for the honourable gentleman himself and the information is for the House which he has asked.

I want to say that we did not attempt to give the breakdown of all these various figures, and to save time, I would merely say I have broken down one of these sections of the district, which I do not propose to read in detail, again with a view to saving time, the amount is broken down into twelve different projects, one of which, the largest, is an expenditure on a portion of the road from Shoal Brook, Bonne Bay to Trout River, a portion of which is repairs to a bridge leading to a school at Portland Creek. I think, Mr. Speaker, that may be sufficient, and I have great pleasure in tabling the answer.

MR. SMALLWOOD: Mr. Speaker, I have here the answer to a question. Question No. 13 (1). The answer is as follows:

The expenditure has been made since 29th day of February, 1952, the amount is in fact, up to the present date. The figure is \$1,834,198.15.

MR. SPEAKER: Question No. 54.

HON. G. J. POWER (Minister of Finance): The answer is as follows:

(1) a. \$3,263.

b. \$4,956,546.19.

NOTE.—a. represents the average number employed monthly, and includes temporary staff engaged for annual leave relief purposes, etc.

b. includes payments to temporary staff, payments of cost of living bonus, overtime, etc.

MR. SPEAKER: Question No. 59.

Mr. Power tabled the answer as follows:

1. As of 29th February, 1952:
\$1,320,415.

2. Stock redeemed on 1st January, 1952.

3. As of 26th March, 1952, it is estimated that the amount of \$2,716,400 is due from the Government of Canada on 1951-52 account.

4. (a) \$1,500,000.

(b) Fully repaid.

(c) Credited to Pre-Union Surplus Account.

Orders of the Day

MR. SMALLWOOD: Mr. Speaker, we wish to go on with item number 2, and defer No. 3, and go on to Nos. 4, 5, 6, 7.

Third reading of Bill. "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, 1952, and For Other Purposes relating to the Public Service."

Bill read a third time, ordered passed.

Committee of the Whole on Items 4, 5, 6, 7.

"An Act Further to Amend the Education (Teachers' Pension) Act, 1950." Bill passed without amendment.

"An Act Further to Amend the Education (Teachers' Training) Act, 1944." Bill passed without amendment.

"An Act Further to Amend the Mothers' Allowance Act, 1949."

MR. HOLLETT: Mr. Chairman, while on that point, why three months? A person might very well starve in three months, or even one month. Why must a person wait three months before being assisted by the Government if definitely incapacitated.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Chairman, the point was explained in the second reading when discussing the principle of the Bill. I pointed out then, that the original period of nine months was here reduced to three months. The reason being that our medical officers felt that nine months created a difficulty in establishing incapacitation and placed on the office the responsibility for saying the individual would be incapacitated for nine months. We felt it would be a much better position to certify the

period of three months. If a person is in need, there are other forms not statutory that a person can receive assistance under, it would have to be a sick allowance or relief which is established by minute of council; under statutory allowance it is intended to go on for some time, and can not be reviewed every month or week. So that it is a serious matter when a person is placed on an allowance. The point is very well taken. I should say we felt that by placing it at three months, it would be far more satisfactory than placing it at some far-away date such as nine months, and in all these matters —

MR. HOLLETT: Will the person incapacitated be properly taken care of by some other account of the Government? What I am getting at is this. It seems unreasonable that a person who is in need has to wait three months before being certified and receiving payment.

DR. POTTLE: The person does not have to wait three months, but may apply right away, and if the medical officer certifies, he will be in ill health for three months, he gets an allowance right away.

MR. HOLLETT: That was the point I was trying to get at.

The Committee passed the Bill without amendment.

Committee of the Whole: "An Act Further to Amend the Dependents' Allowance Act, 1949." Bill passed without amendment.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have passed: "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950." Bill passed without amendment.

Ordered read a third time on tomorrow.

"An Act Further to Amend the Education (Teachers' Training) Act, 1944." Ordered read a third time to tomorrow.

"An Act Further to Amend the Mothers' Allowance Act, 1949." Ordered read a third time on tomorrow.

"An Act Further to Amend the Dependents' Allowance Act 1949." Ordered read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, might we move on now to No. 9 on the Order Paper? Second reading "An Act Respecting Municipal Affairs and Supply."

This has already been moved by the Minister and the debate was adjourned.

MR. HOLLETT: Mr. Speaker, I just want to say a few words relative to that Act. There are one or two things in the Act, the principle of which I must say I am not entirely in accord with. I take it, that the whole idea of Municipal Government is to transfer to the towns and villages throughout our little Province, to decentralize Government, to take some of the details away from the Provincial Government and transfer it to the towns and villages. At least that is the impression which I had about Municipal Government in this country. Now, if I look at this Bill, I find in one of the sections there—may one quote sections in discussing the principle, Mr. Speaker?

MR. SPEAKER: It is sometimes necessary to refer to the question.

MR. HOLLETT: If you refer to Section II, you will find, the Minister of Supply may make and enforce

regulations as to the method of book-keeping, keeping of records and auditing to be used in municipalities. There is not very much wrong with that, but I feel that if I were mayor of say, Corner Brook, Burin, or some other place, I would hate like the mischief, to have the Minister tell me just how my secretary and the town council should keep the books. Then he issues to Municipalities books and forms, and also makes and enforces regulations respecting such other matters and things, as in his opinion is inductive to thorough and systematic records. You see, therefore, Sir, you are not under this Act delegating to a body of intelligent people, like Corner Brook or Grand Falls, or any other town in the country so very much authority after all. The Minister must perforce outline a set of books and also make other regulations which the Minister might think conducive to good local Government.

Then the Minister has power to settle, adjust or decide any question arising between councils of different Municipalities. In other words a sort of umpire between the mayor of one town, and the mayor of another. I take it that the mayor of one town should be able to settle any difficulties with the mayor of another small town in this country, without having to refer to the Minister for adjudication. If there is any difference of opinion, it should be settled either by amicable settlement or by due recourse to law, or to the proper court.

Under Clause 13, you will find that there should be attached to the Department of Municipalities and Supply one or more inspectors who shall from time to time as required by the Minister, inspect all bank books etc: "All books of record and account, all bank books, assessments and collection

rolls and all other papers and matters whatsoever belonging to any Municipality." So that the Minister any time he feels like it, may call "John Jones, Inspector" and say: "Look here, go out there to Burin. There seems to be something wrong out there. Go out and examine all these accounts and see what is going on." He eventually arrives and goes in to the Mayor of the Town of Burin or Corner Brook, as the case may be, presents a letter from the Minister demanding that all books and details in Burin or Corner Brook be laid before him as the inspector of the minister, and every inspector sent out has the power to require the attendance of any officer of the Municipality or any other person whose presence he deems necessary. And mind you, this Inspector sent out by the Minister of Municipal Affairs and Supply has power to compel production of documents and take evidence under oath. And it seems to me that is very wide powers to give inspectors dealing with bodies of people elected by the people such as Corner Brook and Grand Falls. The Minister can tell inspectors to go out and get hold of the mayor and demand to see the books, demand that everybody he thinks, should come before him and give evidence should come and he can take evidence from them on oath.

Then we go along a little further, and we find the Minister of Municipal Affairs and Supply under Section 15: "If the Minister is satisfied by the report of an inspector or in any other manner that the affairs of any Municipality are managed in an irregular, improper, or improvident manner . . ." In other words, it might be by rumour that the affairs of a Municipality are conducted improperly, he may by order in writing direct the

Council or any officer of the Municipality to take action as the Minister deems proper in the circumstances, or, subject to the approval of the Lieutenant Governor in Council, dismiss the Council or any member of the Council. In other words, the Minister of Municipal Affairs and Supply believing something is wrong with the Mayor and the Councillors at Port aux Basques or Burin, may dismiss the whole shebang even though the people put them there. And he has the right to dismiss them. To my mind that is not going to tend to good relations between the people and the elected Council and the Minister of the Department.

I just raise these points, Mr. Speaker, because I think it is most important in the good interest of local Government in Newfoundland and we all agree there is room for more Councils in this country. But I am putting the question this way: If you or I, Sir, were Mayor of Corner Brook, I suppose there are twenty-five or twenty thousand people out there, they elected a Mayor and a set of Councillors, and under this Act, the Minister of Municipalities and Supply is given the right to dismiss the whole lot of them without reference to anybody whatsoever if it is proven to him, if there is a possibility something is wrong. Now, Sir, I don't think that is going to make for good relations with regard to Municipalities and Central Government and we admit there should be good relations between them.

Sub-Section 3 of the same Section 15 says: "In case of the dismissal of a Council or any member of a Council the Minister may by order in writing direct the election of a new Council or of a member to take the place of any member so dismissed, as the case

may be, and, in the case of the dismissal of an officer, he may appoint another officer in his stead and prescribe the remuneration which shall be payable to him by the Municipality." And so it goes on, Sir.

I raise these points, I do not think it is in the best interest of good Municipal Government in Newfoundland, good local Government outside of St. John's, and it is outside St. John's, I take it, that the Minister of Municipal Affairs and Supply has been given this high handed authority to be able to send an inspector to the town councils, to the mayor and councillors of Grand Falls or Corner Brook, and have books examined, bring the mayor and other officials before him and make a report thereon, and on that report the Minister would have the authority to dismiss the whole bunch, the mayor and the councillors. I don't believe it is the correct way to go about this thing, and I raise the point with a hope that the Minister and the Government might see fit to make some amendments with regard to that. I can quite foresee, Sir, too, that in the far distant future there would be a possibility of some dirty politics creeping in whereby the Minister, if he did not like the way of the mayor and councillors, could easily dismiss the whole works, and do more or less, as he pleases. I don't think that could happen in this country very well.

My attention has also been directed to sub-section 4 on this same section 15: "The Minister may upon the dismissal of any council or in the event of the failure to nominate and elect a council for the Municipality, to persons to fill vacancies in the council, appoint by order in writing an official administrator who shall have all the powers belonging to the

council, who shall be paid such remuneration by the Municipality as may from time to time be fixed by the Minister." That is another important point, Sir, it gives the Minister of Municipalities and Supply the same right which the British Government took upon itself way back in 1935, that without a vote taken in Newfoundland they took away our Government and appointed an administrator to carry on the Government of this country. The Minister, now under this Act, has the right to fire the mayor, fire the councillors and appoint an administrator and let the administrator carry on the administration of affairs in Corner Brook, Grand Falls, or Burin, or anywhere else in the country. I put it to you, to the other side of the House, in my opinion it is not the best method to encourage the matter of local Government in this country.

The other point I wish to raise, and meant to in the first instance is the matter of civil servants in this country. This Act, as you will see, affects civil servants. I don't know just how many you have today, but I do know, Sir, they are on the increase, multiplying very rapidly and are multiplying much more rapidly than other species in this country. I know that is always difficult to prevent but I don't see why the Government should set out to increase the civil servants. I take it, we as a Province, will have to reduce our civil servants in a very short time, or else we will not be able to raise sufficient money to pay salaries on which present civil servants can live. Sir, in the Province of New Brunswick, a much larger Province, they have, I believe, five or six men who form a Cabinet in the central Government, and we have twelve. Now every Cabinet Minister, of course,

has to have officials to carry on the work of his Department, and he has to have a number of civil servants under him, and there has to be a certain number of officials, etc., but the whole thing creates expense to the Province. We, however, under this particular Act are endeavouring to increase our civil servants, for you will notice under one section there, I believe it is section 4, there shall be in the Department a branch to be known as Municipal Affairs and a branch to be known as Supply. In other words, in this particular Department now this Act proposes to set up these two branches and put a Deputy Minister in charge of each branch. In other words, we have a Minister now who will have two Deputy Ministers, which will demand, obviously, Mr. Speaker, more civil servants and junior civil servants under them, and so increase the cost of Government. As far as the Government of this day is concerned, that means little, they have been pretty flush since 1949, but I take it, Sir, this country will go on a long time after we leave this House, and I don't think it is right and proper to let this thing pass without bringing those points before the House. Therefore, I disagree with the principle embodied in the Bill, and I do that, Mr Speaker, with all good intent. I am not trying to harp at the Government, I know they can do what they please, they have a huge majority and have been doing as they please in the past, and I can see no reason why they have changed their minds. I think if I were on the other side of the House, I would probably try to carry out what they are trying to do.

MR. SPEAKER: The honourable member is not being relevant now.

Irrelevant because they could not be the Government without a majority.

MR. HOLLETT: I see, Mr. Speaker, I thought I was committing a more serious offense. I do not think we should increase our civil servants and more important, change the status of local government. I am afraid there are people in the local governments and the councils,—only the other day, we elevated the Chairman to a position as mayor, and now we go and relegate them back from chairman to mayor, and from a mayor—put it down to—I don't know what, but more junior to an inspector the Minister might send out. Now, I am just drawing this to the attention of the House, and I think the Government ought to give this Bill a little more consideration before putting it through.

MR. SMALLWOOD: Mr. Speaker, the first point which must be made, and must be clearly appreciated in connection with the points raised by the honourable gentleman who just sat down, is that the town councils in Newfoundland are not yet designed to be fully autonomous bodies. Even the City Government of the City of St. John's is not an autonomous body. The Government of the City of St. John's is a creature of this House. It was the House of Assembly, the legislative body of Newfoundland, which created the St. John's Municipal Council, and to this day, the Legislature of Newfoundland has not seen fit, and are not likely to see fit, I suggest, to give it, the City Government of St. John's, its full charter and to make it a fully autonomous body. That is not likely to happen. The City Government of St. John's, the Capital of this Province, is in a number of respects subject to the Legislature of the Province, and much more so, is it the case with town councils.

Now, Mr. Speaker, there can be no second thought, or second ideas, as to the great desirability of town councils, that development of quite recent years in Newfoundland, is one of the finest developments Newfoundland has seen in a long time, because, as the honourable gentleman opposite so truly said, it represents a decentralization of Government. The House must be well aware of the fact that the further you go in physical distance from the centre of Government in any given jurisdiction, especially a jurisdiction such as the Province of Newfoundland which is so largely scattered with so many settlements, whose people are so widely scattered, the further, I say, you go physically, in physical distance from the centre of Government the less is the impact of Government felt upon them, and the more the necessity, therefore, of some kind of local representation, true with limited jurisdiction, with limited powers, and with limited responsibility. Obviously, their responsibility must be limited because their means of discharging these responsibilities are limited. It would be stupid and foolish if this legislation were to create town councils in the relatively small settlements in this Province and charge them with responsibility which they do not have the means to discharge. It would be a stupid and silly thing to charge town councils around Newfoundland with, for example, the responsibility of maintaining, and operating and building schools, to charge them with the erection and operation of hospitals, or to charge them, indeed, with very many more responsibilities than they already have, because to charge them with such responsibilities would be to impose upon them, a quite impossible burden. Therefore, it must be realized that town councils are bodies with strictly

limited responsibilities, strictly limited jurisdiction, and strictly limited means to discharge their responsibilities.

The fact of the matter is there is probably not a town council operating in Newfoundland today out of the thirty or forty councils we have, that could carry on even its present responsibilities without financial assistance from the Government of the Province, and I know that every town council in Newfoundland is receiving some financial assistance from the Government of the Province. I do not recall exactly from memory, but perhaps my honourable colleague, the able and brilliant Minister of Supply could, from his memory, tell me off-hand, what is the total of the financial assistance given to town councils in Newfoundland. I think it runs in to hundreds of thousands of dollars per year.

HON. PHILIP S. FORSEY (Minister of Supply): Four hundred thousand dollars a year.

MR. SMALLWOOD: The treasury of this Province, by order of this House, through the adoption of the estimates and the supply Bill each year, the treasury of this Province contributes the sum getting up to wards half a million dollars a year to enable, to assist these town councils in the discharge of their strictly limited responsibilities that the legislation has imposed upon them.

MR. HOLLETT: Each year?

MR. SMALLWOOD: Each year. Now, in addition to regular amounts voted each year on a common basis to all town councils there are special amounts voted by the House, upon the recommendation of the brilliant and able Minister of Municipal Affairs and Supply, upon his recommenda-

tion from time to time, the House votes special and extraordinary amounts to assist these town councils in the discharge of their responsibility. The point I want to make is this, the point I should like this House to appreciate clearly is that the town councils are the creatures of this House and are largely the financial responsibility of the Government of this Province and I suggest, therefore, that for some time to come, some years to come, it is sound and prudent policy for the Government to come to the Legislature and ask the Legislature to enact laws giving to the Government, specifically to the Minister charged with the carrying out of Municipal Affairs, a controlling and guiding influence over these town councils. I suggest that for some years to come, it will be prudent that the Minister concerned, he acting of course, for Her Majesty's Government of this Province, should have a guiding control over these town councils. Now, it will be the hope, without a doubt, of every member of this House that training in Municipal Government—training in the business affairs of Government, even though under the Smallwood Government, of a local character will increase in our people so that the day will arrive when such control as this Act will give the Minister, if it becomes law no longer be necessary. That it is necessary I think the first honourable member of this House who would agree with me, is the honourable member who represents the great district of Burgeo and LaPoile, the honourable member there in the rear bench. He has been mayor of a large and important Newfoundland town, or the twin towns of Port aux Basques-Channel, and his contribution to the creation of Municipal Government in that important town in this Province was a great and val-

uable contribution. From the birth of that council to a few months ago, he played an active and prominent part in that organization and I feel quite confident that he would be the first to agree with me, that speaking generally, he would agree it would be common sense that the Government which pays the piper to some extent, should also have the right to call the tune.

MR. HOLLETT: The Government, but not the Minister of Supply.

MR. SMALLWOOD: The Minister in this matter is the Government, he is also the Minister in connection with some other matters also. The Government, Her Majesty's Government are made up of twelve Ministers, eleven of whom have the additional burden of administering a Department of State, and one Minister of the Government has not that burden. The "burden" and I put quotations around the word, but only the "burden" of being a member of Her Majesty's Cabinet. But, the Minister administers the business of affairs, the day to day affairs, and the Minister is the Government. Now, no Minister with a sense of Cabinet responsibility, no Minister with an appreciation of the great institutional background of Government, of parliamentary Government under the British flag would for a moment consider that as head of a particular Department, he should act as though that were the whole Government, but would realize that there was one Government of which he was a member, and the Department over which he presided was an integral part of the whole Government. Nevertheless, in actual day to day practice and administration, it is the ministerial head of the Department of the Government who is the Government,

My present colleague, the Honourable Minister, has on no occasion in the three years during which he has been peculiarly responsible for the administration of local government affairs, on no occasion has he acted in any matter of importance without close and intimate consultation with the Government, as a whole, and I have no reason to suppose that he will change in that respect anymore than I have reason to suppose that any Minister of the Crown in Her Majesty's Government will change in that respect. But, Sir, this Bill does more than give to the Minister and to the Department under him responsibility for Municipal Affairs, important though these may be, and will become more important. There is another great and important task that is by this Act imposed upon him, and that is control of the administration of public housing in this Province.

Now, public housing is assuming more and more importance in Newfoundland as it is in other parts of the world, public housing comes more and more to be recognized in the world as essential, as an integral part of standard of living and level of living in this Province as in all parts of the world.

MR. SPEAKER: May I remind the Honourable Minister of relativity. Does he hope to tie this in with the Bill?

MR. SMALLWOOD: Indeed I do, Sir. In section 6, housing is listed, and the very first item in section 6 is housing. This Bill gives to this Department administration over housing and the very first item on the list of responsibilities of the Minister is housing, should this Bill become law. Housing in Newfoundland, public housing, has come under two differ-

ent Ministers during the lifetime of this Government when we assumed office here as Her Majesty's Ministers three years ago, we found responsibility for public housing vested in the Honourable Minister for Provincial Affairs. This Government subsequently vested control of that important business of Government in the person of the Honourable Mr. Vardy, who was at that time one of the sitting members in this House, for the District of St. John's West, and Mr. Vardy, and I pay this tribute to him, was an able and competent administrator, and it is a great tragedy, some day the true story of Mr. Vardy's disappearance from public life may become known publicly.

MR. HOLLETT: Tell it now.

MR. SMALLWOOD: Don't dare me too much, or I may tell it now.

MR. SPEAKER: Order.

MR. SMALLWOOD: Some day it may become known to the public of this Province, the true story and whole true story of Mr. Vardy's disappearance from public life and heads will fall.

Mr. Chairman, I would suggest that strangers who do not respect the people's House should be ejected from it.

MR. SPEAKER: If I have to interrupt the speaker, the gallery—

MR. SMALLWOOD: My memory goes back Sir, and I recall so well Wednesday afternoons and the old business of packing the House, sometimes it took liquor, sometimes a dollar bill, sometimes downright political fanaticism was enough, but on Wednesdays you knew for certain that the galleries of the House in the public part of it would be jammed with the followers of certain people, and that

day will not come back here, not while we are Her Majesty's Government, it will not come back.

MR. HOLLETT: Point of order, Mr. Speaker. I maintain the statement just made by the Premier has no relation whatsoever to the principle of this Bill.

MR. SPEAKER: To a point of order. I have in a way to agree, I was not at that moment addressing myself to the principle of the Bill, but to an unruly interruption from certain parties, certain partisans, certain political adherents and interested individuals here. The point of order brought forward by the honourable member for St. John's West is well taken. On the other hand, the honourable, the Premier is on section 1, paragraph 6, regarding housing and he referred to the past administrator of housing. Thereupon, there was an interruption from the gallery. I have during this session repeatedly warned visitors to the House that while they are welcome to come and fill the galleries, they may not be heard in any form either of approval or disapproval. Furthermore, it is within the right of any honourable member to "spy strangers" whereupon the motion will be put that the galleries will be cleared. I think the honourable member is satisfied with the explanation offered by the honourable the Premier. Will the honourable the Premier continue his speech.

MR. SMALLWOOD: I will say, Sir, that the time may come when the foul and filthy story of the disappearance of the honourable, and I repeat honourable O. L. Vardy—

MR. JACKMAN: Point of order, Mr. Speaker, I think we are discussing the principle of a Bill here, and not personalities.

MR. SPEAKER: I would suggest that perhaps that subject had better be left to a future date.

MR. SMALLWOOD: Mr. Speaker, I bow to your ruling. I would not challenge it. I hold that in discussing housing and in discussing the personnel of this Government who have charge of housing, I would be within my rights to discuss Mr. Vardy. However, a better time for that may arise. I do not then envy what will happen to the reputation of certain people in this community.

I draw your attention, Mr. Speaker, particularly to sub-section (5) of section 6: The procurement of all supplies for the public service. Sir, this is not new, already that Minister is responsible for the procurement of what this Government of Newfoundland needs nearly every day of the week throughout the year, needs necessarily to buy from the merchants and businessmen of this Province. He has that power already. The effect of this Bill, if it becomes law, will be to continue in him the functions of purchaser, the supplying of the public institutions. Sir, I am exceedingly proud of the Department in the procurement of public supplies in these three years past. I am exceedingly proud of it. When we took office we found after discussion, careful discussion in the Government, that the only honest thing to do was to buy the supplies that had to be bought at the lowest price, and if the devil himself were a merchant on Water Street and offered the lowest prices, to buy from him. That was our policy, and that is our policy, with the result that virtually every enemy we have in business has been getting business from this Government. That never happened before under an elected Government in Newfoundland; it did

not happen in the last elected Government we had under Mr. Alderdice, you got an order then if you were a supporter of that Government. It did not happen under Sir Richard Squires, you got an order then if you were a political supporter of Sir Richard Squires; it did not happen under the Government immediately before that of Mr. Monroe, but you got an order if you were a political supporter of the Monroe Government. Mr. Monroe is living, the only Ex-Premier of Newfoundland living today. I honour him, he is a man of integrity and honour, he inherited the spoils system and his party would not permit him to change it, and the Government before Mr. Monroe, that of Sir Richard Squires practised the same system, and every Government prior to that. They would laugh in your face if you were innocent enough to think that you could get an order from the Government unless you supported it, they would laugh in your face. No one was so innocent and simple amongst the businessmen of this country, so naive as to think there was a chance of his getting Government business unless he was a supporter of that Government. I, Sir, when I was commissioned to form the first administration of Her Majesty's Government under Confederation, with my knowledge of what had been in the past, with my deep-seated determination that if it had never happened, it would happen now, that there would be honest Government in Newfoundland, with that determination I smashed the spoils system.

MR. JACKMAN: This is a good-natured Government.

MR. SMALLWOOD: An honest one. Does the honourable gentleman give us credit for honesty, we are the first Government who ever did it, and

any time that any honourable gentleman opposite wishes to table a question asking us for a list of people in Newfoundland given orders by this Government since the date it took office, I will gladly have it tabled and give the grand total from the day we took office, to the day it was compiled. I have been itching for that chance, and am glad I thought of it. The strongest opponents we have in Newfoundland got business from this Government if they tendered lowest. Jimmie MacNab who hisses at the very mention of my name, who would probably spit in my face, Jimmie MacNab gets the order if his tender is the lowest. The honourable Minister of Supply the other day threw out a challenge which the Opposition has not yet seen fit to accept. I am in hopes they will accept the challenge to go down to the Department of Supply and examine the hundreds of thousands of tenders that have been received there, thousands of tenders filed with that Department by the businessmen of this community, go down and examine them all, and if you can find a case, one case, where this Government bought at less than the lowest tender, consistent with quality, and that consistent with quality affects a tiny, insignificant fraction of the total purchases. Find I say, a single item or instance where this Government has practised the spoils system, and there will be one Minister of Supply less, and he won't wait to be asked for his resignation, he will be there ready to offer it. That is his challenge.

But no man in Newfoundland has been the victim of such a rotten and putrid campaign of slander as that same honourable gentleman, no man since Confederation began. Select any saint in the calendar and put him

down there as Minister of Supply and if it is St. Matthew himself in three months, he will be known as ten percent Matthew. They said it of his predecessor, Mr. Ryan.

MR. HOLLETT: Point of order, Mr. Speaker. Is the character study of the Minister of Supply the principle of the Bill before us?

MR. SMALLWOOD: Mr. Speaker, may I address myself to that point of order? I have the right to address myself to it?

MR. SPEAKER: Yes.

MR. SMALLWOOD: I am discussing the principle of this Bill and the principle is that the Minister of Supply shall have the authority to purchase all supplies for the Government. That is the principle. That is what this Bill seeks to establish, and I am addressing myself to that principle, and in doing so am answering accusations that have not been voiced in this House, but the accusations have been voiced.

MR. SPEAKER: The honourable member will recall that a short while ago I reminded the honourable Premier of relevancy, and he referred me to Section 6 which I had not read, which says: The duties, powers and functions of Minister: Therefore, the honourable member is quite within the realm of relevancy in discussing the ability of the Minister to perform those duties, powers and functions.

MR. SMALLWOOD: Now, Mr. Speaker, I have no desire to delay the House further in this matter. It is an important Bill, it creates important duties and it vests the responsibility for those in the Minister of Municipal Affairs and Supply, and I did not want this opportunity to pass without paying my tribute to an able and brilliant, and an honest man.

MR. FORSEY: Mr. Speaker, the honourable member for St. John's West is quite right when he asserts that the purpose of Municipal Government in Newfoundland is to enable these communities, those thirty odd communities outside St. John's to accept specific responsibility. One does not have to be a genius to devise that particular thing for after all, the very meaning of the word municipal comes from the Latin word "municipio" muni—responsibility, cipo—I take. But one does not delegate responsibilities to communities until they are capable of discharging those responsibilities. The effect of this particular Bill, Mr. Speaker, is twofold:

(1) To seek to join together the Department of Municipal Affairs and the Department of Supply. In so doing, it will effect an administrative saving. The number of employees in the Department of Municipal Affairs and Supply will be around thirty, that is the number already there, and as a matter of fact, by joining the two Departments, there will be a couple of civil servants less. In explanation to that point, the Ex-Minister, Mr. Vardy, will not be administrator, his private secretary will not be engaged in the Department, and a couple of junior clerks whose duties are taken over by clerks presently engaged in the Division of local government. The other principle of the Bill, Mr. Speaker is to enable the Government or the Minister of the Department of Supply, to see that certain responsibilities can be discharged; for example, the present situation is this: we have a policy, whereby certain municipalities in Newfoundland are enabled to get certain revenue producing projects, such as water systems, and the Government felt that it could not go on

as the number increased could not go on giving special grants to all these municipalities, and consequently devised a system whereby certain municipalities have been given revenue producing projects and henceforth will not be given any special grant. In other words, we are going to place them financially on their own. Take the position where the Government issues a debenture for one hundred thousand dollars to provide a certain town in Newfoundland, say Deer Lake, with a municipal water supply. The hundred thousand dollars are raised, the bonds are sold, guaranteed by the Government, and the one hundred thousand dollars is passed over to the municipality concerned. They send in their budget, the contract has been awarded and the way in which they propose to spend this one hundred thousand dollars gone into very carefully with the officers of the Department, engineers and so forth, and if the budget that they have prepared meets with approval of the Department, but that is no guarantee that that approved budget will be carried out and in certain instances it is not done and, it is quite possible for the one hundred thousand debenture guaranteed by the Government to be passed over to the council and somebody in the council gets the bright idea half way through the installation of a water system to sell the council a building or something for say, ten thousand dollars, and the Department of Municipal Affairs tells them it does not approve, but if it has no authority they can go ahead and act on their own and we have no way of safeguarding the public bonds. It is not any use to delegate me the duty of safeguarding public funds, unless on the other hand, I am delegated the authority to safeguard it, and that is what this Bill

provides to do. Not only that, but the same authority is contained in two other Acts, The Local Government Act, 1949, but unfortunately, only some of the town councils of Newfoundland are operating under the Local Government Act, some are under special Acts and have not seen fit to come in under the Master Act passed here in 1949. The various inspectors referring to these are already in existence, and are not appointed under Local Government Act, 1949, and actually, Mr. Speaker, there is no principle contained in this Bill that is not already in existence in the Local Government Act, 1949 and in the Receivership Act, 1950, except that this Bill puts all municipalities on a level regardless of whether the municipality were incorporated by a special Act, or whether incorporated under the Local Government Act, 1949, they are placed on a level, and they are duty bound to have their budget audited, and if they do not see fit for some reason or another to carry out the approved budget, the Department is left with no alternative than to see that public funds are safeguarded and that they do what they were advised to do by the Government.

MR. HOLLETT: Or else be fired—is that it?

MR. FORSEY: Exactly. How else would you safeguard the public funds?

MR. HOLLETT: They are elected by the people, let the people do it.

MR. FORSEY: There are still municipalities appointed under a special Act of the Commission of Government.

MR. HOLLETT: Can you do it with St. John's?

MR. FORSEY: St. John's does not come in under the Local Government Act, 1949, but has its own special Act known as the St. John's Municipal Act or something.

Bill read a second time, ordered referred to Committee of the Whole tomorrow.

Second reading of Bill, "An Act Respecting the Department of Mines and Resources."

MR. SMALLWOOD: Mr. Speaker. I rise to move the second reading of this Bill. This is a Bill, Sir, to give effect to a decision taken by the Government some months ago to reorganize the present Department of Natural Resources.

The House may recall a public statement made by me in the Public Press to the effect that the Government had decided to reorganize this particular Department of Government. I may say in passing that the appointment of Mr. Arthur Johnson as Minister of Natural Resources was not in any sense or degree made because of the decision to reorganize the Department, and the decision to reorganize the Department was not made in any sense or degree because of Mr. Johnson's appointment. That decision was made by the Government months ago. It is true that I personally had strong hopes that Mr. Johnson might be confirmed in his appointment to Cabinet, but that did not happen, he was defeated in the by-election. But quite apart altogether from Mr. Johnson, the decision of the Government to reorganize this Department stems from the very good reason that reorganization has become not only necessary but quite imperative.

Sir, if I were not Premier of this Province and had the honour to be

invited to join a cabinet in Newfoundland, and had any choice in selecting my portfolio, my choice would be the Department of Natural Resources. It is fully in line with my thinking about Newfoundland and about the nature of Newfoundland to believe that the Department of Natural Resources is basically the most important Department of Government in Newfoundland.

Now, I do not wish to draw any individual distinction or to belittle the importance of the other departments by Natural Resources. Natural Resources, Sir, is the thing that makes Newfoundland, her soil, the mineral and perhaps the oil underneath the soil, trees that grow on that soil, the lakes on the soil, and the animals, birds, game birds that fly over the soil, the fish in the waters, the natural resources of Newfoundland, the God-given resources of Newfoundland, the God-given natural wealth of the people of Newfoundland, the heritage given us by a bountiful Providence. Insofar as Newfoundlanders develop those resources Newfoundlanders will enjoy a decent standard of living. That is the measure of prosperity, the extent to which we Newfoundlanders exploit, develop, and turn those resources into jobs, those natural resources that God gave us. Now, Sir, unfortunately for Newfoundland, former governments at first did not altogether share that view, and with a prodigal hand, threw, gave away the natural resources of Newfoundland. You talk of selling the country, Sir, our country was not sold, our country was given away, given away by governments for over half a century. Perhaps the one government least of all responsible, the Commission of Government, but also all our own elected governments gave

Newfoundland away to any corporation, to any company, to any individual who had the energy to just come and ask for it, vast timber areas, waterpowers; one great waterpower in Newfoundland, my honourable friend, the Leader of the Opposition, and his colleagues sitting next to him will recall in the National Convention held in this Chamber, learning during our discussions of a great water-shed given away some half century ago by the government of that day to some private company for what? For one pepper cone. For fun we inquired in the National Convention; where now was this pepper cone? Did it exist in the Department of Natural Resources? What happened to the pepper cone? One pepper cone, not a pepper cone a year, but one pepper cone for hydro-power potentialities of hundreds of thousands of horsepower. When you look at the map of Newfoundland, the geological map, it is appalling, heart-breaking to see what governments have given away for nothing. Look at a forestry map of Newfoundland, and it is equally appalling to see these natural resources given away. The Almighty gave us those natural resources, soil, minerals, we hope oil, timber, waterpower, lakes, ponds with fish in them, game and game birds. The Department of Natural Resources of course, will not be expected to develop these resources. If we were a socialist government, it would, but our duty as a government is not to develop natural resources. We are not a socialist government, but rather a liberal government. This would be equally true if we were a conservative government. It is not our duty to develop the natural resources but it is the duty rather of private enterprise to do so. We live under the private enterprise system where from the motive of mak-

ing a profit, a man or a company of men seek to exploit and develop natural resources, and in so doing, naturally and inevitably create jobs and employment and cash wages for the men engaged in the work. But it is the duty of the government to create encouragement, to create a favourable atmosphere for the development of these resources. Indeed, it is the duty of the government where private enterprise is not interested, to go after private enterprise within and without the Province seeking to interest private capital in the development of these resources. Not that governments are particularly anxious to see people making profits so much as they are interested in seeing people get jobs and cash wages for their families, and be in a position to discharge their duties as citizens, as parents and all the other capacities of their living. That is the duty of the government as a whole, and it is the particular duty of this Act being made law, if this Bill becomes an Act. It is the particular duty of the Department of Natural Resources. So, Sir, when we say in this Act that it shall be the duty of the Minister of Mines and Resources to include all mines, minerals and quarries, technical surveys, agriculture, forest resources, the archaeology, ethnology, and fauna and flora of the Province, generally the natural resources of the Province, and such other matters as the Lieutenant-Governor in Council assigns to the Minister,

What is meant obviously, is not that the Government or the Department of Mines and Resources, or the Minister of Mines and Resources, shall themselves develop these resources, but that rather they shall be responsible for the administration, the public administration of the development of

these resources. That is why I say, that if I were not Premier and had the privilege of being a member of a government, and could choose my portfolio, it would be that of Natural Resources. Sir, I greatly regret that I have not got the time, nor the energy to give to this department what this department needs. As Leader of the Government, as Minister of Economic Development my time is pretty well occupied, seven days a week, eighteen hours a day. I have, however, taken on this additional responsibility, I hope not permanently, I hope to replace myself in this department with a minister who can devote all his time, undividedly, as far as the department is concerned to the work of this department.

Mr. Speaker, I am sure that my honourable friends opposite share fully, my feelings about natural resources of Newfoundland. I am quite sure that there can be no two opinions amongst them on this matter of the development of the natural resources of Newfoundland. There can be some difference of opinion in this Chamber as to the wisdom or not of creating other types of industries, machinery plants, and textile mills, tanneries, cement mills, well not a cement mill because that obviously uses a natural resource as does the gypsum, plaster and birch plant. But there may be, I say, a difference of opinion on industries of a different type, manufacturing industries not based primarily upon the use of Newfoundland raw material, but rather upon the use of raw material imported into the Province. Perhaps, Sir, the answer is to combine the two. Surely that land which depends entirely upon native industry and fails to introduce fabricated industry, is a land to which poverty and a low

standard of living comes inevitably, inescapably, that land which depends upon catching fish from the water, birds, from the air and trees from the land, and minerals from the earth, merely extracting basic raw materials, that land, Sir, never can be rich and great, but only when we move forward to the next step, to fabricating these raw materials, to turn the iron ore of Bell Island into steel, and to turn the steel into machinery, and to use that machinery to produce other machinery, then, Sir, our economy becomes diversified, then you can begin to think of true industry. God knows that so long as we Newfoundlanders drag fish from the salt water and ship it as a cheap article of food, and I do not say article of cheap food, but a cheap article of food, to foreign markets of the Mediterranean, and so long, Sir, as we do nothing more than to extract the iron ore from the mine under the sea at Bell Island, so long as we, presently we don't do it, but so long as we cut down our forests and ship it away, so long as we engage only in extractive industries, so long, I say, we will be poor, so long our economy will be weak as water, so long will our standards of living be low. But my concept of natural resources is not merely that they will be harvested and exported in raw, unmanufactured state, but rather, that they be manufactured, that they be fabricated in Newfoundland, do in Newfoundland on a very minor scale, what they do in Great Britain. Sir, Great Britain, that gem of the ocean, that fair and lovely land which has produced so much of our civilization in the world to-day, that great British Civilization, what natural resources does she have? Except for her soil, except for some coal and some tin, and a very small amount of iron, what natural re-

sources will you find in that Island of Great Britain? And yet by the development of the natural resources they do have, and the importation of many varieties of raw material from other lands, fabricating them, manufacturing and shipping them out as products around the world, she became the workshop of the world, and scarcely a country on the globe but knows the meaning of the words "Made in Britain." Articles made, Sir, in Great Britain from raw materials she had to import for the purpose. Britain, Sir, is one land, along with France, the two lands of this world where there is no religious or racial bigotry existing, and France and Britain are the haven and asylum for people of all races and nationalities and religion. Britain's doors are always open, and one of the havens of the world is in Britain and one of her great industries, her textile industry was brought in there by people who left France and were established in Britain, not by the British people, but by the Huguenots of France, who at the same time went to Germany and established the great leather goods, and to Belgium, where they established the great linen industry, and to other lands, where they established other industries, as today Germans are going, now to Britain and the United States, Australia, New Zealand, and South America, and the Mainland of Canada and all over the world carrying their great skills with them, and that those skills are great no one can deny. Twice in my lifetime the skills of those Germans almost enabled them to conquer the world, and now these skills can be taken to peaceful lands and employed in peaceful pursuits to help people to earn a living. Today in Great Britain, they are wise enough and tolerant enough to open

their arms wide to men of all races, nationalities and creeds.

MR. HOLLETT: Not to guarantee their industries.

MR. SMALLWOOD: Probably they have no need to guarantee. The great advantages of Great Britain are such that they do not need to guarantee. We had a case quite recently which was the greatest disappointment of my life, for the past three years at least. I went into a great manufacturing company in Germany, they manufactured cameras, the greatest in the world, Litz, and they make cameras, binoculars, and microscopes. There are eight thousand people working in that plant. The Attorney General and I went through it and our mouths watered to have them come to Newfoundland to establish factories and manufacture their products. But we have lost them. They have gone to Toronto. We offered financial assistance, but they preferred the natural advantages of Ontario even without the financial assistance that Newfoundland had to offer. So we have lost a magnificent labour giving industry which requires only forty percent of highly skilled artisans and sixty percent who could be trained in a month or two or three because they felt they could have twenty percent skilled artisans with eighty percent to be trained in a few months. The reason they decided to go to Toronto, which you will find in the current issue of the Financial Post and the Financial Times, the reason they went there, was because twenty percent of their employees were hereditary skilled people, people who have inherited their skill for generations, manufacture their cameras and other products, and these people they feared would not live in St. John's, and only use St. John's as

a stepping stone to the United States and the Mainland of Canada, and they would build their factories here, and take on eighty percent local people, and twenty percent of highly skilled German technicians, and they feared that these technicians would use St. John's as a stepping stone, and leave their factory without their skilled men. They decided it would be much better if they built it in Toronto, where they would have a much better chance to hold on to their skilled men with their own factory there, a much better chance than they would have in the city of St. John's.

I do not say that Newfoundland will ever be a Great Britain, would to God that she could, and we will never have the population of Great Britain, and never produce the great glory of Great Britain's civilization that the British Isles have done, but Sir, I do suggest that if we in Newfoundland have the courage, the imagination and above all, the energy, the drive, the enthusiasm, the confidence, the faith, the belief, that if we have those things, we can move mountains. Don't forget that faith can move mountains, let my honourable friends opposite have enough, and they can replace us as a Government if they can get to that point to have enough faith and enthusiasm in their destiny, that they, and they only, should be the Government, get that kind of faith, and that faith will move the mountains here, because it is a mountain, because we too are moved by the same faith, we too have the same confidence in ourselves.

But I say given that kind of confidence in Newfoundland, let us search out to the last farthing what natural resources we have, then to get capital to develop them is the easiest thing of

the lot. Mr. Speaker, if in the last ten years, the Government of Newfoundland, the Commission of Government, who were in power for seventeen years, this Government has had three years, if in that last ten years, the Government had spent two or three million dollars on mining exploration, on timber exploration and on waterpower exploration, we would now have the blueprints and having the blueprints, we would have in here now, today, literally dozens of American and Canadian Mainland firms developing these base metals, because since the world began, there never was a time like this, my honourable friend knows that. They are stockpiling in the United States and Canada, and pouring them over to Europe to help re-arm them, a mad search for base metals. In this race for base metals, what position are we in here in Newfoundland? We are in this position, every one of us on both sides of the House can make a stirring talk about our natural resources, and we have talked about it for a hundred years, but we did not map it, prated about it, but did not blueprint it, boasted about it, but did not measure them. We can't prove that we have them, except in a limited degree. Since this Government came in, we can prove now that we have got two hundred and eighty thousand horsepower of hydro-electric energy going to waste in Bay D'Espoir, which you can develop for four mills, four tenths of a cent a kilowatt. We know now from an additional report, a later one from the Power Corporation of Canada, and there are more to come, we believe we will surely have evidence of five hundred thousand horsepower on the South Coast, half a million horsepower at a fairly reasonable cost to develop, one hundred and fifty or two hundred dollars a horsepower, half a

cent a kilowatt delivered to the factory. Now I know we should have known that years ago.

So Sir, the duty of this new Department of Mines and Resources will be to expedite development, to create a favourable atmosphere for mining companies throughout the world to know that they are welcome to come in, if they will explore, if they will develop; let them know the day is gone when Newfoundland is willing to tie up large areas of our public domain in private hands for exploitation, that day is gone; that we have got resources, and they can have them if they will develop them, and create work for our people, and pay decent taxes to the Government of this Province. That will be the duty of the Department of Mines and Resources.

Now, I may say for the interest of the House, the intention is to appoint Mr. Claude Howse as Deputy Minister of Mines and Resources and to bring into Newfoundland a number of geological and mining engineers for that branch of the new Department of Mr. Claude Howse. We have Dr. Baird of the University of New Brunswick to go in charge of the field work. Dr. Baird has spent some years in Newfoundland, and is quite familiar with certain sections of the Island, indeed more familiar than any man in the world with certain sections of the Island, to which he has devoted years of expert attention. Dr. Baird for the last several weeks has been attending prospectors conventions in various places in the United States, and in Canada, picking up field men, field mining men and geologists with a view to this new Department, sending out a number of field parties this year. As soon as the season opens, they can travel over the entire territory of this Island and go into Lab-

rador. The intention is to have a great and intensive drive to find more minerals in Newfoundland, purchase a number of new drills, diamond drills and have diamond drilling parties scouring Newfoundland. I may say, it is not probably the moment to say it, but that campaign will go on side by side with a campaign to be conducted this year by the Newfoundland and Labrador Corporation, and those two campaigns will go on this year side by side with campaigns to be carried out by private corporations—many of them. One mistake I have made in my three years in public life, one special mistake I have made many, and I hope to make many more, I hope to make many more mistakes, because a mistake is good evidence, frequently, but not always a mistake is good evidence that a man is doing something, not sleeping or loafing his life away, and the more he tries to do, the more mistakes he makes, and the only man who will make no mistakes, is the man who does nothing. In that sense, I hope to make mistakes yet. But one of the greatest mistakes I have made is this: Speaking prematurely about connections made by the Government with great concerns. I am bursting to tell the House now—no, I have learned my lesson, but nevertheless, I am bursting to tell the House now of a very recent connection we have made with a vast industrial concern, not bigger than Rockefeller, but bigger in another field and this concern, I won't say what country it is from, but it is a concern which is now looking actively into the question of using this hydro-power in Bay D'Espoir.

MR. CASHIN: An Aluminum Mill?

MR. SMALLWOOD: I won't give any more hints for fear it might lead

to questions of the name of the company. But I say this, not about that company in Muskrat Falls, there a mill will be. We did that survey by the Rockefeller Corporation.

MR. CASHIN: Why not table the Rockefeller Report?

MR. SMALLWOOD: It would not be in the public interest. I will tell you one fact from that Report. The Rockefeller people sent Tracey Martin down to Muskrat Falls, and Mr. Martin is certainly one of the really great hydro-electric engineers of the United States of America.

MR. SPEAKER: I would interrupt the honourable Minister to say I do not think it would be wise to quote from the Report.

MR. SMALLWOOD: I agree with your Honour. If I quoted from the Report I would be required to table it. I shall not quote from the Report. Mr. Martin examined the Muskrat Falls, and his report is that you can take a million horsepower, I am merely quoting his statement to me, it is not part of the IBEC Report. Mr. Martin tells me that anyone can develop from Muskrat Falls one million horsepower at forty mills, less than one and a half tenths of a cent a mill. Who will tell me that none of us will love to see the day when Muskrat Falls will be developed, producing aluminum? Who can tell me so?

MR. CASHIN: You can't tell us it will.

MR. SMALLWOOD: No, that is true, except this; that the Aluminum Company of Canada recently have gone to British Columbia where they are developing a great hydro-electric project this year. Why? Because when you develop hydro-power to produce

aluminum, industries other than aluminum quickly spring up around that plant, so that it becomes more profitable to the owner of that aluminum plant to sell the power to other manufacturers, than it is to use it to make aluminum. So they move out and look for new power. I say that within a few years, the Aluminum Company of Canada will not be content by their development on the Pacific Coast and must look elsewhere for a great volume of hydro-electric power.

MR. CASHIN: Have you any indications of that?

MR. SMALLWOOD: I would prefer not even to answer the question. This I do know that I have boundless faith in the future of this Province and I am sure the honourable members opposite have the same faith.

MR. CASHIN: Even more faith than you people did.

MR. SMALLWOOD: Not the same enthusiasm, but the same faith in the future of this Island, and our great part of the Province known as Labrador, a great boundless faith in it. The honourable gentlemen opposite, obviously have great faith in it also, but do not have faith in the ability of this Government to realize that great future. We, on the contrary, have boundless faith in our own ability to do it.

MR. HOLLETT: When is the Royal Commission to come down from Canada?

MR. SMALLWOOD: That is merely a financial matter. We are talking now about natural resources always distinct from the Government of a country. It is possible to have a Province producing wealth, simmering with prosperity and the Govern-

ment bankrupt. That is always possible.

MR. HOLLETT: That is the situation now.

MR. SMALLWOOD: I thought I would draw that remark from the honourable gentleman, because the more frequently they say that we are broke, the more frequently they accuse us of being in a mess, the more frequently they say we are bankrupt, the more we like it, that is for the next two weeks.

MR. HOLLETT: Then we are going to be speechless.

MR. SMALLWOOD: As Mr. Asquith said: "Wait and see."

MR. CASHIN: There are a lot of people waiting to see that happen. He was going to have the war over in a year.

MR. SMALLWOOD: No, it was not in connection with the war.

Sir, that is all I have to say about this Bill, except that it, too, forms part of our over-all policy of trying to do something for Newfoundland to bring about economic development of this Province, its resources and the building up of our standard of the people living, lifting up of the families of Newfoundland, the creating of a Province where every last person in it is making a decent living; a great ambition, an ambition which must be shared by every member of this House.

MR. CASHIN: Surely you don't mean us. You don't think we would like that. I don't believe it.

MR. SMALLWOOD: Indeed I do. The honourable gentleman opposite has some very peculiar ideas, but he is a Newfoundlander, and I think they do wish to see Newfoundland

prosper though they would hate to see this Government get any credit for any prosperity, but they do want to see Newfoundland prosperous, they would be Benedict Arnolds, they would be, what I was called, Judas Iscariot, yes like me, if they did not want Newfoundland to be prosperous, I have been called a Quisling, a Judas Iscariot, and their grandchildren after them—I have one myself now, I am beginning to get old.

MR. CASHIN: I have four.

MR. SMALLWOOD: I am not so old yet, give me time, and I will be up to you, both in age, and in the number of grandchildren, in fact, I would not be surprised if I went away past the honourable gentleman in the number of my grandchildren. You must not forget I am the oldest child of thirteen children, all living, thank God, there has never been a death in our family. That rather augurs well that I will have more grandchildren.

MR. CASHIN: That won't make you a grandfather.

MR. SMALLWOOD: That covers more than meets the eye, that remark, and I must confess frankly, I don't know what is meant there. There is nothing unusual in that, as I don't understand what my honourable friend frequently means. Maybe my honourable friend intends that I shall not understand what he means.

Sir, I move the second reading of this very important Bill.

MR. CASHIN: Mr. Speaker, in rising to say just a few words, the only way I can say them is to speak to the motion to establish a new Department of Mines and Resources. I feel this afternoon, we certainly have had an educational programme right from the beginning.

Now, with respect to the Natural Resources of Newfoundland as pointed out here this afternoon, that we did not have faith in the Province of Newfoundland, not as much as the present Government might have. I retort to that, Mr. Speaker, by saying, we, on this side of the House, had more faith in Newfoundland than any of the members of the opposite side, because we, of this side, at least I think all of us over here, never wanted to part with Newfoundland and lose our nationality. But today, we are a part of the Great Dominion of Canada, we have lost our nationality. Speaking of the Natural Resources of Newfoundland, brings back to my mind, the Labrador, that great unknown territory of Labrador, brings back to my mind that that was given away, not by a former Government, but as has been pointed out here this afternoon, by the Premier himself. Governments during the past fifty years or more have given away for nothing, the natural resources of this country, and it is only now, that Newfoundland is coming into its own, and nothing is going to be given away. Mr. Speaker, the whole country was given away in 1948-49, the entire country, and speaking of Labrador, we do not know today, on this side of the House, at any rate, with respect to the development of iron ore on Labrador, that great iron ore development incorporated recently. We do not know what is being done in Labrador, probably the Department of Mines and Resources, or at present, the Department of Natural Resources, would be able to give this House, through its Minister, a report on the actual progress that is being made with respect to development of that great iron ore mine in Newfoundland Labrador, and let us see whether or not the iron ore proposition on the Newfoundland side of

Labrador is going to receive the same attention as the portion on the Quebec side of Labrador. These are things we would like to see. Because if Newfoundland had to remain Newfoundland, which it has not, and I am not like a quisling or a die-hard, but I would like to point out that without our portion of the Newfoundland Labrador, the other section of the Quebec Labrador would be impossible, practically impossible, to develop. They have to go through our territory with a railway, number one: That was given away, and so with other developments that have been taking place. Did the Bond Government in 1905, did they have forty odd millions of dollars in the bank when they granted a concession to the Anglo-Newfoundland Development? Did the Squires Government in 1923 have forty odd millions of dollars in the till when they gave away the Humber Areas? If we go back and sum up what revenues came through development of these particular resources, we will find that those people of by-gone days who have been desecrated in this House because they happened to give concessions to companies here like the Anglo-Newfoundland Development and Reids, who contributed the railway and received concessions of property for its construction just the same as Governments on the Mainland of Canada gave concessions to the Canadian Pacific and Hudson Bay Company who developed them. You would imagine there was nothing given away of public property on the Mainland, but they were given away there, just the same as in every other country.

The Fisheries resources do not come under this new Department. Still the Fisheries are a part of the natural resources of Newfoundland. And it might not be now out of place if they

were to discuss the Fisheries under this particular Bill, but I do not intend to do so, I have not got the time to discuss it, however, this Bill has been placed here this afternoon by the Government for our consideration.

We want to tell the Government, and tell the country, that we members of the Opposition are just as anxious for the development of this country as any member on the Government side of the House, because I have heard so frequently that it is only members of a Liberal Government get things developed, only in a Liberal Government this thing has been developed, and in a Liberal Government that thing has been developed. And when we check the record, we find that the members who occupied seats in the Opposition during the years these concessions were granted, were just as much in favour of development of our natural resources as the Liberal Government who occupied the Government side, and I speak as one who was here in 1923. There is no member in this House today excepting on this side who was here in 1923. I was here, sitting on this side in 1923. I was here, sitting on this side when that great Humber Industry developed, and I have repeatedly stated, Mr. Speaker, I would be prepared tomorrow to guarantee a sum of money for development of any resources of Newfoundland, but I am on the other hand, opposed and definitely opposed to guaranteeing loans to questionable industries that have been brought in here during the past twelve or fifteen months, and I have done so in this House, and will continue to do so until such time proof is deposited on the Table of this House that they are on a sound economic basis. That brings me to the IBEC Report.

I wonder, Mr. Speaker, what one

would call "In the Public Interest," as I analyse "Public Interest" I would take it, it would mean defence for instance, if there were a defence measure or a Report on defence of Newfoundland which the IBEC people made, I would say, certainly don't publish it, but a Report made by IBEC, paid for by the people of Newfoundland on the economy of the country and particularly on Labrador, and the Government does not want to publish that Report. Sooner or later it has to come out whether they like it or not. I have seen a copy of it. I have not read it, but I have seen a copy of it referred to by my colleague for St. John's East the other day. I have not read it. So if other private individuals can walk into the city of New York or elsewhere and get a copy, why is it that the people who have paid for it cannot see it? The same applies to other Reports; the Fishery Report and all other kinds of Reports held secret by the Government. Why every child on Water Street can get that Fishery Report. It was handed to me on Water Street by a private individual, two or three pages of the Report. Now, if the Government is honest about the affairs of the country, the natural resources of the country, is it not far better they should publish that Report, surely so, so that people will know the facts. The people, as pointed out by the honourable the Premier, have faith in this country, but I say people had more faith in Newfoundland, say ten years ago, than they have today, a lot more, but that country is gone, we no longer exist. So in pointing out as far as the Opposition is concerned, we are just as much in favour of economic development in this country, on a sound economic basis, not on one of those fly-by-night schemes brought around here in recent months.

That is our job as an opposition to come in here and find out the truth, and the truth sometimes is bitter. It is not our job to come in here and bring people in here to raise a row. As Leader of the Opposition Party in this House, I want to point this out after something I heard here this afternoon, insults cast at people of St. John's East and West which I resent, Mr. Speaker, resent. People come here, they own this place, they own it, you and I are just representing them on a board of directors. But if the people own this House they also own these natural resources, and they demand from the Government the right to have the truth which is being withheld from them.

Mr. Speaker, it is now getting near six o'clock, and I suggest to the mover of the second reading of this Bill that we defer the second reading until tomorrow, until such time as the members of the Opposition have an opportunity to see what it is, and can comment on it at a later sitting.

MR. SMALLWOOD: That is perfectly agreeable to me, Mr. Speaker. Perhaps some gentleman on the opposite side would care to move the adjournment of the debate.

MR. HOLLETT: Mr. Speaker, I would like to move the adjournment of the debate, if I say a word or two, do I lose my right to speak tomorrow?

MR. SPEAKER: The honourable gentleman may begin to say a few words now and move the adjournment whereupon he has the right to begin tomorrow where he left off.

MR. HOLLETT: Mr. Speaker, we have a minute and it is too bad to waste a minute. This session has been taken up by the Government's spokesman on various things particularly on

this Bill here. The Premier has given us a very interesting address. I don't think any man in this House can get up and make a longer or better speech on any matter pertaining to Newfoundland, or the moon for that matter, than our Premier, nor express himself on it nearly as well as he can.

MR. SPEAKER: The subject under discussion is not the Premier, but the principle of this Bill.

MR. HOLLETT: The Premier introduced the second reading of this Bill and spoke to the principle of the Bill, but I have yet to know what is the principle of this Bill other than what is found in the Act that is being repealed. It is getting near six o'clock and I beg leave to adjourn the debate until tomorrow.

MR. SMALLWOOD: I move the remaining orders of the day be deferred and that the House at its rising do adjourn until tomorrow, Thursday, at 3:00 of the clock.

THURSDAY, March 27, 1952.

The House opened at three of the clock.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motion and Questions

MR. POWER: Mr. Speaker, I beg leave to table certified copies of Minutes of the Executive Council of Newfoundland, November 6, 1951, relating to a meeting held November 5, 1951.

MR. HOLLETT: I give notice of questions on tomorrow.

MR. SPEAKER: It is the duty of the Chair to scrutinize every question, that is a rule and from time to time the Speaker does so. I call attention to a question which strictly speaking is out of order to which the Minister may reply if he wishes, but it is the duty of the Chair to call attention to such. Question No. 61 is clearly out of order on the grounds it is a slight variation of a question already answered in this session.

MR. HOLLETT: Mr. Speaker, would you please explain again why it is out of order?

MR. SPEAKER: It is the same, with a slight variation, as a question already answered in this session.

MR. SMALLWOOD: Mr. Speaker, it may contravene another rule that a better quality could be purchased at a much lower price.

MR. HOLLETT: We would surely like to know that.

MR. SMALLWOOD: It is against the rules of the House to offer information in a question.

MR. HOLLETT: May I ask what part is out of order, Mr. Speaker?

MR. SPEAKER: On the grounds of municipality, the question was already asked in Question No. 50.

MR. HOLLETT: Which part?

MR. SPEAKER: The Chair may not enter into a debate on questions. The honourable member may see for himself by comparing it with question No. 50. It is the duty of the Chair to point out and as I have already said the Minister concerned if he wishes to reply or not the question will still be called.

Are there any outstanding answers to questions?

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I have the answer to Question No. 45. The answer is 3,263 and represent the average number employed monthly and includes temporary staff engaged for annual relief purposes. Amount paid \$4,956,000 including payments to temporary staff and cost of living bonus.

MR. SMALLWOOD: I have the answer to question No. 55.
Tabled.

MAJOR PETER J. CASHIN (Leader of the Opposition): We still have not had the answers to No. 57 and 58 addressed to the honourable Minister of Economic Development.

MR. SMALLWOOD: I have not yet received the answers to these two questions. As soon as I do so, I will table them.

MR. FRANK FOGWILL: No. 55, Mr. Speaker, addressed to the honourable Minister of Public Works.

HON. E. S. SPENCER: The answer is in course of preparation. Mr. Speaker, I inquired for it today and it is not ready.

MR. HOLLETT: Mr. Speaker, may I refer to Question No. 53? It seems to me that the answer given is not in accord with the question.

MR. SPEAKER: The answer given by the Minister must of course be the answer received.

Any further answers to questions?

Adjourned debate on the Speech from the Throne. The honourable Leader of the Opposition was interrupted by the six o'clock rule.

MR. CASHIN: Mr. Speaker, before I continue my review in regard to the address in reply, I think it is well to make some reference to things that happened in this House yesterday afternoon. There are two or three points in particular which I, as Leader of the Opposition in this House as well as the Representative of the District of St. John's West, could not allow to pass unchallenged or unnoticed. Yesterday afternoon, Sir, in this Legislation the Premier went out of his way, deliberately, to insult the people who came here to this Legislation to listen to the debate. He stated and he practically charged, the inference was there anyway, that some of us had rigged a crowd to come here on Wednesday afternoons.

MR. SMALLWOOD: Mr. Speaker, to a point of order: The honourable gentleman is out of order to refer to a matter cleared up at yesterday's session.

MR. SPEAKER: I will hear the honourable member if he wishes to offer an explanation.

MR. CASHIN: Mr. Speaker, I am referring not so much to what happened yesterday afternoon but I am referring—

MR. SMALLWOOD: Mr. Speaker, to a point of order: The honourable gentleman is not addressing himself to the point of order.

MR. SPEAKER: I give the honourable member a chance to reply to the point of order, the incident he will recall occurred on the debate on second reading of a Bill "An Act Respecting the Department of Mines and Resources." To that debate the honourable member has already spoken and he cannot speak again and cannot refer to anything that took place in that debate.

MR. CASHIN: This particular debate, what I am about to refer to is a statement made in the House yesterday afternoon.

MR. SMALLWOOD: Point of order, Mr. Speaker, is the honourable gentleman going to persist in defying the House on Your Honour's Rules?

MR. SPEAKER: The remarks to which the honourable member referred were made in a debate in that Bill and it is the rule of the House that words objected to must be taken up at the moment they were uttered. The honourable member had his opportunity in that debate, and we cannot resurrect the debate.

MR. CASHIN: Mr. Speaker, I must accept your ruling.

MR. SPEAKER: The honourable member must realize also that the Chair can do no other than to enforce them.

MR. CASHIN: I agree, Mr. Speaker, the Chair must enforce that rule, I am compelled to agree, however, when I adjourned the debate the other evening when six o'clock arrived we were discussing a matter which had reference to a considerable amount of money spent by the Government through another agent or individual in connection with a programme of the sale of Newfoundland products, and yesterday in this House the Premier got up and questioned my qualifications as an individual who could add up a line of figures. Probably I may not be so competent in that respect as my friend the Premier, but here this afternoon I would draw his attention and tell him you get his lead pencil now and any other member of the Government as well and add up the column of figures for the years 1950-51-52 and

comment later on why that amount of money is nearly two thousand dollars over. And with respect to that programme I have placed questions on the Order Paper and have received some answers indirectly across the floor of this House with respect to his particular campaign of Buy Newfoundland Products. I have asked whether or not any revenue was received by some one in connection with a fair or exhibition conducted here, at Government expense mind you, in 1950, whether it was credited to that account. And it has not been credited.

MR. SMALLWOOD: Mr. Speaker, if the honourable gentleman will allow me: No fair was conducted at Government expense, not since this Government was in office. We made a contribution occasionally for fairs but it was a purely private fair and was not held by this Government.

MR. CASHIN: The Premier himself sent around a certain letter to certain retailers and I will table it here in order to comply with the rule of the House. It is signed by J. R. Smallwood.

If I were uncharitable, Mr. Speaker, I could inject something there too, but I will not. That was written June 30th, 1950. If that does not tell me, and tell you, Mr. Speaker and tell this House, this particular fair was sponsored.

MR. SMALLWOOD: Sponsored, yes. Mr. Speaker, to a point of order, I cannot allow the honourable gentleman to have his mind abused in that respect. The Government did not hold a fair, did not pay for a fair. The Government sponsored a fair which was a private enterprise and the Government made a contribution towards the cost of it.

MR. CASHIN: I look at the estimates of expenditure on the proposed campaign—here it is: Newspaper advertising \$1,000, Radio \$5,000, and so it continues.

And, Mr. Speaker, it goes on to say that the above are for a nine months' campaign beginning July 1st, 1950, and ending March 31st, 1951. This letter is dated June 30th, 1950, and the campaign started July 1st, 1950, and ended March 31st, 1951, and from the money voted by the House at this time these expenses were paid in connection with that fair.

MR. SMALLWOOD: To a point of order, Mr. Speaker, the honourable gentleman has just been given the facts, is he calling me a liar? If he wants to say the Government is dishonest, have a charge made against us, move for appointment of a Royal Commission, have a charge made against us, don't be cowardly. Give a challenge and accept another. Take the proper parliamentary step. Don't be cowardly, and hit below the belt.

MR. CASHIN: I am not hitting below the belt.

MR. SMALLWOOD: All you ever did, cut throat tactics, stab in the back.

MR. SPEAKER: Order. Honourable members may not hurl personal accusation across the floor.

MR. CASHIN: Mr. Speaker, I stabbed no one in the back.

MR. SPEAKER: I have just ruled that it is entirely out of order on both sides.

MR. CASHIN: You did not have to rule us out on this side.

MR. SPEAKER: The honourable member is infringing now on that very point.

MR. CASHIN: Mr. Speaker—

MR. SPEAKER: The honourable member for St. John's West is entirely out of order, other members may interfere in words of heat but the Chair so far is capable of dealing with the situation. Continue —

MR. CASHIN: I have made a statement, I have asked questions in respect to this spending of this seventy five thousand dollars. Why not answer them? I have asked further if any revenue has been received and that has not been answered officially, in cross-fire the other day it was stated that no revenue was received in connection with this campaign to sell Newfoundland Products and I state now, and the figures show it here, that one of the individuals who was responsible for the Buy Newfoundland Products Campaign was receiving a salary from the Government while at the same time he was running the campaign fair up in either Buckmaster's Field or in the C.L.B. Armoury and received a revenue, cheques, out of which were paid on account of an outfit called the Newfoundland Provincial Exhibition and they collected fees from everyone that had booths up there and what became of that money? It was pocketed.

MR. SMALLWOOD: Why not, it was a private fair.

MR. CASHIN: The Newfoundland Government paid for it.

MR. SMALLWOOD: I ask the honourable gentleman to take that back. I have already said the Government did not pay for any fair since they have been in office and did say they made a contribution for two years running to fairs, private enterprise, profit making concerns.

MR. CASHIN: You were paying a salary to Don Jamieson.

MR. SMALLWOOD: Yes.

MR. CASHIN: And he was running the fair?

MR. SMALLWOOD: Yes.

MR. CASHIN: And he was running the Fair and received a portion of the money which came in from the booths?

MR. SMALLWOOD: Yes.

MR. CASHIN: He was working for the government and getting money from them and also working and getting a cut of this and the Government, in fact, paying him to run the job, \$4,500 a year and running another one and getting further revenue from it.

MR. SMALLWOOD: And running half a dozen others besides.

MR. CASHIN: A fine job—cleaning up.

MR. SMALLWOOD: We got value for the \$4,500 we paid him, and good value.

MR. CASHIN: He got good value.

MR. SMALLWOOD: He deserved it.

MR. CASHIN: I am going to comment on this thing. I consider it a scandal.

MR. SMALLWOOD: It is a pity you have not got a real scandal.

MR. CASHIN: There was plenty to cover, it took a year to pry this information out of the Government. First when the former Leader of the Opposition asked the question, and he repeated the question and we eventually got it out of you.

MR. SPEAKER: A great deal of trouble between members would not happen if they refrained from the word "You." The honourable member must be familiar with the rules of the House.

MR. CASHIN: I am familiar but I do realize we have been violating the rules of this House, both sides, every day violating them, yesterday there for example: Did I turn around and talk to the people like my honourable friend opposite you did? And there are ladies and gentlemen here this afternoon who can prove it, you turned around and insulted those people.

MR. SPEAKER: This has been ruled on.

MR. CASHIN: I saw a time here thirty years ago when that could not happen, decent people coming to this, in their own House.

MR. SMALLWOOD: That must have been the time when they were invited to take. Do you want me to name who did it? Your father did it.

MR. SPEAKER: Order—That point has been ruled out. The point has already been ruled on but has not to be reviewed again, the member who revives it will have to take the consequences.

MR. CASHIN: Mr. Speaker, it has been flung across the floor of this House that my father, Michael P. Cashin, started that row here some twenty-eight or thirty years ago. That man is dead, lying in Belvedere. I can never emulate him in public life but I am not going to stand in this House or sit in this House and allow any member on this side or on the other to come in here and try and destroy his memory. I tell you, Sir, if they attempt to do it, you will have

to call the Sergeant-at-Arms to eject me. You can do it now, and if the Honourable the Premier is not going to apologize to me for that you are going to have to call the Sergeant-at-Arms to eject me from this House. I will give him time to consider.

MR. SPEAKER: I have no idea what you are referring to. A point of order was made and a ruling was put thereon which the honourable member again infringed and I called —Order—both gentlemen refused to pay any regard to the Chair and whatever personal exchanges occurred the Chair has no cognizance of them. They were entirely out of order.

MR. CASHIN: That was hurled against him by individuals who are not good enough nor decent enough to fight in the open politically or otherwise, who are not fit to wipe Michael Cashin's shoes, he was a decent man who represented one district for thirty years and another for three or four years. No one in this Legislature ever represented a district so long and was elected so often to this House as Michael Cashin, no one, and then I have to come in here and listen to this kind of stuff thrown across at me by the Leader of the Government. Mr. Speaker, before I permit it, Sir, there is going to be something doing, Yes, probably thirty years ago people did come here but the Prime Minister of the day did not stand in his place here and hurl insults at them.

MR. SPEAKER: This is the third time the honourable member has defied the ruling of the Chair on that point. I will give one more chance to him and then his speech will be discontinued. Surely the Chair has made itself clear on that point.

MR. CASHIN: I was speaking on this Buy Newfoundland Campaign and the fair which I pointed out had been paid for either directly or indirectly by the Provincial Government of Newfoundland. I retract nothing in that respect, not one iota of a word. The Government knows it and knows it is a scandal and are trying to cover up and we have people coming in here and saying how honest they are. Yesterday afternoon I was approached by a member of the Government as leader of the Opposition, asking what attitude we would take on this side of the House if the sessional pay would be increased five hundred dollars, or words to that effect.

MR. SMALLWOOD: A member of the Government—that is an accusation. The honourable member says he was approached by a member of the Government, please name that member, that is a charge against this Government.

MR. CASHIN: Mr. Speaker, when I said this Government I meant a member sitting on the opposite side of the House, not a Cabinet member. And I tell them right now that is their job, not ours. I told them then, I really think it was a trap to lead us into that, if you can get Cashin on the Opposition to agree to that the public criticism won't be anything, we will all be involved. That is up to the Government side of the House. The Cabinet in everything else do what they like, we are not going to, as far as I am personally concerned, and I speak for my colleagues, we are not going to truck with that sort of stuff. So you know where you stand from now on. I have seen that done here before, suffered by it politically and otherwise but there are no more chances like that are going to be

taken. We have not been approached or consulted on the Buy Newfoundland Campaign, but we would be to increase our own sessional pay, or call it what you like.

Mr. Speaker, I now contend that that secondary industries business was a scandal of the first magnitude. The Premier has challenged me to make a motion for a Royal Commission to investigate it. Yesterday, I think it was, the challenge was thrown across here to go down in the Supply Division and look at all the tenders. All right, will he do the same thing with the Financial Departments, show us all the vouchers covering these amounts of money to which they were paid? There is a challenge—Let us keep these Departments busy. To whom these amounts were paid, what services were rendered from them, etc. You don't have to go to the expense of a Royal Commission, Mr. Speaker, we had one to look into the high cost of living which cost over forty thousand dollars and accomplished nothing. A couple of years ago we were told by a member of this House, someone on the opposite side of this House who certainly preached during the Confederation Campaign, that wholesalers and retailers robbed the people of Newfoundland and as soon as we entered Canadian Union the high cost of living would come down and that profiteering was going on, so they appointed a royal commission and that Royal Commission had nothing to show. The statements made by the members at that time were false and they have not the decency to apologize to the businessmen.

That brings me to that point. In speeches in this House the merchants and others, outside men, have been dragged through the gutter in here and I protest, there is another matter

I would bring up and that is that on opening day in this House which is a day of ritual when people are invited to come here, people of church and state, but this year particularly most of them were excluded. People that should have received invitations, prominent people identified with public life of this country for half a century, were refused or were not given an invitation, and people who came to get in here, who owned this House, were refused entrance to it. You had to have a card to occupy a seat in the gallery. It might be said that these dignitaries and people representing countries like the United States and France and Portugal occupied prominent seats. What I call the gallery not the seats inside the bar of the House if you can call it that, sure that is the proper thing to do. They invited the members' wives, the proper thing, or any close relatives, the proper thing to do. Then the House is left open for the ordinary citizens to come in. That was not done, you had to be a close friend of the Government to get in here on opening day.

MR. SMALLWOOD: Mr. Speaker, to a point of order. And every time the honourable gentleman makes a mistake I am going to rise to a point of order. The Government has nothing to do with invitations for the official opening day. We know for the first time who is here when we see them. There is a protocol list that existed before this Government came into office, and the gentleman responsible for it is Mr. W. J. Carew. It has been done by him for years past and we do not interfere with him in the least.

MR. CASHIN: I know what the Honourable Premier means but this year the list was looked over, because I, as Leader of the Opposition,

supplied some names of some people, and they were turned down.

MR. SMALLWOOD: If the honourable gentleman will allow me: The House will hold, upstairs and along the front and in the empty spaces here, will hold, I think one hundred and fifty or maybe a hundred and seventy-five people. On the list there are two hundred and fifty-five names. We issue them to all the two hundred and fifty-five hoping that some of them wouldn't turn up because if all the two hundred and fifty-five turned up they would not get in. This Chamber is not big enough, that is the trouble.

MR. CASHIN: I think the Honourable Premier will agree with me that former members of the Legislative Council, for instance, should be invited to the House but that did not happen this year. Members of what we called the Upper House at one time when we were Newfoundlanders were not invited and some wives of judges and former speakers of the House were not invited which just goes to show, Mr. Speaker, these statements about people packing the House do not lie altogether with the Opposition. I do not know, Mr. Speaker, whether bottles of rum were given out on that day or one dollar bills in order to obtain a seat to come in here to listen to the Speech from the Throne, but it is true that there was discrimination and the Premier knows it.

MR. SMALLWOOD: I don't know it. I have never even seen the list in my life to this moment.

MR. CASHIN: Well, now, Mr. Speaker, do you see any green in my eye? Why, there is a man out on the door here dressed improperly. Who

ever saw a man on the door of a Legislative Council dressed in an evening dress suit and he is allowed to permit people to come in here. I have never seen it and I have been to the House of Commons in England and in Ottawa, they have a Mounted Policeman on the door in Ottawa but here you have to go one better, got to dress him up like a stick of chewing-gum and then insult the people who come in here. I tell the House right now, and you, Mr. Speaker, and the House that any person, decent citizen, is entitled to come here and if there is room in here he or she is entitled to come here. I realize that we have not galleries here like in Ottawa or London. I realize that, but we should have a fair show. Then again we hear of an honest government and we discover this campaign to Buy Newfoundland Products which in my opinion, and I speak for myself, is dishonest. Of course, I could ask for a Royal Commission so that there would be no further talk of it in this House.

I was checked up for my addition yesterday, check me up on the addition; pay for my correspondence course, and see if the vote for this year of twenty-five thousand dollars is not over extended by over seven thousand. Check me up on that and come in here tomorrow with another lot of figures. Why the accounts that have been submitted here are cooked up and I will prove it.

MR. SPEAKER: To what account does the honourable member refer?

MR. SMALLWOOD: Will the honourable member apply that term to a reply of the Minister?

MR. CASHIN: I will say, Mr. Speaker, it is very improperly applied: Temporary Employment, could

refer to a multitude of sins, amounting to two thousand dollars. Who got that money? Who got it? Temporary Employment: It is just a case of writing off an amount and closing off an account without probably producing proper vouchers. I do not know. I do know the bills were paid for in cash, not by cheque, and the Government does not pay bills in cash certainly. I do not know what this Government will be doing. There is one amount and I have asked for an explanation for that. Other—now what is Other—O-T-H-E-R—Other what? Should we not have a statement as to how that \$4,100 was spent other than —Other—who got it? Who is Other? Is there any other individual connected with it besides Mr. Jamieson, it might be his brother, I don't know. These parties, I wonder where some of these others took place, in Woodstock, special guests of Dr. Valdmanis at \$18 a plate. Is that the parties referred to, or to some cocktail parties at Toronto in the Royal York Hotel. I don't know. Then there is transportation and mileage altogether \$4758. Then fares, board, and lodgings, etc., roughly \$5,900 unaccounted for, as I see it, in two years. And I ask you now that you are so free about asking someone to go down in Supply, to allow me and some of my colleagues to go over to the Finance Department and see the cheques that cover that amount.

MR. SMALLWOOD: Gladly. And if there are no cheques covering these other amounts, vouchers, receipts, why not.

MR. CASHIN: You will give instructions before we arrive at Finance. They will not allow me in there to overhaul their files without permission, and I don't blame them or the Government.

MR. SMALLWOOD: Perhaps the Minister will invite the honourable member right now.

MR. CASHIN: I might find something.

MR. SMALLWOOD: I hope the honourable gentleman finds something that we have not found, I doubt it.

MR. CASHIN: Probably you have found it, and have not told it.

MR. SMALLWOOD: No. We have nothing to hide, we are an honest Government.

MR. CASHIN: Mr. Speaker, speaking of honest governments, do you call a Government that in less than three years have done away with over forty million dollars of a surplus an honest government?

MR. SMALLWOOD: Not if it pockets it.

MR. CASHIN: There are a few dollars in pockets, for instance some of your members, directly or indirectly, are getting money from it.

MR. SMALLWOOD: From the surplus?

MR. CASHIN: I am talking about the Treasury, that comes indirectly from the surplus because when—

MR. SMALLWOOD: The honourable member himself has gotten money from the Treasury.

MR. CASHIN: Yes, we all got our sessional pay and so on but there is your Attorney General sitting beside you and yesterday or the day before we found out that the Attorney General through pressure of business in his Department, the Attorney General Commission of Public Utilities appointed, in June, Mr. Dawe as a member of the Board he could not get anyone else.

MR. SMALLWOOD: Why should he?

MR. CASHIN: Why? I am glad the honourable gentleman brought that up, it brings this thing to a head.

MR. SMALLWOOD: Versus Mr. Dawe.

MR. CASHIN: Versus the German industries and the Attorney General's partner in here making contracts with those German companies and acting as legal adviser for these German companies.

MR. SMALLWOOD: Not in relation to the Government.

MR. CASHIN: I say the Attorney General is acting for the Government on one side and on the other side his partner is acting for the people making contracts with the Government.

MR. SMALLWOOD: Not in relation to the Government.

MR. CASHIN: I say they represent them. How do you mean, in relation to the Government?

MR. SMALLWOOD: Mr. Dawe never had anything to do with the Government in connection with these industries.

MR. CASHIN: He is acting for the Companies on one hand. And on the other hand he has his partner acting for the people making contracts with the Government.

MR. SMALLWOOD: Not in relation to the Government.

MR. CASHIN: I say that he represents them. How do you mean in relation to the Government? What happened to Morine in 1888? I will tell you what happened, Governor Murray, I think it was, asked him to

resign because Morine was Minister of Finance and was acting also in a capacity as advisor to Reids. His firm is doing the same thing. They have acted for these foreign companies.

MR. SMALLWOOD: They have incorporated them.

MR. CASHIN: I have seen letters where it said they were acting for LATUCO.

MR. SMALLWOOD: Not in relation to the Government.

MR. CASHIN: That is not what matters, it is the farce of the thing.

MR. SPEAKER: Order.

MR. CASHIN: I am not trying to make scandal. I am telling the truth, not go behind his back but right to his face, no nonsense about it, no stab in the back. Yesterday I said, Mr. Speaker, that monies were paid in cash and the Government has not paid out that cash except an amount to Mr. Jamieson and he goes down and cashes the cheque, gets the cash money and goes around town and pays bills with the actual money. That is not a good system of doing business. It is loose and should not happen. On the other hand the Government has no contract with him. If there were a contract and they paid so much for a specific job he would be entitled to the money. We were told the other day, it was a verbal contract. Whoever heard of a verbal contract. I am not a lawyer at all and it is ridiculous to try and come in and try to cram that down our throats, an insult to our intelligence to come along and try to poke that down our throats or anyone else's. So, Mr. Speaker, I must insist that this whole thing should be cleaned up. I don't want to see any scandal but it is the fact, it is the talk.

MR. SMALLWOOD: Who made it the talk?

MR. CASHIN: It is significant that Mr. Jamieson has seen fit to get out of the country at the present time. I don't know anything about him but he is out of Newfoundland.

MR. SMALLWOOD: Exactly—he has seen fit to get out—afraid of the honourable gentleman maybe.

MR. CASHIN: I don't know whether he is or not.

MR. SMALLWOOD: What has he done, absconded or something?

MR. CASHIN: I don't know, but he has made a nice thing out of this on our expense.

MR. SMALLWOOD: That is what I mean by stab in the back.

MR. CASHIN: Let him come in here and explain.

MR. SPEAKER: Order.

MR. CASHIN: Yes, you stabbed a man in the back whom you don't even know at all, never met him neither you nor your Minister of Supply, that is Mr. MacNab. I spoke to Mr. MacNab and he never had the pleasure of meeting you nor the Minister of Supply.

MR. SMALLWOOD: If he told you that, you can tell him for me that he is a liar. I have met him a hundred times.

MR. CASHIN: Met him on the street. He has not had the honour of meeting you.

MR. SMALLWOOD: Quite a scardy-cat I am.

MR. CASHIN: Then there is another matter which has been drawn

to my attention. It must be remembered, Mr. Speaker, both myself and my colleague here who was elected in that famous by-election in St. John's West, we both come from outports, both of us. It pays a tribute in a way to us and shows the broad-mindedness of the people of St. John's West. We did not belong in the city of St. John's. True I have lived a great part of my life here, but my friend, the other member for St. John's West only resided in St. John's since 1946 and they elected him in the recent by-election in St. John's West. And today we have discovered some more shinanigans by the Government. We discovered that up here on a naval dock a poor man was working—about forty or forty-five years of age who had been in the merchant marines, with ten or eleven children depending on him to live. He had received a temporary job up at the naval dock, as a fireman, at I don't know what wages, and we discovered that through political influence here with the Federal Government at Ottawa a man was brought in here from Matchey Cove and put in his place. There is another case of another man whose name was Hickey, both of these men from St. John's both merchant navy men and both received the same treatment, laid off and people were brought in by some member of the Government, recommended to Ottawa, as was told to us up here in the Federal Department of Public Works. That is beautiful, broad-minded, honest government who like to see ten or twelve children starving in St. John's West.

MR. SMALLWOOD: These are Federal jobs. We have nothing to do with them.

MR. CASHIN: Oh yes, you have plenty to do with them, pulling strings

in Ottawa, you have your heelers, we have heelers too, but yours are rum ones and dollar ones. Yours are bottles of rum and hundred dollar ones. But these people are brought in here and the St. John's people are discriminated against. That cannot go on, Mr. Speaker.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Red Head Cove, Bay de Verde. I know nothing of it.

MR. CASHIN: I take your word but you had better check, it might be a good idea. A peculiar thing but the man who fired him or laid him off in the first place comes from Carbonear.

DR. POTTLE: Do you know the Red Head Cove man's name.

MR. CASHIN: Bailey, I think it is. We were told first he lived up on Campbell Avenue.

DR. POTTLE: He is married to a Quinton.

MR. CASHIN: I don't know who he is married to but the other man's family will be out of food tomorrow and will be down to your door.

DR. POTTLE: That is not of my doing.

MR. CASHIN: It should not have happened in the first place. If that is what we get by union with Canada, we should be ashamed to be responsible for it because we were guaranteed by the Terms of Union that employees who had jobs or getting jobs would not be discriminated against. It goes on everywhere, the dock and everywhere else.

That reminds me, the dock, the pensioners were forgotten about for a while until the elections.

DR. POTTLE: I just want to tell you the Liberal Provincial Government had nothing to do with it.

MR. CASHIN: Well, the Federal Government man might. He was laid off and out of a job, and further, Mr. Speaker, now that the honourable gentleman has been so kind as to tell you this, let me draw his attention to his Deputy Minister receiving eighty dollars an hour for broadcasting programs on C.B.N.X.

MR. SMALLWOOD: He goes on fifteen minutes once a week, therefore it must be \$80 an hour.

MR. CASHIN: He is getting a salary like every Deputy Minister.

MR. SMALLWOOD: Like Bradley's dollar for getting a telegram.

MR. CASHIN: If you go back over the record you will find he was never paid a dollar but a dollar and fifty, the price of a bottle of rum which he depended on someone else to buy for him, and he got that dollar and fifty yet.

Now, Mr. Speaker, I think the Premier and his Government know where I stand with respect to this Buy Newfoundland Products Campaign, they know in their own soul and some of them have whispered around town that it is a scandal.

DR. POTTLE: Mr. Speaker, may I rise to a point of order? This is the second time the Government of which I am a part has been accused of creating a scandal and knows it. I ask that this be reconsidered. I am a member of the Government and I know of no such scandal, since I have been a member of the Government, not wittingly.

MR. CASHIN: I don't say the honourable Minister has wittingly taken

part in any scandal but posterity will blame you just as much as perpetrators. I was blamed just as much when I got out of a Government for the mess it was in and I had to take it and like it in 1932. I took it but I did not like it.

Now, we come to this other section of the Speech from the Throne, and again I must refer to the reference made by the seconder of the motion that this address in reply be forwarded and that is with respect to union with Canada. Yes, we received certain benefits but we are paying for these benefits, we lost our nationality. We were told here yesterday I think, if I am allowed to repeat it, by the Premier that he had more faith in Newfoundland three years ago or three and a half years ago than any member of this House who supported union with Canada, more faith. They did not buy our vote with baby bonuses and old age pensions. Speaking of old age pensions I want to point out quite clearly, Mr. Speaker, to this House and to the country that I am strictly in favour of old age pensions for people who require them. What I mean by that is this: Under the laws of Canada men with fifty million dollars can get an old age pension. You can't tell me, Mr. Speaker, that is good government. It cannot last. We know that people with a million dollars are sometimes tighter and closer than some people with only \$10.00 running after the last cent. I contend, whilst we have nothing to do with it here, it is wrong and will ultimately end with financial destruction in Canada itself. Because, as I pointed out the other day, and the honourable Minister of Public Welfare paid very close attention to me, that the economy of the country or any other country must be based on

industry of some kind where we produce goods, the fishing industry, paper industry, minerals, agriculture. These are the things that our economy must be founded on to exist and out of these things we earn money and pay revenue into the Treasury of Newfoundland not on the ten or twenty million dollars earning power coming out of the Bases for defence purposes. As I said the other day if Joe Stalin not Joe Smallwood, makes up his mind one of these days he is going to act civilized and come to the terms, be decent, be christian like, no stabbing in the back, makes up his mind that we will have peace on earth, good will to men; where is all this fifteen or twenty million dollars a year coming to Newfoundland? Where is it? Gone. Then what is to happen to these people who hauled up their boats whom we were told about last year, and went working on the bases? They are doing it now, coming from all over Newfoundland today looking for work on the bases, giving up the fishery. Right in Ferryland district the other day three young men got jobs down in Goose Bay or Greenland. What about when that work ceases? There are these young men who have no boats no gear. The only hope they have is to save some money out of that so they might rehabilitate themselves as they were. We know, Mr. Speaker, and many of us know to our grief, when we come to getting big money we spend it. A lot of us have made it and ultimately end in poverty. I know it and other people know it and won't admit it. Therefore I say that when we went into union with Canada in 1949 that the Terms of Union were improperly negotiated. The answer to that is in the Speech from the Throne. I don't have to answer it. The appointment of Mr. James Thompson five years,

or four years anyhow before it should be necessary under his own budget he gave the delegation to Ottawa in 1948 when negotiating the Terms of Union. Now what should we have done? We have been told, this year for instance when the Finance Minister brings in the budget he will have to tell the country that this year we lose seven hundred thousand dollars of that grant of six and a half million dollars. Incidentally people were prepared. The Premier himself was on that delegation, and they were prepared to go into union with Canada on a three and a half million dollars transitional grant for a period of twelve years, and they got six and a half million, someone was evidently doing something. They got six and a half millions, and now it is going to start going down, six hundred and fifty thousand less revenue next year. Our earning power in Newfoundland today does not create revenue for the Dominion of Canada and for Mr. Abbott to show a surplus of a billion dollars a year but it is not for our Finance Department here in Newfoundland unless we put taxation on the people and we were told, Mr. Speaker, when those who advocated union with Canada were giving their stuff to the country, in no uncertain terms, we were told you are going to have no taxation, none whatsoever.

MR. SMALLWOOD: Taxation on roosters.

MR. CASHIN: Then, Mr. Speaker, if there is a taxation on roosters there has been a lot of people crowing lately. He just might be the rooster he referred to himself.

MR. SMALLWOOD: I am a good rooster but not taxed as the honourable gentleman prophesied himself

that all roosters would be taxed, in Corner Brook at a public meeting.

MR. CASHIN: That reminds me again, Mr. Speaker, at the Corner Brook meeting I spoke for three minutes at the most, they kicked me out. However, I made another statement recently and I got to bring that up right now this afternoon. I was supposed to have made a statement that I would be Premier before October. Mr. Speaker, I am going to tell you, it will never be and I have no ambition to give another chance to your friend and colleague an evil genius to start another campaign of sectarianism by then getting another letter moving around the country. They will never get that chance on me. Mr. Speaker, I know in this country today creatures like Bradley are capable of the worst sectarianism in all shapes and forms and Confederation and Union with Canada were fought to a great extent by this evil genius, this evil individual who out at a dinner in Grand Falls once made a Red Speech. Instead of being in the Cabinet in Ottawa he should be in the Kremlin in Moscow. Then we are told to look up to this individual. The Secretary of State, who accompanied Her Majesty the Queen during the Royal Tour, an advocate of Stalin in Moscow. That is true and every member, men and women within the hearing of my voice this evening knows what I say is correct. They will never get that chance on me.

MR. SMALLWOOD: I don't know, I can't let the honourable gentleman say that when in fact I don't know that he ever made such a speech.

MR. CASHIN: Mr. Speaker, the honourable the Premier does not hear all that goes on. Ask any of the people who attended that dinner, go

down to the Evening Telegram Office and ask Mr. Herder and let him tell you what transpired there. Then you will get this man Bradley and send him around with the Queen. Well, Mr. Speaker, we have, no doubt, a secret service man in our midst today, who should be told to go to work on him. That is my answer to the Premier or anyone else that I made such a statement. I won't be Premier and I have no intention of being one before October. That is my answer. Take it or leave it. Like it or lump it. You know what I say is correct. They would do like they did with my late father, and creatures like Bradley, too lazy to work and too cowardly to steal. I would not be identified with a party or have anything to do with a creature like that a menace to the Commonwealth, a menace to Canada, a menace to the British Empire. He is not here, unfortunately, but here is a challenge for him, let him come here and I will pay the cost for him to come, poor and all as I am, to deny that statement on a public platform in St. John's West or East for that matter. When he put in some of his dirty work with his circular letters which he fooled another unfortunate into sending, and they cheered, Mr. Speaker, Bradley, a wonderful man. That is how we got union with Canada. But forget Bradley, forget him, forget him, because if his history is written, if he ever gets where he wants to get, the Bench of the Supreme Court of Canada or Newfoundland, then give me Vishinsky any day and I would take him in preference to Bradley.

Mr. Speaker, would it be out of order if I asked for a recess for ten minutes?

House recessed for ten minutes.

Mr. Speaker, before I asked for a recess I had been speaking on union with Canada but before I start on that again, I want to correct myself in respect to a man who had been laid off up at Buckmaster's Field. It now appears I have been informed, I have not seen him myself, that man did not apply properly for a permanent job and consequently under the rules and regulations I am told he could not get the position. If I made any mistake in regard to any people in Newfoundland, I now say it was not any mistake on the Government's part, it was his own fault. So, Mr. Speaker, I am not so bad as I am painted, I can even get applause from the Government side of the House. But with respect to the other man the fact in that case is not so good, the one I referred to, Yetman with ten or twelve children in St. John's West, who has been practically thrown on the street himself and his children by the Federal Government but the Provincial somewhere had something to do with it. This morning myself and my colleague visited the gentleman who had the doing of it up in Buckmaster's Field in the Department of Public Works and he told us or intimated, that it was political because of certain political manipulation this other man was let out and the other man was brought in from Red Head Cove.

MR. SMALLWOOD: Did he intimate it was Provincial?

MR. CASHIN: He intimated it was political. I don't call him a heeler for one side nor the other. I don't say his vote could be bought with a bottle of rum or a hundred dollar bill. He had every right to vote whatever way he liked, a man who has served in the merchant navy and is thrown out on the street and someone brought

in here. I don't care who does it, he is a low contemptible creature, I repeat it, and bad luck will eventually catch up with him. But I will let it rest until I get further particulars and if I am wrong I will come in here again and bring the matter to the attention of the House. I don't want a matter of that sort, a matter of a man with ten or a dozen children thrown out on the street. Now, I will continue with the preamble on the effect of union with Canada. I have described how it was brought about and in previous talks I have described how it was achieved, I described here in 1949 when I was an Independent down there on the floor when I read this famous letter and I still have a copy of it. It is a wonder that what little papers I have got have not been contaminated but sooner or later it will get the smell of Bradley off it. Now with respect to the Terms of Union, Sir, I said they were improperly negotiated, inadequate financial assistance and we were told to go back in eight years and if they are not all right that is a peculiar sort of an arrangement for any person to make on that delegation on which there were three lawyers. At that time they also negotiated the freight rates agreement incorporated in the Terms of Union but not made quite clear with the result we had to have a legal fight in order to get them settled. Then the people of Newfoundland lost one or two millions which were taken out of their pockets by over-charged freight rates. Surely, whilst we agree that it would be impossible for every individual to get back what was owed him they might have paid that money which morally, I say, morally at any rate belonged to the Newfoundland Treasury and should reconcile that, they would agree with that statement. But they have not

done it and it has not been insisted upon and undoubtedly won't.

Now again, everyone in Newfoundland knows my attitude with respect to Confederation, everyone no doubt in the world knows about how I felt; to sell one's country is a frightful thing and sooner or later those who are behind that will regret it and the day they ever advocated it because it will be imprinted on their minds, their conscience: "I sold my country."

MR. SPENCER: That is a personal opinion, I take it.

MR. CASHIN: That is my personal opinion.

MR. SMALLWOOD: And the opinion of seventy-eight thousand Newfoundlanders?

MR. CASHIN: There was only a majority of four percent, forty-six percent voted against union with Canada.

MR. SMALLWOOD: What are they, quislings, and the others patriots?

MR. CASHIN: They were fooled into it. The Premier was at that time the strongest advocate, together with friend Bradley, of union with Canada. Did he not say and tell the people of Newfoundland that the cost of living would be reduced and if it were not he would resign. Did he or did he not?

MR. SMALLWOOD: It was reduced.

MR. CASHIN: It has gone up three points.

MR. SMALLWOOD: Since that time it has gone up again.

MR. CASHIN: You are not resigning, you sprung a new election.

MR. SMALLWOOD: The cost of living was reduced, the Royal Commission proved it.

MR. CASHIN: I referred here to a Royal Commission which was held here to determine whether or not people were profiteering, brought in here especially to contaminate business by the present government of the Province and the Royal Commission proved those charges false and told us, so the Government did not know what it was talking about. What are the facts? The cost of living has gone up.

MR. SMALLWOOD: But it did come down. Tell us that.

MR. CASHIN: I will tell it to whom I like, tell you, I am not wasting my breath and whilst I have breath I maintain that. Here is another thing in connection with union with Canada. The Honourable Premier was one of those prepared to go in on any terms, he said so.

MR. SMALLWOOD: I did not say so.

MR. CASHIN: On three and a half millions when you should get ten at least. Ten in perpetuity. I have repeated that so often that some one will have to start that correspondence course referred to by the Premier yesterday to get it into their heads, any business, and now that we have an expert in our midst and are going to hear all about good business, ask him and see if he would confirm what I say, that that gentleman who is now going to be the big chief of the Newfoundland Labrador Corporation, if he were consolidating two companies tomorrow whether or not when he bought the two companies together the profits or stock would be distributed to the shareholders in proportion to the assets and debts and he would say: "Certainly." But that was not done, Newfoundland was prepared to go in for three and a half

millions and we got six and a half which is now starting to be reduced and I say we should have gotten ten and a half millions in perpetuity. Why? Simply this that we entered into union with Canada in 1949 when our per capita debt was roughly two hundred dollars a head, roughly which meant a difference of a thousand dollars in our per capita debt. That was three hundred and fifty dollars, and as I said before, we did not anticipate getting a cheque for three hundred and fifty million dollars to square the account so that we could start off on an equal basis, at least I did not. I am expressing my own opinion, no one else's. But ten and a half million dollars would be three percent annually on three hundred and fifty million. That is what you should get with no reduction annually. Instead of that the debt was up and therefore now you have to admit any man in the Government or in the country. Jimmie MacNab, the fellow who will spit in your face, will have to admit that you will require at least ten million dollars a year to live on, on the same basis you are living today, be twelve years hence, or nine years, three of them are gone. Mr. Thompson can tell you so. Indirectly when you were negotiating the Terms of Union before we went in, in 1949 he told you that and he was paid by the Government roughly twenty thousand dollars for telling you and you ignored his advice, the advice of his firm.

Now, in view of these facts, have we or have we not gained by Confederation, you have the family allowance and people have gone around campaigning and saying "If you vote for Cashin and Hollett, or Fogwill, or Higgins, or Duffy, or Jackman, you are going to lose your old age pension, or the baby bonus." They have done it.

MR. SPEAKER: The honourable member is making charges now.

MR. CASHIN: I am making a statement, Sir, people have done it.

MR. SPEAKER: It cannot be discussed at this time.

MR. CASHIN: Well, Mr. Speaker, I want to say this: The impression was created by a political campaigner in many places and in many cases that if they voted for a certain party or individual they would not get their old age pension or family allowances. That was implicated.

MR. SMALLWOOD: It was also implicated that family allowances were immoral.

MR. CASHIN: Yes immoral. I am the one who said it and I am glad you gave me that opportunity, Mr. Speaker, I have the floor, am I the only one to be pulled up? Yes, I said they were immoral, in 1947, I think it was.

MR. SPEAKER: What does the honourable member mean by that question to the Chair—"Am I the only one to be pulled up"?

MR. CASHIN: I did not reflect on you, Mr. Speaker, but the Premier jumping up and down like a jack-in-the-box when I am speaking. I have my rights and I am seeking to get them, with the help of God and my own experience.

MR. SPEAKER: I must express myself entirely at a loss to see.

MR. JACKMAN: Point of order, Mr. Speaker.

MR. CASHIN: Let him not interrupt me though I get a certain amount of pleasure at the things he says, and the one he threw over the

air "Poor Peter"—"What am I going to do without him."

MR. SMALLWOOD: I happened to mean them.

MR. CASHIN: Ticked pink that I was going to be defeated in St. John's West. So that you went out and gave me every sort of political abuse, not only on my political career but private life.

MR. SPEAKER: I have already ruled out of order for every member and I cannot make an exception for the present.

MR. CASHIN: It is my fault, Mr. Speaker.

Now, the question is that it was said by me that the baby bonus was immoral. Anything that goes to bribe the people is immoral, bribe them. That is the only thing they held out to the people during the referendum of 1948, baby bonus and old age pensions, what is that but immoral, certainly it is immoral. It was immoral in the first place when the Liberal Party in Canada had a general election in the early forties and in order to win foisted this on the people, immoral then and it is today, and the day will come when you and I Sir, will be rotting in our graves and the worms crawling through our bodies, when the Dominion of Canada will regret they ever had to pay family allowances. That is a forecast which I make and which I am entitled to make. Why? I don't want any grant from the Premier or anyone else. I never received any baby bonus or old age pension. I say that they were immoral and injurious, if you like, but there are members in this House who have used it against me, and still I am here. My private record was attacked, Mr. Speaker, excuse me, sometimes I

get made mad also, if you are attacked, Sir, the same as I was, it is no great pleasure, coming from some people, you would resent it too and the first opportunity you got would say in no uncertain terms yes, and my colleague has been attacked and members of the Government have done it. But thank God there is still plain decency in certain sections of Newfoundland particularly in St. John's West, particularly Sir, in St. John's West. I am the proudest man in Newfoundland today because I am the representative of the District of St. John's West. No, I never want to be Premier nor will I ever give the opportunity to my friend Bradley to write another letter, never, but I am proud to represent them because in a small way, Mr. Speaker, I am trying to emulate my father who represented first Ferryland for thirty years and then came to St. John's West and represented that District for three or four years. I know I can never follow in his footsteps despite all the slander coming from the Premier and everyone else respecting his memory. But that was the greatest moment of my life, the evening those votes were counted down here in the basement despite the fact that a ballot box was found in the Liberal Headquarters, a missing ballot box which stayed there all night. That reminds me, Sir, and with your permission, on the amendment of the 1913 Election Act a certain lot of discussion has to take place, there is no voters list in St. John's, I realize Mr. Speaker, in a small outport like the one I come from the Deputy Returning Officer knows every individual that votes, knows their family record, knows whether he is entitled to vote or not, but in dealing with twenty thousand voters like in the District of St. John's West and something less in the District of St. John's East,

that is impossible and two elections, the general election and the by-election, were conducted on a voters list taken, I think, in 1946 or 1947. People voted probably on both sides, as far as I know, that were not entitled to vote, crammed in there by party heelers, not a bottle of rum and dollar bills, but probably a bottle of rum and a hundred dollar bill. Some of these people with hundred dollar bills should be made tell where they came from. Yes, Sir, that was about the proudest moment of my life and also the most sorrowful of the Premier's.

MR. SMALLWOOD: I did not mind a bit. I did not want to contest the District.

MR. CASHIN: You were made contest it. What, the two seats in the November election you were prepared that my colleague here and myself have them by acclamation! Like fun you were.

There was thirty-five thousand dollars in road money expended in St. John's West in November 1951. Thirty-five or forty thousand dollars plus the hundred dollar bills and bottles of rum and everything else we heard talk about.

MR. SPEAKER: The honourable member is out of order again. Certain remarks are permitted as the election was referred to in the Speech from the Throne but a member is not allowed to criticise the way the election was conducted because this is neither the time nor the place for it.

MR. CASHIN: Well, Mr. Speaker, I don't know when the time and the place is to be, anyhow the results speak for themselves.

MR. SPEAKER: The honourable member knows very well that on one

motion he cannot discuss something which can be done on another.

MR. CASHIN: I remember, Mr. Speaker, in 1949, when the House first met we were told to let our hair down. The Premier said, "Let your hair down." True my colleague here has not got any hair to let down but I have a few left and I don't get an opportunity to let them down because I violate a rule of the House or a rule of debate, that is the position.

DR. POTTLE: That is not letting it down but bristling the few you have left. You should try to hold on to your hair.

MR. CASHIN: I have held on to a few. You have held on to your hair, that is the position. It would be well, Mr. Speaker, if the Government were to follow the suggestion made by my honourable friend the Minister of Public Welfare and hold on to its hair. That brings me to the position at the present time, and so I will have a look at this Speech from the Throne. I think on opening day I said I had attended fifteen or sixteen openings of this Legislature. I have already paid my tribute to the King and to the Queen, to Mr. Speaker, and the mover and seconder. Now, Sir, we come to the clause: Shortly after the dissolution of the House last fall, a general election was held in November. "My Government sought from the people a fresh mandate for their policy of Economic Development and the people gave it with unmistakable majority."

A mandate which, Mr. Speaker, it was unnecessary to look for. Since we came into this House on March 12, not one piece of legislation has been brought in here. In the last part of October or the first of November past here two bills were passed here des-

pite the fact that the Government said we are going out now to look for a mandate to do this, you passed them and I refer again to the Machinery Company and the Textile Plant and some others.

MR. SMALLWOOD: Mr. Speaker—

MR. CASHIN: We have not yet heard of the Steel Plant that was to be established in Bay Roberts but I question it. I question it.

"My Ministers are determined to press forward resolutely with this policy." You have not brought in one piece of legislation during the past two weeks since we opened. It has been intimated by the Premier that it will be two weeks before the estimates come down so we will be cracking our thumbs here for the next two weeks with nothing to do. The Premier has promised it will be the most profitable we have had. That brings me to the matter of fisheries.

People are supposed to haul up their boats and go working on jobs in these factories, twenty thousand people to make forty thousand dollars a year. I have not worked it out like the senior member for Harbour Main-Bell Island but I assume it means a man is to make \$2,000. I can't see it, Mr. Speaker, I tell you now that in my opinion that was another election promise that will never mature. So we go on a little further.

"Prices will be better from present indications than last year." I do not know, neither does the Government and I cannot see, when they do not know, how they can publish it. "Several new industries will get into full production." Now we go on to those new industries, cement, gypsum plant and the birch plant. Yesterday in this House information was tabled to

the effect that the birch plant has cost the Government at the present time one million eight hundred thousand dollars, practically two million, therefore the gypsum and cement mills cost over seven millions between them. Dr. Valdmanis, the genius in his report says they will probably make a million and a half net each year. Well then, I ask the Government why are they selling them? You can make one and a half millions a year which is a net profit of fifteen percent, who would be profiteering then I wonder? A grocer up on Casey Street, how much is he making, how many people are making fifteen percent profit on capital investments? I question it but that goes to show right now my friend Dr. Valdmanis is not telling the truth to such an extent that people believe him and incidentally in passing, Dr. Valdmanis, let me say that here publicly this afternoon, I want him to keep his nose out of Newfoundland politics or he will need to get a new set of handkerchiefs or mouth wipes, thirty-five thousand dollars worth. He has been poking his nose into Newfoundland politics.

Now when these two industries and the birch plant, I understand, I just got the gist of a statement made by Sir William Stephenson over the radio today at lunch time to the effect that the Government went a little fast, if I got him correctly.

MR. SMALLWOOD: You got him wrong.

MR. CASHIN: Well, I don't know I did not take it down. He is the gentleman taking it over. Here it is in the Evening Telegram.

MR. SMALLWOOD: Read it out.

MR. CASHIN: I can add two and two and not make five. "Aims and

Objects of the Newfoundland Labrador Corporation Outlined by Sir William Stephenson."

Sir William Stephenson has made his bow to the people of Newfoundland and I welcome him on behalf of the Opposition and I welcome him on behalf of myself even though some people would not like me to even see him. However, it is quite evident there from his statement he questions whether we have not gone ahead too far, a bit too rapidly and even though that great man and I have every reason to believe from what I hear that he is a good man, a great industrialist. I heard the Premier a couple of years ago in a report or a statement regarding the greatest of them all, Rockefeller Foundation, the wealthiest probably in the world, saying that they were going to come here. The Premier conveyed to us in this House and to the country that now Newfoundland is made. What transpired, Mr. Speaker? What transpired was the IBEC Report which the Rockefeller Group prepared and we are told we are not permitted to see it. Why? As I stated yesterday in this House and I repeat now, it is not in the public interest. I wonder what Sir William Stephenson would say would be in the public interest, he as an old secret service man would probably say anything not in the public interest to disclose would be looked upon as something in a defence measure in case of war. But surely goodness, Mr. Speaker, if the IBEC Report were published, war would not be declared if there is something wrong with it. I am not one of those who would want to blacken any report but I would like to be put straight about it because the impression was given, in 1950 I think it was, by the Premier to the effect that these Rockefeller

people were coming to invest millions. If you ever get Hansard you will find out—if we ever get it—that he said that hundreds of millions were going to be invested here. What happened? It cost Newfoundland \$80,000 for that report whereas we were anticipating getting hundreds of millions into the country. So, Mr. Speaker, today, with all due respect to Sir William Stephenson whom I have not had the privilege of meeting and who no doubt will be told in no uncertain terms that this Cashin is a Red or something to that effect, it would not be wise for you to even talk with him. But in spite of what he says here he definitely states that you went ahead too fast and I agree with him because when the cement mill and the birch plant and gypsum mill were originally started it was anticipated that they would cost six or seven million dollars and now we find they cost over nine millions and probably Sir William Stephenson, who, I understand was in the cement business himself, when he arrived at Corner Brook the other day, the welcome he got was that the bottom blew out of the place or the machinery or something, anyway something happened there and nineteen or twenty men were laid off because of what happened. What did happen?

MR. SMALLWOOD: I will tell you: The plant kiln is about five hundred tons and about three or four hundred feet long and the furnace fire is I think 3800 degrees fahrenheit which is generated in that kiln to roast the limestone. Naturally fumes are caused and smoke and there is a fan system that sucks the smoke out. The fan system by centre fusilization just disintegrated. The whole fan actually disintegrated. They had to let the fire out, cool out the kiln and

there is a flange been flown across the Atlantic and while they are waiting they have taken the opportunity to reline part of the kiln with fire-proofing. They have laid off nineteen men.

MR. CASHIN: They have laid off nineteen men which proves the plant is not operating properly, the construction is a poor job. I understood from the Premier the other evening that some bank in Switzerland or somewhere else was guaranteeing to hand over this plant. That is the silliest thing I ever heard in my life. That plant paid for by the Government of Newfoundland and to be handed over to the Newfoundland Government for a certain price, has cost more money and this outfit over in Europe, their bankers are guaranteeing what it has not got, they are not worth the paper they are writing on. They do not have a dollar to their name. I am talking dollars now, do not ask me or any half intelligent individual whether this plant is properly built. It is to turn out I think fifty thousand tons a year. They have been at it over a year and have made a mess of it, a rotten job. That is the answer. We were told what wonderful profits they were going to make and now they are going to hand it together with the gypsum plant to the Newfoundland Labrador Corporation.

Now let us have a look at that. At the present time the Newfoundland Labrador Corporation have nine hundred thousand dollars from the Newfoundland Government and one hundred thousand dollars outside money, Wood Gundy represent a group, Harriman-Ripley a group, and there are other people in it but in all a million dollars and they have not enough money to buy them. Newfoundland

owns 90% of the stock. All right, assuming this is about to happen all we have to do, us stupid people in here, these people who have no faith in the country, is to read it. They are going to sell these plants to the Newfoundland Labrador Corporation which only has one million dollars. Now they can't buy it and pay cash, ten million dollars in round figures, what has got to happen is a loan. The Newfoundland Labrador Corporation will raise a loan on the credit of Newfoundland. Let us assume they pay the Newfoundland Government ten million dollars and they take them over. I understand one of these plants is under contract to do certain things and they are entitled to certain privileges. Mr. Dawe has been given an agreement to carry on that job and they can give him a further agreement. However, assuming they sell now to the Newfoundland Labrador Corporation, they compensate the Newfoundland Government ten million dollars, and take them and try and resell them for fifteen million dollars, then what happens? Newfoundland gets ninety percent and they get ten percent, Newfoundland will get around twelve and a half millions and the other million and a half will go to Harriman-Ripley and Wood Gundy and those interests and they make ten percent out of our stuff.

There is, Mr. Speaker, a loan Bill based on those terms to come in here and if a loan Bill around these lines comes in they will have to bring along a lot more rum and hundred dollar bills to hand over these assets and give ten percent to these corporations, these individuals, because when we hand them over or sell for ten million dollars Wood Gundy and Harriman-Ripley and their associates own ten percent, they will have ten percent

stock in these plants on which they may make a million and a half dollars. However what does that prove and what does it not? If the Government has plenty of money to spend on capital account they would not have to do those things, if Dr. Valdmanis is right then you are giving away a million and a half dollars of your profit. But he can't be right, because if he is right in that respect then the sale of these to the Newfoundland Labrador Corporation is another scandal. Yes, you will ha, ha, ha, in your teeth before this is over. That is how you are trying to bluff out of it.

MR. SPEAKER: Order.

MR. CASHIN: That is how the Premier thinks he can bluff people. Thank God, there are some people he cannot bluff left in this country, and I call it country, Mr. Speaker, whether the Premier likes it or not, because until I rot I am still a Newfoundlander. What is the position then? He has got to sell these plants. Whether they like it or not they have to get money and your own figures tell you or at least the ones you brought in here, but we are going to be all (what is it he called it the other day?) speechless, yes, imagine we are all going to be speechless in here, dumb, that is what they would like a dummy opposition, that was their idea for the general election to have no Opposition. They were in financial difficulties at that time and Sir William Stephenson is a dressed up man on that Corporation, they are using his name, this great man, Dr. Valdmanis to whom you are paying \$25,000 a year too is dressed up in this report. Sir William Stephenson has to do all the work in New York, resign his directorate in other companies and come down here to take on this job dress-

ing up this Labrador Corporation. Well, Mr. Speaker, there are a lot of funny people but neither Sir William Stephenson nor anyone else for that matter will come here or go anywhere else and tell people; I have given up my association with industries in the United States or elsewhere and am now getting no revenue out of them, am going bankrupt to come down here and work for nothing. Mr. Speaker, I cannot swallow that, and I doubt if any intelligent man in Newfoundland or elsewhere will swallow it. Now I am not saying that with disrespect to Sir William Stephenson. He is a businessman and a hard-headed one or he would not have gotten where he did and when these astute businessmen get together the Premier and Peter Cashin and Hollett and the whole lot of them are more or less putty in their hands.

MR. SMALLWOOD: Count me out of that.

MR. CASHIN: Watch it—watch it. Count you out? Well Mr. Speaker, the honourable the Premier came into this House a year ago or a year and a half ago and counted himself into one, and I refer to the Icelandic Scandal. That is another one where I don't know whether to count you out or not. Then there are fifteen new industries you will get into full production yet there are three you are going to part with or ten percent of the profit. And we see here today definitely by Sir William Stephenson's report that a loan is to be raised on the credit of the country and the credit of the country and the credit of this Corporation whilst forty-two or forty-three millions were handed over because Sir William Stephenson in his statement here today says they are going to raise a loan to buy these things to take care of commitments. They

are committed for the road across the country for \$20,000,000. The honourable the Minister of Public Works said the other day he was going to stick his neck out and name an amount of \$20,000,000 you were committed and you are committed to other subsidiary industries about thirty-five millions. That is thirty-five millions of a new loan we are to have. Surely, Mr. Speaker, it will be unnecessary for me or any member of the House to ask any questions about loans. Sir William Stephenson said that they are trying to float the money, a money loan of thirty-five million dollars that is, that amounts to the same. The Premier said this afternoon not in actual words, but the word innuendo is a word which has been used a lot in recent months here, that he is to raise a loan of thirty-five million dollars.

Now, Mr. Speaker, I wonder if the honourable member for Burgeo and LaPoile realizes what has happened to the surplus and whether or not we came off pretty good as a country or Province, call it what you like, under union with Canada. To me I can't see it, but hope for the best and hope that everything will turn out okay. But if we continue spending at the rate of ten million dollars a year on capital account, or more, we can't do it because our revenue is decreasing each year now and the Premier made a very astute statement the other day for a change, I think I made it before, it is possible that the people of a country can be well-off while the nation itself is financially bankrupt. That is our position today. The people are going to have plenty of work this year, the pulp and paper industry is going to expand, the mine on Bell Island and Buchans and others are doing well, the fishery and agricul-

ture are both forgotten. I don't know whether Sir William Stephenson in his address today had in mind anything in respect to the fisheries of Newfoundland particularly in the salt cod-fishery which however is going year by year and day by day, fishermen hauling up their boats and going to work in industries, not permanent industries, mind you but industries such as the creation of bases where they are making good money. But the fishery is the main industry and always will be the main industry of Newfoundland. It employs more people, particularly in a time of national sanity. We have no national sanity in any part of the world. But particularly in a time of national sanity in Newfoundland we look principally to the fishery. The pulp and paper industry employs so many thousand men, the mines on Bell Island, Buchans and other smaller mines employ so many thousand, but thirty thousand men at least have to go in the fishing industry, and now in the fresh fish industry. Now, if we took the loans the Government has guaranteed or gave as financial assistance to the fishery industry in Newfoundland, how much would it amount to? Mr. Speaker, I am unable to add but I can always make a guess. In all about five or six million dollars. That was money advanced and guaranteed by the Government in 1946. Five or six millions. But they have thrown away ten millions on a cement mill, a gypsum plant and they have thrown five millions into two other industries, the machine plant and the textile plant.

Speaking of the textile industry, I wonder what Sir William Stephenson will think of the textile industry in Newfoundland? He comes from the United States, probably the greatest of

the world's producing countries, at any rate will he tell that board on which he sits and the Premier that the textile industries of New England are leaving there and going South? Will Wood Gundy and Company tell the Premier the textile industry on the Mainland of the Dominion of Canada is today laying off ten thousand men or has during the last couple of months and is beating down the doors at Ottawa to get further protection? And we are going to build a textile plant for five million dollars when there is no prospect as to where we will sell the stuff, no possible place to sell except on the Mainland where they are in difficulties, except in the United States where they have all the cottons they need. It does not sound sensible to me. I hope they will succeed, I certainly do.

Sir, as a result of all these things union with Canada whilst giving us a lot of benefits such as family allowances, and old age pensions which I agree with but I don't agree for instance with a man like Sir William Stephenson getting forty dollars a month old age pension. He should not get it nor any man of his type on the mainland, seventy years of age with old age pensions of forty dollars a month, millionaires, and people in Newfoundland help to pay it. The same applies here in St. John's, people with money getting the old age pension. I don't agree with that. Now an old fisherman, woodsman or miner who has worked for forty years or forty-five years of his life is entitled to it and I would fight for him but not men of that type; they don't need it. Most of them can give away their money.

Now, Mr. Speaker, with reference to our financial position it is stated here in no uncertain terms: "My Govern-

ment has lately appointed Mr. James C. Thompson". . . Now I am not going to attack Mr. Thompson. I don't know the gentleman and as far as I know he is a decent citizen. "My Government has lately appointed Mr. James C. Thompson of Montreal . . . Let me say right now, Mr. Speaker, the Province should be prepared not within five years from now, but now, Sir, Sir William Stephenson told us today, your surplus is gone. I hazard the opinion that he knows probably more about it than we do, much more, because they have been more frank with Sir William Stephenson regarding the financial position than they have been with us representatives of the people in this House, yes, even ordinary members on the back benches of the Government have been told about it. But there is their own position according to their own figures and I repeat from memory and subject of course to correction by that great mathematician the Premier of Newfoundland, here is the position up to February 29, 1952.

MR. SMALLWOOD: May I say my name is Joseph the meaning of which is "I shall add."

MR. CASHIN: I have a right to assume the meaning in mine as well as you have in yours. I have heard the Premier say there are people in St. John's who hate his guts. I am sorry, I have to say that at the present time the Premier of Newfoundland hates my guts.

MR. SMALLWOOD: Don't flatter yourself.

MR. CASHIN: He would not say a Pater Ave over my dead body if I dropped dead here now but good riddance of bad rubbish. That is how charitable he would be towards me and I would not expect anything

else nor don't want it. Now Mr. Thompson has gotten a job from the Government. I don't know what he is getting paid, there may be something like Mr. Jamieson, no agreement but verbal and Mr. Jamieson went out and blew in fifty thousand dollars. Mr. Thompson is a reputable citizen, competent in his work. The Premier was on the delegation to Ottawa in 1949 regarding the Terms of Union with Canada but did not take Mr. Thompson's advice or his figures and I regret exceedingly (to use a former politician's words in this House) that I am not permitted to table the statement which Mr. Thompson gave to the delegation in Ottawa in 1949 which in a sense was a turn-down of the financial Terms of Union we got today. He laid out a budget, Mr. Speaker, for six or eight years, I think, strictly off the record now, whereby the whole forty odd millions would be gone within six or eight years. It will be three years ago tomorrow or the next day, "All Fools Day," we have been in union with Canada. It is typical of some people to select a day such as April 1st, typical of the Liberal Government to start on All Fools Day because they made a fool of Newfoundland, Union with Canada started that day.

MR. SMALLWOOD: No. Not at all.

MR. CASHIN: You took over office on April 1st. There terms were negotiated in the Autumn of 1948; that is when you people were up there selling out and made a good job of it.

MR. SMALLWOOD: When did we become a Province?

MR. CASHIN: We have had people in before we became a Province running the affairs of Newfoundland.

MR. SMALLWOOD: Technically the Commission of Government carried on until April 5th.

MR. CASHIN: A Province demands a Provincial Government and we became a Province April 1st, you ought to know, you are the one who negotiated it. Fixed the date.

MR. SMALLWOOD: I fixed the date?

MR. CASHIN: You fixed the country, and Bradley and the whole lot of them.

MR. SMALLWOOD: The country is very grateful for it.

MR. CASHIN: Mr. Speaker, I could adjourn the debate and then have the right to speak again at the next sitting.

MR. SMALLWOOD: That will be at 8:00 of the clock.

MR. CASHIN: All right, Mr. Speaker, I move the adjournment of the debate now until 8:00 of the clock tonight. If the Premier has not the courtesy to prorogue until tomorrow. I do not expect much courtesy from the Premier.

I was on the Terms of Union, and in three years you have done away with forty million dollars and involved the country, as I see it, for another thirty-five millions according to Sir William Stephenson's statement at the opening meeting of the Newfoundland Labrador Corporation when he says you will have to raise money to buy these plants at ten million dollars and you will need twenty-six more to pay your commitments. That is roughly thirty-five millions altogether. The honourable Minister of Public Works told us the other day you will need twenty million dollars to finish the

highway across Newfoundland which is part of the Trans-Canada Highway. He said he would stick his neck out and estimate.

MR. SPENCER: I did not say anything of the sort. I rise to a point of order, Mr. Speaker, I realize the honourable gentleman does not mean to misconstrue what I said. I did not use the words "stick out." I did not say as he has just intimated that we required twenty million dollars to finish the Trans-Canada Highway. My statement was that I would express a personal opinion and be prepared to go out on a limb and estimate that the cost to Newfoundland would be about twenty million dollars, but not to complete it, there has been considerable expenditure out of that.

MR. CASHIN: All right, you will need another fifteen or sixteen million dollars. Mr. Speaker, the difference of four and five million dollars is only chicken feed. Very well fifteen million dollars and ten million for the cement plant, birch plant etc. and five or six millions for other commitments which is twenty millions anyhow which you have to bring in legislation for here according to Sir William Stephenson's statement in the paper tonight made before the Newfoundland Labrador Corporation. So that the people of Newfoundland can look forward with pleasure to raising the loan of thirty-five million dollars within the next twelve months. And I won't be Premier of Newfoundland, Sir, in October for the reasons I explained here this afternoon.

I started saying something about the fisheries here this afternoon and got in an argument across the House and I am going to go back to it. Because I too came from a fishing settle-

ment. I attended the opening function the other day of the Fishermen's Federation, by fishermen from all over Newfoundland who came in here to discuss the fisheries. Honestly, Mr. Speaker, I hope they will be successful, I pray as a matter of fact that they will be successful but at the present time as I look at the fishery situation there are a lot of investigations that have to take place and I agree we have to expand our fresh fish industry. At the present time, I understand we have about seven or eight million dollars in fresh fishery according to Mr. Gushue's statement to that Federation of Fishermen. In a booklet we got the other day, in all the total fishing produced in Newfoundland is one hundred and thirty million dollars, very little more, I stand corrected, the pulp and paper industry today is a bigger earning power than the fisheries. Now, I feel in my own soul that a great deal of our salt cod markets are gone and as they said down in that place the other day, we have big competition from progressive companies fishing on the Grand Banks, fishing for themselves where we once had a huge market for our Maderia fish they are now catching fish and bringing it back to Portugal. Can we compensate for that with fresh fish or find a market to take that particular quantity to make up for what the Portuguese are catching?

MR. SMALLWOOD: We have lost the Spanish markets just as well.

MR. CASHIN: Don't you think, Mr. Speaker, in view of that fact, that we would be better off fighting in here over fish than over the gypsum plant or the machine plant out at the Octagon? Perhaps we have not given enough thought to the correct methods of fishing during the past century or

more and I'm giving credit to the Commission of Government for this, I was politically opposed to them but they started lending money to them. That is the only thing in my mind of a constructive character since they came into office, the few million dollars they guaranteed or loaned to the fishing industry. I don't care if they get it back or not; it has gone into our own country not to Germany or Holland but has gone into Newfoundland; but that machinery and stuff that came out here from Germany for that cement plant in Corner Brook and the Gypsum Plant in Corner Brook, these dollars went to Germany and it does not look nice to me or any Newfoundland man or woman, for that matter any fellow that had anything to do with Germany during the past thirty-five years I cannot see how he can stomach any of them, to use an expression used by my honourable friend the member for St. John's West, those miserable Germans. That is how they started, they have gone all over the world creating under-ground systems everywhere and everything went to the Fatherland. Now we are getting them here, the Fatherland, in the greatest strategic position in North America, Newfoundland, and that is what we gave away, Sir, when we went into union with Canada, the greatest naval and military strategical position in North America. The Commission of Government started it and we as the people know, we all know what we fought for. It would turn your stomach. In 1949 we gave it away, for what? For nothing, for a couple of million dollars of revenue; we were getting that before in customs and income taxes etc., and you don't get it today. The Dominion of Canada gets it. The American Bases were given away in 1940 I think, for nothing because we had lost our independence

and no doubt I would be accused of being one of those accused of responsibility for the financial mess at that time. So in order to put the record straight I will go back to these old days when people, who have been maligned in here including this afternoon, played a prominent part in building up of Newfoundland. When we go back and see what revenue they had in those days and what they accomplished, the building of the railway across Newfoundland, developed Corner Brook with financial assistance from the Government and Grand Falls which began as a small mill and got bigger as time went by, then we gave away these things. Why sometimes a good promoter is worth a whole government or two governments.

In 1905 the late Harry Crow interested Lord Rothermore and his brother, Lord Northcliffe to come to Newfoundland and establish a pulp and paper mill on the Exploits River and they got certain concessions from the Government. That was one of the Governments who gave away Newfoundland, but there is nothing about the Government here giving away our lands to the Newfoundland Labrador Corporation and three or four people making a million and a half profit for doing nothing.

Then we got into financial difficulties many times. In the bank crash of 1894 we had not a dollar in the bank, fishermen principally. Then small industries started to crop up here and there until in 1923 the Corner Brook Mill was established guaranteed by the British and Newfoundland Governments. Today Corner Brook is the greatest industrial center in North America for one paper mill, there is no other paper mill in the world as big as Corner Brook. But they were able when they came to this

House to lay their cards on the table, to tell what profits and losses there were. But to these German Industires, we are handing out money, inviting people, bowing and scraping to them in cocktail bars in this community and they are no heelers of the Government, Sir. There are people sleeping there in Belgium and on the Somme in France and if they were to come to life today, and if Sir William Stephenson who is in New York today, were to come into this House and see these matters being discussed respecting the development of German Industries in Newfoundland, what would they say? Would they pat the Premier on the back and the Minister of Supply on the back and say, go ahead deal with those Germans. They would not laugh at them either. I remember, Mr. Speaker, that these people, unfortunate or otherwise who fought in the army, navy, or airforce have been sneered at.

MR. SMALLWOOD: Ham actor.

MR. CASHIN: I don't know. You have the ham and bacon in your party, but I don't like it, not because it is "Chalkers." I don't like it anyhow.

Speaking of ham and bacon, I am glad you brought that matter up. I have no doubt whatever your firm is getting the business, none whatever, I have no objections, but get it properly.

MR. CHALKER: We have done that.

MR. CASHIN: Don't put on a squeal when someone asks a question about it. I know ham and bacon they develop it from pigs and it would be unfortunate if some part of it should squeal.

MR. CHALKER: We don't sell the squeals.

MR. CASHIN: If you don't sell the squeals you manufacture the squeals. Yes, pigs, that is where it comes from P-I-G and your friend the Premier no doubt could advise me in that respect.

MR. SMALLWOOD: I know all about pigs. I was never so happy as when I was feeding the pigs.

MR. CASHIN: Mr. Speaker, I don't know whether or not it would be worth my while to ask the Government for any courtesy to postpone this debate until tomorrow but they said no. Very well, I submit to the powers of the number, the powers of course you are trying to inflict—

MR. SPEAKER: The honourable member cannot cast reflections like that against Her Majesty's Government.

MR. CASHIN: It is not the Government but individuals of the Government.

MR. SPEAKER: That would be equally offensive.

MR. CASHIN: I bow to their tender mercy, Mr. Speaker, I appreciate their courtesy, I thank them for the nice remarks they have made about former members of the House this afternoon, I appreciated them, I welcomed them, I appreciate all the actions of the present Government, the most wonderful organization we have ever had in existence. I do that. I appreciate it. I appreciate the courtesy extended to me, extended to my colleagues. But, Mr. Speaker, there is a day coming for me probably, it is going to come as sure as night follows day, as sure as you sit in that Chair, there are sections in this Province or country who are not going to be so fragile and weak as to tolerate the indignities and insults that have been

thrown at them by members of the Government, and that day will come as it came to Mussolini, to Hitler and as it will come to Stalin and possibly will come to Smallwood, he is no greater than these were.

MR. SMALLWOOD : Mr. Speaker, I am getting a little tired of rising to a point of order but the honourable member will retract that statement or go out of this House, if the House votes the honourable member is so obviously out of order, so gross and flagrantly violating the rules, to compare me with Mussolini and Hitler and Stalin, I was never on surer grounds than that to move the honourable member be suspended from the House.

MR. CASHIN : I thank the honourable the Premier. To begin with he has no right to move a motion to have me suspended from the House, there is only one person who has a right to put me out, Your Honour the Speaker, and the people of St. John's West on the other hand.

MR. SPEAKER : The honourable member is quite mistaken. There is only one person who can remove him from the House and that is the honourable member himself by flagrantly disobeying the rules and refusing to retract a statement. The honourable member, I am quite sure in the heat of debate, has allowed himself to couple the name of Her Majesty's Premier with the name of three dictators. He knows no honourable member is permitted not only in this House but in this British Commonwealth to reflect on the patriotism of Her Majesty's Government or any member of the Opposition side.

MR. CASHIN : I am not reflecting in any way on the patriotism of this House or any member of it. I have

not said that any member of this House is unpatriotic nor no one can accuse me of making that statement. At least I feel that my colleagues on this side of the House have not heard me make any such statement or that you, Sir, heard me make that statement about any member's loyalty to the Crown; I put it that way, loyalty to the Crown. I do not think that any member on either side of this House is in any way disloyal to the Crown in our allegiance to Her Majesty the Queen. I never made any such statement, and when the Premier gets up here and tries to draw that red herring he is making a great mistake. I realize, Sir, the Premier is accustomed to dragging red herring, the Icelandic Boats caught seven of them.

But I was speaking of Mr. Thompson: Mr. Thompson is coming to Newfoundland to get us ready to discuss new terms, new financial Terms of Union with Canada which have to be made under the Terms of Union within eight years, and they are not being made within four years. The Government has not been honest enough to come in here and tell the truth in that respect. If the Government came along and said "Look, we have over-spent and now we have got to get someone in here to prepare the record for this Royal Commission" we would have helped them. But to come in and try to camouflage the whole thing, tell us that the country is solid financially when at the present time their surplus is gone, not enough of it remains for capital expenditure.

MR. SPEAKER : Six o'clock. The House is adjourned until 8:00 of the clock.

NIGHT SESSION

MR. CASHIN : Mr. Speaker, when we recessed at six o'clock this after-

noon I asked to have the debate deferred until tomorrow, however, I am back here on my feet. We were discussing in a general way, after the brawl which took place here, the financial position of Newfoundland at the present time.

Tonight, Mr. Speaker, I hope to co-ordinate the present financial position of the Province in relation to Sir William Stephenson's statement made at the meeting of the Newfoundland and Labrador Corporation which appeared in today's local press. I hope to establish the fact that, beyond the shadow of a doubt, the ordinary thinking individual, even so far back as seven months ago the Government realized the financial position of the Province and realizing it did not have the courage to face the situation. So I return for one or two moments to the general election of November last and the subsequent by-election in St. John's West. An attempt was then made to wipe out all opposition to the Government and thus create a form of dictatorship, if I may be permitted to say so, without any opposition in the House whatsoever.

MR. SPEAKER: No—The honourable member is not permitted to say so.

MR. CASHIN: Well, let the public draw their own conclusions in that respect, Mr. Speaker, and they are the jury.

Now we will take the statement of Sir William Stephenson which I referred to here this afternoon without any attempt to analyse each paragraph as it relates to the present financial and economic position of Newfoundland. For that purpose I will not read the beginning of it but I will read the latter portion of this document which is now public property

and I will table the paper, according to the rules.

Mr. Speaker, as I pointed out this afternoon, let me repeat again, the portion of our surplus which was provided under the Terms of Union for capital expenditure, extension of public services and another portion for the meeting of deficits on current account, but particularly this portion for capital expenditure, why it was stated here the other day that twenty million dollars has been expended or committed and I will attempt in my poor way to prove that statement and which is correct, because it is all very well to make those statements but to prove them is another matter. Now, Sir, take the Auditor General's Report for 1950-51 March 31st, what do we find? We find that at the time of Union, we had \$24,261,721 and of that twenty-four odd million dollars, ten millions is put one side for future current account deficits. Now, undoubtedly the Government knew last November, realized the liabilities they took upon themselves and the obligations, the rate at which that was going, something had to be done. But the Government was not honest enough in that respect and the public knew to a greater or lesser extent so we find, according to figures tabled in this House within the last week, that over fifteen million eight hundred thousand dollars (I speak from memory and subject to correction) were expended on capital account against thirteen millions and odd. Now, Sir, that would look as if you had spent two millions more than you really had. On the other hand according to figures tabled in the House yesterday we have received back in some way or other pre-union surplus assets for one million three hundred thousand dollars. In other words then, according

to the Government's own figures, the Auditor General's Report and figures tabled in this House, you overspent probably a million dollars on capital account in various ways. In addition you have some money due to come back, which may balance that account. I don't mean to try and create an impression you are spending money you have not got, because you could not. But I do want to say this: According to figures tabled in this Legislature during the last week or ten days you have obligated the Government, obligated the country by four and three-quarters of a million dollars approximately and according to further statements made then by the honourable Minister of Public Works we are obligated directly or indirectly for another fourteen or fifteen million dollars for the completion of the Trans-Canada Highway in Newfoundland. That means in all, Mr. Speaker, over twenty are without a correspondence course. Now, Sir, where are we going to get more money? You have expended the ten million according to the Speech from the Throne and confirmed today by Sir William Stephenson in his address to the Board of Directors at the meeting of the Newfoundland and Labrador Corporation.

Now, Sir, we have had one of the biggest industrial engineering outfits in the United States, two representatives I understand according to information given the House by the Premier, from the Firm of Coverdale and Collpitts, which is probably the most outstanding firm in New York today. Mr. Coverdale was brought here, I think he is a Canadian who has developed this business in the United States, and there is no doubt the word of his firm will be taken by a financial institution, but the point, I want to make is this, that we here in New-

foundland had in the person of the Director General of Economic Development, an expert who made a report on two of the projects at any rate and pointed out they would make a profit of a million and a half a year or at the rate of fourteen or fifteen percent on capital investment of ten million dollars, that report would not be acceptable to financial people so Coverdale and Collpitts came here, their representatives have been here and are supposed to have a report done in New York a few days ago. When that report reaches here it will probably not be in the public interest to see. Let us hope that report is good, far be it from me or any member of this side of the House to get down on his knees tonight before retiring then and pray to Almighty God the report will be anything but bright and I want and my colleagues too on this side of the House want to make known definitely right now that we are not looking forward in a pessimistic frame of mind but are genuine in this that these things should be discussed in a proper manner. Therefore their idea, as I said here this afternoon is to float a bond issue on the credit of Newfoundland and on credit of the Newfoundland and Labrador Corporation which has received many concessions from the Government and which is ninety percent owned by the Government. Again I wish to point out that if these industries are so great as we are told they would be by the Government spokesmen last year in the last session of the House, I cannot see why they will sell them. But it is quite evident that the Government having realizing it went too far, if the Government had taken one of those industries and experimented with it and failed then there would have been a good excuse for it, but they tried to do too much

at one time with the dollars at their disposal with the result that the money is gone and if we look at the proposition to put it on the table before bankers, the toughest kind of people in their way in the world, and they will look at the practical side as well as the bright side, and Coverdale and Collpitts report, God forbid, it is not too bright, what would happen then? Because Mr. Speaker, we have to be prepared for every eventuality. What would happen if we could not raise that ten million dollars, if we could not raise the whole thirty million dollars, what would happen? Again I repeat with emphasis that we on this side of the House do not want to see that state of affairs exist in Newfoundland. But I repeat, Mr. Speaker, over twenty years ago in this Legislation when we were up against it the same thing and worse I remember when our loan was refused. I have received considerable criticism politically and otherwise over that period when then we could not raise a million, could not raise the money to pay our civil servants, when certain businessmen on Water Street were trying to put a run on the Savings Bank, when bankers refused to lend us any more money. I don't want to see the present Government put in that position, God forbid it, I say.

MR. SMALLWOOD: There is no danger.

MR. CASHIN: You don't know—I don't know. You know, Mr. Speaker, every man in this House does not know what will happen tomorrow. As I heard a fellow express it the other day in most appropriate terms: "What happened yesterday is gone, you cannot undo anything that happened yesterday, that is over. What happens today is what counts, tomorrow is a promissory note, today is cash in

hand tomorrow a promissory note." Now no one can forecast with accuracy even the greatest minds in the world today of all nations, British, American, French cannot forecast what is to happen tomorrow.

Mr. Speaker, the following telegram has been handed to me. It comes I think from the honourable member for Burgeo and LaPoile, sent to him by a great Grand Bay fisherman who asked me to wire you as they have been interrupted all day with five foreign druggers stop one of the coast guards boats tied up to wharf stop fishermen in Grand Bay very much appreciate if you would intercede for them for if those druggers continue Grand Bay fishermen . . .

Now that is something. That is a job for the Government. That is a job I would like to see performed but unfortunately we of this Province are not at present in a position to make any appeal except to Ottawa. I understand from that message that one of the boats supposed to be doing the job is tied up to the wharf. Mr. Speaker, at one time when we had a revenue of three million dollars a year, that is in the life-time of many of us, but we had a revenue cutter. When vessels of foreign nationality violated international law with respect to fishing in this country or on our coast then we had our own little "Fife" to do something about it, but she is gone and we have to appeal to Ottawa. The other day the Premier announced in this House that he had taken the matter up at Ottawa but Ottawa evidently had not acted very quickly. I think (I don't wish to misquote or I get in trouble) but it says here that one of the coast guard boats has been tied to the wharf since before noon. That coast guard boat should be out protecting

the business of this tenth Province. Tell me, Sir, I say right now I condemn the Department of Fisheries at Ottawa or whoever may be responsible for the operation of that revenue cutter. The boat should be out in the fishing waters of the South West Coast of this Island. If my memory serves me right, in years gone by there was a winter fishery out of Rose Blanche, Port-aux-Basques, Ramea and other places along that coast and in the winter these fishermen caught more fish than the shore fishermen, say in Ferryland District, would catch in the summer. What has happened? We find that foreign vessels are coming in and I am certainly delighted to have this opportunity to express a few words in connection with this matter and to say a few words in connection with draggers all over the Grand Banks of Newfoundland. Why, Mr. Speaker, within the past few years when these draggers or trawlers are operating in these waters on the Grand Banks how many of our fishermen operating on the South West Coast and Burin District find their trawls have been swept up. Why it is dangerous even to try and catch fish so that today you have very few bank fishermen, prosecuting the fishery on the Grand Banks of Newfoundland in the old way, dories and trawlers are going out of existence and here is unfortunately what may happen . . .

MR. CANNING: That is because it is obsolete.

MR. CASHIN: You would prefer to have those trawlers and draggers come in on our coast and destroy our local fishermen. That is what is happening whether you or I like it or not. I realize that is the modern way of fishing and what do they do? On the Banks they are destroying them.

killing more fish than they catch. Ask any of the fishermen who go out to the Grand Banks in Job's vessels or Monroe's in Burin or any other of these places how much fish goes back into the water killed. Here are the fishermen of Burgeo and LaPoile being driven off their fishing grounds by foreign vessels coming in there and we are opening our doors to them in other respects in Newfoundland, they are more welcome than our own people. But about thirty-five years ago when a certain American vessel after the Bond Treaty of 1905, which prohibited the American foreign fishery vessels, Morrissey was the captain who was originally from Placentia Bay, was hauling caplin in Cape Race Cove against regulations and what happened. The "Fife" was after him before he knew where he was but today there is no "Fife" at the disposal of the Newfoundland Government, they have to get on the telephone to Ottawa, or telegraph and go through all the red tape while the fishermen in Burgeo and LaPoile are discriminated against and wiped out by these foreign draggers and maybe some mainland draggers as well.

MR. SMALLWOOD: Will the honourable gentleman allow me? The honourable gentleman has the floor and I hoped he would lash out on this matter as much as I could, that is why I passed the telegram to him.

MR. CASHIN: Thank you very much. Now, Mr. Speaker, we are getting co-operation. I don't want to take advantage of this thing because, I mean this, and every member of the Government side knows I mean it. But what are the Government of Ottawa doing about it, these people we went into union with who told us they would protect us, our interest. What are they doing tonight? I won-

der if the honourable member for Burgeo and LaPoile will preach union with Canada under this situation now, and I don't want to take political advantage of it because we are already in union with Canada; whatever I do or do not do that union will exist when you and I are passed, Mr. Speaker, and every member of this House is passed. But I would like to recall that they are falling down on the job in Ottawa and I say right now the Fisheries Department of Ottawa don't give two hoots for the fishermen of Newfoundland. It is all very well for Mr. Mayhew to come out with the statement which means nothing as far as the fishermen are concerned, and we dare not criticize this man Mayhew or his officials in his department. They are the most wonderful people in the world, but tonight they are resting in Ottawa, and if I may be permitted to say so, Mr. Speaker, and with apologies to you Sir, and to the House, their actions again say: "To Hades with the Fishermen," and their boat tied up to the wharf and the chances are they are ashore with not an interest whatsoever in the job which they are sent there to do. Now who is to make them do it? Is there a representative of the Fisheries Department in Newfoundland with authority to put these fellows in their proper places? Has this Provincial Government any authority over them? No, the Provincial Government has not any authority but we are supposed to crawl to that crowd, creep on our bellies to them for a baby bonus. I have said, Mr. Speaker, many times in this House and now I will say it again, we will curse the day despite baby bonus, fifty years from now when both myself and the member for Burgeo and LaPoile will be passed on, our grandchildren will curse the day we ever entered union with Canada. And

the fishermen who were supposed to get everything from union with Canada are going to be the principal blasphemers of the bunch. It is all very well for the Premier to pass this to me while I have the floor to go to town so to speak on Ottawa. We should have gone to town in 1948-49. Now it is too late what can we do, we are helpless here tonight and can do nothing. Where is the Secretary of State who represented Newfoundland in the Cabinet now, our friend Bradley, compiler of letters? Is he in bed and asleep? Because he is too lazy to work. That is his job. Where is the representative of the South West Coast in Ottawa tonight? I don't know who he is but where is he? Falling down on the job. Who is that representative Mr. Speaker?

MR. SPEAKER: Mr. Carter.

MR. COURAGE: A good man.

MR. SMALLWOOD: That does not follow. The honourable gentleman does not know what Major Carter is doing or not doing.

MR. CASHIN: I know what he is not doing. The fishermen of the South West Coast, he is not looking after them.

MR. SMALLWOOD: I did not mean you to go to town on individuals in Ottawa I meant to go into this whole business of foreigners coming in and draggers and spoiling our fishery and the tying up of the coast guard cutter.

MR. CASHIN: What can I do about it? I am not in charge of the Government of Newfoundland or in charge of the Government of Ottawa; all I can do is talk and get criticized for it. You get busy on it and—

MR. CANNING: That only happened a few days ago.

MR. CASHIN: If you are excusing them I am not and your Leader is not.

MR. CANNING: Give them time.

MR. CASHIN: According to the member for Placentia West they are doing a good job. They are tied up there how long now? Tied up since noon. I don't know how the water is, if it is rough they will get sea-sick because I will tell you now they have nothing on the Mainland to go to sea with a Newfoundlander, they never did and they never will.

MR. CANNING: I know that.

MR. CASHIN: Now, Sir, I think I have done my share of this. Let the Government do its share, let Ottawa do its share. Our people went into union with this place and they were supposed to play decently with us in any way.

MR. NORMAN: May I ask the honourable member for St. John's West a question? I don't think that the message stated if the draggers were inside the three mile limit.

MR. CASHIN: I know the Grand Bay fishermen may fish five miles off the land, I know that they do off Cape Spear and off Ferryland Head and all along the Southern Shore, dory fishermen go five and seven miles off the land, I don't know. How could I know? It is not my job, only I do say that the Federal Government in Ottawa have fallen down on its job as far as the fishermen in Newfoundland are concerned, and I heard the Premier some time ago was going to clean up the airforce, army and navy, well here is the navy now, let us get down to work on them.

So, Mr. Speaker, we get back to where we knocked off. I was speak-

ing of the financial position when I was interrupted with that telegram, a good one and one that deserved comment and one on which I gave all I had even though I did not please the member for Placentia West.

Now, I was saying when I was interrupted, the financial position of the Province is precarious as confirmed by no less a gentleman than Sir William Stephenson indirectly. I am going to point out that there was some fourteen million dollars to the credit of this country on surplus account on March 31st, 1951, out of which (I am going to speak round figures) fourteen million dollars was set aside for development and extension of public services. Fourteen million is gone and you are going to try and get it back because you have committed yourselves, Sir, for more money which you have not got except you took it out of the balance left in Ottawa for deficits. You have not got five million dollars for instance to put up for the German industries tomorrow which they can call on you to do under their agreement, though I would break that textile agreement tomorrow and I believe the Government will have to break it if they like it or not because of the markets at the present time. Nevertheless, morally I would say first legally, you have to find roughly another five million for these commitments apart from the Trans-Canada Highway, you can break that easily because it will break you. Therefore, you are in the hole there thirty-five million dollars. You have no money for your future development program whatever it is. It has not been tabled here and no one has told us.

MR. SPEAKER: Please don't say "You."

MR. CASHIN: I am not speaking to you but the Government, through you, Sir. That is what I mean, I am not trying to make anything personal of it. This is what I call common sense. Your surplus is gone, ten million of it in these three industries which Dr. Valdmanis stated would make one and a half million dollars a year but now, according to Sir William Stephenson, they are going to take them over, raise a loan on them, raise further money to pay your commitments, and apart from the Trans-Canada Highway altogether look at it in that light so it won't sound so big. Now, you will have to raise fifteen million dollars anyway, apart from the Trans-Canada Highway, and the Minister of Public Works has mentioned that he has other work to do besides the Trans-Canada Highway, looking after all the public institutions here which cost many millions of dollars and a lot of it has been taken out of the Treasury or out of surplus account. You have one of the finest nurse's homes in North America in at the Mental Hospital. I have never seen anything like it in my life. It cost eight hundred thousand dollars and in addition to that place costing in all probably two or three million dollars including the nurse's home, three million dollars under the care and guidance of the Minister of Public Works and the same applies to the General Hospital, millions of dollars. Incidentally, I understand a program of extension for the General Hospital is necessary. But where is the money? Is Sir William Stephenson to raise the money for that? These are things which we want to know. Now, I pointed out here this afternoon these industries are being handed over to the Newfoundland Labrador Corporation for ten million dollars. If they raise that money the ten percent share-

holders in the cement mill, the gypsum mill, the birch plant and supposing that they make, I am taking Dr. Valdmanis's figures, a million and a half dollars a year profit on these three industries. Then these ten percent shareholders in that Corporation, I am not saying anything about the Government at all, but these ten percent shareholders by an investment of one hundred thousand dollars may net at least one hundred and fifty thousand dollars a year dividends on their investment. The same people are making ten percent on the sale. Assuming you are to raise thirty million dollars tomorrow which is more likely than fifteen, how much are you going to raise, we heard of something like fifty at one time.

MR. SMALLWOOD: Stick to ten.

MR. CASHIN: They then get their shares for nothing. Harriman Ripley are good investment bankers, they get a loan, buy them and sell at a profit, but how much money do they make on a ten million dollar bond issue? I wonder can any of the Government tell me that, I am not a mathematician, I have to get a correspondence course shortly which the Premier is going to pay for. But I am not particularly good on correspondence courses, Mr. Speaker, and I will have to ask the Premier in his generosity to send me away to get a course or a degree or something at someone else's expense. But that makes a hundred thousand dollars on a ten million dollar loan roughly and they have their share for nothing and one hundred and fifty thousand dollars a year profit which Dr. Valdmanis says they are to make plus the birch plant, they will get their cut out of that also. However, that is something we don't know. Now, Sir, I might be accused of cooking up that amount

of fifteen million eight hundred dollars on capital expenditure but it is down there in black and white. I know they could not spend fifteen million eight hundred out of thirteen millions. I know that little much, Mr. Speaker, just that little much.

Now, current account today, and I am speaking from memory, shows a two million dollar surplus. I wonder could it be faked. It has been done in the past. I had it suggested to me by the General Manager of the Bank of Montreal in 1940 that you could fake your revenue and expenditure account. It can be done in this way in order to show a good surplus on current account; charge up a certain portion to capital account that should rightly be charged to ordinary current account. That has been done in the past.

MR. SMALLWOOD : Not since the new system of treasury control was installed—it could not be done.

MR. CASHIN: There has been a great deal of treasury control. I understand nine or ten people got a meal at Woodstock Club given by Dr. Valdmanis and costing \$16 a plate.

It is the current rumour, and I am a great believer in those current rumours sometimes, anyway the rumour is that Mr. Marshall refused to pay without a minute of council. I don't know whether it was paid for or the minute was passed. I asked a question and yesterday the answer was "in course of preparation."

"Now, one of our first jobs as I see it is to consider ways and means of raising the necessary money to purchase some of the industries already under way, to assist Government to carry out its obligations to others that follow. We shall have to explore the

possibility and advisability of buying from Government its present ownership and eventually its existing commitments to new projects, and then hand over the industries and projected developments, to private enterprise at a profit to this Corporation, so that it will be able to carry out what I think is the primary objective; the exploration of the natural resources of the province, with a view of producing primary information as to their possibilities of a quality acceptable to technicians of major operations who would be prepared to send high levels representatives to make investigations." (From Sir William Stephenson's statement). That has been done as far as these two plants are concerned. I take it Coverdale and Collpitts came down for the purpose of making that investigation to report back to some banker or Sir William Stephenson or the Newfoundland Labrador Corporation, I do not know which, but everything in this account at the present time depends on the report of Coverdale and Collpitts. I think my colleague from St. John's West pointed out to the House the other day, that whether the present administration gets a loan or not, and let us hope they do, depends on Coverdale and Collpitts. I hope they do, they need it. Those are the people who are holding the five, jack and ace of hearts and have gone fifteen at the present time. It goes to prove that this mad money, I call it, I don't mean to say the Government is really deliberately mad, but it goes to prove Sir William Stephenson's statement here this evening in the paper that the Government was over-enthusiastic, and the Premier himself yesterday pointed out in one of his many, many speeches that in order to do anything you had to make mistakes or words of that effect.

... "Around this table we know

that the Province, is perhaps temporarily somewhat over-extended in this situation which I have been describing briefly. I think you will all agree, however, that it is in a laudible cause, and one that the businessmen amongst you will understand . . ." But it cost Newfoundland thirty million dollars altogether and what have we got to show for it today? What have we got to show? We have a birch plant, the textile mill is not started yet but a piece of property has been bought for thirty-eight thousand dollars and the Government absorbed twelve or fifteen thousand of that for the textile plant, the machinery plant has been started and they got a million two hundred and fifty thousand dollars with another million, two hundred and fifty thousand dollars committed for various other small industries which we will just check on so as there will be no misunderstanding as to what they are but I do say right off hand, subject to correction, that the total amount committed is four million seven hundred. Canada Fur Industry, none expended, Newfoundland Tanneries, they spent roughly one hundred thousand dollars and we are committed for one hundred and thirty thousand. Canadian Machinery, the Octagon \$2,285,000 advanced and the same committed. United Cotton Mills, twenty-five thousand expended and you owe them one million eight hundred and seventy-five thousand; the Leather Factory fifty thousand; Atlantic Hardwoods five hundred and seventy-five thousand and Newfoundland Asbestos, seventy-five thousand.

Now you have other legislation to come forward, which reminds me of our good friend Dr. Sennewald and I am glad he is going to be established here because I have had great difficulty this recent year with my eyesight

and probably this great professor might be able to fix that up for me. Now to go into that Sennewald case. I don't intend to, the country knows what happened, it cost Newfoundland money and as I have said this afternoon, Dr. Valdmanis should not be interfering in public matters in this country, we have our work cut out, both sides without his sticking his nose in it as he did in the Sennewald case, when he approached the American Base to get an airplane to get that fellow and the Premier did not want him in here, so I say again Dr. Valdmanis should keep his nose out of Newfoundland politics until such time as he becomes an actual Canadian citizen which he has not yet, though he has applied for it. Yet he poked his nose in during the November General Election in this country and I for one object strongly.

Then we come to Mr. Thompson's appointment which I spoke about this afternoon, which shows again the Government are up against it for money but we dare not say so, because the Terms of Union which were negotiated in 1949 had not been properly negotiated and we had not received adequate financial appropriations but we had to go on our hands and knees again to Ottawa. Yet we can't get them to send a cutter to look after a handful of fishermen on the South West Coast and now we have to go to look for ten million dollars a year to carry on the business in Newfoundland for the future. That is what we have to have whether you like it or not, Mr. Speaker. Your current expenditure today is roughly thirty million dollars a year, that six and a half million dollars will be going down and assuming you balance your account and that is a difficult thing to forecast at the present time. I know

every finance minister and every minister of the Crown realize that position. If I make a forecast it is only a guess but in a provincial budget your forecast can be fairly accurate because of the amounts of revenue received as subsidies which you already know, you know for instance how much is the transitional grant, you know that and can start off and for further explanation we will just go over these figures of what we do get from Canada or what was forecast last year when the Premier brought in the budget; total from the Dominion of Canada last year \$16,801,500 that was your forecast for 1951-1952, to end in a few days' time, gasoline tax \$1,350,000, you should get more. I believe you did license gasoline vendors; Licenses, Insurance Companies \$2,300, that is nothing, interest on Exchequer Balances \$500,000, you have an interest for this year on about thirty million dollars of two and a half or three percent, I think it is two and five-eighths, that is down to \$200,000; Building and Loan Association interest on loan repayment and repayment of principal, St. John's Municipal Council contribution towards cost of Fire Department \$14,000, and miscellaneous revenue \$8,000; Corporation Taxes, none; Income Tax less refunds \$200,000; death duties none, Assessments of Life Insurance Companies, none; Newfoundland Railway, all gone nothing to come back there, Gander Airport gone, the next one is gone; Other Recoverable Advances, none; Social Security Assessment \$2,250,000 (According to figures tabled here a short while ago there was an amount of \$3,000,000 for that one); which reminds me we were never to be taxed again when we entered union with Canada, no sales tax nor anything like that. The Premier might report that is not sales tax, it

is called Social Security Assessment, but it is a sales tax, no matter what you call it the people have to pay for it by three percent on practically everything they buy, it seems like big business in Newfoundland because if some things are exempt from this tax and we collected three million dollars it means three percent on one hundred million dollars a year. Then that three million dollars is not set on one side but goes into Consolidated Revenue and is used for everything not as it is outlined in the Act although the Act covers probably more than that three million dollars; \$60,000 in revenue stamps to the Department of Finance, making a total of \$20,754,100.

Now, I will come to the Department of Provincial Affairs: This Housing Corporation, we have heard a lot about housing, yesterday, we heard people lauded to the skies over the housing situation in Newfoundland. Well, Sir, my knowledge of the Housing Corporation of one living in there. They have spent a lot of money on the residences which they have purchased. The job was rotten. I don't blame the present Government for it. They had nothing whatsoever to do with the job of building those houses and apartments which, particularly the apartments, are not built for a climate like Newfoundland but for Florida. If you go in and look at them you will see as I have. I saw a fellow plastering up the ceiling board in the apartment I happen to live in and it is built of cardboard. It is difficult for me to visualize how you will ever get money out of them, you can't. You have to write off half or more of the investment which the Government has in the St. John's Housing Corporation. Let us forget who is responsible for it. That happened yesterday

and we can't remedy it. I think every man in this House will agree with me that we can't change what happened yesterday.

So now we go on to other amounts and we look at the figures the Government tabled here a few days ago; expenditure, consolidated fund services \$227,120 and \$199,560 out of surplus, total \$426,680. Then turn over the book and see what the expenditures are there. If we want to go into every department we can see that Legislature made money on that \$70,000 up to the present time and now we have met and people are looking for sessional pay and we have been here now two weeks and some people are looking for more. We get \$180,000 per year from the Federal Government for Legislature and consequently at the present time we are in credit and perhaps some of those advocating increase might be justified in asking for an extra five hundred dollars otherwise we will have a surplus on that \$180,000 a year. Then we come to the Finance Department, current expenditure of practically \$1,000,000. I know, Mr. Speaker, that objection has been made that we should not discuss finances in the debate on the Speech from the Throne but wait until the budget comes down, but as far as I see legislation may come in here involving a loan to be raised on the credit of the country, so we go to the Finance Department and what do we find? Our British Debt is gone, it was cleared off the first of January this year, no more debt is in Great Britain; the War Loan of three and three-quarters, interest and sinking fund, redemption of debt takes in sinking fund and redemption of war saving certificates about \$40,000 a year towards that. That makes up \$574,700. Then we come to Sessional Al-

lowances, we can't forget ourselves. Evidently some people want to increase it, and so on. Then we come to the Lieutenant Governor's Establishment which costs \$26,000 a year, the Premier's Office etc. The other day we passed legislation which was confirmed today or yesterday.

MR. SPEAKER: Which definitely may not be referred to now, the honourable member is of course talking finance and is being irrelevant as he knows very well.

MR. CASHIN: I am not referring to the Bill, Sir, I am not going to criticize it but just mentioned it, we passed the legislation and I am not saying whether we should or should not, as I did say in the beginning what happened yesterday can't be changed but you will agree and the House will agree you spent \$6,000,000.

MR. SPEAKER: The honourable member says he is not referring to it yet it certainly sounds to the Chair he is saying \$6,000,000 as the total of a finance Bill passed in this House a few days ago.

MR. CASHIN: I am not criticizing it.

MR. SPEAKER: You can't even refer to it.

MR. CASHIN: Well \$6,000,000 are to be spent in the coming two months of the coming year and that brings me back again to Provincial Affairs, a department which should be wiped out altogether, now that the Housing Corporation is more or less under a form of Commission of Government, I don't see how the Provincial Affairs Department should have anything to do. There is nothing for them to do and the people who work there could be absorbed into some other department.

The Education Department to the end of February has spent five million and odd thousand dollars and they have received a revenue of two hundred thousand.

The Department of the Attorney General, firemen and police etc.

MR. SMALLWOOD: Mr. Speaker, to a point of order: The honourable gentleman must be aware that he will have ample opportunity to discuss the finances of the Province past and present. Is it really in order for any honourable gentleman on this occasion and not on the occasion of the budget to discuss the finances of Newfoundland? The gentleman apparently intends to go through the entire estimates.

MR. SPEAKER: The point is well taken; that is obviously the intention of the honourable member. It is irrelevant.

MR. CASHIN: Mr. Speaker, I think here in one of the sections of the Speech from the Throne it says that the finances of the Province are sound, or words to that effect.

MR. SMALLWOOD: Mr. Speaker, to that same point, the fact that in the Speech from the Throne reference is made to the finances of the Province does not, I suggest, warrant the honourable member or any other honourable member going into a detailed statement of finance of the Province because opportunity in this connection is provided when the estimates and the budget are brought down. The honourable gentleman will not be deprived of the opportunity to discuss the finances of Newfoundland in detail if he is not permitted to do so in this debate because there will be a debate on finances and certainly it is well established in parliamentary pro-

cedure and practice, the matter should be discussed when the opportunity is provided for it and not on another occasion.

MR. CASHIN: Well, Mr. Speaker, it appears I am not permitted to talk on finances in this address of mine.

MR. SMALLWOOD: In general terms, yes.

MR. CASHIN: Then I will talk in general terms. I was trying to talk in general terms and I was not attempting to go over every item in the estimates, we would be here until Christmas if I started to do that.

MR. SPEAKER: I allowed the honourable member to quote several departments in the thought that he was trying to make a point but since it became clear to the Chair that he intended to carry on with the discussion of finances, on a point of order I ruled it irrelevant to the present debate.

MR. CASHIN: Mr. Speaker, I will speak of finance in a general way, I say the revenue and expenditure to the end of February 1952, ordinary account amounted to \$26,290,000.00 dollars in current expenditure and total revenue \$28,599,000 roughly which is a surplus on current account of two and a quarter million dollars. At the same time there was fifteen million eight hundred thousand dollars spent on capital account making a total expenditure of forty two million dollars in one year out of this little Province. My point is, where did that fifteen million and odd go? I presume, Sir, I am permitted to point out that in many places that money was spent on capital account, but I don't intend to do it. Only I try to draw the attention of the House to the fact that according to the fig-

ures prepared by the Government and brought in here they have no money left for future development and they are forced into the position through lack of money to sell these industries which a year ago were going to produce a million and a half or two in net profits and now they are not prepared to take a chance and see whether they are able to do it. Number one, I say your cement plant—

MR. SPEAKER: My cement plant?

MR. CASHIN: Our cement plant which was supposed to be in operation six months ago is somehow or another fouled up and we now have to spend more money on it at a time unfortunately when we are trying to sell it. Because when trying to sell a property you have to avail of the opportunity of the market or not, and is that cement plant wanted today for the amount it cost Newfoundland? That is the sixty-four dollar question. I hope that someone will take it off our hands because, Mr. Speaker, if that thing is not taken off our hands I hazard the opinion it will be in a worse mess in eighteen months from now, that is if we judge from what happened during the past six or seven months and we have experts coming over here to tell us how to run a cement plant. True we did not know ourselves, knew nothing about it but we thought that the magic touch of these Huns would certainly turn out cement—That is what we call them, Germans.

MR. SMALLWOOD: That is no good. The war is over. They will soon be our allies.

MR. CASHIN: You don't hear soldiers talk that way.

MR. SMALLWOOD: We have them.

MR. CASHIN: We have them on this side of the House. You are talking to soldiers.

I am a tin soldier—There are a lot of chocolate ones in here.

MR. CANNING: The soldiers over here are not chocolate soldiers.

MR. HOLLETT: Mr. Speaker, is there insinuations in that that we are not soldiers? I am not going to stay here and listen to that without losing my temper. I am inclined to think we are being called to order but some people on the other side—

MR. SPEAKER: I thank the honourable member for his insult. The honourable gentleman will retract that. He just accused this Chair of favouritism to one side of the House.

MR. HOLLETT: Mr. Speaker, certainly I take back any statement that would infer that. I would like to say, Sir that—

MR. SPEAKER: The Chair will hear no debate. The honourable gentleman will retract the statement or I shall name him. No person as long as I occupy this Chair, can insult the Chair, but can make his point of order.

MR. SMALLWOOD: May I say that if any remarks have been passed by anyone on either side reflecting on the honour of any man on either side I deeply regret especially as I was not myself a soldier in either war. I don't think any member present who served in either war—

MR. SPEAKER: I say none of this would have happened if honourable gentleman had regard to the Chair. I struck that hammer three times to restore order, I furthermore appeal to the House that in my three years, that is the first insult to be directed to the Chair.

MR. HOLLETT: Does the honourable gentleman—

MR. SPEAKER: Please resume your seat, Sir, the Speaker is standing. The honourable gentleman will be sorry if he does not behave with decency to the Chair.

MR. CASHIN: I am a soldier, yes, my honour and decency was attacked as a soldier.

MR. SPEAKER: The point was ruled on and is entirely out of order by any member of either side of the House. I have no objection to anyone on either side if he calls a Hun a Hun or a German a German.

MR. CASHIN: I was called to order for that and nasty insinuations called across here where there are real soldiers.

MR. SPEAKER: The point has been dealt with and settled. The honourable the Premier offered some sort of—

MR. CASHIN: Some sort of yes—that is what I am trying to get at.

MR. SPEAKER: What is the decision of the House?

MR. SMALLWOOD: Mr. Speaker, I think that what I have said is still true; that no honourable member of this House who engaged in either war has anything for which to apologize and I think that perhaps it would be better if we dropped the matter. No one in this House but honours every member who participated in either war and I think perhaps my honourable friend the Leader of the Opposition will agree that even the Huns fought to the best of their ability, we may not like them but they were soldiers too and they fought—Let us forget it.

MR. CASHIN: We are trying to make peace. But you are making a bad job of it and I am glad the honourable gentleman said, let us forget it. I also say let us forget it because I serve notice now, and Sir, forgive me if I am out of order again, if I hear any innuendoes in the future about servicemen, as I have heard also outside this House there is the door there for me.

MR. SPEAKER: Inside the House the Chair will punish any innuendoes as it would have done if the point of order had been raised in a decent, parliamentary manner.

MR. CASHIN: I am glad the honourable the Premier made that point. Let us forget it. I will stop calling the Germans, Huns.

MR. SPEAKER: I will not rule on that. The honourable gentleman may call them anything he likes, any name under the sun as long as it is parliamentary. It is not the duty of the Chair to protect any other people.

MR. CASHIN: I had a good example to follow, the Prime Minister of Britain, the Prime Minister of England. The war is not over. The war with Germany is but we are in a war right now with Russia, a cold war they call it, but we have men in Germany right now and some of us old soldiers—I say old ones from the first war because of a friendly jealousy between the old soldiers of 1914-1918 and the young ones of 1939-1945 and there is some rivalry as to who were or were not the best soldiers and all of us in our youth gave what we could and made our mistakes, I made them in my military and other careers such as they were, good, bad, and indifferent and that is what I am referring to, these are the innuendoes, Mr. Speaker, and I certainly will not tolerate it

in the future. Call them Germans yes, but please, Mr. Speaker, don't ask me to swallow them. Anyone in this House can think what they like about it and I have the right to think what I think. I was a soldier before some of those people over there who were in the last war were born.

DR. POTTLE: You can't set aside the Treaty of Versailles.

MR. CASHIN: That was another farce, and the League of Nations that was made a joke of by something similar to what happened here in this House a few days ago.

MR. SPEAKER: It is irrelevant. Let us forget the soldier business and cut it out.

DR. POTTLE: That is what we agreed to do.

MR. CASHIN: Then, Mr. Speaker, let us adjourn for ten minutes and get the heat off.

MR. SMALLWOOD: May we have a recess of ten minutes, Mr. Speaker?

Ten minutes recess.

MR. SPEAKER: The honourable member for St. John's West. Not the Leader of the Opposition always referred to as the honourable and gallant Leader of the Opposition.

MR. HOLLETT: Mr. Speaker, I apologize very sincerely for anything which I might have said which gave offence to the Chair.

MR. SPEAKER: That is accepted.

MR. HOLLETT: Mr. Speaker, I assure you I have every regard and every respect for the Chair. Without the Chair we can have no order or law. We could get nowhere without it. I might add on my own behalf also that I have had no intention

whatsoever of insult to the Chair or to you, Sir.

MR. SPEAKER: That is acceptable to the Chair. Does it meet with the approval of the House? I now call upon the member on the Government side of the House who hurled the epitaph "Tin Soldier" across the House, to apologize.

MR. JANES: I do apologize, Mr. Speaker.

MR. SPEAKER: As I said before recess, we are not going to have any more innuendoes on either side of this House with respect to soldiers of this war nor of the first war with respect to their record. If we do so, and I hope not, if I hear any more of it either by innuendo or in any other way—

MR. CASHIN: If I hear any more about it either inside or outside this House, Sir, I shall have to bring the matter to your attention, otherwise the book is closed.

MR. JANES: Mr. Speaker, to a point of order, may I also suggest that no Ex-Serviceman may suggest to any member as to where he was in 1914-1918.

MR. SPEAKER: The point of order is not well taken as there was no reference made to it. The incident is settled and do not let us revive it. I just want to interject that I will be strongly tempted to name the next member who mentions this.

MR. CASHIN: I thank you, Sir. Now, before I go on with the few words I have to say, as far as I am personally concerned I think I speak for my colleague as well here on my left hand that we will not mention it any more and I even add a proviso at this stage that I am glad that the

Leader of the opposite side, the Government side took the stand he did during the course of this fracas, we might call it, and we might clean up properly now this soldier business—

MR. SPEAKER: The incident has been closed and the honourable gentleman will be in danger of being named if he pursues it further. I have stated that in perfectly clear English.

MR. CASHIN: I agree, Mr. Speaker, and I, as Leader of the Opposition accept your judgment in this respect.

MR. SPEAKER: I have said thank you, and you may continue your speech.

MR. CASHIN: While there may be an outstanding balance we will mark it off to profit and loss. And if there is an outstanding balance we will but at some further date either inside or outside this House we might be in a position to debate that outstanding balance, now marked off to profit and loss, which may be returned to capital surplus, pre-war surplus. So I will continue with my few, brief remarks.

I was talking in a general way on the financial position of the country and the fact that Mr. Thompson has been engaged by the Government to prepare certain material to go before the Canadian Government. Ultimately the Royal Commission will be appointed, within the next two years in my opinion, to renegotiate as it were the financial Terms of Union which were inadequately negotiated in 1948. That is where I was I think when all the racket started.

Now, Mr. Speaker, we are getting right down to brass tacks and let me say, Sir, as I said at the outset, that I demand and am entitled to just the

same treatment, no more or less, from the opposite side of the House as we will give the members of the other side when they are speaking to the chair.

During the course of the recent general election in 1951, the Premier saw fit to issue a manifesto. He had to do that to tell the people the reason why he was asking them for a renewal of a mandate which he held they did give him in 1949. In order to make ourselves clear on that matter it might be well for us to review this document published in the Evening Telegram, which I will table in due course, on November 10th, the day before Armistice Day in 1951, which goes on to say the Liberal Party—They ask you to re-elect the Liberal Government so that they can develop Newfoundland though the people elected, the Liberal Government in 1949 to develop Newfoundland and they could stay in power without another election for another year or two. Now, why did he ask the Lieutenant-Governor to dissolve the House and call a general election when he had another year or so? Because, as he said, he made up his mind and his colleagues and supporters agreed that they should go back to the people for a fresh mandate: I notice the Premier in that Manifesto says his colleagues and supporters thought he should do it. On that afternoon the Premier announced in this House that we were going to have a general election, if my memory serves me right, he did not tell us at that time that the people, his supporters who elected him demanded another election. He never said a word about it, never said he had a public meeting in the city of St. John's. It certainly was not the people of St. John's or Bonavista Bay, so who told him he had better go

back to the country and get a new mandate? He never said anything about it. It was sprung on the people that afternoon and the following day it struck the country like a blast of lightning. Why a general election at that time for a new mandate to carry out the particular development they had in mind? The only development I can see now from the Speech from the Throne and the recent announcement by Sir William Stephenson is that the Newfoundland Labrador Corporation are going to take over these three industries on the West Coast and here at Donovans, resell them, at a profit if possible, to people who will operate them, pocket a part of the profits themselves which we were supposed to make in the first place. There is no other programme that I have seen. When we went to the country the election was not sprung in 1923 for the development of the Humber Area. We had the Government of the day and the late Sir Richard Squires went to the country on a programme to develop the Humber, create industry in the Humber Area and the mandate that he received from the people of that time was "Elect me to office for the purpose of creating this industry on the Humber." But he stipulated that we, the people of Newfoundland, had to guarantee a loan or bond issue of approximately ten millions of dollars. That was asking for a mandate because in Prime Minister Squires' manifesto of 1919 there was no such thing then in the offing as a Humber development and no such thing even as a programme designed for the purpose of a financial guarantee by the Government. So that he did the proper thing when we went back to the people and told them that we have to have a mandate in order to put us in office to put through this

particular legislation and the Opposition of the time of which I happened to be a member also agreed with that policy of development. Twelve members I think were elected on the Opposition side of the House out of twenty-six altogether, either eleven or twelve if my memory serves me right. We came back and the programme was placed before the House, and in 1923 an agreement was entered into between the Newfoundland Government and the Newfoundland Power and Paper Company Limited and we trashed out that programme like men on the floors of this Assembly and the flaws in the agreement were deleted or amended and the legislation was passed in the Spring of 1923 or a little later and the Humber Development went on which is now, Mr. Speaker, the biggest paper mill not alone in Canada but throughout the length and breadth of the world, a mill which turns out over eleven hundred tons of newsprint a day and, I think, about one hundred and fifty tons of sulphite pulp, in all about three hundred and fifty thousand tons of newsprint and newsprint products in one year at a value today of about forty million dollars in labour to the people of Newfoundland. That was a programme asking for a proper mandate. But the present Liberal Party has no such mandate or anything definite at all but they just barely told the people we have a programme, did not tell them what it was, they voted in the dark, the people out there voted in the dark, and it was probably the bitterest election in certain sections of Newfoundland in history of the country and brought about more disunity, jealousy, abuse and everything else. There was no need for such an election, the Liberal Government has a mandate already but there was something wrong some-

where. What was our programme on this side, those of us who were elected in the Opposition? I will probably be attacked later on because I happen now to be a member of the P.C. Party and Leader of the Opposition in this House with no ambition whatsoever to become Premier in October, as I have been accused of for the reason which I gave this House this afternoon in no unmistakable language. Yes, Sir, we know when we get down to brass tacks that the object was to wipe out all opposition, that was the object of the Liberal Party.

MR. SPEAKER: That has been ruled on already. It is not competent to criticize or attack the reason for having the election, surely the reason for having an election is to win all the seats, that is the object of both sides, therefore the thing is irrelevant.

MR. CASHIN: I agree, Mr. Speaker, to win all seats but this is the first time an Opposition or any other group went out to the people and said: "We do not want to win but put us in Opposition." I have known of no such election in Canada or anywhere else, no leadership, no nothing but we went out to the people and said: "We don't want to be in the Government but we want to be in the cold shades of opposition." And speaking of opposition, Mr. Speaker, there are many young members in this House who will be here probably when I am passed out and let me tell them, as the oldest politician in this House and the oldest member in the House, and senior member of the House, that as young politicians going into public life today they get more experience in one year in Opposition than they could in twenty years in the Government sitting in the back benches. I don't think anyone can contradict that statement and we are quite

happy over here. Speaking on public matters there is a party machine no matter what Government a young man comes in here under, a young politician looking to the future in public life does not get the opportunity in the Government that a young man would get in the Opposition to discuss, to debate to probe into matters as a member as the Opposition does. He does not get that experience necessary to make a good public man in the years to come. Here are the grounds for training on this side of the House and we are not looking for any recruits either at the present time, and I am not making that statement in the hope that any young politician on the other side of the House would heed my advice, first I know he would not come over here to gain that experience. But here is where he would gain some experience. He probably gained a little during the past few days and certainly gained plenty yesterday.

So we continue with the manifesto: "It is right and proper for the Government to guarantee bonds up to a reasonable amount without getting a special mandate from the people." There is a hint there, Mr. Speaker, this is the first time I have read the Premier's Mandate.

MR. SMALLWOOD: What you missed.

MR. CASHIN: I missed a lot. I have commenced digging into it now, Mr. Speaker, it was not necessary for me to criticize it in any way, shape or form, the Premier's manifesto, the people did that not me, they did it in St. John's West and the Premier's sympathy went with them. Speaking of that, Sir, reminds me of the question tabled in the House the other day I think by my colleague the hon-

ourable member for St. John's West in reference to this in fact, and speaking of politics generally the Government in its wisdom induced or I don't know whether Mr. Johnson was a volunteer to stand in St. John's West as a bait to the electors of St. John's West; they were told that there was the only man in Newfoundland to get you a stadium. But that was one political mess they made of it and now as the senior member and the Leader of the Opposition my job is to give you a few instructions on campaigning in St. John's West, promising a stadium to be built in St. John's East. Now, if they had to go, these two candidates for St. John's East in the general election of November last and promise the stadium, the construction of which I understand has absorbed over a hundred thousand dollars to date and all they have is a basement; if they had to go down and say: "Elect us and we will complete that stadium down there by Quidi Vidi," I wonder would my two friends be the two elected members for St. John's East here tonight? Probably they would be, Mr. Speaker, because we are wise to that kind of thing, both the people of St. John's East and West cannot be hoodwinked and bluffed.

Now, Mr. Speaker, you never named any amounts which we are going to have bonds for but, if you are going to borrow fifty millions or ten millions, you have to issue bonds you have no mandate as, according to your own statement, you did not go out to the people and say we want to borrow ten, fifteen, twenty or fifty million dollars or pledge the credit of the Province for any particular amount. You never have and you have not got a mandate at the present time to raise any loans on the credit of the Province, no mandate whatso-

ever because you did not tell what you were going to raise according to your own words. So you decided to go back to the people and ask them to give you authority to go ahead with this great development in this particular way, by guaranteeing bonds to companies to start industries in Newfoundland. But bonds of what companies? You did not mention one company. We heard of a steel mill to be erected in Bay Roberts and as I previously stated I hope to see the steel mill. I realize how much a steel mill will cost. It is a fifty million dollar development. I wonder how many millions of dollars are involved in Dosco's operation in Sydney? We know when the Governments in any other Province go to their constituents to ask for a mandate they tell what they actually want the mandate for and the present administration or party, call it what you like, told them they had no mandate to raise any money by the election of November 26th, according to the Premier's manifesto. What great drive? What particular industry? What pledge of the country's credit for any particular amount? You have not said and it is only indicated by the statement made by Sir William Stephenson today that money will have to be borrowed to pay the Government for these three industries, around ten million dollars and to pay commitments of around five million dollars and to allow Mr. Spencer to build the Trans-Canada Highway—

MR. SPEAKER: No names.

MR. CASHIN: I am awfully sorry Mr. Speaker, I apologize, the honourable Minister of Public Works. He and I know each other. I know it is out of order, Sir, but I am old fashioned, Mr. Speaker, and an old fashioned individual must sometimes of necessity

be permitted to carry on some of the rules of his past and I remember in by gone days in this House on both sides said: "The honourable member Mr. Johnson" or whoever it might be and we did have a Mr. Johnson on the Government side of the House representing Twillingate, I think, in 1924 and a Dr. Johnson on this side of the House who also became a member because of the famous by-election in Harbour Main-Bell Island, not Bell Island but Harbour Main at that time in 1931 and that was not yesterday.

"If you do not want any drive for new industries to go ahead you will defeat the Liberal Party in this election." The people voted and they did not defeat the Liberal Party as a matter of fact. The afternoon that thing was announced I was an independent and I forecast you would have no opposition and there was a time, Mr. Speaker, when a lot of us thought: "Let them have it by themselves and have no opposition, let them eat one another." That is what it would come to. Just imagine a House, a Government with twenty-eight seats on that side and no opposition over here. I would love to attend and go in that gallery. As a matter of fact, Mr. Speaker, what we considered doing here recently, why not for half an hour retire and see the Government carrying on without an opposition. We may even do that Sir. That is what was in our minds at times when some people look on us as poor fools. Let them do it, they are broke anyhow, I hear that all around this community. Well there were six of us arrived here, Sir, just a handful, Sir, a trap-crew of five or six. We came back as a trap crew and we have fishermen on this side of the House too, my colleague here and he

is an outport man not a St. John's man at all. He was a fisherman himself before he entered the army or went to Oxford. He fished on the Grand Banks and on Labrador and knows something about it. "A few have said that I should have waited longer before asking for this election as the Opposition is not ready." The Liberal Party has the advantage, they took them by storm and whipped them off their feet on this side of the House and we in the middle, I was not going to be a member any more and votes of sympathy were being passed over the radio regretting my defeat, "Poor Peter, I fed him for three years." Well, Sir, I had a very good supper tonight, thank God, and I hope, for the next three years I will be able to provide it just the same and enjoy it just the same as I enjoy it now.

Now, Mr. Speaker, when I was elected alone as an Independent member we were told after we became members of the House, when it met, when they brought in legislation extending the period from three to five years but they only lasted two and a half. How did we know? As I said tonight we do not know what will happen tomorrow or the next day, next week or next month or possibly before October that we may not have another election. None of us can tell, they can forecast it but they cannot make a definite statement—"We are the builders, the Liberal Government is out to build a new Newfoundland, we have the brains to do it, the energy to do it, the will to do it." Anyone can do it if they have the money, the dollars and cents. But here is the position we find ourselves in tonight, we are going now, as I see it, and as it is forecast in the Speech from the Throne, to sell it now. Tomorrow if you are asked to find ten

million dollars, you don't know whether you can find it or not. You don't know, you can say the bank would give us money, have confidence in us as a Government. I wonder—I wonder, Sir, I hope they have. I know in 1931, we had decent people in this House, in 1931 just as decent as we have today and many of them, quite a few of them are around now but we had not got the money and could not get it. Why? I have stated this repeatedly and in an address or a report I made on the financial position of Newfoundland in the National Convention, I pointed out that in 1930-31 a wave of depression struck the entire world, the whole world particularly North America—at a time when our dollar was only worth 80c. and the pound sterling only \$3.50 and it is away below that today. It was caused by a depression overnight starting with the stock market crash in October 1929 when people went out of windows and skyscrapers after losing millions overnight. We don't even know whether or not we will have that tomorrow or not. I fear, Mr. Speaker, and I fear rightly and I hope my fears will come true, if this cold war which I have spoken about and this Korean War should suddenly stop tomorrow I wonder what would happen to us unfortunate people throughout North America, I wonder what would happen to those hundreds of thousands of people today in North America, Canada and Newfoundland through its length and breadth from the Gulf of Mexico to the North Pole, these people who are engaged in defense operations, airplanes, gunnery, tanks, if Stalin suddenly laid off what would happen? I hope in one way they don't be laid off but on the other hand I hope they do and we will get some peace which we are not getting at the present time. "We need a fresh man-

date . . .," "To do what? To raise money. How much? You do not tell them. In other words today, if that election mandate were a legal document, you could not raise a cent on it because you do not define any fixed amount which you are going to raise on the credit of the Province. I know the reply the Premier is going to come back with. The Government in power does not need a mandate in many cases. Therefore this general election, to me at any rate, which according to figures tabled here cost roughly seventy thousand dollars. It was nearer a half million with extra roads and everything like that which went on, extra relief. It was no trouble to get a quarter of a ton of coal when the election was on particularly in St. John's West, easy. All that kind of thing costs money and consequently this election cost a lot more than eighty or one hundred thousand dollars as tabled here the other day. That amount tabled here was for poll clerks and deputies and so on, returning officers in every district throughout the country. You have to have that but then there are the things that you don't have to have which you do have.

"We have built a great new cement mill. Some people thought we were crazy to do it. Were we to sell the cement mill." And the cement mill today is on the rocks, unfortunately though it is not producing a bag of cement.

MR. SMALLWOOD: That is a gross exaggeration.

MR. CASHIN: Has it produced a bag of cement? You indicated to the people of Newfoundland that you built a great cement mill which can sell more products than it produces,

and you have not a bag of cement to sell.

MR. SMALLWOOD: There was none manufactured. There was an accident in the plant.

MR. CASHIN: An accident, if you had qualified men, you said they would hand the plant over to us in good order and condition prepared to operate. We don't know what it is going to be like, neither do you.

MR. SMALLWOOD: Will the honourable gentleman allow me. More than two and a half years ago Bowaters borrowed twelve million dollars from the Bank of Montreal. They borrowed eight million and it turned out they needed more and raised it to twelve million dollars to put in a new paper machine. They put it in but they are not yet getting full production out of it. Now the honourable gentleman would not condemn the installation of that great new additional machine at Bowaters because a year after it is started they are still not getting maximum production. Is not that true of every plant that is started?

MR. CASHIN: Mr. Speaker, I am delighted to hear what the Premier has said but they have not produced a bag, Bowaters has produced some. Is it not a fact that they have not yet produced a bag of cement?

MR. SMALLWOOD: Next month.

MR. CASHIN: I have heard that before, for the last six months. Some people went over there I think and opened it and we were told before this House opened, more rumours, that we were all going to be brought over to Corner Brook, all the members of the House to witness the opening of the Gypsum Plant.

MR. SMALLWOOD: They are making board now. Give us time. I hope the honourable gentleman will come and see them both.

MR. CASHIN: I would not know the work and manufacture of a cement plant any more than the man in the moon. But I know that the cement plant up to the present time has been a flop.

MR. SMALLWOOD: Does the honourable gentleman know that in New Brunswick they began a cement plant at the same time as ours? Do you know they erected an entire building and found it was wrong and had to demolish it? Then there are the incidents that occur in industrial development.

MR. CASHIN: That is quite all right for the Canada Cement Company, the people who make and operate the Canada Cement Company, they know their business and they may go wrong but they know their business but we have invested money belonging to the people for the construction of the cement plant knowing nothing about it nor the operation of one, either man on either side of the House.

MR. SMALLWOOD: We have a man who does know.

MR. CASHIN: Not in this House nor in the Government prior to the starting of the building of the cement plant. However, if their knowledge and ability were all it is blown up to be, that cement plant would be working two or three months ago. From what has been told in this House that is the promise they have given the Premier and the Government, they would turn out fifty thousand tons a year in October or November. They have not turned out a bag yet and how, if

they did not turn out one, could they sell it. I hope, Mr. Speaker, this thing is going to go over.

MR. SMALLWOOD: It is very short-sighted if that plant is going into full production, it is a big bit short-sighted to be saying now it is on the rocks, a wash-out, no good.

MR. CASHIN: It may be short-sighted. I make mistakes. But the facts are there. We had no one checking on that machinery when it came out here. These industrial engineers came down a couple of days ago and probably knew their job.

MR. SMALLWOOD: We had our own engineers from the very beginning.

MR. CASHIN: Not our engineer.

MR. SMALLWOOD: Ernest Leja. Yes, he is our engineer.

MR. SPEAKER: I suggest that the honourable member continue his speech, and let the private conversation end.

MR. CASHIN: You have built a birch veneer, plywood and flooring mill. Up to the present time it has cost the country a couple of million of dollars and that is to be taken over then by the Newfoundland Labrador Corporation. Do I take it the people who built it and are supposed to operate it are incompetent?

MR. SMALLWOOD: If the honourable gentleman will allow me? The sale of the birch plant will be of course subject to the existing contract, we are not going to repudiate our contract with Chester Dawe Limited. that is a fifteen year agreement, ratified by this House and the sale will be subject to that contract.

MR. CASHIN: We have the agreement here, Mr. Speaker, we will go into it now that we are discussing it and getting on more friendly terms and we are finding out a few things here and there. In this agreement, I don't know whether it was published in the press or not, but I imagine it was. It was tabled in the House last year. I am not going to read the beginning of it. I don't want to read the whole document but want to get to the point of the fifteen years contract.

A lot of birch has been brought into the Octagon out here and I don't know the cost of birch and I do not know the cost of manufacturing it and the cost of delivery, the possible markets and the market prices. But we have been told, Mr. Speaker, in undeniable language in this House that this birch plant was going to be a wonderful thing for both the Government and for Mr. Dawe and now it is being handed over to the Newfoundland Labrador Corporation, I take it, or some other outfit anyhow, which to me indicates the financial position the Government are in when they are forced to sell it to get money to carry on another programme, that is the case and the Government should be more frank with the Opposition. One would imagine we were here for the sole purpose of destroying the whole economic structure of the country, which makes no sense. We are here to criticize and find out facts and tell the people the facts, the Government does not tell them, and when the present Government has not told them it is our job, that is what we were elected for. We had no manifesto. "If the operators," my colleagues are going to find the fifteen year term in the agreement. As I see the situation, Mr. Speaker, when we

start to hand this thing over to the Newfoundland Labrador Corporation or someone else, Mr. Dawe's contract will be taken into consideration; he has either got to be bought out, and he is no fool of a businessman I can tell you. Under that agreement from what I have read, I surmise Mr. Dawe will lose no money. He has already made a couple of hundred thousand dollars out of that thing and I don't blame him, he is a businessman. He sold his goods and he made a profit. The Leather Tannery is another proposition, it did not cost a lot of money; thirty or forty thousand dollars but that is another thing which has to be proven. We have had tanneries in this country, I remember, as a boy fifty years ago, and every one of them went broke. I hope, Sir, that this won't, I honestly do but my objection is to guaranteeing the people's money for such things as these. As a matter of fact I voted for that one, I remember I said the honourable Minister of Public Welfare can have this tannery as far as I am concerned, and he has got it there and I wish it every success.

"The Government will realize an annual rent equal to one half the net profit of each year's operation." Plus the depreciation mentioned in sub-clause 2.

Now there is going to be an auction and Mr. Dawe is a hard-headed businessman and when the Government starts to hand over this plant to the Newfoundland Labrador Corporation I have no doubt in my mind that Dawe is going to get his pound of flesh.

MR. SMALLWOOD: I said the sale would be subject to that contract, it goes on existing and it is with the owners of the plant and the contract will be between them and Mr. Dawe's

contract will continue. I said we will sell subject to the contract. We are not going to repudiate our contract with Mr. Dawe.

MR. CASHIN: The point is this: Mr. Dawe was going to operate the plant and you were going to go fifty-fifty, or whatever it was, on the profits. In other words, when the Newfoundland Labrador Corporation takes over this plant they are going to allow Mr. Dawe to operate it and they will pay the losses and Mr. Dawe will split fifty-fifty on the profits. My blessing to him.

MR. SMALLWOOD: The contract stands.

MR. CASHIN: All right, then you cannot sell. But you can't get your money out of it and I will tell you why: The people who are to buy will want all the profits.

MR. SMALLWOOD: If they buy, they buy subject to the agreement.

MR. CASHIN: Yes, and I hazard the opinion that when you start negotiating to sell that to some private enterprise, as outlined by Sir William Stephenson in his announcement today, when you start to do that private enterprise is just as smooth and just as capable business people as either our Government or Mr. Dawe.

MR. SMALLWOOD: Suppose the private enterprise is Mr. Dawe himself.

MR. CASHIN: I know Mr. Dawe is a very wealthy person but he would have to raise the sum of two million dollars to buy the plant and would have to guarantee the bond issue and I don't think any man in Newfoundland can slap around two million overnight in cash, he has to go out and borrow in a business way and he

has to go into the market tomorrow with undoubtedly a Government to look for that two million dollars in order to buy off that plant. Undoubtedly, with a Newfoundland Government guarantee, Mr. Dawe can pull that one and make money. If he can do it my hat is off to him because then he will not alone get the plant but the Government helped to buy it for him. I know Mr. Dawe, while he is a wealthy man he would not have two million dollars in cash. I don't think anyone in Newfoundland today has that much money in cash.

"Our enemies cannot say we are bluffing because these industries are here to be seen. If you re-elect us we will bring more new industries to Newfoundland." But this mandate is not a definite mandate, it promises no specific new industries for Newfoundland. "If we are allowed to go ahead with our plans there will be a shortage of men in Newfoundland within two years and we will have to send out word for many Newfoundlanders to come back from the Mainland and the United States . . ." I think when the Premier wrote this he had a vision of this steel plant in Bay Roberts but I don't think he is so optimistic about that steel plant to-day.

MR. SMALLWOOD: May I say that tomorrow morning representatives of the company interested in the plant will arrive in St. John's. I am very optimistic. I will not say any names and I would ask the honourable gentleman not to say any names whatever he may think, in the interest of Newfoundland.

MR. CASHIN: I am not going to say anything detrimental to the interest of Newfoundland, never did and never will, I don't have to say it, I

don't know whether Big Bertha is coming or not.

MR. SMALLWOOD: As long as Big Bertha is a gentleman.

MR. CASHIN: I do know that in the last stages of the great war she produced something that could throw a shell about three miles and she is some woman. "We have the brains, the energy and the way . . ."

MR. SMALLWOOD: Does not the honourable gentleman agree with that statement?

MR. CASHIN: I look on one thing we have.

MR. SMALLWOOD: We have the brains and the energy, the wealth and the way.

MR. CASHIN: Have you got the money?

MR. SMALLWOOD: Leave that to us.

MR. CASHIN: You have not the money.

MR. SMALLWOOD: If we have those four we will get the money I say.

MR. CASHIN: I saw the Premier yesterday afternoon pulling fish out of Big Pond, birds out of the skies, cutting wood with his right hand, hopping coal with his left hand, which reminded me of Houdini, and I presume now, Sir William Stephenson has arrived that he is the Houdini and will be able to pull fifty or one hundred million dollars down his sleeve.

MR. SMALLWOOD: He is one of them. We have others besides, don't forget the word energy.

"Never in Newfoundland History."

MR. CASHIN: That is true, never in Newfoundland's history has any government dissipated or spent approximately forty million dollars, in three years, of surplus money. Speaking of surplus now brings me back again, away back to 1919 when there was three million dollars in surplus in the Treasury at that time and political men of those days on both sides of the House thought three or four million dollars an awful pile of money. It suddenly disappeared and we never had any surplus again except for one hundred thousand dollars in 1929-30.

MR. SMALLWOOD: You did not have that.

MR. CASHIN: We had it on current account. We had it confirmed by the Auditor General's Report at that time, something over one hundred thousand surplus. But the following year we had a deficit and in 1932 a bigger deficit. Later after the Commission of Government came along we had deficits up to 1939 as far as I know and then she started to pile up and in 1949 when we went into union with Canada we had over forty-three million dollars and now that is all gone and committed at the present time. So I agree, Sir, that never in all Newfoundland's history did any government perform as much as the Liberal Government has done in its three short years in power, never in all of Newfoundland's history did any government spend as much money as the Liberal Government has done in the last three years because in the last three years the Liberal Government spent approximately one hundred and twenty million dollars; or it may be a million more or less.

MR. SMALLWOOD: How much of the surplus?

MR. CASHIN: Every dollar is spent except for the ten million dollars set aside.

MR. SMALLWOOD: Eleven millions.

MR. CASHIN: Get the Auditor General's Report and see. There is plenty of time to figure it out.

MR. SMALLWOOD: Ten point nine million.

MR. CASHIN: We will soon find it. Here it is ten point five million which amount under the Terms of Union may be used for future deficits on current account.

MR. SMALLWOOD: I can tell the honourable gentleman it is ten point nine million today. I don't know what date the honourable gentleman is quoting from. I will give him now the figures of ten point nine million.

MR. CASHIN: I can only go by the documents I have here and until the Auditor General's Account comes out for 1951-52 there are the figures there on which to base calculations or argument. You might have eleven millions there but under the Terms of Union I say it is ten point five million. Now the other thirteen million are gone. What about your commitments of five millions six hundred.

MR. SMALLWOOD: We have spent twenty-two million dollars.

MR. CASHIN: You spent more money than that. That would leave six million dollars in surplus.

According to figures tabled here we spent fifteen million seven hundred thousand dollars. I am taking your figures as given.

MR. SMALLWOOD: We averaged seven million a year. We have a little over eleven million invested of that twenty-two million.

MR. CASHIN: You know I am stupid but that is the stuff we are going to sell to get back the money, yes it is invested and you are to turn them back into cash in order to carry on development.

MR. SMALLWOOD: Yes.

MR. CASHIN: Yes—The Premier agrees we are broke.

MR. SMALLWOOD: Some broke, when we have eleven millions invested.

MR. CASHIN: You have not one million dollars invested, they are producing no dividends, and you go to sell them to get money.

MR. SMALLWOOD: We will have it next month.

MR. CASHIN: You may, you don't know. You can't tell what is going to happen next month.

MR. SMALLWOOD: We may all be gone.

MR. CASHIN: It would probably be the best thing ever happened. Mr. Speaker, myself and the Premier are getting really friendly again and we find that eleven million dollars are invested in the cement plant. I just want to find where it is invested. I know Dr. Sennewald got some and we won't get that.

MR. SMALLWOOD: That is not invested.

MR. CASHIN: No, it is given away, invested according to yourself. I don't know the man but I hope to get my spectacles. The Premier admitted yesterday we have these industries which we have to sell to rea-

lize money. In other words we are short of cash. If you have to sell them to carry on then they are not an investment any more. We are going to sell them and re-invest, yet we were told we would make a million and a half profit on these plants a year.

MR. SMALLWOOD: It is a revolving fund.

MR. CASHIN: I know, going around and around and sometime there is going to be an end to it. It is like the merry-go-round, you can't keep going around all the time.

MR. SMALLWOOD: Is the honourable gentleman staggering a little?

MR. CASHIN: I am stunned and am supposed to be speechless in a little while. But we don't know what is going to happen two weeks from now. I say this Government has spent more than any other Government.

"Nursing Station," Mr. Speaker, it took three years after promising it to build a hospital in Trepassey and it is not finished yet. The Premier promised a hospital and now they have a nursing station and it took three years to do it and it is not finished yet and it cost twenty-five or thirty thousand dollars.

We have a lot to build yet. And they are the only Government who ever did anything. "Housing." They did more than any other Government, except the Commission of Government. Mr. Speaker, I am dumbfounded, I am speechless now when I see that the Premier in his manifesto says the Commission of Government did more because it repudiates his own statement. "Old Age Pensions," Mr. Speaker, this Government did not create old age pensions, not one.

MR. SMALLWOOD: We passed it here in this House.

MR. CASHIN: Yes, and it is paid by the Federal Government and we only pay twenty or twenty-five per cent, if my memory serves me right. That is what I am trying to get at. They are trying to create the impression that this Government created these pensions. Here it is in the Premier's own Manifesto and "Baby Bonus." Now, the Liberal Government brought in a new plan to pay up to forty dollars a month to people sixty-five or seventy. I don't think that is correct.

MR. SMALLWOOD: We started at thirty.

MR. CASHIN: It is not forty a month. A man or woman does not get forty a month until the age of seventy. Yet this leaves the impression it is at sixty-five. "Family Allowances." Now, Sir, in the Premier's Manifesto he lead people of this country to think the Liberal Government here in Newfoundland is responsible for these family allowances.

MR. SMALLWOOD: Are we not?

MR. CASHIN: No, if you had to pay the family allowances out of your Treasury you would not have a dollar at all. The Federal Government pays the family allowances.

MR. SMALLWOOD: That is right. We are responsible for bringing them to Newfoundland and that is what it says there.

MR. CASHIN: Yes, and there is an inference that you and you only—

MR. SMALLWOOD: You have to give me some credit.

MR. CASHIN: Mr. Speaker, some people said, I did not hear them say

it, but it was whispered around in the usual political way that if the Liberal Government were not elected the people would lose their family allowances, I have heard that.

MR. SPEAKER: The honourable member is close to personalities. Let me remind him that neither he nor the Premier is on trial for the crime of Confederation.

MR. CASHIN: I beg your pardon, Mr. Speaker, if I were in any way personal. But, Sir, if the Premier and I don't become personal this place will not exist, it will be barred up for good.

MR. SPEAKER: I am not interested in the personalities of members but in the good decorum of the House.

MR. CASHIN: Mr. Speaker, did you ever wonder what Liberalism means? I did. It means liberal with other people's money. That is what it means to me. And the unfortunate part of all this, Mr. Speaker, and I am serious in this statement because every person in here knows my feelings about family allowances and their objective. One thing about political parties, each one thinks they should out-do the other in promises, they will go out and promise to give you another five or ten dollars on old age pensions in addition to what the Liberal Government is now giving, and that is going on and will go on for time immemorial under the present system and there is only one thing to stop it: "Peace on Earth" and when countries and Joe Stalin stop their antics that is all going to stop whether you or I like it or not. "Look at the Memorial University"—I am still trying to find the university. We passed a piece of legislation in here a year or two ago to establish a university but I have seen no new buildings being

erected up there. I know nothing about a university, as an individual I never had the opportunity to attend one. But that university is not in any way in existence yet. It has been done and this creates a wrong impression, Mr. Speaker.

"A Liberal Government gave us the Railway." Not according to the 1898 contract. If I know anything about it and if my political information is correct it was established by the Winter-Morine Government and I referred to it here this afternoon where the late Mr. Morine at that time was dismissed or his resignation demanded over the 1898 contract because of his legal connections with the Reid Newfoundland Company.

MR. SMALLWOOD: Whiteway gave us the railway.

MR. CASHIN: Started the Harbour Grace Branch of it. That was not a Liberal Government because the Liberals came into power in 1900 and previously they had Sir William White-way's Government. They were changing governments rapidly in those days.

"It was a Liberal Government who gave us Corner Brook." The people gave us Corner Brook. This Government cannot take credit for the establishment of Corner Brook. It was voted for by the members of the House of Assembly on both sides of it and no one was fired out of office at that time because of his connection with the legal work. At that time, I think it was, the late Mr. Conroy who represented the Reid Interests in connection with the establishment of that industry, it was not Bowaters then when the mill opened in 1925. But the present Liberal Government had nothing to do with the establishment of Corner Brook, not a member on that

side of the House had anything to do with it.

MR. SMALLWOOD: That is a strong point.

MR. CASHIN: Not one member, and there is only one on this side that voted for it.

"Liberalism means help for those who cannot work and jobs for those who can." Some people have been fired out of jobs and others have replaced them during the past few days. "Fishery Development Programme."

Mr. Speaker, it is now five minutes to eleven o'clock and I would move the adjournment of the debate until tomorrow afternoon when I will speak to this motion very briefly and conclude my remarks, and with the permission of the Government, the House, I suggest we adjourn this debate until tomorrow afternoon.

MR. SMALLWOOD: I second the motion and with a view of clarification, I hope to follow the honourable gentlemen tomorrow when I hope to give as good as he sent and make it as interesting as he has, undoubtedly up to now, made his address.

Mr. Speaker, in view of the lateness of the evening, I move that the remaining orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow Friday at 3:00 of the clock.

House adjourned until Friday, March 28th, at 3:00 p.m. of the clock.

The House adjourned accordingly.

FRIDAY, March 28, 1952.

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

Presenting Petitions

MR. NORMAN: Mr. Speaker, I beg leave to present a petition signed by thirty residents of Lakes Brook, Mouse Island and surrounding areas praying that a road leading from Port aux Basques to Lakes Brook and then towards Mouse Island. This road passes over two steep hills with such a steep grade as to make vehicular traffic dangerous at times and they wish to have a road diverted around the seashore so that it would make it much better in that direction. I support this petition, Sir, and request that it be placed on the Table of the House and referred to the Department concerned.

MR. LEWIS: Mr. Speaker, I beg leave to present a petition on behalf of Conception Harbour in the District of Harbour Main-Bell Island praying for the construction of a waterway by certain land to take care of floods in the springtime. It appears people have been suffering for some time as a result of flooding of their land due to lack of such facilities. I have shown this petition to my associate, the honourable senior member for Harbour Main-Bell Island, and he has agreed to support it. I would ask to lay the petition on the Table of the House and also that it be referred to the Department to which it relates.

MR. JACKMAN: Mr. Speaker, I have much pleasure in supporting the petition.

Presenting Reports of Standing and Select Committees

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, before the Orders of the Day are called I beg leave to lay on the Table of the House copies of an agreement

between the Government of Canada and the Government of Newfoundland with respect to Old Age Pensions in Newfoundland from January 1, 1952, paid under the provisions of the Blind Persons' Act of Canada and the Blind Persons' Allowance Act of Newfoundland.

Giving Notice of Motions and Questions

Notice of Questions:

Mr. Cashin gives notice of questions on tomorrow.

MR. SPEAKER: Question No. 62.

HON. J. R. SMALLWOOD (Prime Minister): The only part of the question I am able to answer at the present time, Mr. Speaker, is the third part—No monies have been loaned to these two gentlemen or the enterprises mentioned by any of the loan organizations set up by the Government since April 1, 1949. The other two sections are undoubtedly being prepared and as soon as the answers are received by me I shall table them in the House.

MR. SPEAKER: Question No. 63.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, the information is being prepared.

MR. SPEAKER: Question No. 64.

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, the information required there is contained in the tenders. The tires were purchased mainly from Hickman and Company and Newfoundland Armature Works. I would like for information to give the House some idea of the disparity of prices submitted. This was a tender called in October, 1950, to buy twenty, ten ply tires:

(Due to the numerous Requisitions involved and the length of time it would take to compile the information requested, the Honourable Minister of Supply presented the Requisitions, showing tenders, orders, etc., direct to Mr. Hollett for his perusal).

Mr. Speaker, the honourable members will see from the list that there was no competition whatsoever between the others and Newfoundland Armature Works and A. E. Hickman Company. I would like to have the tenders back as soon as possible.

Mr. Speaker, I have an answer to the question with reference to Mouth Wipes. I think the question is not a question at all but rather a statement of facts. I have no desire to withhold the information and I try to make the necessary explanations. During the war, when it was impossible to procure this type of mouth wipes, the Department of Health bought this particular mouth wipe put up by Barron Blake. The cost is 4.4c. a package and they are contained in packages of one hundred and fifty mouth wipes. The Department of Health was dissatisfied with this type of mouth wipe as they all claimed that the texture was too thin and that people expectorating in those mouth wipes, it very often went through so that after the war they went back to the original type of mouth wipes priced at 18c. for a package containing four hundred. The honourable member may easily ascertain by feeling it that it is a better mouth wipe. As far as calling for tenders, as already stated we call for tenders on everything. As a matter of fact the Council Report says we should not call for tenders for anything under five hundred dollars but we did not adopt that procedure. On this particular mouth wipe we called for tenders from Mainland Suppliers and

Local Agents and there was no difference in the price submitted. We awarded it to the local agent due to the fact delivery could be made by him which would take quite a bit of work off the Department. I lay these on the table for the inspection of honourable members.

MAJOR P. J. CASHIN (Leader of the Opposition): For future use.

MR. SMALLWOOD: All the honourable gentleman needs now is a pair of shoes and he would have foot and mouth.

MR. SPEAKER: Question No. 41.

Answers to Question No. 41 asked by Mr. Malcolm Hollett:

MR. SMALLWOOD: (1) Carbon copies of the 1949 and 1950 Hansard are available for perusal.

(2) The following have been employed in the compiling and reporting of the debates in the Legislature and payments made:

Miss Louise Saunders	\$1,808.90
Miss Adrienne Pelletier, reporting	1,224.40
Mr. Louis Trickett, Steno-typist	1,594.36
Mrs. H. Finn	85.00

The following are now employed in the compiling and reporting of the debates in the Legislature, and have been remunerated as noted opposite each name:

Miss K. Murphy, reporting	\$1,434.00
Mrs. N. Cahill, steno-typist	1,834.78
Miss Joan Murphy, steno-typist	243.81
Editor of Debates	3,037.50

(3) The two parts of the Session of 1949 are in the hands of the printers, with 1067 pages of Hansard set up to

date. It is understood that bound copies of these Proceedings will be in our hands by the middle of next month. The other Sessions are not yet in print.

(4) The work of printing the Hansard is now in the hands of "The Evening Telegram." No complete payment has yet been made.

MR. CASHIN: Mr. Speaker, I wish to draw attention again to questions Nos. 57 and 58 addressed to the Honourable Minister of Economic Development.

MR. SMALLWOOD: I still have not received the information from the Department of Finance. I had hoped the honourable gentlemen would go in there and get what they want and see for themselves.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I have with me the answer to question No. 55.

MR. SPEAKER: Question No. 55.

(1) Sumac Industries Ltd., at a cost of \$14,378.53, weight 145 tons, sizes $\frac{3}{4}$ " and $\frac{5}{8}$ ".

(2) None.

(3) None.

(4) At the Highroads Garage, St. John's.

Actually upon the arrival of the steel it was found that some was in a damaged condition and upon being surveyed by myself and the Chief Engineer of my Department we were dissatisfied and would not accept delivery. The result was that when the owner came upon us at some later date, by negotiation with them we agreed to purchase that quantity of steel at half the invoice price, fifty per cent of the invoice price; the result

was that we took delivery of one hundred and forty-five tons instead of one hundred and sixty, the remainder being completely damaged and we would not accept it. In fact, we could not get the workmen to cart it to our sheds so it was left at the pier. For the 145 tons we paid \$14,378.53. If the honourable member would care to check that he would find it amounted to a little less than five cents per pound, due entirely to the fact that we paid half price.

I have pleasure in tabling several copies of this answer for the benefit of the members concerned.

Orders of the Day

Adjourned Debate on the Speech from the Throne:

Address in Reply:

MR. CASHIN: Mr. Speaker, it is not my intention to labour much longer in making my few comments with respect to the Address in Reply to the Speech from the Throne. I think, Sir, that I have practically covered every item in that particular document and I think I have referred to many matters which have not been in it. However, there are one or two matters or points to which I would like to refer: One is that in the Speech from the Throne, if my memory serves me right, there is a reference to certain reports which are to be made to the Government and I would like again, Mr. Speaker, to draw the attention of this House to the fact that a report which has been held by the Government because of public interest could not be tabled. That is really not a particularly sound excuse. In that report, no doubt, and I have only seen the cover of it, I anticipate that the survey made with respect to

development in Labrador and Newfoundland are referred to at some length, and the possibility of the development of a third paper mill in this country or Province. That was one of my biggest ambitions on many previous occasions during the course of the National Convention, having had some connection with the preparation of the report of the economic and financial position of Newfoundland, I think if we refer to that particular report which in some regards I might term a budget, you will find stressed therein the possibility of a development of another paper mill in Newfoundland to be fed with timber from the Labrador. I have not a copy of that particular document with me but any individual who has any interest in the possibility can get a copy, I feel it is not necessary at this time to obtain a copy of that so as I could read it for this House. It would be a waste of time, and since that time this great Rockefeller, known as International Basic Economic Corporation, came to Newfoundland some year and a half ago, as I said here on many occasions, in a statement made by the Premier on the other side of the House, we anticipated that no longer would we in this small Province and particularly in this small Island of Newfoundland have any further fear of our future. So that I personally as well as those on this side of the House identified with me and those who were on this side of the House prior to the last election have looked forward to the tabling of that particular document and the publishing of it with great interest for this reason. It cost the taxpayers some eighty thousand dollars of their money. I hold that it is not a matter of public interest, what I mean by that is that the Government are withholding it, not because it hinders in any way defense

measures which might be going on or are about to go on in our Island. So we are disappointed, Mr. Speaker, that this report has not been tabled and incidentally will never be tabled. It does not look too good and a person has only to surmise, but knowing a little about it, it is not my intention at this particular time to stress what I foreshadowed may be in that report, because I do not want to be the particular public man in this country who would be pointed to as one who would in anyway throw cold water on the future of this country. So we pass from that to the fishery report, which we were told was an interim report.

Now, Mr. Speaker, that fishery report is not in my mind, at any rate an interim report. It was brought about because some members in this Legislature stated that the merchants or NAFEL or those identified with NAFEL were making huge profits on each quintal of fish bought and shipped and that is why it was brought about. The report itself has been really a public document because all over Water Street everyone has seen it. I was handed a copy of that report last year in a particular office on Water Street which I had visited, and I read it. It takes about five or ten minutes to read it but it bears out the fact, that these terrible merchants of Water Street and elsewhere throughout the country were not profiteering on the export prices paid for fish but made a reasonable nine or ten percent profit on their investment. So I feel there was an injustice to these people and I have no particular brief for any one of them. But that report should have been published and that the Government in its wisdom has not done itself any credit in that respect. On the other hand I hold that if that re-

port had to divulge that more than ordinary profits were made on the purchase and sale of salt codfish in Newfoundland it would be flung all over the headlines of the newspapers the following day. So I regret exceedingly, Mr. Speaker, that report which is of some importance to the people in Newfoundland, the Government has not seen fit to publish. Probably every businessman on Water Street and in this community has an idea of what is in the fishery report and the same people can forecast what is in the IBEC Report, and many people in St. John's have read that report. I have not read it. The Premier told me at one time he was prepared to have me look at it but I never have had the pleasure or displeasure, as the case may be, of looking at that document.

Now, Mr. Speaker, this afternoon there are two questions on the order paper which I am particularly interested in. The Premier or the Minister of Economic Development said it was in the course of preparation and that he understood that I had intended myself to go to the Finance Department and look the matter up.

MR. SMALLWOOD: They are in course of preparation now.

MR. CASHIN: Mr. Speaker, once these particular answers are tabled, it is then I will make up my mind whether or not some of us here on the Opposition side of the House will have to go to the Finance Department to check on various items.

So we pass along and we come again to another matter which is of great public interest at the present time. At the present time, we are informed, some distinguished gentlemen are in this community who are interested in this great corporation known as the

Newfoundland Labrador Development Corporation. On behalf of myself and on behalf of my colleagues at this particular time we are delighted to have them in our midst. We only hope and we only trust that their visit will not alone be pleasant, because after all the people of Newfoundland are not particularly interested at this particular time whether these gentlemen have a pleasant trip here or not, what really interests them is the economic development of Newfoundland. I take this opportunity, Mr. Speaker, of again reiterating a few of the matters I spoke of yesterday and last night with respect to the taking over of the cement plant, the gypsum plant and the birch plant. I say this because many members of the Government have an idea that I am the Iconoclast of Newfoundland, that my only job is to tear down and not to build up. It is very easy to tear down, but it is very difficult to build up and so I point these few matters out with respect to these industries initiated by our Government a couple of years ago, two of them situated at Corner Brook and the other one located at Donovans out here on the Topsail Road. Both of these cost approximately, and I am speaking again in round figures, some ten million dollars. It is proposed, as far as we can gather, and from reading a statement by a gentleman of prominence in this Labrador Corporation—forgive me if I leave out Newfoundland—that this corporation will take these three industries over, that they will raise money on the credit of Newfoundland and on the credit of the Corporation, and from the statement I saw in the press yesterday and those made by the Premier I think here last evening, I think that these three companies will require ten million dollars in addition to the other

commitments. I do not want to enter into a controversy at the present time as to how much remains of our surplus, Mr. Speaker, for capital development and capital expenditure. We all know how much does remain, but I see, I visualize a loan of ten million dollars to purchase these plants and a further loan of another fifteen and probably twenty million dollars to fix up our commitments, which will mean a loan of some thirty or thirty-five million dollars, after all four or five million dollars today one way or another is nothing, at least we regard it in this Legislature in recent years as neither here nor there. It would be regarded as four or five dollars a quarter of a century ago. But I am going to again take this opportunity of pointing out to the House that we appreciate the position this Province is in at the moment, that it needs further money for future economic development. But I would like to say this, when we voted money in this Legislature a year and a half ago for development of the cement and gypsum mill and the birch plant we were given what we were supposed to regard as expert advice that two of those developments now at Corner Brook would show a net profit of a million and a half dollars a year. I want to say right here and now that if that is true that these two new industries can make a million and a half dollars a year, the handing over of them to that corporation will have our closest scrutiny on this side of the House for the simple reason that a million and a half dollars a year as an interest or a dividend, I will say, on an investment of some ten millions of dollars, 15% and any businessman anywhere will agree with me that a fifteen percent on an investment we might go so far as to call profiteering because any individual making fifteen percent sell-

ing a quintal of fish is looked upon as a rogue. I want to further point out that if that is so, if we have to take these figures at their face value then the handing over of these two companies, particularly to that corporation who would in turn sell them and make a profit off someone else, and make a profit of ten percent on their investment. Assuming they get ten million dollars which they won't get because the birch plant will be included in that, then, Sir, those who are interested in the Newfoundland Labrador Corporation would receive as dividends annually one hundred and fifty thousand dollars a year if the Corporation operated these plants, on an investment of one hundred thousand dollars or one hundred and fifty percent on their investment. One need not be a particularly good mathematician to dope out that, Mr. Speaker. Then there is the matter of the birch plant, the same applies there, I realize that a lot of ironing out has to be done as an agreement has already been entered into between the Government and the gentleman of the Corporation who built that plant at Donovans, and considerable negotiations will have to take place. I do not know, Sir, whether the public generally have read the agreement entered into between the operators or builders of that development out there on the Topsail Road, but I just want to point out in reference to this matter that we on this side of the House are just as anxious that the development of this Province of ours, country of mine, should go forward, we all feel that as members of the Opposition our duty is to assist the Government if necessary in its efforts to bring about economic development or any other kind of development in our country. We have to criticize, that is our job. As I

pointed out yesterday or last night, this is the first time in the history of Newfoundland that an Opposition, a group of men, yes men, Sir, went out in a general election and asked people to vote for them to go into Opposition. It is the first time in our history, I think of any democratic form of government in any British Commonwealth of Nations whoever appealed in that way. Surely, Mr. Speaker, in view of these particular facts no one either on this side of the House nor on the Government side of the House can accuse us individually here on this side of the House of trying to bar in any way the progress of Newfoundland. Our job is to investigate thoroughly, and as I said, assist the Government. In the Speech from the Throne, I do not see any particular strong reference made to future development of our fisheries. Only last night the Government gave me the opportunity of speaking in connection with a telegram it had received or the honourable member for Burgeo and LaPoile District where foreign trawlers or draggers had been infringing on their rights. I have ascertained today, Mr. Speaker, and I can appreciate and realize that there may be some truth in that our fishermen on the South West Coast go off further than the three mile limit from the land to fish and once they go outside the three mile limit there is no restriction on trawlers, providing they stay outside the three mile limit. Now, I don't know whether that is correct or not but I do know this, on the Southern Shore from here to Cape Race our fishermen particularly in Calvert and Witless Bay and Ferryland go off as much as ten miles from the headlands and set trawls in the early spring and the trawlers or draggers are operating out there; then the fishermen have to take the con-

sequence whether they like it or not, under International Law. No doubt, Mr. Speaker, the Government will have been in contact with the Federal Authorities of Ottawa with respect to this particular matter and I will say, Mr. Speaker, last night when the Government did me the courtesy to ask me to speak as long as I liked and as hard as I liked in connection with this particular matter and if I may for the moment be somewhat critical, I will say to you, Mr. Speaker, the member for Burgeo and LaPoile as far as he was concerned it was good enough for him. He knows what I mean when I say that because if I had to be vindictive with respect to that particular matter it would be because these people out there exercised their right to vote for union with Canada. That was their business and I have no axe to grind or swords to cross with them in that respect.

So, Mr. Speaker, we will turn again to industrial development in Newfoundland. Since we have come into this House, we have been here now since the 12th of March, when we got down to ordinary business and today is the 28th of March and I have not seen any programme of new development for Newfoundland. I do not know what is in the offing. I realize that there may be some wild-cat scheme. I realize, Mr. Speaker, that some of those schemes will be wild-cat, naturally I hope I am incorrect when I make that statement, get me right. Great stress has been laid, Mr. Speaker, on the development of a steel plant, great efforts have been made to convince the public particularly Conception Bay where the steel plant will be erected to manufacture steel from the iron ore of Bell Island. I only hope and trust that my predictions in connection with that will

be incorrect. No one in Newfoundland, no one in the Government, no one on this side of the House would be more anxious to see a steel mill erected in any part of Newfoundland to be fed by ore mined on Bell Island. Coming to ore, Mr. Speaker, it would be unkind of me to let this opportunity pass without voicing my pleasure and that of my colleagues to the original individual who created the Newfoundland Mining and Exploration Company. Wonderful praise we have heard about individuals now identified with that great Corporation expending some hundred and fifty or two hundred million dollars in development of the wilderness. But the gentlemen responsible for the Labrador Mining Corporation and the development of this ore in that area has passed to his reward. He was a great old gentleman, Mr. McKay. I have not heard any tribute passed to him. Dr. Reddy who has been the geologist I think, for that great Corporation has received all the credit but let's go back on some of the story. I think it was in 1935 that Mr. McKay, an American, came to Montreal. He had three or four hundred thousand dollars in cash of his own, looking for investment and he came across someone who referred him to Labrador. He approached the Commission of Government, I think in 1936 or 1937, the original Act was made getting a concession for them to spend fifty thousand dollars the first year, some amount the next year, etc. He had an associate with him at that time, Mr. Seymour, another great Canadian Industrialist of Montreal and still another gentleman named Nichols identified with the coal business in Montreal and in addition another American friend of his. He put up that money and Mr. McKay went to Ottawa where Dr. Reddy was at that time

employed in the Department of Federal Mining and asked him whether he would go with him and do this job on the Labrador and Dr. Reddy took the job. The following year or the year after Seymour and some others felt that they were throwing good money after bad and quit, McKay carried on as did his partner in New York and they invested every cent they had. The war came in 1939 and he was about to ask the Government for an extension when suddenly Jules Timmins, who had plenty of money behind him, the Hollenger Gold Mining Corporation, approached him and made a deal. Mr. McKay made that agreement with him and consequently he is responsible in a great measure today for this great industrial development at the present time taking place on the Newfoundland Labrador side as well as on the Quebec side of Labrador. It is all very well for us to pay tribute to other gentlemen interested in that particular project but I claim, knowing this gentleman as I did, that it would be unkind of me to allow the opportunity to pass without saying a few words in connection with his efforts in this respect. Many members of this House are probably not aware of that, some are. Mr. McKay passed away a couple of years ago in a room in the Webber Hotel and when the history of the Labrador Mining Corporation is written, the original contract is seen, you will see the signature of A. M. McKay signed to that company's agreement with the Newfoundland Government represented at that time by the Commission of Government. I am a great believer, Mr. Speaker, in giving credit where credit is due. I know that great mining development means a lot to Newfoundland and I do not want to be critical at this particular time but I feel that Newfoundlanders should be

particularly interested in it, and the Provincial Government should have a greater interest in it than they have at the present time because, since union with Canada has taken place, the obligations of the company are not so involved as they would have been if we had had our own form of Government, and it is just possible that the greatest development of all may take place on the Quebec side of the Boundary. When mineral was discovered on the Newfoundland side of the Boundary the company also got a concession from the Government for the Great Grand Falls water-power which in time, perhaps not our time but some later time will probably be developed. Another matter which I will refer to again, before I close my few brief remarks this afternoon, is the possibility of that development of the pulp and paper mill in Newfoundland. True, I may have a kinked mind in that respect but I know that at the present time at any rate there is a shortage of newsprint in the world. Bowaters who have been operating in Corner Brook since 1937 and made a good job of it, recently I understand began the development of another newsprint mill in the Southern States. It therefore to me looks very definite indeed that new capital may be interested in development of another mill in Newfoundland. This mill which is being built in some part of the Southern States will turn out cheaper material because wood is cheaper in that particular territory and I repeat again this afternoon what I repeated on many occasions that I would much rather guarantee bond issues of some twenty millions of dollars for development of another pulp and paper industry in Newfoundland, the development of a mill of some two hundred or two hundred and fifty tons a day possibly costing in the vicinity

of twenty-five million dollars. The great difficulty is the development of the water-power in Bay D'Espoir area where I would put the mill if I had the money after having a good survey of the whole situation, the water-power would not necessarily need to be the development of the entire water-power resources of that particular area. Water-power drives the mill and I know that today the development of water-power is expensive in comparison to what it was in the days of the Humber. I think we have a figure here of \$182 a horsepower, I would put it at two hundred dollars, and one hundred thousand horsepower would cost \$20,000,000. That would operate a mill up to one hundred and fifty tons a day. However, these are things that seem to me more than the granting of money for small industries to come in here which will produce nothing to export, which does not take any of our raw material to export to Europe or to the Mainland. This particular industry interests me more than the establishment of a textile mill in Newfoundland at the present time because if we are to be frank with each other and to have good Government it is the duty of both the Opposition as well as the Government to be frank with each other. It is all very well to say the prospect for the establishment of a textile plant at the present time is good. I maintain at the moment that I would not again stand in my place in this Legislature and vote a guarantee of money for establishing a textile plant in Newfoundland particularly in view of the present position on the Mainland, where in recent days and weeks we have been told through columns of the press that the textile industry is suffering a severe set-back. Surely, Sir, it does not seem common sense for us people in a small country of

two hundred and fifty thousand people to start a textile mill in view of these obstacles now confronting us and so, Mr. Speaker, this afternoon in concluding now my few remarks in this House, during the past few days matters have been somewhat hectic in this House, this Legislative Hall, Historical House, the People's House and whilst I am not in any way pleading for mercy I would point out, Mr. Speaker, that the dignity of this Legislature must be upheld on both sides of the House, we must remember that we are merely a board of directors representing three hundred and fifty thousand people and when they send us here to do their business they expect us to be dignified on this side of the House just as well as they expect those on the other side of the House to act with dignity also. Last night and on previous occasions tempers flew, armistices have been signed. I can assure you, Mr. Speaker, we will be firm in our conviction and also firm in our hope that the future of Newfoundland, both its fishing industry and its other industries, which I consider secondary, will receive better attention in this Legislative Hall.

MR. SMALLWOOD: Mr. Speaker, this has been quite a debate, certainly the most spirited debate we have had since this Government and its immediate predecessor came into power and I hope the honourable gentlemen, who constitute the Opposition, will not suppose for a moment that there is any patronizing thought in mind when I offer them very sincere congratulations for a job pretty well done, almost as well as it would have been done had I been doing it. There are in the Opposition several new members who had until they entered this Chamber no experience whatsoever with parliamentary life because

they had not before been in parliament; they have, if I may say so sincerely, acquitted themselves well in that function of their responsibility of their job, that common sense criticism of the Government and the Government's conduct and actions. They have criticized and they have done it well. Obviously they would not expect me to share all of their beliefs or at any rate all of their statements because I find it just a little difficult to believe that they really believe everything they said. Now, I don't want to be unparliamentary and impute motives to my honourable friends nor suggest insincerity on their part, I do suggest however that in the exuberance of the debate some honourable gentlemen opposite perhaps have said things which in calmer moments they might not have said quite so forcibly, colourfully and dramatically as they did.

I have not missed a solitary word spoken by my honourable friends. They have all spoken and I have heard everything they have said. I have listened carefully for just one word from them of praise of the Government, praise for the Government's conduct and record in the last three years. I have listened in vain. I thought for a moment last night while I listened to the Honourable Leader of the Opposition that we were going to get some faint praise for something we had done and I listened with disappointment. Not a single word of praise for anything that the Government has done, not one word. therefore it appears that in the view of the Opposition the Government have done nothing good because my honourable friend the Leader of the Opposition said a moment ago he was one who believed in giving praise where praise was due. I believe that,

I believe it of every member of the Opposition here, all honourable gentlemen who believe in giving praise where praise is due. As they have given no praise to the Government it is a fair statement, a fair assumption, that they consider the Government worthy of no praise whatsoever, none at all. My honourable friend the junior member for St. John's West agrees with me visibly with his head.

MR. HOLLETT: No, I disagree.

MR. SMALLWOOD: I am glad he disagrees. There is not a solitary word of praise of the Government from the day we took office to the present moment.

We have, however, heard a lot about those things we ought not to have done, which the Government ought not to have done. That is part of the job of the Opposition and a very essential part but I suggest not the whole part. They have told us about the Seigheim deal in Labrador, about the great blunder we made which we admitted to be a blunder, which I was the first to acknowledge as a blunder, the Icelandic Boats, they have criticized us for our refusal in the public interest to table the IBEC Report, criticized the proposed textile mill. They have criticized us on the strength of the rising cost of living and finally they have criticized us for refusing to table the Interim Report of the Fishery Enquiry.

Now, as to the Seigheim Deal the position is extremely simple. The Government of Newfoundland in the Lake Melville area of Labrador owns or at that time owned certain timber areas. There came to the Government a gentleman from the Continent of Europe, Dr. Seigheim who said to us: "You have timber in the Labrador which I would like to cut and

ship to Germany. There is a great shortage of pulpwood in Germany. We have been cut off from our usual sources of pulpwood along the Baltic, Finland, Lithuania, and Poland because these areas now, most of them, are behind the iron curtain. In the interest of democracy in Western Germany it is extremely important that the newsprint and paper mills have ample supplies of pulpwood which they can no longer get and I am interested in cutting pulpwood in Labrador. You own the pulpwood. If you will allow me to cut that pulpwood and export it to Germany in a raw state, I will pay you five dollars a cord based on present world prices and on a sliding scale in accordance with world prices. I will also establish in that area a small township, I will establish a farm and endeavour to introduce northern seed from Lapland and Finland, I will establish a demonstration forestry farm and even endow a chair at the Memorial University, a Chair in silviculture, but above all I will pay you five dollars a cord for your wood as it stands, we to cut it, we to load it, we to ship it, you only to allow us to do all that and receive five dollars a cord for your wood as well. We will pay the people who work for us trade union rates of pay, the same as the paper companies and other timber companies are doing in this Province now" and I will say, quite honestly to the House, that from the moment Dr. Seigheim approached the Government to this moment I personally have had no faith in that proposition, I never had any faith in it, never had any. But what would my honourable friends have done had they been the Government and Dr. Seigheim approached them with that proposition to pay five dollars a cord cash money to us to buy green timber on the stump, what

would my honourable friends have done more than we did or less? We investigated Dr. Seigheim and found he was in Western Germany a reputable businessman who for many years past has been dealing in the business of buying and selling pulpwood and timber. He had been a great and important supplier of pulpwood to the great paper mills of Germany and the Waldhorf Association is probably the largest pulp and paper company in the whole Continent of Europe. So we were completely satisfied as to the standing and ability of Dr. Seigheim to operate successfully in the Labrador notwithstanding the fact that he had Professor Chipman, a highly competent and experienced operator in Finland, notwithstanding all that and the Government had its attitude beautifully expressed by the present Leader of the Opposition when he sat here as an Independent member, when he said it was too good to be true. Nevertheless I ask you, what would the honourable gentlemen opposite have done had they been the Government? Would they have done less or more than the Government did in fact do? Would they have said to Dr. Seigheim: "No, we don't want it?" This Legislature gave him rights, remember, which were supported by every member of the Legislature including the present Honourable Leader of the Opposition and his colleagues, the senior member for St. John's East both of whom voted for it. What else could they do? What else could any of us do? Whether we believed it to be too good to be true or not. The man said, "we will pay you five dollars a cord," and we gave him the rights. I don't believe he will fulfill his contract and his rights will therefore cease and what will Newfoundland have to lose? Not one dollar unless it be the cost of the

printing of the Bill which we passed. That will be the only loss that the Government of Newfoundland or the Treasury received except of course for the loss of the five dollars a cord on two hundred thousand cords a year, a million dollars he said he would pay, which we have not lost because we never had it to lose.

MR. HOLLETT: Did your prestige suffer?

MR. SMALLWOOD: We are responsible for our prestige and behind us are the people of Newfoundland. If the honourable gentleman has any doubt he may count the seats on this side of the House and he will be reassured as to the standing of our prestige in the Province today.

MR. HOLLETT: That was before it became known that it was a flop.

MR. SMALLWOOD: If it was not known it was not my honourable friend's fault; he did his best to make the facts known during the election. So all the facts were seemingly well known about the Seigheim deal and now with all the fuss and feathers and all the propaganda deal what did it amount to? Nothing, sound and fury signifying nothing—

Now the Icelandic Boats, the prize blunder of this Government. I was the first to say it and when the honourable gentleman opposite says it, he is saying nothing original. I was the one who went on the air to say it to the entire population of Newfoundland, that this Government had committed a blunder. Yet, may I draw the attention of the House to a statement of the Honourable Leader of the Opposition of the present moment. It is well known that honourable gentleman is that author of the financial report and the economic report, two

reports and very able documents presented to the National Convention when I believe my honourable friend was the Chairman of the Committee and wrote the report. And in it my honourable friend wrote this statement. There is a reference here to that pulp and paper mill also. He referred to Iceland under the heading of "Fisheries" — ". . . And it is not unreasonable to say that the adoption of methods which have brought prosperity to such a country as Iceland, it is not unreasonable to say that the adoption here in Newfoundland of ours of methods that have brought prosperity to such a country as Iceland cannot fail but bring similar results to the thirty thousand fishermen engaged in the fishing industry in Newfoundland . . ."

That was the statement and that is what the Government also thought but the Government were not the first to think it, my honourable friend the Leader of the Opposition thought of it first.

MR. CASHIN: I bought the fishing boats.

MR. SMALLWOOD: So they landed in the Harbour of St. John's, the Icelandic Herring Purse Seiners, manned by an Icelandic crew and captained by an Icelandic captain who had just come from Greenland where he fished on the Greenland Banks for herring, knew every inch of the waters of Iceland and sailed into St. John's on a stormy Sunday afternoon—my doorbell rang and I invited them in and they told me who they were. I remembered then these words of the Honourable Leader of the Opposition, I remembered those words and I said: "My friends the honourable member for Ferryland is an ardent supporter of the idea of bringing here to New-

foundland the techniques they have worked out so successfully in the Republic of Iceland," and I said to myself, "Is this the answer to his prayer, are these boats the answer to the honourable gentleman's prayer." Here they were, the four of them, they came to my house on a Sunday afternoon in a snow blizzard.

MR. HOLLETT: How did they find it?

MR. SMALLWOOD: I don't know. All I know is that the bell rang and I personally answered the door and there were these Icelanders and one of them spoke English. I invited them in. I could not offer them a drink as I don't have anything in my house but a cup of tea and we talked for three hours about their techniques in Iceland. Now I knew that here in Newfoundland we have incredible bodies of herring. The man whom Ches Crosbie brought here from British Columbia had an original method of sounding for herring. The House is familiar with that, former members of the National Convention knew all about it. I think the idea is to let down the end of a piece of organ wire and by training the operators fingers becomes so sensitive they can feel the presence of the herring and by going over the water they can make a practically perfect estimate of the number of herring. According to this method there were vast bodies of herring in our waters. This man was not looking for money, he was engaged on salary by Mr. Crosbie. He was a British Columbian. Then later echo sounders were used and I have seen myself the recording of the echo sounders of bodies of herring ten miles long, thousands of tons of herring in one body. Now, how do we get herring in Newfoundland? We get them in this way: I am a fisherman with

two or three gill nets or half a dozen. I set them in the water, a few fathoms deep and a few fathoms long, set them in the water with the tide, not against the tide or the tide will carry it away and the things in the water fill the meshes and they become a solid obstacle and it goes out to sea and is lost. So that the huge bodies of herring running in and out are running not at right angles to the gill net but with the gill net and it is only the occasional herring that happens to run in and become meshed. That is the few out of the millions of tons in our waters which are caught. As my honourable friends like to term it, the few odd barrels of red herring we get in Newfoundland. Now the modern technique is purse seining. In Norway they take a million barrels a year of herring by purse seining and in British Columbia the value of the herring taken runs into millions of dollars a year. Here are we in Newfoundland, a great fishing stage set out boldly in the Atlantic Ocean, and we still fish for herring in gill nets. So we got the Icelanders and the Government walked smack into it. They decided to loan them the money to start using this technique here to prove whether that purse seining could produce the herring in Newfoundland. And lo and behold what happened! No one got any herring in Newfoundland that year. There were none in Fortune Bay, the home of the herring. No one got them out; Spring fishermen got none. There were none in Bay of Islands, none in Port au Port Bay, none in Notre Dame Bay, the very year we walked into it to back up the Iceland Boats.

MR. CASHIN: They frightened them away. They did not understand the language.

MR. SMALLWOOD: It may be the anti-foreign feelings spread to our herring and they objected to the Icelanders coming into the Province. Whatever the reason there were no herring in Newfoundland that year. I suggest to the House, merely suggest that if there had been herring that year these Icelandic Boats might have gotten a goodly share and had they done so I would not have had the necessity to go on the air and admit and confess to the public, as I did, that we made a frightful blunder which has cost up to this time four hundred thousand dollars until we sell the boats and get some of the money back.

Now, the IBEC Report. This Government hired Mr. Nelson Rockefeller's International Basic Economy Corporation surveyors to come in and make a survey. They made a survey of the possibility of a pulp and paper mill in Bay D'Espoir based on pulp produced in Labrador and of a pulp and paper mill in Labrador. They worked out an economic scheme and compiled a vast amount of data. I have already said that it is not in the public interest to release that to the public, and by public I don't mean the Newfoundland public and certainly not the members of this House. I have offered repeatedly to table that report confidentially to members of the Opposition who are welcome to it. I go further now and say that I offered to table the report to members of the Opposition, let them read it and then let them advise me whether they think it is in the public interest to release it publicly. If they advise me so, I will release it publicly because I know they will not so advise me, they have the interest of Newfoundland at heart as we have. It is not in the public interest to put fig-

ures in the hands of competitors or rivals. It cost us eighty thousand dollars to get this data on the economic picture of the pulp and paper industry in Newfoundland. We say it is not in the public interest to release this information and we are ready to stand or fall on that and to go out of office. We must make the decision, we, Her Majesty's Government, and our supporters on this side, we must decide whether in our honest opinion it would be in the public interest to release that report, we have to divide it. We are now prepared to have the honourable gentlemen on the other side share the responsibility for the decision, accept the report, read it and advise us whether or not it would be in the public interest to table it. We will follow their advice. That is fair now instead of having it a continual political issue; they must decide that for themselves. I know what I would do if I were sitting on the Opposition side.

Now they talk about the textile mill. The whole world knows that in Canada today and in the United States there is a depression in the textile industry. That is well known and it is well known that there was not a depression six months ago but that there is today. Is it suggested that there will always be a depression in the textile industry, that it is suggested that the textile industry which is the biggest labour giving industry in all Canada, the number of people employed in relation to the dollars invested is probably higher than in any other industry. One hundred thousand persons are employed in the textile industry of Canada alone, in the United States it must run into millions of persons. It is a great industry presently in a state of acute depression, chaos. But if the textile

industry is basically sound, has basically a good future and this particular textile company, which is perhaps the leading textile firm on the Continent of Europe, certainly one of the half dozen leading textile firms in all Europe, if they are prepared to establish a textile industry in Newfoundland, with the most modern textile machinery that money can buy, if they are prepared to do that, shall we say no because there is for the moment an acute depression in what is otherwise a great, sound, basic industry with a great and sound future? Is that the way the honourable gentlemen would suggest it? Is that how they would run Newfoundland, would that be their approach to the question of economic development? Last night when this House closed at eleven o'clock I hurried home to my office to meet these very people, the owners and officers of that textile mill, three of them arrived yesterday from Europe and we talked, the Attorney General and I and another member of the House until two o'clock this morning. At the outset I got a cup of tea, everyone had gone to bed and I made a cup of tea myself. I had a slice of bread and molasses, my customary highclass midnight snack, good grub, representative of the toiling masses of Newfoundland, bread and molasses with butter spread over it.

MR. CASHIN: Put the butter on first.

MR. SMALLWOOD: No, put the molasses on first, it soaks into the bread and you can get more on it, then spread the butter over it. I see my honourable friend's acquaintance with bread and molasses is more by hearsay than by actual experience.

Well, when we got our cup of tea,

I said to these gentlemen: "Well, I guess the textile deal is all over now." They looked a little surprised and said: "No, we think not." "Do you mean," said I, "you are going ahead to build a textile mill when the whole textile industry is in the midst of a depression? You are not surely proposing to persist, to continue with your proposals to build a textile mill." They said: "Yes, why not?" Then we talked for hours and I say now, the mill will go ahead; it will succeed; it will compete with any mill in Canada. Don't forget that within the last few years a score of millions of dollars of capital has been invested in Canada in the textile industry and more will be invested in the coming year, and some of it will be invested, thank God, here in Newfoundland.

Now the cost of living: Of course my honourable friends do exactly as I would do in their position. If I were they I would take full advantage of the fact that the public, where the cost of living is concerned, are never prepared to sit back objectively with all the statistics at their finger tips, study them and finally come to a judgment. I have come to the conclusion that the public is never prepared to do that in connection with the cost of living and if I were the Opposition I too probably would take full advantage of that and concentrate and harp on it; have it made into a song such as a child could recite at its mother's knee. Something like the old song: "Bond's day is done, His race is run, He is down and out without a doubt." Every baby could learn that. Now, I suggest my honourable friends are slow, they should coin something like that and twenty-five years from now when I am contesting my last election as Premier of this Province the children will look up in my face and recite that song.

Now what are the facts? The facts are that at Confederation there was a precipitous and for some a disasterous decline in the cost of living. That was a good thing for the public but not for the businessmen who were caught short with millions of dollars worth of goods on their shelves on which they had paid the wicked customs duties I used to talk about in the National Convention, caught with millions of dollars worth of goods on which they had to slash the prices. Does not the House remember that when all the stores were going slash, slash, slash. Does not the House recall that or did I just dream it?

MR. CASHIN: You dreamed a lot.

MR. SMALLWOOD: Was it only a day-dream and the cost of living did not fall? Did I dream it? The Royal Commission gave the actual figures at the date of Union and six months after the date of Union for hundreds of items, the prices in one column and in the other showed a drop of thirty, forty and fifty percent. Did I only dream that? Maybe the Royal Commission only dreamed it. I say the cost of living fell precipitously and for some disasterously at Confederation, indeed before Confederation because everyone knew then that it was coming some second before the expiration of March 31, or that it would not fall on All Fools Day. It is possible that my honourable friends in the Opposition do not remember what happened then. Twenty-five years ago they could say what they do about the cost of living and get away with it but today there is scarcely a family in Newfoundland but has a radio and listens to the Canadian and American news and the European and British news for the United Kingdom and from all over the world. They listen to the members of the United Nations, the

open forum and all sorts of stuff which pours out daily, day after day and week after week, day and night and our people in Newfoundland today are just as well aware as I am or any member on the opposite side is that in the United States the cost of living has gone up shockingly and in Canada, in Britain and all over the world in fact. Now, I am not making that up, the cost of living came down at the time of Confederation, since when it has gone up higher than it was before. But what would the cost of living today in Newfoundland be, where would it be if we were still paying thirty or forty percent customs duty on everything we import and the importers were still making a profit on every cent of that duty and passing it on to their retailers and they making a profit on that duty, where would the cost of living be today?

MR. HOLLETT: The same as Canada.

MR. SMALLWOOD: All you have to do is take up Eaton's Catalogue or Simpson's today and add thirty or forty percent duty and know what the cost of living would be in Newfoundland.

MR. HIGGINS: And cut out some of Mr. Abbott's little items of income taxes.

MR. SMALLWOOD: The honourable gentleman is not complaining about income taxes. No one in his right sense would ever do so. You don't pay income tax unless you have the income and if you have the income you are delighted to pay it. Is not the honourable gentleman pleased that he is put in the bracket where he pays income tax?

MR. HIGGINS: I am watching mine.

MR. SMALLWOOD: No, thank God for it, that there is an increase in the number of Newfoundlanders, of the toiling masses in Newfoundland paying income tax, which is another fine result of Confederation, the earnings are up and the standard of living is up and naturally if more people are paying income taxes their incomes are going up. Are we not all glad about it? Or does he just want to make a political point of it.

Now the fishery inquiry, interim report: My honourable friend wondered, in fact did not wonder but knows there is an interim report that the Government has recently divided to make that inquiry. Has that been published? Not yet. My honourable friend the Minister of Fisheries says it is quite in order to release the information we have commissioned Mr. Bruce Feather and the Royal Commission on the fisheries to continue his work for two years to make it a continuing inquiry for this reason, always be fair, always be just, let justice be done though the Heavens fall, but just be fair. We made the inquiry and we found not that the merchants were robbing and fleecing the fishermen but rather that due to the antiquated and anti-deluvian system of business, that the merchants have, the cost of handling and transportation, the duplication of profit, small profits adding up to big profits not for any one but for a number, all coming out of the fishermen's pockets. If that inquiry is to find out all the facts it will take a couple of years to do it. Now would it be right, practical, sound or just to publish these interim facts which many of them may be found wrong by further inquiry six months hence?

MR. CASHIN: The point is, Mr. Speaker, if the Honourable Premier

will permit me to interrupt. The merchants were accused of robbing the fishermen and they should be either vindicated or condemned.

MR. SMALLWOOD: That will be done but let us get the facts first.

MR. HOLLETT: Have you?

MR. SMALLWOOD: We did not vindicate them of the charge of stupidity or incompetence. There are some more stupid than others. This might lead to bad words, so let us keep on. From what we have found so far we have given them a clean bill of health for the time being on the facts we know now of fleecing and robbing (jot it down reporters, jot it down, it is revolutionary news). We exculpate them for the time being, for the present, on the facts we presently have from the charges of fleecing and robbing but we do not clear them on the charge of stupidity of antiquity in their business and techniques and the inquiry will go on.

Now these are the five points of the Opposition's indictment and I suggest they are worth just about that much, hardly the breath to answer them.

Now, Mr. Speaker, I will suggest a recess, not for my sake but for the sake of the stenographer and when we return I desire to turn away from political bickering and with the concurrence of the House to have my speech take the form of a formal statement on Newfoundland's whole position, which I hope to use, after it has been delivered in this House as the formal statement of Newfoundland on her position today for circulation outside of Newfoundland where perhaps it will do most good. I hope I have the concurrence of the House if I do that.

Mr. Speaker, before I turn to a more formal part of my rebuttal I want to conclude the thought I was expressing when I said that the Opposition has not been able to find a solitary word of praise for us and has concentrated on their indictment of us, on our record, on these five items I enumerated. But we have been in power now for three years, in another day or two exactly three years, and it is, I think, admittedly a fact that we have been the most energetic Government, rightly or wrongly, certainly I think it will be admitted that we have been the most energetic Government in our history. When you look back over these three years and it is, I think, admittedly a fact that we have been the most energetic Government, rightly or wrongly ever. When we look back over these three years it is astonishing to note the number of things we have done, whether you agree or not with the things, I think you must agree that the number is great. We have created a Department of Labour. That is a big accomplishment. We have passed a Conciliation Act, a Trade Union Act, the Boiler Act, and the Workmen's Compensation Act which is as modern as any in North America and set up the Workmen's Compensation Board, presently doing a business of one half million dollars a year handling scores of hundreds of accident cases. There is not an independent firm in Newfoundland today but is grateful that we have enacted that legislation and created that Board. It is a very fine accomplishment. We have created a University, admittedly we have not as yet erected new buildings but we have created a University, created these Provincial Scholarships, over forty Scholarships, that is a big accomplishment in Newfoundland, forty Provincial Government Scholarships. We

have created these cultural prizes for the best fiction within the year, the best portrait, the best historical document which is a definite move towards encouraging the development of Newfoundland culture. I think we ought to get great credit for these things. We and we only in Newfoundland's history have introduced a highly modern financial system, financial accounting system with central accounting with central payrolls and commitment control, as good a financial system to say the least as any Government today in all the Western Hemisphere. Now, we did not create them because Mr. Thompson and the firm of Peat, Marwick and Mitchell created them but we deserve credit for engaging them to do it and putting them into effect. Does not the House realize that before we introduced that system every department of Government paid its own cheques, had its own accounting department, in every department and every department paid its own bills, a most antiquated, antideluvian system. We deserve credit for that. Look what we have done in our three years for public roads, look what we have done with district highways, look what we have done towards the completion of the Trans-Canada Highway. We spent seven million dollars on district roads, and we have spent four million dollars on the Trans-Canada Highway, eleven million dollars to improve our roads system in three years. We have built in Newfoundland in our three years exactly three hundred and seventy-eight miles of road, in three years, but we receive no credit for that. We have introduced the whole system of Dependents' Allowances for people too sick to work, too infirm to work, yet not old enough to get Old Age Pensions nor young enough to get Family Allowances. We have intro-

duced into this Province, Widowed Mothers' Pensions for the first time in our history. In Newfoundland today, how many people are receiving Dependents' Allowances and Mothers' Allowances? Ten thousand. Ten thousand persons are benefiting today from this great move not including the children of dependent widowed mothers, ten thousand cheques a month going out under this great social scheme we have created. The Juvenile Court and the Family Court which have done much in human terms. We have done that, that is for our record. We have completed that magnificent nurses' home which my honourable friend mentioned, in at the Mental Hospital, we have completed it and we have built the great new wing of the Mental Hospital, we have created the Western Memorial Hospital in Corner Brook, we have completed the great new Western Sanatorium in Corner Brook. It cost us millions to do this but we have created them and we have spent those millions. We have built a Cottage Hospital at Springdale, at Fogo, at Channel — Port aux Basques, a Nursing Station at Trepassey, Lamaline, Englee, we have contributed in part to the Notre Dame Memorial, the Grace Hospital for enlargement; we have bought an air ambulance which has been the means of saving many lives in Newfoundland and Labrador, we have done that. We have introduced this system of hospitals along the South West Coast and again in White Bay with hospital ships, we have done that but not a word of credit for any of that only the Icelandic Boats and the cost of living, and there is housing, we have spent over a million dollars on public housing, this very year some hundreds of new houses will be built and we are not confining our efforts to the city

of St. Johns alone but in Corner Brook, Gander, Grand Falls, Burin and in other places. We have introduced into Newfoundland for the first time in half a century the idea of installing water systems in the outports which is what might be expected from Her Majesty's Outport Government. We have now a central water system installed at Grand Bank and Fortune, Lewisporte, Springdale, Channel-Port aux Basques and at Belleoram. We have done those things. These things have been done and we have done them. We have created twenty town councils, new municipalities in this Province which were created by us and doing magnificently and there will be twenty more. We have introduced the tender system, the first elected Government in Newfoundland's history to introduce the tender system, for millions of dollars worth of goods of all kinds. The challenge is out to the House: "Show us where we have failed to buy at lowest tender consistent with quality and the Minister of Supply will resign." We have invited the House to come down in the Department of Supply and look at the hundreds of thousands of tenders made and submitted by the trade on the files.

On the economic side, we have brought in this great air-borne magnetometer survey of five thousand miles of Green Bay, one of the greatest air-borne magnetometer surveys ever made in the world. We did that. We have made a large number of ground surveys. We have had various other aerial surveys and we brought in the Power Corporation of Canada to make these hydro-electric potentiality surveys and we have had surveys made for water-power at New Chelsea, Clarke's Beach, Clarenville in Paradise Sound, on the Southern Shore,

which cost us thousands but we did it and learned what hydro-electric potentialities we have in Newfoundland. We have done those things.

We introduced the Buy Newfoundland Campaign about which my honourable friends have expressed themselves heatedly. I regard it as one of the creditable things done by this Government. We spent seventy thousand dollars in two years to assist in the movement to encourage Newfoundlanders to buy the products of Newfoundland, farms, fisheries. We have letters, many letters, on record from the trade, from the industries, from the factories here in St. John's, a letter from the ANI Association, the provincial group of manufacturers thanking us for the Buy Newfoundland Campaign. These dozens of messengers that were employed, they called them messengers, some were office boys. I will tell you what they were for: to carry around and stick up on poles, on boarding fences, in shop windows, in house windows many thousands of posters and placards on the Buy Newfoundland Campaign. What Newfoundlanders Make Makes Newfoundland. You remember that phrase. It cost seventy thousand dollars, a great part for newspaper and radio advertising, money well spent, a patriotic effort to encourage home industry and we get clouted on the head for it, even suggested that it was a dirty filthy scheme and an effort was made to turn into a dirty scandal—a creditable thing that we take great pride in for having accomplished.

We have brought John Fox to Newfoundland to institute the first drive for oil in over half a century. Do we deserve credit for that? We did it, brought him in and please God he will find oil.

We have brought about this asbestos development in Port au Port Bay. We invested money, \$75,000 in cash in that Company and we will have an asbestos mine and mill on the go this year in Newfoundland, but we get no credit for that.

We saved the Nail and Foundry Company in the West End from closing. Ask the manager. I say it now publicly and we take full credit for saving it from collapse and I say here we saved the rope walk from collapse. I have a letter from the Honourable Mr. Job, Mr. Monroe, the Manager Mr. Alderdice, from the three, letters thanking me personally for what I did to prevent the closing down of that industry, a St. John's industrial establishment. We get no credit for that—Only Icelandic Boats—

We have received no word of credit for the great effort we made to promote the sale of goods to the Americans. It was this Government that took the step. The merchants of Water Street, the sleepy merchants, the antideluvian merchants, the fossils of Water Street, I told them they were losing money, many millions of dollars a year in trade that was there asking to be done with the American establishments in Newfoundland. They were asleep on Water Street until I woke them up and this Bolshevik, this Communist, this Red, this Confederate, this scallawag, this rogue had only to put an advertisement in the newspaper and they smelled profit and began drooling at the mouth and the biggest meeting of businessmen Newfoundland has ever known since Newfoundland began turned up in the auditorium of the University, six hundred Newfoundland businessmen, the elite of Water Street drooling at the mouth because I woke them up and showed them where they were falling

down on their job and failing completely to get millions of dollars of good hard cash, American Dollars, cash business which was there for the asking. Now, they are getting it thanks to me. Do I get any credit for it? Not on Water Street—they voted against me, put up money to defeat me. They had their own money but we had no money but lots of brains.

No credit but a little criticism, yes, for our formation of the Newfoundland Labrador Corporation. I draw attention of the House to the fact that we have present here in the Chamber, Sir William and Lady Stephenson and other directors. I think it will be agreed the Honourable Leader of the Opposition himself, referred to Sir William Stephenson in very laudable terms. I think it was a lucky day for Newfoundland when that great man threw in his lot with Newfoundland, I think big things will come from it and from other great men, distinguished men, from Harriman Ripley and Wood Gundy Company; Mr. Lewin, a great industrialist, a great Newfoundlander though not born here he has been for fifteen or sixteen years, a great Newfoundlander who has thrown his lot in with this Corporation, Mr. Eric Bowring, a name in Newfoundland to conjure with, a name that is the emblem of honour in business.

MR. CASHIN: A sleepy Water Street merchant.

MR. SMALLWOOD: No, he is one of the exceptions, Mr. Pippy who is perhaps the most successful businessman in Newfoundland, very successful, very able, very knowledgeable, very energetic; but there is no credit—Yes, there was a little credit from the honourable Leader of the Opposition. We have had no credit, no encouragement

for what we have done to assist Newfoundland fish firms. It is gigantic what we have done by way of financial assistance, prevented Andrews Fisheries from closing down. They were about to close on the Coast of Labrador and we put up money and they are running today; Arctic Fisheries in Trinity Bay were about to fold up and we put up money for them. Olsen's Whaling was about to close up and we put up money for them, Herring-Un Limited, the one concern in Newfoundland dropped a quarter of a million dollars in research for herring, as much as we dropped on the Icelandic Boats they dropped in research for herring. We contributed to keep that going until we find the great bodies of which we are so certain so that can go into them with purse seines and take them in thousands of tons. We received no credit for that. We have assisted that great plant on the Southern Shore in Fermeuse. It would not be operating but for us, we are the ones who guaranteed the money to buy the dragger to serve it. We have made the arrangements for the great new fish plant at Placentia, at Grand Bank, at Gaultois. We have put up money for plants at Ramea to expand by getting another dragger, loaned money to establish a salt codfish plant at Quirpon in the Straits of Bell Isle; built the Matthew II and a Susan II, for Danish seining in Fortune Bay that will yet mean many million dollars to people in Newfoundland, by our successful demonstrations through the Matthew II, we were the ones who took three Labrador vessels and converted them to long liners. We have this winter, to the end of this month, in Placentia Bay found that a fishery can be carried on all through the year, in the middle of the bay, in deep water with long liners we caught

big fish and flounders and plaice and other types of fish all the year around in Placentia Bay. What is that to mean to Newfoundland in years to come? We have just agreed to convert three vessels to long lining, but not a word of credit for that. We are the ones also who created the Fishermen's Federation and kept out of it from the moment we did. We should get some credit for that. The fishermen do give us credit. And finally we are the ones who with the Government of Canada created this great fishery development committee under the Chairmanship of Sir Albert Walsh, the Chief Justice of Newfoundland, with representatives there from the two Governments, that of Canada and that of Newfoundland, representatives from the trades, the merchants and the fishermen and we are now awaiting their report. I might go on but I won't convince my honourable friends opposite.

The honourable Leader of the Opposition tells us we have been taxed one hundred and twenty-six million dollars a year by the Dominion of Canada. Here is a letter from the Minister of National Defense following the cable he sent me the other day: In this present year excise taxes excluding sales tax \$2,843,000, Income Tax (individual) \$6,500,000, Corporation \$10,000,000, Non-Resident \$500,000, Succession Taxes \$2,500,000 which is \$20,000,000. Now, twenty million through income tax, corporation tax, succession duties, withholding tax, sales and excise tax \$20,000,000. Now, how do we divide it up as \$126,000,000 taken out of the people of Newfoundland? Well, that is that.

Mr. Speaker, from the moment that Newfoundland became a Province of Canada a great and far-reaching

question presented itself to us and pressed inexorably for an early answer. It was a question that just could not be dodged, the answer to which could not be postponed. To any person of ordinary perception this question over-shadowed all else in his contemplation of Union with Canada and his assessment of that union's effect upon Newfoundland. Was Newfoundland to go ahead or behind? Was her population to grow, or decline? Would the end of, say, the first ten years of union find Newfoundland stronger, more populous, more truly prosperous?

Confederation with Canada brought at once, and has continued to bring, quite remarkable benefits to virtually all of our people. It brought Canadas famed social security and social welfare benefits: Family Allowances, Old Age Pensions, Unemployment Insurance. It brought considerable increased wages for our 3500 railway employees, who went over to the C.N.R. It brought considerably increased wages for our 2000 workers at Gander Airport, and Goose Airport. It brought considerably increased wages for the 2500 civil servants who left the Newfoundland Civil Service and were absorbed into the Federal service, and for the 1000 or more additional Newfoundlanders taken on by that service. It brought considerably increased pensions and other benefits to our thousands of veterans of both world wars. It brought many hundreds of thousands of dollars in wages to Newfoundlanders employed in various Federal public works.

These things are bringing cash payments amounting to about \$2,000,000 a month, in monthly cheques, to our people from Ottawa. These are payments made in cash each month to our people, and are quite apart from the other millions paid into the New-

foundland Treasury by Ottawa each year.

Everyone who has even the barest familiarity with Newfoundland is deeply impressed by the effect that these large payments have had upon our peoples standard of living, and upon our Province's economy. I estimate that more than 300,000 of our 360,000 population share directly in these cash benefits from the Government of Canada. I would not give much for the intelligence of the one who would attempt to minimize the tremendous social and economic benefits that these payments have brought to Newfoundland.

Newfoundland is the Gainer
"Newfoundland is on the March"

(See booklet, reads up to the end of page 15):

Mr. Speaker, I fear that I cannot possibly hope to close within half an hour and I regret that I must discontinue developing my point. It is not practical for me to speak until six o'clock so that we might meet again at eight o'clock as the Government is giving a dinner to the Directors of the Newfoundland Corporation at eight o'clock. I shall therefore have to move the adjournment of the debate until tomorrow.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I move the remaining orders of the day be deferred. I move, Mr. Speaker, that the House at its rising do adjourn until tomorrow, Monday, at 3:00 of the clock.

MR. SMALLWOOD: Mr. Speaker, may I say that it is our hope on Monday to ask to invite His Honour the Administrator to be present to give Royal Assent to two Bills which we have passed, one on temporary supply

and the other which is before the House to provide supplementary supply. If therefore the House on Monday would see fit to adopt the second one Supplementary Supply. His Honour may come here say at 5.00 o'clock to give Royal Assent. That is the last day of the year and it really is necessary to put it through this stage.

MR. CASHIN: The historic anniversary.

MR. SMALLWOOD: I might say the Department Bills, otherwise the Departments won't exist from the beginning of the year.

Moved and seconded the House adjourn until tomorrow, Monday, March 31, at 3:00 of the clock.

MONDAY, March 31, 1952

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

MR. JANES: "Two members of the House were ordered to apologize last night following a sharp exchange in the legislature during the course of Major Cashin's speech on the Address in Reply.

The Major was discussing the Government's financial policies and the importation of German nationalists into this Province when the question of war service arose.

Gordon Janes (L.-Fogo) hurled across the floor the epithet "tin soldiers" as a comparison of the soldiers of world war one and world war two.

H. M. Hollett (P.C.—St. John's West) was on his feet immediately and in strong terms protested the statement of Mr. Janes. He addressed the Speak-

er and said that he wanted the same treatment as members on the Government side of the House.

The Speaker called him to order and said he must retract that statement or leave the House. He said that this was the first time that he had been insulted during his three years in the chair.

Mr. Hollett did not apologize but walked out of the House. Premier Smallwood intervened and endeavoured to restore peace to the Legislature.

Major Cashin said the best thing to do was to recess for ten minutes so that the heat could be cooled down.

Following recess Mr. Hollett again took his seat and on being called upon by the Speaker, he apologized to the Chair. He said "I have every respect for the Chair, without it there could be no order." He pointed out that it had not been his intention to insult the Speaker.

The Speaker then asked Gordon Janes to apologize to Mr. Hollett and this done, Major Cashin resumed his address.

The Major then served notice that if there were any further insinuations in connection with war service he would fight against them, even if he had to leave the House for a breach of the rules."

Mr. Speaker, I did not hurl the word "Tin Soldiers" but "Tin Soldier" and I hasten to add I meant no reflection upon the military career or character of the Leader of the Opposition and I certainly was not imputing anything in regard to this. I would be the last member in this House to do so. The article says, "The

Speaker asked Gordon Janes to apologize to Mr. Hollett and this done Mr. Cashin goes on with his speech." I did apologize to the Chair with the junior member for St. John's West. I make this point because there is some misunderstanding on the part of bad reporting by the Daily News and, while I expect no quarter, I would like at least to have the proceedings which are read by the public recorded correctly and accurately. And I would like the reporters, Sir, to report what I have said accurately, today.

Presenting Petitions

HON. P. S. FORSEY (Minister of Supply): I would like, Mr. Speaker, on behalf of the St. John's Municipal Council to present a petition to the honourable members of the House of Assembly of the Province of Newfoundland, asking for certain Amendments to the St. John's Municipal Act. (Read and tabled).

In respect to this petition, Mr. Speaker, I would say that, as far as I am concerned, there is nothing contentious in the proposed legislation and I think at this particular time whatever political expenditure I may dictate I should like to go on the record as congratulating the present council and the present mayor in the work they have been doing in the past. I think they have done a good job in stabilizing the finances of the city at a very trying time during the transitional period after Confederation. Mr. Speaker, I move that a committee of the House be appointed to consider the proposed legislation and I beg leave to lay the petition on the table for the consideration of that committee.

MR. SPEAKER: I might remind the Government special committees of

the House have not yet been appointed on Municipal Affairs. The petition will be referred to the Committee as soon as it is appointed.

HON. J. R. SMALLWOOD (Prime Minister): Before the Orders of the Day are read I wish to repair an omission I might have made at the opening of the sitting today. May I make this explanation: There are two groups in the City, one known as the Catholic Youth Club, the other as the Catholic Boys' Club. In a statement I made here the other day I cited names, the Kinsman's Club, Catholic Youth Club and the C.L.B., and several others as an example of movements receiving annual grants from the Government. It was when the Honourable Leader of the Opposition asked for certain information about the Fishermen's Federation and I declined to give it on the grounds they were just one more receiving the grant from the Government. I made a mistake, Mr. Speaker, and I am still not too clear as to which of the two, the Catholic Boys' Club and the Catholic Youth Club. It is the Catholic Boys' Club that receives a grant along with a number of other clubs. The Catholic Youth Club receives nothing, no grant and it was a little unfortunate that I used their name right at this time, as they have a drive on to try and collect some funds and for people to hear that they are getting a grant from the Government would not be the best way to help them to have some little success in their drive.

MR. HIGGINS: It is the Boys' Club who gets the grant.

MR. SMALLWOOD: It is not the Catholic Youth Club who gets the grant from the Government. If that could be made clear—

**Presenting Reports of Standing and
Select Committees**

HON. G. J. POWER (Minister of Finance): I beg leave to table a report of Section 27, Sub-Section 2 of the "Audit Act."

**Giving Notice of Motions and
Questions**

Mr. Hollett gives notice of questions on tomorrow.

MR. SPEAKER: Question No. 63.

MR. POWER: Mr. Speaker, I have the answer here to No. 63.

1. 13,000 cases.

2. Up to the present, National Breweries Ltd. have not informed the Board of Liquor Control of the appointment of a successor to Mr. Augustus Green, who was the agent for Black Horse Beer up to the end of 1951.

3. On the 29th February, 1952, Mrs. Susie Joy was issued a license to operate the Hamilton Inn, Hamilton Street, St. Johns.

MAJOR P. J. CASHIN (Leader of the Opposition): Mr. Speaker, I would like to draw the attention of the Minister of Economic Development to Questions No. 57 and No. 58.

MR. SMALLWOOD: Mr. Speaker, in connection with those questions, I inquired a few moments ago of the Honourable Minister of Finance as to his knowledge as to answers prepared. He has not received the answers and they are not ready yet. These things, as the House appreciates go out automatically to the Department concerned and the Deputy Minister or whoever

is immediately concerned goes to work on the preparation of the answers and as soon as the answers are prepared they come to the Minister concerned and invariably we table them as soon as we receive them.

Mr. Speaker, might we defer all orders up to and including six so that we might go on with seven and eight in view of the fact His Honour will be here sometime after five o'clock, in the hope that we might dispose of these two orders, these two departmental Bills, then I would propose coming back to number one, the Address in Reply.

Committee of the Whole:

"A Bill an Act Respecting Municipal Affairs and Supply."

MR. CASHIN: In the first clause—St. John's is a town and not a city.

MR. HIGGINS: St. John's has a Municipal Act of 1921.

MR. CASHIN: I take it under Section 5; the St. John's Housing Corporation is under the Minister of Supply.

MR. HOLLETT: Section 8: Does this section apply to every Department of the Government that is set up? Does the Lieutenant Governor in Council have the right to assign certain other duties? This is not a special privilege.

MR. FORSEY: That is in the Department of Supply Act and there is no change.

MR. CASHIN: The Lieutenant Governor in Council has power to assign housing to the Department of Public Works?

MR. CASHIN: In reference to Section 11: I take it that each muni-

unicipality of the Province will have uniformity. That is in every particular municipality they will have a similar set of books to keep their accounts in. For instance in Grand Falls it will be the same as in Corner Brook? Now at the present time, do they keep their accounts as they feel like or have they a general system which is uniform?

MR. FORSEY: This particular point is already in the Department of Supply Act. When a council is formed in a particular outport for instance, an official from the Department of Supply visits the municipality and sets up a system of bookkeeping. They are all uniform. They have to be for the simple reason the income from these municipalities, as everybody is aware, is made up of taxation gotten locally and the Government gives a dollar for dollar grant up to three thousand dollars and after that 75c. until it reaches a certain point when it is 50c. Once every year the books of each municipality are reviewed by the same auditor or one of his assistants and once every year the books are reviewed by an auditor from the Department of the Auditor General. There is nothing here not already in existence. They are all uniform at the present time.

MR. HOLLETT: Section 15: That is the section with which I made issue the other day. It seems to me that this clause is much too high-handed for the Provincial Government to legislate and bring into being. If the Minister is satisfied upon the report of the inspector that the affairs of any municipality are managed in an irregular, improper, or improvident manner, he may by order in writing dismiss the council or any member of the council. Then we go along to sub-section (2) (b) subject to the approval of the Lieutenant-

Governor in Council, dismiss the council or any member of the council. I maintain Mr. Chairman, that is a bit high-handed and does not tend towards smooth working of Municipal Governments in this Province. We know our people and I don't think any member on this side or on the Government side underestimates the temper of our people. When it comes to things like that they don't like to have a threat hang over them and they won't like that, it will irritate them. It seems if you are not going to do exactly as you are told by the Minister of Supply you are going to be fired. I suggest, Mr. Chairman, this clause should be deleted and I make an amendment to that effect that the two of these sub-sections which would dismiss the council or any member of the council I move it be deleted or an amendment be inserted not to sound so offensive to the members of the councils. I would move, Mr. Chairman, that it be deleted.

MR. FORSEY: I might say at the outset that clause 15 contains the principle and the very wording already contained in the Local Government Act 1949 and the Receivership Act 1950. The reason it is in this Act is because the Local Government Act of 1949 only applies to these councils which were incorporated under the Local Government Act 1949. During the term of the Commission of Government they were incorporated under special acts and some elected to stay under these special acts so that they do not come under the 1949 legislation. To follow through; suppose for example I am giving you two cases we have had right now. Supposing this House authorized a Minister to sell bonds up to one hundred thousand dollars to put in a water

system, the contract awarded by the council and some members of the council enter into an agreement to supply certain individuals or goods to the council. The contractor gets paid, on our authority, eighty percent for his work but he elected not to pay his bills and members of the council are left with a bill of ten thousand dollars. We tell them not to pay, the council passes a minute, after all they don't like to see the fellow lose ten thousand dollars in spite of the fact that the contractor has already been paid; the reason that ten thousand dollars does not mean much to the Government, who gave it to them, they don't appreciate that too much and they elected as I say to have the council pay the bill the second time. We know the bill is already paid as far as the council is concerned. This bond issue has to be paid off by the people and the Government does not think it fair, in as much as the people have already paid it once, to impose upon them the hardship of paying it again. So they meet again and we tell them we are going to contest the case or that we want them to contest the case. They pass another minute and the person involved, a member sitting there, uses his influence to get the bill paid after its having been paid before. They elected to hire on a lawyer and they hired on a lawyer. Well we write and tell them to take such and such an action and suppose they refuse to do it, what is the recourse? The ten thousand dollars are paid again, the people have to pay in the long run and not only that, they have not enough money left to finish the system and come back to the Government for another loan to finance the system. We have no protection. We have to safeguard public funds. It is all right to tell us someone has to

make the decision on behalf of the municipalities and the people and you cannot take responsibility unless you have the corresponding authority. This is merely giving the Department the authority which is already contained in the Local Government Act 1949 and in the Receivership Act 1950.

MR. HIGGINS: Do I understand the Minister to say they have actually two cases like that practically in the court on the South West Coast?

MR. FORSEY: No, one is on the South West Coast and the other is in the interior.

MR. HOLLETT: I fail to see where a hypothetical case has any bearing. There are machines to take care of such cases as the Honourable Minister cited without giving him the authority, the Minister of Supply, authority to fire the whole works, the Town Council of Windsor, if you like, or of Corner Brook. It is too high-handed and I don't think our people will like it at all. And we are trying, at least the Government are trying and everyone is anxious to see them set up and establish such councils and over the country and I don't think it is necessary. Does the Honourable Minister have the power to fire the Municipal Council of St. John's? If you are going to put this in reference to town councils of the various outports I don't see why the Minister should not have the power to fire the members of the Municipal Council of St. John's.

MR. SMALLWOOD: The Minister has made the position so completely clear that there does not now seem to be any room here for debate. There are some twenty-five or thirty town councils in Newfoundland all incorporated under some piece of

legislation, not always the same piece. Some are incorporated under a separate Act of their own and some under a general Act. Those under the general Act have that provision in there already and those that were incorporated under a separate Act passed by the Commission of Government have not got that in so that we have councils today, some of which may be dismissed by the Government for causes and some that may not. Surely it is desirable to make uniform by either striking it out of the existing legislation or inserting it in the new legislation, one or the other so that it becomes uniform. The same authority ought to be vested in the Minister for all of the councils. Now this House has already passed legislation putting it in.

MR. HOLLETT: Has that clause ever been invoked?

MR. SMALLWOOD: No, and it probably never will be but we have to have it to meet the case where necessary but we cannot invoke it for some as it does not exist, but we should be able to invoke it when the need arises, the need may never arise but if it does the authority will be needed. Everyone in this House, as the honourable member said, is most anxious to see the continuation of Local Government. Everyone in the House must be aware that not all people are equally able, equally efficient, everyone in this House can imagine some case cropping up some time in the future when it becomes absolutely necessary to dismiss a council. It is quite easy to imagine it. The Honourable Minister just cited a case where he might almost be justified in dismissing a council where it will not take advice and instructions given by him, a council which had been instructed otherwise nevertheless

acted most improvidently in a matter involving ten thousand dollars and having done so, notwithstanding the advice and instructions elected to come back to the Government and ask for an additional grant of that same amount of money to finish the job, which that first ten thousand was supposed to finish.

MR. HOLLETT: I would not give it.

MR. SMALLWOOD: It is not enough to say you would not give it. You would either give it or let the job go uncompleted, get someone else to take it out of the hands of the town council or dismiss the town council. Now, the authority is to dismiss the town council for a good cause, the Government does not go around firing out town councils. The best evidence of that is that it has not done so and will not do so except in cases of necessity and when the necessity arises we don't want to have the House meet and give the authority to do it but they must have at their disposal the right to act, have the authority right there ready, to avail of it as the Act gives them.

MR. FORSEY: To sum up the cases I cited which were not hypothetical cases but actual. I could cite you another case not during the tenure of this office but during the Commission of Government where a particular community voted in a town council, the Government gave them forty thousand dollars for the installation of a water system and they later met and voted themselves completely out of office and the Commission of Government was out forty thousand dollars, and had no means of getting it back and the provisions of the 1949 Local Government and the Receivership Act were designed to

prevent that sort of thing happening. I have no doubt it is not a question at all of the Department dismissing the council, that is taken care of, but of the council dismissing itself and completely getting out from the responsibility of paying back Government funds.

MR. HOLLETT: You can't stop them getting out even after being elected. I think it is contrary to democracy for any one Minister to fire any council, if that is so the Lieutenant-Governor should be able to come down here and fire every one of you, you are elected by the people and during office cannot be arrested. It is contrary to every democratic principle even to say it is necessary to leave it there. It is not necessary and it should be deleted.

HON. C. H. BALLAM (Minister of Labour): I might point out that it is not done by the Minister but by the Lieutenant-Governor in Council.

MR. HOLLETT: On the advice of the Minister.

HON. DR. H. L. POTTLE (Minister of Public Welfare): I think in the first instance where an amendment of substance be offered we should rule very, very carefully on this matter in committee. We should certainly have it typed and read and have an opportunity to examine both its compatibility and incompatibility. I certainly should think we should go very warily on any amendment here especially on a point of such a nature, the amendment seems to make it even more repugnant. The repugnant features: (1) Now what about the council, it gives the Minister power to take such action as he deems proper in the situation to dismiss a council, it strikes me there is a limitation now in (b) but the amendment does

not even provide that you shall safeguard.

MR. HOLLETT: I raised the point, and I agree with the Honourable Minister, Mr. Chairman, by deleting that we do give the Minister more power. I maintain even though he must have power and there must be certain machinery to take care of misappropriations or not listening to instructions but putting into that Act a section giving the Minister, without approval of the Lieutenant-Governor in Council, authority to fire out of office the whole elected council—Just suppose some day the Minister may become autocratic and do such a thing and I submit, Mr. Chairman, the very first time that has been done, then it is good night to all local councils throughout the land.

MR. SMALLWOOD: The Minister cannot. The whole Government must do it. The whole Government must become autocratic.

MR. NORMAN: Mr. Chairman, as a Chairman of one of the first town councils in the country, our own Act, Port aux Basques—Channel, Local Government Act and last year we adopted this later Act but the clause there was similar to (a) and (b). Now, Sir, regardless of being a member of this side of the House I speak as a member of a council, and I rise to support the remarks of the Honourable the Premier and the Minister of Supply. We adopted the clauses and I think it is necessary to have those clauses in the Act. The only trouble we have had with the Minister or the Deputy Minister, Mr. Powell who is a very able man in local affairs I don't think for one moment it is likely to be imposed on councils at the present time, the councils themselves by means of votes could put

out any member or two members or more for the safeguard of the council and as a member of the Port aux Basques Council at the present time, I think it is necessary to have this put in, and I say this, Sir, regardless of being a member of this side of the House but just as a member of a town council.

MR. CHAIRMAN: Commenting on the point raised by the Honourable Minister of Public Welfare, the Chair sees no reason why this amendment may not be accepted—The amendment will now be put.

Amendment put and lost.

MR. HOLLETT: Section 19 (1): Mr. Chairman, I understand that section gives the Minister authority to appoint a person, what is he called? Inspector and he can go out to any community and has the power to summons the local bank manager and if he does not appear and give any evidence before him the inspector can fine him \$20. I think that is what it means. There again, I don't know what this legislation is based on but it seems to me a bit ridiculous to give an inspector that much power and authority to summons whomever he pleases and if he does not appear fine him, act as a magistrate or judge or justice, Mr. Chairman it seems to me, though I am not making any amendment, but I fail to see why such action should be taken in the matter of outport councils and not taken here in St. John's.

MR. FORSEY: This particular clause, 19, is already part of the Department of Supply Act and the Local Government Act 1949 and it does not apply to St. John's for the simple reason the city of St. John's is a completely autonomous body apart

from being a creature of the Government under the 1921 Act.

MR. HOLLETT: They owe the Government some money.

MR. FORSEY: I know, but in the case of the outport councils we give them half the revenue earned each year and surely if they misappropriate funds, as has happened in a few instances, we should have the power or the inspectors should have the power to get information from such people as they might be able to get the information from.

MR. HIGGINS: The Minister has explained, and if you accept the principle that any inspector, I say penny ha! penny, has the right to go out and subpoena any citizen and subsequently penalize any citizen to appear, the bank manager or some other citizen, do you mean an inspector should have the power to bring a man before him and fine him?

HON. L. R. CURTIS (Attorney General): To be convicted before the magistrate.

MR. HIGGINS: I am sorry, I took my colleague and contemporary too literally.

MR. CURTIS: Mr. Chairman, in adopting that we are only adopting the word, "now" on the understanding of the House that they agree to third reading this afternoon, otherwise we will change that clause concerning the date of coming into existence.

The Committee sat, reported having passed the Bill without amendments.

Ordered read a third time now.

Read a third time, ordered passed and title be as on the Order Paper.

MR. SMALLWOOD: Mr. Speaker, I should like now to revert to item one on the Order Paper in the hope that I can complete my address in time to go back to number 8. I will be very brief, I will not use any extra time and I hope to complete in ample time to enable us to go back into Committee of the Whole on the Mines and Resources Bill.

Orders of the Day

Debate on Address in Reply:

MR. SMALLWOOD: Mr. Speaker, I said earlier that this Government . . . (see booklet, Newfoundland is on the March, section 11, page 15) . . . down to . . . "an aluminium industry in Newfoundland" (Page 37, para. 1).

(If I may depart from my script a few minutes, to inform the House that today four men arrived from the United States, representatives of one of the groups and the problem now is how to get them to Bay D'Espoir as we have no planes with floats on them. They are now present in St. John's, brought here by Sir William Stephenson and myself).

"It seems likely now, to say the least, that we are to have a number of new mines" . . . Continues to end of booklet.

MR. FORSEY: I move the adjournment of the debate, Mr. Speaker.

MR. CURTIS: Mr. Speaker, since His Honour the Administrator is due in five minutes there is not time to put through the Mines and Resources Bill but I would ask leave to recommit the Bill, "An Act Further to Amend the Newfoundland and Labrador Corporation, 1952," which has received third reading but to which it is deemed advisable to make a slight amendment at this time.

MR. SPEAKER: This Bill has already received third reading and was passed. The motion is that the decision of the House be rescinded.

Carried.

Committee of the Whole:

MR. CURTIS: Mr. Chairman, I have asked to have this Bill recommitment in order to make a slight amendment to section 19 and 20 of the original Act. "The affairs of the corporation shall be managed until the annual meeting of the corporation heads in 1952 by those persons who shall for the time being hold office as directors. The section to read: "The directors of the Corporation shall be elected by the shareholders in a general meeting herein referred to as the annual meeting of the Corporation called and held once in every calendar year as such time and place as the by-laws of the Corporation shall prescribe. Prior to now, Mr. Chairman, the Corporation held an initial statutory meeting in December 1951 and at that meeting decided and passed by-laws to the effect that the first year would be the calendar year, in other words the company commenced business as at January 1, 1952 and the end of the first financial year will be the 31st day of December, 1952 and the first annual meeting of the Corporation must be held within four months of the end of the financial year so that the first annual meeting will have to be held within four months of December 31, 1952; if the financial year does not end until December 31 it would be impossible to hold the annual meeting that year so that the purpose of the amendment is to strike out the word 1952 in paragraph (1) and in section 20 and substitute therefore the word "1953" when the first annual meeting

will be held after the conclusion of the first financial year.

Moved and carried.

I then move, Mr. Chairman, that paragraph three of the amendment be stricken out and renamed as paragraph four.

The committee rose and reported having passed the Bill with some amendments. Ordered read a third time now. Read a third time, ordered passed and title be as on the Order Paper.

His Honour the Administrator arrived:

MR. SPEAKER: I have much pleasure in informing Your Honour, the General Assembly of this Province has at the present sitting passed certain Bills to which in their name and on their behalf I respectfully request Your Honour's assent.

List of Bills read by Clerk:

A Bill, "An Act to Amend the Local Government (Elections) Act, 1951."

A Bill, "An Act Further to Amend the Department of Public Welfare Act, 1949."

A Bill, "An Act to Amend the Newfoundland and Labrador Corporation Limited Act, 1951."

A Bill, "An Act to Amend the Fire Patrol Act, 1948."

A Bill, "An Act Relating to the Designation of Certain Local Government Officials."

A Bill, "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled, 'Of Trustees.'"

A Bill, "An Act to Amend the Timber Licenses (Revision to Crown) Act, 1951."

A Bill, "An Act Respecting the Department of Municipal Affairs and Supply."

MR. SPEAKER: May it further please Your Honour, it is my agreeable duty on behalf of Her Majesty's faithful and loyal subjects, the faithful commons in Newfoundland to present to Your Honour a Bill for Appropriation of Supply granted in this Parliament.

HIS HONOUR THE ADMINISTRATOR: On behalf of Her Majesty, I thank Her loyal subjects, accept their benevolence and assent to this Bill.

MR. SPEAKER: I have the honour to inform this House that at five-thirty of the clock, His Honour the Administrator was pleased to visit this House and to give the Royal Assent to certain Bills.

MR. SMALLWOOD: Mr. Speaker, in view of the lateness of the hour it is perhaps agreeable to the House if we do no more than purely formal business for the remainder of the day. We have on the Order Paper for third reading two or three Bills and perhaps we might have them.

Third Readings:

"An Act Further to Amend the Education (Teachers' Pensions) Act, 1950"— Read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act to Amend the Education (Teacher Training) Act, 1944." Read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act Further to Amend the Mothers' Allowances Act, 1949." Read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act Further to Amend the Dependents' Allowance Act, 1949." Read a third time, ordered passed and title be as on the Order Paper.

MR. SMALLWOOD: Mr. Speaker, we have a number of first readings:

Honourable the Premier asks leave to introduce a Bill, "An Act Further to Amend the Election Act, 1913."—Read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Public Welfare asks leave to introduce a Bill, "An Act to Amend the Family Courts Act, 1951." Read a first time, ordered read a second time tomorrow.

Honourable the Attorney General asks leave to introduce a Bill, "An Act to Amend the Newfoundland Asbestos Limited (Confirmation of Agreement) Act, 1951." Read a first time, ordered read a second time on tomorrow.

MR. CURTIS: I move, Mr. Speaker, the House at its rising adjourn until tomorrow, Tuesday, at 3:00 of the clock.

TUESDAY, April 1, 1952.

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

HON. L. R. CURTIS (Attorney General): The nominating committee appointed by you earlier in the session begs to report the following. In order to comprise the committees provided for in Standing Orders No. 8 approved and elected: The Attorney General, Hon. Mr. Lewis, Mr. Higgins, Mr. Morgan and Mr. Cashin.

Standing Orders and Library: Mr. Speaker, Mr. Hefferton, Mr. Hollett, Mr. Mercer and Mr. Courage.

Miscellaneous Private Bills: Hon. Dr. Pottle, Mr. Fogwill, Mr. Janes, Mr. Brown.

Municipal Affairs: Mr. Forsey, Mr. Norman, Hon. Leader of the Opposition, Hon. Mr. Ballam and Mr. Drover.

I beg, Mr. Speaker, that report be received and adopted.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Provide for the Establishment and Administration of Community Councils."

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Relating to Conferring of Titles and Degrees to Students of Queen's College."

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Limited" and also a Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and the Atlantic Optical Company Limited," and a Bill "Further to Amend the Land Development Act, 1944."

MR. CURTIS: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend Chapter 127, Third Series Entitled of Companies," also a Bill, "An Act Further to Amend the Law Society Act."

Notice of Questions:

MR. SPEAKER: Question No. 65.

MR. SMALLWOOD: Mr. Speaker, I have not yet received detailed answer but I can give, pending the receipt of this, some of the information off-hand.

(1) Myself.

(2) The name of the Clerk in (2) is Mr. Harold Maddick. I don't remember his salary but that will come in the written reply.

(3) That will be contained in the written reply.

(4) Mr. Dawe pays. How much has been taken out will appear in the written answer.

(5) Thirty-five thousand dollars.

(6) (a), (b), (c), (d), four hundred thousand dollars.

MAJOR P. J. CASHIN (Leader of the Opposition): Excuse me, is that in addition?

MR. SMALLWOOD: No, that is the grand total of four hundred thousand dollars.

MR. CASHIN: The plant cost?

MR. SMALLWOOD: One million and six dollars, that is inclusive of the four hundred thousand.

(7) I had better not attempt to answer that without having the information. I think the four hundred thousand covers all that. Incidentally

the Government has not lent money for establishment of saw mill operators around the Island. That is from the Newfoundland Hardwoods, Ltd. who got it from the Government. These operators owe Newfoundland Hardwoods, Ltd. not the Government. We preferred not to deal with forty or fifty operators around the Island and preferred to let them do it. We thought it would be far better to have them deal with operators directly and get the money from us advanced to them, then they would ship the birch and that would be the Company's means of receiving payment.

(8) I would not attempt—I just came from the mill this moment and they are loading four or five railway cars now with finished products but I would not attempt to guess that. I will bring down the definite information.

MR. CASHIN: Have we any answers to Nos. 58 and 59?

MR. SMALLWOOD: I have just checked since the House met and found the information is not down yet from the Finance Department. The Finance Minister went and phoned, he has not been able to get to the office as we had a Cabinet meeting all morning. He just phoned and the Department has not got it ready yet.

One thing occurs to me; I think I recall in the questions one asking for advertising. I suggest we bring in the certified copies from Provincial Affairs and lay them on the Table of the House, for the whole two years. It is doubtful if there are extra copies but I will try to bring in the whole file and if the honourable gentlemen opposite care, all vouchers are now taken out of the file and put in one

large book, we could bring the whole thing down and table it.

MR. CASHIN: That is a load to take down, Sir.

MR. SMALLWOOD: These are the only vouchers we have. If the honourable gentlemen would take good care of them?

MR. CASHIN: Like in the olden days of public accounts.

MR. SMALLWOOD: These are the actual vouchers and receipts. I think they could be brought down and tabled. Anyway I will look into that and see if it is feasible to bring the whole thing here. That would stop piece-meal questions as the honourable gentlemen would have the whole story, in fact more than I have. I have not seen the details at all.

Orders of the Day

Address in Reply:

MR. FORSEY: Mr. Speaker, since the dissolution of the last parliament, the Commonwealth has been mourning the passing of a heroic King, called to the Throne during a constitutional crisis; he enhanced the prestige and dignity of the Crown when personalities had involved it in controversy. I suggest, Mr. Speaker, it is remarkable to observe in this particular time that we live in, a very changing world, to know the unbroken continuity of the Crown, the empire, the commonwealth changes, the Governments of the various parts of the commonwealth change, but the Crown remains as a symbol of solidarity in a world which, as I have said before, is undergoing changes. I should also like, Mr. Speaker, at this particular time to congratulate you, Sir, on being elevated for the second time to the

high office of first commoner of the Land.

I should also like to congratulate the mover and seconder of the motion on their very splendid and inspiring speeches. I have listened with some interest, Mr. Speaker, to the various speeches delivered by the honourable members of the opposite side and they reminded me somewhat of the ten blind men of Hindustan who went to see the elephant; one felt its side and the elephant to him resembled a wall, another felt its tail and the elephant to him resembled a rope and it is rather bemusing to see the honourable members of the Opposition look at the formidable array on this side of the House and to see the various pictures that this side of the House conjures up for them. To some of them, looking over here, this particular Government represents a steam roller which started out last Fall to railroad and to steam roll all opposition out of existence in this new Province. Nothing, Mr. Speaker, I suggest, can be further from the truth. Let us examine the position, if last November this Government at the polls had wiped out completely the Opposition. If I interpret the constitution correctly, Mr. Speaker, since 1826 Her Majesty's Opposition has been considered to be part and parcel of constitutional Government and, Mr. Speaker, it has happened before in Canada where Provincial Governments went to the polls and wiped out all opposition. It was then the duty of Her Majesty's Government to appoint from the elected members of the Legislature men to occupy seats on the opposite side of the House and Mr. Speaker, there is today a Premier in one of the Provinces of Canada elected on the Government side of the House when all Opposition was wiped out

and he was appointed on the other side of the House and the next time he went to the polls leading the Opposition and was returned as Premier of that Province which position he occupies today. So, Mr. Speaker, that myth of steam rolling and wiping out opposition had better be dispelled because it is not true historically or constitutionally.

Another honourable gentleman looks at this side of the House and he sees a Bill introduced called the Labrador Development Corporation and he likens it to the East India Company and the Hudson Bay Company. The similarity there is none, the East India Company started out as a private company and after a hundred years in existence was taken over by the Crown for political and military reasons. The Hudson Bay Company was a company which exercised entire judicial, legislative and executive powers. This particular company, the Labrador Development Company, I suggest, Mr. Speaker, is in accordance with financial development in the world today. In 1939 in the United States of America two percent of the gross national product was drained off in taxes, ten years passed and in 1949 that two percent had increased to fifteen percent, the large banking houses that have existed prior to 1939, which loaned money to private enterprise are no longer in a position to do just that and the American Government started just such an organization as the R.F.C. (The Reconstruction Finance Corporation) to take care of the development and enable private enterprises to obtain the funds to expand and develop and I suggest, Mr. Speaker, the Labrador Development Corporation is along the same lines as these particular corporations which have been set up in the wealthy United States of America.

One honourable member took about ten minutes of his time explaining the fact that Dr. Valdmanis, an employee of this Government, has spent some time sitting at the feet of Dr. Shatt. I suggest, Mr. Speaker, that even if that were true, not only politics has made strange bed-fellows but so does war and I clearly remember not so many years ago seeing pictures and hearing of talks held between President Roosevelt on the one hand, Winston Churchill, and Stalin of Russia and I suggest, Mr. Speaker, that means nothing and as far as I am concerned personally, Mr. Speaker, the fact of Dr. Valdmanis being an associate or holding discussions with Dr. Shatt has no bearing. The only interest I have in Dr. Valdmanis is this: Will his work have any impact upon the economy of Newfoundland, will it have any effect upon the lives of the citizens of Newfoundland, His past associations to me mean nothing; he is either going to do a good job or he is not.

The honourable member for St. John's East, the junior member for St. John's East, deplored the fact that housing conditions in St. John's were bad. I agree with him entirely. But I might point out that housing conditions are notably bad the world over. In the United States there are people living in penthouses and also people living in slums. In Canada the same position obtains. As a matter of fact in Canada the Government realizing the situation, being cognizant of the position, are aware of the fact that the ordinary individual with the rising standard of housing and with the rising cost of providing housing for the people, they passed a National Housing Act and under that Act housing can be obtained by citizens in this nation of Canada under six headings, one subsidized rentals simply to pro-

vide slum clearance which was undertaken last year in St. John's provided one hundred and twenty-four homes and that project shortly to be undertaken in St. John's to provide another one hundred and fifty homes. And a rental scheme somewhat similar to one being started by the Central Mortgage Organization in St. John's, a home ownership plan under the Housing Plan has not been implemented in Newfoundland neither has the one under primary industry, but No. 6: Loans from the Central Mortgage and Housing to implement housing under section nine of the National Housing Act, this particular section also, Mr. Speaker, is about to be employed in Newfoundland, in fact it is to be implemented in the Town of Burin. I read a paragraph from the company which is negotiating to build these homes under that section. We have taken up the matter of acquisition of land for housing development in Burin and in fact already acquired land to construct roughly twenty-three houses which will be needed in the next couple of years; when our plan of expansion comes into effect we will need roughly a total of one hundred and fifty houses. And these one hundred and fifty houses will be built under section 8 of the National housing Act.

Now, how does this Province differ from any other Province of Canada as regards to housing. It has been suggested or intimated or suggested or innuendoes made perhaps that this Government has not done its part in the matter respecting housing. I say this Government has done more than its part, has done more than any other Province in Canada; for instance if the Town of Sudbury, Ont., today want to provide homes for many of the citizens they would envoke the Nation-

al Housing Act and the Town Council or City Council would deal directly with the Central National Housing to provide these homes. That is what happens in every Province of Canada except in the Province of Newfoundland. The Government, being unanimous, realizing that the St. John's Municipal Council had its hands full, stepped in and took over their particular part of the burden and acted on behalf of St. John's Municipal Council to provide 142 homes last year and another 150 this year and some others under economic rental scheme which has not yet been evoked will be, depending upon the estimates and the bringing down of the budget, which will be evoked this particular year.

Mr. Speaker, one of the members brought out the old stand-by, the cost of living. Everyone agrees that the cost of living has gone up. Everyone also should agree the standard of living has gone up. But the fact of the matter is that today we are a part and parcel of that Nation of Canada, whether we like it or not it is a fact and a fact we cannot overlook. We were discussing the cost of living in this nation. There are two main problems today in Canada as Canada (a) the high cost of living and (b) defence preparedness. As a matter of fact, Mr. Speaker, I don't think the two problems should be discussed separately as they are one and the same problem. The position is this; if we could take all the goods produced in Canada, the shoes, the clothes, the bread loaves that are baked and the various other contributions made and put them down in this building in one big heap. Here is what would happen: The Government comes along and says; we have a definite preparedness and we are also taking

some more to send to European countries less fortunate than we. Now, Premier Stalin also does that but he has a definitely different method of paying for them. He comes in and commandeers these services when he wants to build schools or ammunition factories or airplanes. They have to be paid for and Canada being a democratic Government cannot commandeer these goods, these services, they have to be paid for and the only way to pay for them is in taxation. So this heap of goods is left for the people but the cost of defence preparedness is put on them. Now, obviously the cost of living has to go up. So that when we talk about the cost of living we must remember the defence preparedness programme. If democracy is worth fighting for, worth preparing to defend, then it has to be paid for and that has to go on the cost of living, has to be raised by taxation, and the honourable members on the opposite side will have to make up their minds as to what they want.

MR. CASHIN: They don't get what they want sometimes.

MR. FORSEY: Mr. Speaker, the stadium has been discussed here at some length. As I see it, the honourable the Premier engaged in an exchange of letters with Mr. Johnson, and, if I can interpret these letters correctly, what he did was to promise Mr. Johnson to bring the matter of the erection of the stadium before the Government. There was no definite undertaking that the stadium would be built. I am not concerned with what the people think but with the actual facts. I, as a member of the Government, had no opportunity to discuss or comment upon the building of the stadium for St. John's East or West. As a matter of fact, I suggest, right here and now that the reason

there is no stadium in St. John's East or West is that the organization approach was all wrong. In a town of eighty thousand people to be without a stadium is an indictment on the people and I suggest the people of St. John's do not deserve it. I suggest that they were approached wrongly, the appeal was wrongly made.

I went to a little town of twenty-five hundred souls to raise two hundred thousand dollars a year ago. We called a meeting on Wednesday night. We did not have bingo games nor street dances but we told the people frankly; here it is, do you want it or don't you want it. If you want the investment you have to realize five or ten percent of it, you have to make a sacrifice if you want this particular project. The people responded completely and every single person in the community was contacted and came across with their money and by Saturday night the amount was over-subscribed. I suggest to you if that approach were made in St. John's they would have their stadium. Incidentally, I, as a member for Burin would not sit in this Government and vote two or three hundred thousand dollars to provide a stadium for the people of this city. We have already loaned them a hundred thousand dollars.

MR. HOLLETT: You had to vote to loan it.

MR. FORSEY: Mr. Speaker, I listened to the member, the precariously sitting member for Ferryland make a very pleasant speech. There were times when I felt he might pull the scabbard unsheathed from behind his back but there was one thing he did deplore, the fact that the District of Ferryland had been neglected, that after all those years the roads of the

district of Ferryland were so bad. I suggest, Mr. Speaker, that is an indictment on the representation that Ferryland has had down through the years. It was represented by a former Prime Minister of this country and by a former Finance Minister of this country and to stand up and say the roads were cow paths. I suggest he owes both the honourable gentleman an apology.

MR. CASHIN: The Government owes them an apology for lying to them.

MR. FORSEY: I suggest the present Government has done more for the District of Ferryland, in the past two or three years, than any previous Government; established a fresh fish plant, established a nurses' home in Trepassey, or a cottage hospital.

MR. CASHIN: There is no cottage hospital. I rise to a point of order, Mr. Speaker, the Government did not establish a cottage hospital but a nursing station after promising a cottage hospital and fell down on it and the nursing station is not completed yet.

MR. FORSEY: I accept the correction of the honourable Leader of the Opposition. They built a nursing station.

MR. CASHIN: But it is not completed yet. A lot of people should be sent there to be nursed too. I rise to a point of order, the Government did not provide that money, it was provided by the taxpayers of Newfoundland to which the people of Ferryland contributed a portion.

MR. FORSEY: Mr. Speaker, I accept, that, also, of course the money came from the taxpayers of Newfoundland, there is no disputing that, but this Government had the disposal of

this money and saw fit to dispose of some of that money by loaning it for the erection of a fresh fish plant in Ferryland.

MR. CASHIN: Mr. Speaker, I rise to another point of order. The Government did not loan any money for the establishment of a fresh fish plant in any part of Ferryland, they might have loaned money for the purchase of a trawler or dragger, but the building of the fish plant in Ferryland was not done through money advanced by the Government.

MR. SMALLWOOD: Mr. Speaker, to that same point of order: The Government made a financial arrangement with Mr. Moores which enabled that plant to be built on the Southern Shore. Table a question and get the answer.

MR. SPEAKER: The honourable Minister has the floor.

MR. FORSEY: Mr. Speaker, the point I was trying to make is this: I think the Government has done something for Ferryland, done something not all perhaps they should have done, not all Ferryland deserves but it has done something.

Now, Mr. Speaker, it is very easy to be in the Opposition and to criticize the disposition of the surplus. One can only anticipate what the honourable members of the Opposition would have done with it had they been in the Government. In that connection, the other night I was reading a very interesting pamphlet entitled "The Case for Responsible Government." The names of several of the members of the Opposition are appended to present the case with the usual platitudes about the "Pine Clad Hills" and so forth and so on but an interesting part was what they intended to do

with the surplus and what they proposed to do, Mr. Speaker, had they won their case, they proposed to apply the surplus to reducing the cash debt of Newfoundland from \$220 per capita down to \$106. Now, I have a very vivid imagination and I can imagine Responsible Government won the day, the first Government elected and the surplus been disposed of by applying it to the national debt and reducing it, the per capita debt of every individual Newfoundlander from \$220 down to \$106 and I could imagine that particular Government starting off from scratch. But before they started off from scratch, Mr. Speaker, I can well imagine the present honourable Leader of the Opposition who no doubt would have been the Premier of that particular time.

MR. CASHIN: Mr. Speaker, I would not have been Prime Minister for the same reason as I told you here the other day.

MR. FORSEY: Mr. Speaker, some one would be Prime Minister. I can imagine the Prime Minister of the day going on the air and making this very important announcement, and some old fisherman in Fortune Bay worn out with fishing with nothing to look forward to, sitting now and hearing from the Gerald S. Doyle News Bulletin that his per capita debt is reduced from two hundred and twenty to one hundred and six dollars, and I can see the lines going out of his face and straightening up about two inches; he is all set for the rest of his life, he is secure and certain in his old age and can go home and tell his wife, mate, we are all set for the future, the per capita debt has been reduced for both of us, not only me but you too to \$106. And I can imagine a widow in Fortune Bay probably scrubbing up somebody's shop,

and hears on the radio that her per capita debt has been reduced from \$220 to \$106 and she takes her scrub bucket and fires it out of the window and goes home to her seven children and says: no more scrubbing buckets, my per capita debt has been reduced from \$220 to \$106. I can also imagine the school teachers going into the schools in the morning, the children who have no family allowance which would have happened if those supporting Responsible Government had had their way, fortunately they did not have their way, fortunately for those children in that school house that particular morning with their toes sticking out through their boots and the school teacher gets up and says: A holiday children, your per capita debt has been reduced from \$220 to \$106. Before you go home I want to give you some homework and want it finished before tomorrow morning. If the per capita debt is reduced to \$106 what will you have for breakfast tomorrow morning, juice or grapefruit? The honourable gentleman has not seen as many as I have with their feet sticking out through their boots or he would campaign for Confederation.

There are certain things which this Government has done in Newfoundland which are enumerated by the honourable the Premier; Health, there are certainly improvements in health services, nursing stations, cottage hospitals, Sanatoria built with the people's money on behalf of the people in this Province, there has been certain money spent on behalf of education, on behalf of roads, certain money spent in order to put a Trans-Canada Highway through this Province, for hydro-development, to develop the various mines throughout this country. Now, Mr. Speaker, some

of the surplus has been spent in that particular way and they are all good things, and I don't believe for one minute that there is one honourable member on the opposite side who would disagree with one of them. We know of no way to do these things except by spending money. If the honourable member would tell us how to do it without spending money, using the surplus, we would be only too happy to hear it. Approximately three years ago this Government was notified that one of the fluorspar mines in St. Lawrence was in imminent danger of closing down. That mine today is employing a hundred men who would have been put out of work if this Government had not pledged the public credit to the tune of a quarter of a million dollars in order to keep that mine in operation. The mine went on operating and today that mine is in operation and not only are these men back to work but another additional hundred are working in that mine due to the increasing demand for fluorspar, the increasing number of uses for it and the company has received a contract, signed, I believe, with the American Government for the production of ten million dollars worth of fluorspar. Due to the fact that that mine is in operation this year on that particular part of the Burin Peninsula relief has been reduced practically to a minimum. But you can't do that sort of thing without pledging the public credit or spending the surplus.

The same thing applies in Burin. I read a few minutes ago where the plants have expanded in that particular area and it will call for the building of one hundred and fifty homes in the next couple of years. That is expansion brought about by this Government by the provision of three

hundred and seventy-five thousand dollars to enable that company to carry out its plans of expansion. The same thing applies in Grand Bank and all over the South West Coast, Gaultois, Grand Bank, Burin, Placentia. There is a revolution on in the fishery, a revolution, we are living through it and the honourable gentlemen cannot see it. There has been more done for the change over from the salt cod industry to fresh fish in the past three years than has been done in the past four hundred years in this Island, and the honourable gentlemen are sitting through it and can't see it.

Mr. Speaker, in conclusion I would like to say that I tried as best I could not to lower the dignity of this House. It is very easy to indulge in personalities and I am quite capable of doing it, I might say, but I have quite deliberately restrained from so doing. There are two points, Mr. Speaker, though, that I should like to make: When a person goes into political life in this country or any country he expects a certain amount of criticism, abuse of one type or another. That is to be expected and there are compensating factors, one expects that when one enters the political arena but one does not expect it when one is an ordinary citizen on the outside. I must make this point, I think it is a bit mean, Mr. Speaker, and hitting below the belt to criticize, as was done here the other day, an ordinary individual who acts as door-keeper in this House of Assembly. Serving the public is not the best job, I suggest, in the world and as far as I am concerned the gentleman is the essence of courtesy; always acts so towards me and anybody I have brought here, and I suggest, Mr. Speaker, it was a bit

mean to refer to him in the way he was referred to here the other day.

Another point I should like to make, Mr. Speaker, is that certain people in this country give of their free time and services to act on public boards and serve the public to the best of their ability. One particular individual I have in mind, Mr. Speaker, is the person who originated the Housing Corporation. I suggest, Mr. Speaker, that in spite of it all, all the faults and shortcomings of the Housing situation, it is a very fine development. I suggest that history, twenty five years from now, will record the honourable gentleman for his efforts. I suggest he will go down in Newfoundland history as a man who made an outstanding contribution to this country and Mr. Speaker, I deplore the fact that a man who did that, went out to serve his country with no remuneration—I regret I heard his name taken here in vain. Thank you.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I move the adjournment of the debate.

Second reading: — A Bill, "An Act Respecting the Department of Mines and Resources:"

MR. SPEAKER: The debate on that motion was adjourned and the honourable member for St. John's West has the floor.

MR. HOLLETT: Mr. Speaker, it is not my intention to take up much time of the House in connection with this Bill. I know it will be put through the House and the Government will probably not be in the mood to accept amendments but I would like to add my two cents worth with regard to the principle of the Bill. But I raise the matter again of an increase in

the civil service. Now, the purpose of this Bill is to change the Department of Natural Resources into the Department of Mines and Resources, there is practically no change whatsoever in the original organization of the Natural Resources Act of 1944 as we are told, I believe except in so far as to provide another Deputy Minister which with the Minister, whoever he may be—the Premier at the moment is the Minister, and I mean no disparagement, I take it there will be a new Minister eventually in that Department. We are to have an extra Deputy Minister of Mines and Resources and I fail to see, Mr. Speaker, why there would be any necessity for this small Province to belabour ourselves with so many civil servants as we are doing at the present time. I submit that we have more civil servants at the present time than we did even in the Commission of Government days or prior to that and I suggest therefore that we have to begin soon to cut the garment to the cloth. Our transitional grant, as you know, Sir, is six and a half millions; this year it will be reduced and so each year until eventually nine years hence instead of six millions and a half we will be getting absolutely nothing unless the Federal Government comes along when we bring the Royal Commission here and says we will give you six and a half millions again indefinitely. They may give us an increase in the transitional grant or something of that nature.

We had the same thing the other day in the matter of the Department of Supply; there too you have another Deputy Minister.

MR. SPEAKER: We have passed that Bill.

MR. HOLLETT: I referred to it

just to draw the comparison in this particular instance here on page five: The duties, powers, and functions of the Minister shall extend to and include:

- (a) all matters relating to:
 - (i) mines, minerals, and quarries;
 - (ii) technical surveys;
 - (iii) agriculture;
 - (iv) forest resources;
 - (v) the archaeology, ethnology, and fauna and flora of the province;
 - (vi) generally, the natural resources of the province; and
- (h) such other matters as the Lieutenant-Governor in Council assigns to the Minister.

7. The Minister shall have the control and management of all lands belonging to Her Majesty in right of Newfoundland except lands specifically under the control and management of any other Minister, Department or agency of the Government of Newfoundland.

Now, if that is the duty of the Minister, Mr. Speaker, I submit that his duty at the present time is only about half the duties which he did have in 1949 when he took over at that time. We had a Minister of Natural Resources, Mr. Russell, at that time and we had twenty-two thousand square miles of territory which today the Minister has not got to bother about under this section or under this Act. He has nothing to do with that at all now as it has been handed over to the Newfoundland and Labrador Corporation. I submit they have absolutely no necessity whatsoever for having two Deputy Ministers and I say there is very little difference between this Act, it makes very little change except that particular one. I see no reason why I should

labour the matter as the Government has no intention of listening to my suggestions of an amendment and have not shown any disposition to tell us just why they need two Deputy Ministers. After all in the old days the Department of Natural Resources included mines and lands and rivers and lakes, all natural resources, while today we have some twenty-two thousand square miles less than we did then yet we need two Deputy Ministers, for what, I don't know. I believe the Premier said it was the intention to make the present, or Mr. Claude Howse, I forget his present title, the Deputy Minister of one branch. It was not hinted as to who the other Deputy would be. I see nothing wrong with the Bill except that there is a tendency right straight along on the part of the present Government to increase our civil servants. I put it to you, Mr. Speaker, and to the Government opposite, if you would look at the various Provinces of Canada you will find right down the line that we have many more civil servants in every Department of the Government than any other Province in Canada. I think I stated the other day in New Brunswick with a much larger population than we have here, I believe we have two thirds as many as they have, for instance they have only about half the Cabinet Ministers we have here in this Province. Now, the more Cabinet Ministers we have naturally the more Deputy Ministers and the more junior civil servants and we have only to look at the payroll or the estimates which will come down in a few days and see where we are paying out somewhere between five and six million dollars a year for civil servants to run this small Province. I pointed out the other day that whereas in 1949 and before that we had the Post Office, the Customs and the

Railway and various others, today these are not existent and we don't have to worry about paying those civil servants' salaries and consequently I suggest the present Government, and I say it in a friendly spirit, that we are going to have a job to get along as a Province if we do not begin to cut the garment according to the cloth. Our revenue undoubtedly will increase but our transitional grant will decrease and in order to restore that loss of the transitional grant we must either have to depend on the charity of the Federal Government or impose more taxation on our people. We all know that our people at the moment are taxed good and plenty and certain branches of our people are unable to stand any more taxation. Some reference was made a moment ago to the fisheries, I submit, Sir, apart from the fishery, and I congratulate the Government on assisting the fresh fish industry in this country, not only congratulate them on that but I would also congratulate several Departments of the Government on their splendid efforts, the Department of Health and the Department of Public Welfare and Public Works. I feel they have done a good job since 1949 and probably spent a good bit of money. They needed to spend money and I think they have done a good job. The Honourable Premier said the other day that there was not one word of praise to the Government. I give the Government praise now for everything they did.

MR. SPEAKER: The honourable member is not speaking to the principle of the Bill now.

MR. HOLLETT: Mr. Speaker, I was saying that the work done by the various Departments. I suggest, Mr. Speaker, we more lowly souls over here on the Opposition side are rightly

a part of the Government, we hope that we all contribute something. But with reference to this Department of Mines and Resources I am quite confident the Premier will admit that we are at the moment overspending, or have over-stepped (that is a good word) I believe Sir William Stephenson used it. As far as civil servants are concerned we are not over-spending as far as salaries are concerned. I can tell you, Sir, they could stand higher salaries particularly with the high cost of living. But we can all see we cannot go on extending the civil servants, the next move will have to be a reduction in the individual salaries and that is not to be desired. It would be much better to change some of the civil servants we already have into other avenues of life and by so doing be enabled to increase the salaries of the absolutely essential civil servants. That is the only thing I object to in this Bill, not because of one man but the tendency of which I spoke, I know something will have to be done soon and the sooner the better.

MR. FOGWILL: Mr. Speaker, I am not going to belabour this subject of the Mines and Resources Bill for very long but I do agree with my honourable colleague here in St. John's West in his remarks which he made in connection with civil servants. We have now at the moment a large number of civil servants, based on 1951 of 2,263 on the payroll.

MR. SPEAKER: The subject under discussion is the principle of the Bill and not the number of civil servants, your colleague brought that out as a reason why he objected to the Bill and is not to be debated on.

MR. FOGWILL: Mr. Speaker, my colleague brought that out as a point on which he objected to the Bill, that

it would mean an increase in the number of people employed thereby, indirectly the number of civil servants, and I further belabour the point. We say the civil servants, as a matter of fact in the twelve months now ending the Wage Bill for civil servants will go over five million three hundred thousand dollars and the separating of this Department now, Mr. Speaker, into two separate Departments tends to increase the number of people who would be employed by these Departments.

Now, I want to make some reference, Mr. Speaker, to the words of the Premier when introducing this Bill. I am not going to refer to a debate made in this House before, however, Sir, some of the words of the Premier were practically repetitions of what he said before in relation to Natural Resources and that was some remarks in respect to past Governments of this country. I would say, Mr. Speaker, the Government of today find themselves in a very fortunate position, when they came into office with quite a lot of money in surplus to spend for the good and benefit of the public and when they speak of the Governments of the past and what they did, or called them do nothing Governments, or sit on their backsides doing nothing Governments, I don't resent it exactly but it is not true. Since the date of union, Mr. Speaker, our present Government has spent roughly one hundred and twenty-five million dollars and the Governments of by-gone days spent approximately twelve millions. There is quite a lot of difference. Values change as we go along and the present Government are very fortunate they had this vast amount of money to spend. To point out one fact, Mr. Speaker, as far as changing values are concerned, the

present Government spent quite a lot of money in the last few years, about ten million dollars for the building of three plants whereas in 1907 the United States purchased from France the Louisiana, a territory of approximately 20,751,000 square miles for \$1,250,000 and this forms ten of the forty-nine states today and has a population of 261,000,000, so that it is useless for people on that side of the House to pat themselves on the back. It is just as well to realize times do change and values do change. Our Governments of the past, Mr. Speaker, did a good job. The iron ore mines on Bell Island is a large industry of the past, now paying big wages, and the pulp and paper industry in Corner Brook, now Bowaters was begun around the twenties and so did the mining industry of Buchans. Those things were done by Governments of the past with very small revenue and the least we should do in this House is to give them the respect due to them, these people who did build roads, bridges, made loans to the fisheries to a certain extent and helped everybody all they could and built an educational system compatible with the money they had to spend. It is just as well for us people here in the House to remember that and not pat ourselves on the back too early in the Government's tenure of office. There are only three years of the twenty-five over.

Mr. Speaker, the Premier did mention about our potential hydro-electric power particularly that of the South Coast. I think he quoted two hundred and eighty-seven thousand horse power. In the past much potential hydro-power in Newfoundland was given away for free and he did mention some power being given away for a pepper cone. I know two instances

at least where there was water power given away for the rental of one pepper cone a year. Probably in the time and day when these leases were made the people in that day did not have the same value put upon the natural resources of that day, and in their anxiety to bring to Newfoundland some development were led to believe if they gave away the power cheaply some quick development would take place. Mr. Speaker, in respect to hydro-power it is only within the last twenty or twenty-five years that hydro-power has come into its own; before that time most of the world's power was produced from coal. And in respect to the Premier's remarks that coal experts came from Europe to England, they went there, but they did not make England great. It was not the German Jews going to England who made her great. What did make England great, Mr. Speaker, was coal power. If they did not have the power they would not be great, no greater than Italy who has no coal. The same applies, Mr. Speaker, to the United States. It has only been in the past twenty years that billions of dollars have been spent on flood control and power and it is just as well to realize that in little Newfoundland we are only on the threshold of development. We should consider ourselves lucky and the Government should consider itself lucky when this race for base metals is on, to realize the fortunate position we are in. I don't think, Mr. Speaker, any gentleman in here should pass any remarks about past Governments in Newfoundland, who did a good job with what they had.

DR. POTTLE: Mr. Speaker, I just wish to say a sentence or two. For my part I don't see the relevance of most of the remarks made by the last

speaker. I do not see how they apply to the principle of this Bill directly enough to know whether they were against the Bill or for it. As I understand it, Mr. Speaker, the organization of this Department or the reorganization of the two branches of the Department will not be so revolutionary at first sight. The branch of the Natural Resources will remain practically the same as it is, but the one of more substance is the reorganization of the Mines branch. I think in consideration of that aspect the Opposition as well as ourselves should take into account that it will mean a relatively small increase in staff. In fact that is a very small matter when compared with the investments that improved staff will likely mean for Newfoundland. In the matter of mines alone we are making a very considerable increase and rightly so. If you have a large investment either in business or government or any other form it is not good economy to economize on personal effort. If you have a large business you need a good staff. We must see that public money is properly invested and it is along these lines we see this particular change. We require a very good staff of this kind to operate, and I think we have chosen a very good staff. The Opposition, I suggest, has chosen a very poor illustration to come forward with an argument against a possible increase in the civil servants. Even to the lay mind the proposed Department of Mines may have some justification. They could possibly raise critical remarks with regards to some other but not with regard to one which we believe holds such possibilities for Newfoundland.

MR. CASHIN: Mr. Speaker—

MR. SPEAKER: The honourable gentleman has already spoken. The

debate was moved by the Honourable the Premier and seconded by the Honourable Leader of the Opposition and then the honourable member for St. John's West spoke three minutes and then completed his speech for the day.

MR. CASHIN: Then, Mr. Speaker, I will have to avail of some other opportunity to reply to the Honourable Minister of Public Welfare.

MR. SMALLWOOD: Mr. Speaker, in reply to the honourable member for St. John's West (and I do not now refer to the Honourable Leader of the Opposition) as to his suggestion that the Government were not willing to accept any suggestions made by the other side I can say only quite simply that is not so. Ever since this Government has been here, this is the fifth session we have had and we have quite gladly accepted sound and constructive suggestions which were made by the other side, and we are glad, willing to do so now. I have heard in this present debate no suggestions whatsoever from the other side, I have heard a number of statements which have the misfortune not to be so correct, for example that there are too many civil servants, more now than there were in the days of Commission of Government when in fact there are 1002 fewer than there were which is quite a difference from the statement that there are now more when in fact there are now between one and two thousand fewer.

MR. HOLLETT: May I rise to a point of order. I suggest, Mr. Speaker, that the Premier understands I was referring to the number of Departments we have at the moment compared to the number we had and I will say there are more civil servants.

MR. SMALLWOOD: If the honourable gentleman did say in another

part of his speech that there are more Departments in Newfoundland than in any other Province of Canada he would be stating the truth but what he did say was that there are more civil servants now than there were under Commission of Government when the fact is that there are somewhere between one and two thousand less now than under the Commission. Then the same honourable gentleman made the statement that there are more civil servants in Newfoundland than in any other Province of Canada. That statement is so badly put as to be rather meaningless—Other Provinces of Canada including Quebec and Ontario and British Columbia and Saskatchewan. We have not in Newfoundland more civil servants than in those Provinces.

MR. HOLLETT: We have per thousand population.

MR. SMALLWOOD: If that is the way to put it, that is the way it ought to have been put and it was not put that way.

MR. HOLLETT: That is the way it was put.

MR. SMALLWOOD: That is the way it was put? My hearing is not infallible but I distinctly heard the honourable gentleman say there were more civil servants in Newfoundland than any other Province and I was going on to point out that statement is rather meaningless. Now, if the honourable gentleman had taken for the purpose of comparison, Prince Edward Island or Nova Scotia or New Brunswick, he would be on good debatable ground and my answer in that case would be that the proper number of civil servants in any given Province has surely some connection with the geographical as well as the physical size of the

Province concerned and the geographical distribution of the population. We have in Newfoundland 360,000 people but they live in thirteen hundred places in the Island of Newfoundland and another hundred places on the Coast of Labrador, scattered over six thousand miles of coast line in Labrador, and on the Island of Newfoundland fifteen hundred miles of coast line along the Coast of Labrador. Quite obviously it does require more civil servants to carry on the Government when the Province concerned is so large geographically and the population is so scattered in so many places along so many miles of coast line. Now, as to the number of civil servants in the Government of Newfoundland let us look at it in so far as this Bill is concerned. What is involved in the adoption of this Bill? It involves the appointment of a Deputy Minister of Mines, Mr. Claude Howse, but Mr. Howse as Deputy Minister of Mines will not cost the Government one solitary dollar more than he is presently receiving, just as in the case of the other new Deputy Minister cited this afternoon in the new Department of Municipal Affairs and Supply. The appointment of an additional Deputy Minister there will not cost the Government of Newfoundland one solitary dollar. The person receiving the appointment is Mr. L. G. Crummey who is already at the salary scale of a Deputy Minister a post he has held since he was Secretary for the Department of Health and Welfare. Now, what additional expense will there be in the Department of Mines and Resources over the Department of Natural Resources in regard to personnel? What additional cost will there be to the Government and the taxpayers of this Province? There will be additional expenditure in the new Department on another

score, the exploration, geological surveys and the like but on the score of personnel what will be the additional cost? By creating the new Department I suggest that it will be no additional cost. I will not guarantee that at the moment until the estimates come down but while on the one hand we are increasing the number of personnel in the mines part of the Department over and above the present number of mines personnel, we are decreasing the number of personnel in the other part of the Department. We are, for example, closing down the absurd and ridiculous nursery on the Salmonier Line which will reduce the overall personnel of the Department on that count. We are reducing still other parts of the personnel of the present Department of Natural Resources and the net result of the reorganization will be more men in the mines section and fewer men in the rest of the Department. So that the actual difference in cost to the taxpayers will be trifling if anything at all. Now, surely it is not going to be suggested by our honourable friends opposite that this is wrong, wrong for the Government to build up rapidly, quite rapidly, in the face of the point made by the senior member for St. John's West that we are living in a time when there is a world wide race for base metals. Surely it will not be suggested in the light of that fact that the Government are mistaken, have adopted a wrong policy in building up this Department. I know the honourable gentleman did not say that but I referred to his remarks only for the purpose of illustrating my point. Surely it will not be considered we are wrong to build up a modern, efficient and energetic new Mines Department of the Government, surely that is not sending good money after bad, surely that is investing money in

the resources of this Province, surely the greatest regret of all of us should be that long years ago the Governments of Newfoundland failed to go out—

MR. CASHIN: They had not the money—

MR. SMALLWOOD: The Commission of Government had the money to do it. They were here for fifteen years and they had to be hounded, shamed, hounded and shamed by Albert Perlin writing in the "Daily News" into bringing in the first diamond drills, and they brought in two or perhaps it was three. We are bringing four or five now at one time on top of seven or ten we already have and I don't know but it is a great mistake not to buy another dozen, that we are not sending out a dozen additional drills this year to search for base metals. This search for base metals in the world may not last but as the great United States is running critically short of base metals it becomes a pretty safe bid for any land to search out and develop their deposits of base metals. That has a long range future—My honourable friend was going to make a remark—

MR. HOLLETT: If I may, Mr. Speaker, have any of the other Provinces done any drilling of their own as a Government?

MR. SMALLWOOD: Of course they have, all of them. But suppose they had not, our need for development is surely greater than that of any other Province of Canada. If the point I made recently in this Chamber has any validity, if we are to build Newfoundland rapidly and prevent emigration of our people out of it, surely then our case is greater to go in and make ambitious and energetic search for and to develop what minerals we have.

Now, Mr. Speaker, I am not going to repeat what I said in introducing this Bill.

MR. CASHIN: That was the irrelevant part of this Bill referred to by the Minister of Public Welfare.

MR. SMALLWOOD: I am not going by way of reply to the senior member for St. John's West to go all over the ground again, those points I covered when introducing this Bill but I will say merely this: No man in Newfoundland is readier to take off his hat to the great Liberal Government of Sir William Whiteway and the great Liberal Government of Sir Robert Bond, the great Liberal Government of Sir Richard Squires in tribute to them for what they did to develop this Province, no man is readier to take off his hat in tribute to the Government of the Honourable Walter Monroe for what they did to develop Buchans. But surely it will not be denied that although on the one hand you have these few exceptions the general rule had been that Governments in the past regardless of party labels or party philosophy placed little value upon the public domain, precious little if any value, light heartedly they gave it away to anyone. We have given nothing away, this Government have not parted with title to even as much as a square inch of the the public domain except for school purposes, cemeteries, the Government of Canada for base proposed, defense purposes, and for factories; we have not parted with title apart from these, not one square inch. Surely it will not be denied that governments light-heartedly gave away to anyone who had the energy to ask for it. Now, so did other Provinces of Canada as my honourable friend the Leader of the Opposition pointed out. He may have gone further so had

many states of the United States of America. It was a common place thing, very common place for all Governments on this side of the Atlantic, living in a spacious continent unlike Europe where people run two or three or four hundred to the square mile, here on this vast continent in the 19th century people average two, three and four persons a square mile. Here no value in particular was placed upon the public domain. But they soon saw the light and early in this present century, governments all over North America woke up to the terrible mistake they had made and began to recover to the public the public domain which their predecessors had alienated from the public and passed over in vast tracts to private speculators. They got it back and we in Newfoundland began last year 1951, fifty-one years after the turn of the century, began to get back to the public, to the Crown, alienated public domain that had been held for half a century by speculators who sat on it and did nothing. And I say that before this House, this present session, prorogues, it is our hope to bring further legislation before the House to remedy still further this situation created for us, for Newfoundland by governments of the past, by way of legislation to remedy still further the blundering of all our forefathers of the past. Have we, Mr. Speaker, reached the point where we must never criticize our forefathers. Were they perfect? Did they not make mistakes, the greatest of them? Will we not make mistakes, while this Government is here very few—we are sure, the Opposition are not, but fifty years hence do we expect the people of that generation to look back at Smallwood and Cashin, excuse me Mr. Speaker, I have mentioned the names in a very broad

sense, not as members of this Chamber, look back fifty years hence and say those were the generation, I wish to God we had men like them today? Will people expect that fifty years hence? They will not and if they do they will be wrong and so similarly we do not need to hesitate to criticize our forefathers politically, they were great men, big men, patriotic but they made mistakes and one of the gravest mistakes they made, one of the really fundamental mistakes they made was to light-heartedly, blithely, light-gingeredly give away the public domain to anyone that cared to ask for it.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of a Bill, "An Act Further to Amend the Education Act, 1927":

MR. HEFFERTON: Mr. Speaker, this Bill is to take care of two conditions which have arisen during the past three or four years. Under the provisions of the Education Act "Empire Day" can be observed as a general holiday or school holiday but when the day falls on Sunday the holiday is observed on Monday and the schools had the mistaken idea they were entitled to a holiday on Monday but according to the strict letter of the Act it is not so. So that we bring in this particular amendment which allows schools to observe the day as kept and they will not be penalized therefor. The only other alteration not in the previous Act is in sub-section 9. During the past two years the Newfoundland Teachers' Association has become affiliated with the Canadian Teachers' Association and there are occasions when in the interest of all concerned it is desirable there should be close affiliation

between our branch and the Canadian Branch and sometimes it is desirable at least some representative of the Newfoundland Teachers' Association should be allowed permission to attend the annual meeting wherever the meeting is held. At the present time if a teacher absents himself from school, apart from the two or three days laid down in the Act, he is penalized by loss of salary. This provision here merely makes it possible within the power of the Minister to approve the departure of say, the president of the Association, to attend a national conference without loss of salary. Those were the only two amendments to the Bill and I move the second reading.

MR. HOLLETT: Mr. Speaker, the teacher having charge of a school can close because of inclement weather. Who is to decide whether the weather is or is not inclement? It is possible teachers might have some difference of opinion as to inclement weather.

MR. HEFFERTON: That is up to the teacher to decide. As the honourable member knows there is no one in the place, particularly in small places, to give the teacher authority to close or not and very often a teacher finds no school children present or one or two, or in the middle of the day a storm comes on and they decide in the interest of the health of the children to close the school and we have allowed the teacher to decide it.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act Respecting the Maintenance of Parents, Wives and Children."

DR. POTTLE: Mr. Speaker, this Bill has as its main purpose to pro-

vide a comprehensive and effective means under the law whereby the court will be empowered to order payments to be made by husbands and fathers, who have deserted their wives and families, for the maintenance and care of dependent adults and children concerned. The Bill, as the clause on appeals indicate, is to take the place of a rather ineffective clause of the Health and Public Welfare Act of 1939 in particular sections 571-581. Under this section the present law provides really no practical means for a deserted wife or family to get financial support from a delinquent father or husband. Under the present law the effect of the law in practice is that a deserving, deserted wife or family have to prove destitution and in practice that condition is difficult to prove. Let us assume that destitution was proved, the court then could only in the main order the delinquent husband to be put under a bond to support and maintain his family. Supposing he would forfeit his bond, I understand under the present legislation the possibility of going to gaol would be remote and even if he were sent to gaol, even so we would still have to support him and his family. The main purpose of this legislation is to try and keep the family together by regular means but proceedings can be still brought to bear upon a delinquent husband under the provisions of the criminal code but in such instances there has to be a crime committed and a serious crime at that. This Bill covers the case more specifically and gives power to any court to order specific amounts to be paid under specific terms and conditions on behalf of dependent wives and children. Under the present legislation, as I say, the process of putting through a court order is rather tedious, and there are numerous ways by which

men who are delinquent towards their family responsibilities can avoid or evade the law. On the whole the process of trying to enforce orders, as I am told by the courts, is just about hopeless. It is just as well to face the fact, Mr. Speaker, in our present set-up there is a great deal of delinquency and that trend, the breaking-up of families on a somewhat spreading scale, is one which should cause all thoughtful men concern. We live no longer in Newfoundland in the peaceful days of the old established community where there was a very keen sense of community responsibility, and where any man who disregarded his proper responsibility to his family was, in fact, almost ostracized, and where the most effective law that could be applied to him was the law of the community, a law which he hardly dared violate. We hardly needed any court because the law of his personal friends was so strong. But today, especially with the concentration of the population to a few of the larger centres, that situation no longer holds. Take, for instance, St. John's, not old St. John's, we have a new St. John's in the sense that we have a new state of affairs here. We do not know one another as well as we did. The old community tends to fall asunder and we have people now who do not know one another, thereby tending to be less responsible about private affairs. People tend to be an anonymity, they don't count and can hide away, in a sense, in the crowd. Where that happens you will find that some diseases tend to spread.

Under the present economic conditions, especially in a seaport, through nobody's fault, situations can arise where a man earns a hundred dollars this week, nothing next week and it is hard for him to spread his earnings

over the two week period and it is just as hard on his wife in trying to balance her budget, living in homes and areas where there is considerable overcrowding it is easy for a man to give excuses and complain about his home conditions, certainly it is very easy in all those matters to look around for a scapegoat, for something on the outside to be the excuse and that is why we have this situation, that is why we have so much desertion. But, Sir, the subtle fact of the matter is, and as a welfare officer, I am bound to point this out, there are too many men today unwilling to accept family responsibility, and that is hard to get at, that is something for education, schools and philanthropists in our midst to have special regard to this subtle fact that there is an increasing proportion of our population coming into the state of marriage who are not prepared for marriage and not prepared to accept the responsibilities which family life involves.

Now, Sir, the specifics of this Bill are numerous but I shall draw attention to but a few points which, in Committee, we might look at.

One has to do with the "Act of Cruelty" defined in the very first sub-clause of Section (2). Under the old legislation, as I have said, it was necessary to prove a crime existed but it is not now necessary to prove a crime as such exists. It might mean incompatibility on a large scale, that a mother or wife may be so pestered or so irritated by a husband, not always all the fault comes from one side, we are not expected to take that position. But it is impossible for them to live together. She is not, under those conditions, expected to live with her husband after he is guilty of this offense, or when the offense committed creates a danger to life, limb, health, or any

course of conduct which in the opinion of the court is grossly insulting and intolerable, it is of such a character, without proof of actual personal violence, that the wife or children seeking maintenance could not be reasonably expected to be willing to live with the husband or parent after he has been guilty of the same. There is a liberalizing there, if you like, of the section. There is another which has a more liberal construction, Sir, which has to do with a deserted wife—Clause 2, sub-clause (c) A wife living apart from her husband because of his assaults, his adultery, his refusal or neglect to supply his wife and children, if any, with adequate food, clothing or other necessities or because of his drinking to such an extent he is incapable of managing himself or his affairs and is an unfit or improper person to have the custody and control of his children. A deserted wife is thus defined in paragraph 2 and a deserted child under sub-clause (d) means not only a child left physically deserted by his parents but includes children a parent has not taken care to provide reasonably for.

I would draw the attention of the House to clause 6: When a wife or a mother is in difficulty of this kind you have a peculiar situation that although she is in great need she has the necessity of going to a court and the likelihood is that it is then a matter of litigation and an aggravation of trouble so that she does not make a complaint.

Under clause 10 there may be a complaint where the husband is dissipating his salary by drunkenness or incompetence or irresponsibility or using his salary in such a way it does not go equally or profitably to the family concerned, it is provided there

for complaints to be made under this clause. Now, I don't want to spend any longer on second reading. It is an important Bill. I am bound to say, as Minister of Public Welfare, that it would be too naive a view to take of this Bill that when you have corrected these sections you have done well. There are two extremes, Sir, in matters of this kind and it is probably safe to take a middle course. The one extreme is when a man knows that he is liable to be brought before a court to pay for the support of his family that will deter him and make him a good boy. It is more subtle than that, Sir, men who have made up their minds that they are not going to do their parental duty are not likely to be very sensitive about their responsibility just because there exists a law any more than a man contemplating a crime is likely to pull back his evil hand at the moment when he thinks of the sundry judicious acts. There is the other extreme where it is even considered today that it is very doubtful whether this type of legislation accomplishes very much. My own opinion is that it is not a deterrent so much. I don't think we should pin our faith in this Bill in the hope that it is going to deter delinquent parties and be a great social improvement. I am not that sanguine, the subtlety of desertion, the reason why men desert their families are more complicated than that. I have drawn attention to just one angle, the complexity of our city life and it is more complex than many of you imagine. Now, I come to the middle course, it seems that where legislation of this kind is enacted by family courts where we can use this lever very often upon men who have been neglectful of their responsibility precisely because we have not had some such means as this, and very often a man comes back to a

sense of his responsibility when there is an effective means of bringing it to his attention. It might be to some such men as that. There are many children in St. John's and in the larger outports who in spite of present allotments are still living without all the means they should have and because a man has not been brought to book he goes about not accepting responsibility. We are going to try this thing, we have no means at present, no effective means, but we are going to try this means especially where family courts operate and are well staffed with men and women fairly well qualified to deal with these matters, we are going to try by these means and all effective outside means where welfare officers in touch with the court do everything possible to mend family relationship by showing to the men concerned what their responsibility is, and if it is necessary to lay a charge eventually it will be done. I am not unmindful, Sir, that in many cases legislation of this kind will be a quite effective tonic to bring to men a keener view and sensitivity to their family duty. Our main concern is not in collection of funds but in such cases as this we shall strive at all times to preserve the intrinsic rights of the family. This is essentially a protective act and another attempt by which we hope to put right the affairs of the family in every way we can, especially those families which in the light of society might be regarded as truly deserving families. I move the second reading.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Honourable the Minister of Finance moves that this House resolve itself into a Committee to consider Supply to be granted to Her Majesty.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I rise to inform you I have a message from His Honour the Administrator.

The Honourable the Minister of Finance

I, the Administrator of the Government of the Province of Newfoundland, recommend that a supplementary Vote of \$406,700 to meet essential public services relating to the financial year 1951-52 be provided by the Provincial Government.

(Sgd.) Brian Dunfield,
Administrator.

Mr. Speaker, I move the House resolve itself into Committee of the Whole to consider supplementary supply to be granted to Her Majesty.

MR. SPEAKER: This is a Bill, "An Act for Granting to Her Majesty certain sums of money to defray certain expenses of the public services for the financial year 1952 and other purposes relating to the public services.

Committee of the Whole.

MR. CASHIN: Mr. Chairman, would the Honourable Minister give us an idea as to how this amount is made up.

MR. POWER: Mr. Chairman, the explanation is this, provisions in the original estimates proved to be inadequate and we ask for this \$15,800.

MR. CASHIN: That is really an amount for additional expenditure.

MR. FOGWILL: What was the amount voted last year?

MR. POWER: \$63,800.

MR. SMALLWOOD: Not all of which was spent.

MR. CASHIN: Do I take it now we add \$15,800 onto it or are there

amounts for instance up to February 29, 1952, all told. We spent for elections \$70,000. The other money I take it will be the balance. That is your own figure up to the end of February \$70,000. The vote was \$63,000.

MR. HIGGINS: The total was \$82,200, less countervailing savings.

MR. CASHIN: What was the saving on?

MR. SMALLWOOD: It is a simple sum, add the two and subtract from \$83,200.

MR. CASHIN: I asked what they were, what were the savings on?

MR. POWER: Mr. Chairman, at the moment I must say I have not that information but if the honourable member would table a question I will get the information.

Executive: \$98,200.

MR. CASHIN: One second, Mr. Chairman, I would like to have those amounts explained as we go on. What is the total vote for last year?

MR. POWER: Mr. Chairman, the original amount took no account of the general election. It was \$114,100. The revised estimate is \$128,000.

MR. CASHIN: That covers, I take it, the election.

Finance \$37,100.

MR. CASHIN: What is that?

MR. POWER: The original estimate proved to be inadequate by \$45,000 and a supplementary amount of \$10,000 which has to do with civil defense. The total vote was \$1,001,900.

Provincial Affairs \$400.

Education \$213,000.

Attorney General \$100.

MR. POWER: That also includes the contribution to the RCMP Pension Fund annual payment agreed under three annual payments required under an agreement by the Attorney General for Rangers and Constables signed during the year.

MR. CASHIN: Was there anything in the House during the last session or previously?

MR. HOLLETT: Can you spend the countervailing savings without having it revoted?

MR. SMALLWOOD: Yes.

MR. HOLLETT: That money is necessary after you use it.

MR. POWER: Yes.

MR. CHAIRMAN: I would ask all honourable members to please address the Chair.

MR. CASHIN: Mr. Chairman, while I appreciate that we should be courteous and do the right thing and vote these monies yet we have heard so much recently about it, that since we are in committee it is not out of place to ask questions.

MR. FOGWILL: There is an agreement between this Government and the Federal Government in relation to the services of the RCMP?

MR. SMALLWOOD: I think, Mr. Chairman, it refers to those members of the Newfoundland Police and Rangers who were recruited into the RCMP who had certain pension rights under the Newfoundland Government before being so absorbed. Now, the Government—I remember the occasion well, it was before the Minister of Finance was a member of the Cabinet. If the Attorney General were here he would undoubtedly explain in greater detail, but I remember the Govern-

ment were confronted by an alternative, on the one hand it would cost a very large sum of money to pay off the obligation in a lump sum and on the other hand it would require an annual payment. We adopted the annual payment idea but we did not have the money to carry it out so we got it on the Lieutenant-Governor's Warrant or something of that sort. Countervailing savings paid in part for it and we now seek legislative sanction for it. That is what supplementary supply means, we spent the money and now ask the House's sanction for it.

MR. POWER: I might say, Sir, that the first payment referred to was \$17,000.15 plus interest for a year and a half due on March 31, 1952.

Education: \$213,000

MR. CASHIN: Did I take it that teachers are looking for a raise in pay and had not been receiving the cost of living bonus? Now, according to information here they were given a cost of living bonus which we are asked to authorize here in supplementary supply. Is that correct?

MR. POWER: That is correct.

Attorney General: \$100.

MR. SMALLWOOD: That is ex-servicemen's gratuity payments, the estimate was \$500 and actually we need one hundred dollars.

Natural Resources: \$300.

MR. POWER: This is under three headings, Farm Improvements, Land bonus, and Magnetometric surveys.

MR. SMALLWOOD: The air magnetometric survey to which my honourable friend refers is not the survey made on the five thousand square miles in Green Bay Area the

year before last but rather for two areas surveyed last year, 1951, in the month I think of September, two hundred and forty square miles in the area of Steel Mountain in the St. George's Area.

Public Works: \$200.

Health: \$200.

Public Welfare: \$200.

Department of Supply: \$40,900.

MR. POWER: That is for printing stationery etc., the original estimate proved to be inadequate by \$40,000, the countervailing savings reduced it and the amount asked for is \$40,900.

MR. CASHIN: What is that for? I presume the printing was mostly for the elections. I would like to know what that is for?

MR. HIGGINS: Mr. Chairman, we had an amount called under Provincial Affairs, by the clerk to cover the general election. I do not understand this.

MR. POWER: Stationery and printing, yes.

MR. CASHIN: Therefore that comes under the cost of the elections.

MR. SMALLWOOD: Personally, I doubt it.

MR. FORSEY: That amount would cover the cost of the election, printing of ballots and so forth.

MR. CASHIN: What I am trying to get at is this amount in excess of the \$80,000 which were the figures tabled some time ago. Is this an additional amount or just a part of that \$80,000?

MR. POWER: It is an additional amount.

MR. HIGGINS: So that it was not \$80,000 but \$120,000.

MR. SMALLWOOD: Unless someone is sure, this ought not to be said. We had an answer which came from the Department giving us specific figures.

MR. CASHIN: I would not like to have any honourable member in the position where he says he is not sure. We were told this general election did cost so much. If it is not so I would like to know how much it did cost?

MR. POWER: I will get that information for the honourable gentleman by tomorrow.

MR. COURAGE: Is it the wish of the Committee to let the Department of Supply stand?

MR. SMALLWOOD: Yes.

Economic Development: \$200.

MR. POWER: That is under two headings, the Canadian Industrial Fair. The cost of participating is estimated at \$20,000 for which countervailing savings are available. The amount for the Crown Corporation in the amount of five hundred dollars, less countervailing savings, total \$100, making a total of \$200.

MR. HIGGINS: That fair you mentioned, is that the fair to be held in Toronto in June?

MR. SMALLWOOD: That comes immediately under my Department. For the last few years the Government of Canada has had an International Trade Fair in the city of Toronto. It is not to be confused with the Canadian National Exhibition, which is a different matter altogether. The International Trade Fair as its name suggests is international and it draws manufacturing concerns from all parts

of the world, except during the two wars, and that fair is today under the control of Mr. Howe, the Minister of Trade and Commerce and the Department of Trade and Commerce. Each year, during which it has been held, the Government of Newfoundland has been invited to participate in the fair but we have declined on each occasion until this year. We feel now that we are ready to go into the fair with a bang, if I may express it that way, and so the Government as a Government agreed to rent quite a large space in that fair amounting to three thousand square feet which will make it possibly the largest single space in the International Trade Fair in 1952. Now, having engaged three thousand square feet of space the Government could have entered in that space just things typical of the natural resources of the Province, that is to say we could have put in so much of the various minerals, various timbers in Newfoundland and photographs illustrating the natural resources of the Province and other material of a tourist developing character. That could have been done. But if we were to do that obviously we would not engage three thousand square feet of space. The other thing we could do, was to invite the industrial concerns of Newfoundland to enter that booth under the auspices of the Government of Newfoundland and share in the cost of the whole thing. We decided on the latter and we contacted all of the industrial manufacturing concerns in Newfoundland and invited them to take part. Seventeen of them up to now agreed to share the cost of the whole booth with the Government. The estimate is that it will cost about twenty thousand dollars in all for the whole exhibition, towards which we hope to take in about half from the firms in the

aggregate leaving the Government about half of that total cost to be paid from public funds.

Our ambition is to make this the booth of the fair for 1952, the outstanding booth. If Newfoundland goes in we feel, "Let us go in boots and all and make a real splash." Here is a Province that is going places, here is a Province where they produce more than just salt codfish, a Province which produces paper and cement and gypsum wall board and leather and machinery and textiles, fish marine oils, various ores and a number of other valuable products. In short the hundreds of thousands of businessmen, manufacturers and industrialists, bankers, financial people from various firms from the various countries, the hundreds of thousands going into that Fair this year will have to be blind, deaf and dumb, all three to miss the Newfoundland booths, with Newfoundland seal skins made up into seal coats as Bowrings themselves have been doing for the past two years and will now, I believe, go into the Newfoundland booth, and other firms with all the products of our factories, both local as we call them and heavier industries. We are going to make a real splash and Newfoundland is going to be shown up as a Province where they produce many more things than just codfish. We are going to make a splash on the Canadian scene in 1952.

MR. COURAGE: Item 13 was allowed to stand, Supply \$40,900.

The Committee rises, reports progress and asks leave to sit again tomorrow. Ordered sit again tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move the remaining orders of the day be deferred and the House at its rising adjourn until tomorrow, Wednesday, at 3:00 of the clock.

WEDNESDAY, April 2, 1952

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

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, with profound regret I have to inform the House of the death, this afternoon, of the Honourable Senator Herman Quinton who was, until a year ago, a member of this House having been elected in the general election following immediately after the consummation of Confederation. He became Minister of Finance immediately upon Confederation and retained that important portfolio and sat in this House until his appointment just about a year ago to the Senate of Canada. When the late Senator Quinton entered this House three years ago, it was the third time that he had been elected a member of this House of Assembly.

Sir, the late Herman Quinton had the respect of every member of the House, he was known by all of us to be a man of great sincerity, great manliness and we in the Cabinet knew him too for a man of great ability, a man of great and enduring common sense, a man who could be counted upon always by all of us for advice and council that was sound. It was his common sense, his soundness, and above all his sincerity that made him so valuable a member of the Government.

Herman Quinton was born in a very small fishing village of Red Cliff on the South Side of Bonavista Bay. He was a fisherman for a short while in Red Cliff and then became a school teacher. From that he went with the late Sir William Coaker as an employee of the Fishermen's Union Trading Company and it was while he was

an employee of that large mercantile company that he became one of the famous Coaker Recruits.

The House may recall that Sir William Coaker during the first world war felt a powerful urge to enlist as a soldier in the Royal Newfoundland Regiment, and was dissuaded from this action when the offer was made through the Fishermen's Union that a dozen members of the Union would enlist in his place and they became known as the Coaker Recruits. It is not so well known in this House nor generally that the late Senator Quinton was one of this famous dozen Coaker Recruits. He served with distinction in the Royal Newfoundland Regiment in the first world war and rose to the rank of lieutenant. Following the war he went back for a while to the Union Trading Company and from there to A. E. Hickman Company as a travelling salesman. From that position he became Dominion Secretary of the Great War Veterans' Association, now known as the Canadian Legion. It was while he was Dominion Secretary of the G.W.V.A. that he and I first became personal friends. We were very close friends indeed. I visited his home and he mine to such an extent that we became almost inseparable friends. I had the pleasure of taking him to the late Right Honourable Sir Richard Squires as it was Herman Quinton's great ambition to become a Liberal candidate for election to this House under the leadership of Sir Richard Squires. It was so arranged but fate apparently did not have that in store for Herman Quinton for what happened was: Shortly afterwards he resigned his position with the Great War Veterans' Association to join the firm of Monroe Export Company. Mr. Monroe, as the House is aware, was the leader

of the other party and it was not long before Mr. Quinton became a candidate for that party in his native district of Bonavista South. He was elected there and went into the Opposition with his party. In the election that followed he ran for re-election when it was my destiny apparently to contest the same district and we opposed each other in the District of Bonavista South and I received the trimming of my lifetime. Herman Quinton was triumphantly returned, re-elected member for Bonavista South. We went out together on that occasion to the district, on the same train and preserved our personal friendship and parted at the railway station with a mutual pledge that we would fight a clean and decent campaign, which is exactly what we did in that election. Mr. Quinton's Party was returned to power on that occasion and he became Minister of Public Works with a seat in the Cabinet.

Following the suspension of Responsible Government and the closing of this House, Mr. Quinton became a district magistrate under the Commission of Government, a position in which he served in a number of important places including the Town of Grand Bank and the Town of St. Anthony, and while at St. Anthony his jurisdiction took him over a fairly large part of the coast of Labrador. It was from the position of Chief Magistrate that he was called by the Commission of Government to be Local Government Affairs Officer for the whole of Newfoundland. I feel that it was in that capacity that Herman Quinton rendered his greatest public service because long after most of us are forgotten here, Herman Quinton will be remembered as the Father and Founder of Local Self-Government in Newfoundland.

It was his great knowledge of our people, his intimate, widespread knowledge of our people and places that made him so valuable a man, so eminently successful in his work of founding the town council movement. From that position he was called to succeed Honourable J. Alex. Winter, present Registrar of the Supreme Court, as a member of the Commission of Government. So we see the most interesting picture of a boy rising from the fishing boat to the position of one of the six men who ruled Newfoundland. He served with great distinction as Commissioner for Public Health and Welfare and from this position, at the date of Confederation, he entered the Cabinet which it was my privilege and honour to be asked to form by the Lieutenant Governor of that day.

None of us in the Cabinet will forget the occasion on which Herman Quinton first collapsed during the meeting of the Cabinet in the Chamber through this wall. We were in session at the time when Herman Quinton suddenly turned quite white and slumped in his chair. We led him to his car outside the door and one of us drove him to his home. Shortly after that he entered the General Hospital where he spent some months, and then returned for convalescence to his home down here on Circular Road. He was there for several months before he was able to resume his duties as Minister of Finance. Then, as I have already said, he received his appointment to the Senate of Canada.

Mr. Speaker, Herman Quinton leaves his wife and two children to mourn him, one son in Montreal, a young man who served with Her Majesty's Forces in the late war and is now working in the city of Montreal. To Mrs. Quinton and to his sons, Herman

Quinton's death will be a great blow indeed. Whatever anyone thought of Herman Quinton everyone regarded him as a straightforward man, a real man, a manly man, a block of common sense, an example of sincerity and manliness. Mr. Speaker, I am quite confident that the entire membership of this House, indeed the entire community of Newfoundland will have heard with great shock and genuine sorrow of the death of this good man. I move that the House convey to Mrs. Quinton an expression of the profound sorrow we feel over the death of Senator Quinton, and extend its condolence to her.

MAJOR P. J. CASHIN (Leader of the Opposition): Mr. Speaker, it becomes my duty for the second time since we have met two or three weeks ago to have to second a motion put by the Premier of this House, now to send the usual vote of condolence to the widow of the Late Senator Quinton.

Personally, I have known this gentleman since away back in 1919. I was not familiarly acquainted with him during the first war because our jobs took us entirely apart, I having been transferred from the Newfoundland Regiment to the British Machine Gun Corp where I served out my time until the war ended in 1918. However, I did come to know him as Secretary of the Great World War Veterans Association here for some years and my first real acquaintance with him came when he became a member of the Alderdice Party in Opposition in the House in 1928. Since that time I have always found him to be a very fine person and I visited him on several occasions as he lived next door to me in the Housing Corporation. Only a few weeks ago, just prior to his going to hospital, I went to see him and I

knew from my own little experience that very shortly death would claim him. He put up a magnificent fight every inch of the way, I believe he went down fighting when he passed away today. It is most regrettable to me that I have to rise in my place here this afternoon and second the motion proposed by the Premier.

Presenting Petitions

None.

Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

None.

Answers to Questions:

MR. SMALLWOOD: Mr. Speaker, yesterday I offered with the concurrence of the Honourable Minister of Finance to table here the vouchers for the Buy Newfoundland Campaign. I have them here now. I have to say, however, that the Comptroller of the Treasury has insisted we take a receipt for them as they are the originals and obviously while the Opposition may want to have them a week or two, as they are the originals, we must have a receipt. So if the Clerk would take a receipt for them. I have asked also to have the "Sunday Herald" brought here and laid on the table. They are on the way here if they have not already arrived. As soon as they arrive in the House I will table them.

MR. HOLLETT: Is there any answer to Question No. 62, Mr. Speaker?

MR. SMALLWOOD: I can answer the latter part of the question. No money has been loaned to him. "Sunday Herald" that ought not to be addressed to me. Actually the only

money paid was for advertising and that would be, I should imagine, the Department of Supply. I think the Department of Supply handles all advertising for the Government and it ought really to be addressed to them.

MR. HOLLETT: It is addressed: "And or the Appropriate Department."

MR. SMALLWOOD: Give a detailed statement of all monies paid to "The Sunday Herald," etc

The only money to CJON, as to other radio stations for the Buy Newfoundland Campaign was for certain radio advertising in the Buy Newfoundland Campaign. They did pay it directly, Mr. Jamieson paid it, as the vouchers will show, all monies were paid by the Government but most of the money was paid in the first instance by Mr. Jamieson who received the receipts and passed the receipts to the Finance Department and getting the money he paid. The money was spent and he was reimbursed by the Finance Department on vouchers presented by him.

MR. HOLLETT: This said nothing about the Newfoundland Campaign.

MR. SMALLWOOD: The only money paid Mr. Jamieson was for the Buy Newfoundland Campaign, he had no other money and certainly no loans.

MR. SMALLWOOD: The Woodstock Club—It should be here from Finance, who paid that Gaiety Amusement Centre. The Headquarters for the Buy Newfoundland Campaign was in the Gaiety Amusement Centre.

I can say positively here no loans have been made to them.

MR. CASHIN: Before going on I would like to have it made quite clear. We can have these vouchers there and give a receipt for them to the House and it will be in our care. I will vouch for it as Leader of the Opposition to return them when we have had a look at them.

MR. SMALLWOOD: Mr. Speaker, the papers have not arrived but will shortly and I will just lay them on the table when they arrive, Mr. Speaker, without any comment as there will be other business probably going on at that time.

Orders of the Day

Address in Reply:

HON. DR. H. L. POTTLE (Minister of Public Works): Mr. Speaker, I recall that this House has already expressed its respectful lament for the passing of our Late King of whom history will undoubtedly record, as it has been recorded over and over again, that he was a great King and a good man. A small newspaper in the American West wrote of the Late King George Sixth: "He, his wife and family became the symbol of faith which cruel men must not be permitted to change."

Sir, we have already expressed, and I can only echo as an individual, and glad to do so, the homage of this House, I say, to our Gracious Queen, Elizabeth the Second, I respectfully hope that we may in our day see the rebirth of the auspicious days of another Elizabeth.

To you, Sir, I also reflect what other speakers have said to Your Honour, that you have become, gladly on our part, again the first commoner. To you, Sir, the pivot of our peace and whatever dignity we have in this

House is invariably symbolized, if I may say so, in the Chair. I hope, Sir, that none of us will fall into the arrogance of the young barrister who, conducting one of his early cases and being criticized by the Bench, said: "My Lord, you are right, and I am wrong, as your Lordship usually is." Your judgment, Sir, will stand us in good stead, as it has stood us in good stead, and for my part I give you my assurance, which I hope I shall be able to fulfil, that your position will not be made any the more difficult because I am here.

I should like also to re-echo the compliments that have been extended to the mover and seconder of the motion now before the Chair. Their speeches, both of them, were quite strong indications that our institution of free speech is amongst our healthy institutions when men coming here for the first time, fresh into public life, can express their faith in such robust terms. I have known the seconder of this motion for many years, and I am glad to be able to renew our friendship here in this House. The mover of the resolution, I understand, is the youngest member of the House. Both he and the seconder have acquitted themselves well as has unanimously so far been declared by those who have spoken in their behalf. I am sure even the youngest member would admit that we are none of us infallible, not even the youngest of us, but that does not prevent the youngest of us from declaring the faith that is in him. That he has done, and we are glad to hear him.

I should like, Sir, at this time, to do what I have not done before but should have done before. That is to acknowledge my indebtedness to the district which sent me here, and sent

me here twice; first because it gives me the opportunity to ally myself with the policy of this Government in its drive to improve the economic life of our people and thus to save ourselves from the hazards, the risks, that we have always been a prey to, the risk of a vulnerable economy. It is a privilege to be here today through the goodness of the district, and to be able to take part in public welfare. I would envy any person who assumed the responsibility that I have assumed over the last three years when I have been brought into such close touch with my colleagues in the Department and in the Government and with our people, the needy, the maimed, the halt, the blind in the rain and the cold. I would have never had that privilege which I coveted, I might say, unless the people of Carbonear-Bay de Verde had sent me here and it was their faith in me that made that possible. The experience has added enrichment to my own life but mostly I hope I might have done something as a public minister which has meant good for the people of Newfoundland. I can say without any attempt to boast, because there has been too much in this matter of public welfare as it is organized for me to boast as to its being a one man creation. But I have no hesitation in saying, Sir, this Government, this Island, this Province has in the organization of public welfare an asset of which it might very well be proud. The District of Carbonear, Bay de Verde like many other districts is one which is saturated with history. Carbonear Island and Baccalieu Island are landmarks and the people there make up very largely a race section of all our people; the fishermen, we have one of the remaining salt cod fishermen at Bay de Verde where you can still see fishermen gather and as they

look over from that hill side over the brow of their breakwaters their wrinkled faces tell a story. They are part of the diminishing solid fishing population and I hope it will be possible that something will be done to stabilize the fishing industry for the people of that part of the District. We have miners, the miners of Salmon Cove who have largely created Bell Island as we know it today, we have small agriculturists, we have factory workers, we have small industries, 'longshoremen, clerks. At Carbonear we have one of the industries, erected in one of the most prosperous towns in Newfoundland. If I were not so close to my colleague who represents Harbour Grace, I would say that you do not see all of Conception Bay when you go as far as Harbour Grace and it is a compensation when you climb Saddle Hill to look down, either day or night, upon Carbonear.

I am most encouraged about the good things that are going on there both through what this Government has done and what other Governments have done. The Tannery is a permanent asset for Carbonear, the public wharf will be no less so in its own way. On the human side, the Town Council is a thriving group of people, if I may say so, thriving in the sense they are thriving on hard work for the sake of the municipality and its citizens. And the citizens' committee is doing a very fine piece of work over there to keep its civic consciousness alive. They are trying to do something throughout that district, particularly the upper end to help themselves. We have an experiment in the matter of sheep raising and it is quite possible that before long a considerable effort, a successful effort, I hope, will be made to develop a sheep raising industry into a second-

ary industry. A number of responsible persons from the upper part of the shore, especially in the Carbonear-Victoria, Salmon Cove areas are doing very fine pieces of work in that way. And there, Sir, is an indirect reflection on this question of the cost of living. I speak from what is happening in Bay de Verde, Carbonear and is becoming more general. The good woman is depending more and more on the cheque from Buchans, Bell Island and the Bases as the case may be, and what we have found over there, the cabbage gardens and small farming which mean so much towards self help are disappearing and as long as that continues, well as long as that happens, the cost of living is bound to be an aggravated problem.

Now, Sir, I refer again to the speeches of the mover and seconder of the motion before this House. They seem to say what I hope is in all our minds; that this is not our House, we come and go, but the people go on forever. How we make use of our opportunity here in carrying on their business in this House on behalf of the people, in speaking their thoughts, doing the things together which they themselves, scattered North, South, East and West, cannot do separately, how we do that is part of the Story of Newfoundland. One of the functions of this House, Sir, is to inform not to confuse and I suggest that while that is a responsibility resting upon us all, it rests not least of all upon this side of the House to do just this; to enable the people to see in what general direction their Government is moving so that they might the more intelligently be able to participate in that going concern. It is one, I say, of the principal functions of the Government, and of this House, that we shall not confuse but that we shall

inform. And even though all the people may not be able to subscribe to the general direction suggested, they should at least know in what general direction they are being asked to go. Therefore the Premier's statement, made a few days ago, surely was a masterpiece of political philosophy. It has never been done before, as far as I know, on so comprehensive and on such an enthusiastic scale. I believe it will be regarded as a matter of political history that that thing was done, and my own allegiance to the Party, if it needed any further cementing, has been much more considerably enhanced as a result of that statement. In such a House, Sir, there need not be continuous unanimity, better not, all need not be calm and formal, better not, where great men grapple with great issues, feelings are bound to rise and emotions are bound to be stirred, but, Sir, if we keep the spirit of the people before us, debate not to confuse but clarify, and differences of view will be regarded not as a matter of party tactics but rather an honest effort on the part of us all on both sides of the House, equally honest, to get at the root of the business at hand. In such a House the unpopular view will be heard with respect because we appreciate fully the wise words of such as those uttered by Paul Hoffman, former ECA Chief, now Director of the Ford Foundation—"When it becomes dangerous for a man to express an unpopular point of view a free institution is in danger"—Here then, Sir, we shall help to hammer out the democratic pattern for Newfoundland. For democracy is not so much a government nor a form of government as it is a way of life. We as the people's representatives will not have any better opportunity to declare the democratic faith that is in us and give a living example of what

we mean by democratic faith, any better opportunity that we have right here and now in this very House.

Now, Sir, I think what I want to say in this speech has to do with human issues. The speech from the Throne has to do with economic issues. That is not to say that the Speech from the Throne does not concern itself ultimately with human issues, they are there just the same and what I would like to do in this speech is to draw attention to some of the human concerns and to show how hard it is to keep these human matters to the fore in a world which is packed, where the material influence seems to bulk so largely. I think nothing better illustrates the influence of the material propaganda cast upon us than the influence of the radio which can be such a source of good or such a source of evil. During the days immediately following the death of the late King stations sustained such types of programmes as were not only in keeping with that sad occasion but were a credit to the management of the stations. I believe our people generally were moved and inspired by the magnificence of these programmes. But hardly was the funeral ceremony over when the advertisers caught up with their usual propaganda and indeed seemed anxious to make up for lost time. The racket of advertising is dinned into our ears every day and every night, the lie that life is like a bargain over the counter, that life is mainly a matter of picking the lucky letter out of the bag, getting something for nothing. Mr. Speaker, the Government is being criticized these days for undermining people's initiative by giving them benefits they don't deserve but in this business of getting something for nothing governments seem to be mere novices, the

real artists are the advertisers, they have learned, it seems, every trick of the trade so that our children and all of us are assailed day and night by continuous blare of come and get it, your letter may be on top of the heap, all you have to do is send your name and address and a box top. All you have to do is tell us who killed cock robin! On a radio programme, "Share the Wealth," on Saturday night last, a farmer got his prize for telling whether the potato grew above or below the ground. Mr. Speaker, if it had to be a matter when choosing between industry and government sharing the wealth, I for one would choose government, and if I may be pardoned, particularly this Government. But, Sir, industry has responsibilities of its own which only industry can carry just as government has responsibility which only government can bear. I am not contending that all businesses are alike or that all businesses are equally designed to make maximum profits in the shortest possible time, but I do contend that in industry, where the profit motive prevails before all other motives, where quick riches are regarded as more important than public services and responsibility, then in that society the foundation of such society is already very weak. It is not an accident, Sir, that in those uncertain days, we find these terrible power and profit making processes, it is not an accident that in these societies, crime and corruption are rampant, whereas relatively insignificant in those societies where a genuinely co-operative spirit prevails, fundamental attitudes still exist and such societies are free from such diseases.

Some voluntary societies made up of business men and women, in close touch with the Department of Public

Welfare are set up to get at the cause and organize our resources to meet these social problems but we are by no means immune from danger; as a matter of fact, I say there is a real and very imminent danger ahead particularly from children and youth according as our population grows away from the little places and changes to the larger centres. In order to keep any semblance of community spirit alive and preserve our front lines of defense, the educational and social bodies in our midst might very well keep in mind and attempt to see that our human resources, the way we co-operate and work together are taken advantage of in the total field. What I am saying, Sir, is that part of the function of public welfare, is just this, public welfare takes all in, the widow, the fatherless, the drunkard, the prisoners and the ordinary citizens and the Legislature, all of us are there. Public Welfare is not just a monthly cheque, though it is important, it is just as much a concern for cause and prevention of poverty in the first place; Public Welfare is not just finding a job for the unemployed, it is just as much a concern for the cause and cure of unemployment, Public Welfare can never be completed while half our citizens don't know nor care how the other half lives. That is why, as far as this Government in relationship to the public is concerned, is trying to make it a jointly shared endeavour. For three years, at least two and a half years, while one part of the Government's job is to distribute dollars, as long as you have dollars that is by far the easiest part of the job, the much more difficult part is to build up personal relations between people and their government so that the people can take part in their own self-rehabilitation, help them to make their own efforts and don't be-

come a crutch for them. And so we have carried on a broadcast of Regional Welfare on behalf of the total job we are trying to do. For the last couple of years, as the Opposition very well knows, Sir, when we came into the picture as a government, as a Province, there were important public welfare concerns we had to face, here a relatively poor organization, in a sense at least relatively poor public welfare system which was known only as "Relief." We still have to try to stamp out the idea that Public Welfare is nothing more than relief. But here on this little economy there were poured millions upon millions into the people's pockets, even though they never before saw these things. One can list them, but they have been listed before. Surely it was the responsibility of the Government to see that they were properly used and did not defeat the very purpose for which they were intended. And these broadcasts were designed to do just that. Perhaps that should give the Opposition members a slight halt. In circulating these we did not put them out as propaganda, anyone who has read these broadcasts, read them intelligently, genuinely, knows they are not propaganda, if that thought ever entered anyone's mind, but honest to goodness efforts to try and interpret to the people the job of public welfare and where they fit into the picture. In Britain where they are highly civilized it is done on a broad scale and with considerable good results, and so we are trying to do here, in, I say, the same way. I took part in one of those broadcasts last November (which were referred to, I know not too seriously, as the \$80 an hour broadcasts). On November 1 of last Fall, I found myself saying to the Newfoundland people what I had said at Halifax last year to a

National Convention, when I said to them: "Social Security can be too much of a good thing if we don't watch out." The Leader of the Opposition and his colleagues have never heard a Public Welfare Minister in Canada come out and say that social security could be too much of a good thing. But here it is. I said it at Halifax, and came back and said it here, and more besides. I indicated what we had to watch out for, throughout that address. Sir, there is every evidence to show that we have had the people's responsibility in the matter of public welfare very much in mind, indeed it is the theme of the broadcast and the address that public welfare is for the public.

Now, Sir, the Leader of the Opposition has occasionally been good enough to circulate literature to me from which I have profited, and if he does not mind, I am going to return the compliment and send a copy of this address across to him, and it is autographed.

I feel sure, Sir, that if the Opposition were the Government they would have had to do much the same thing as we have done, and I have tried to lead this question of broadcasting, this question of public relations up to where it properly belongs. We have come a long way, Sir, with community organization and responsibility in Newfoundland within recent years. I know the part that Public Welfare has played in it, but that is only small, we still have a long way to go. We have given the Department a number of leads in various directions, and we still stand ready to break new ground in the matter of getting the public more interested. It is intensive work and you can only go so fast. At the present time there stands ready in St. John's and in the larger centres tre-

mendous opportunity for various associations and bodies to combine forces, to make themselves infinitely more effective in many matters in this field. We have to meet our common problems not just with dollars and cents, not just more money but with better ideas. Delinquent children, prostitution, these are diseases which require first of all deep understanding not generalizing and taking a holier than thou attitude. You cannot wipe out delinquency and crime by building a better police force any more than you can eliminate typhoid fever by manufacturing a better fly-catcher.

I should like to take up now, Sir, some sundry points raised by the Opposition. I say all these things as pointedly as I can. I think I see two Oppositions, one has made up its mind to be critical but not bitter and one which has made up its mind to be pessimistic but not hopeless, but listening as I have, I have not missed any of the Opposition speeches, I have tried to listen carefully. They seem to me to spell out a funeral dirge for Newfoundland and "We may as well abandon hope all we who enter here." It was quite a dismal show. We on this side of the House could never put on such a show, we have not the capacity. One of the speakers went so far as to offer personal sympathy and that is as far as any loyal Opposition ought to be expected to go. My first comments will have to do with that honourable gentleman's remarks because I can say there was more of substance in his, as far as I am concerned, more substance, even though critical in his speech, than there was in the others. That is by no means a comparison but as it affected myself, because I was listening, as other members possibly, with a certain background. Now the honou-

able gentleman I refer to, the honourable member for St. John's East, referred to aspects of the cost of living, and of that matter the Honourable Premier and my colleague in Supply have brought their contracriticism so I won't go over that ground, but I shall say this, and I don't want to appear to teach the Opposition anything, we are all here to learn but I should say the business of the Opposition in matter and substance is this, what they should be doing is to be fair enough at least to draw attention to these things beyond our control and distinguish between those factors to bear on those within our control which we are doing nothing about. There is a distinction they should have drawn between those things beyond our control and they are plenty, and those within our control. For my own part I have complete confidence in their ability to make that distinction. They did not draw attention to the increased purchasing power of our people. The same honourable member for St. John's East is a member of the CNR Staff and must know that the CNR employees themselves have prospered considerably under Confederation, or since 1949. If he looks out around his plant up there at eleven o'clock in the morning at the number of cars there he must feel a sense of increased purchasing power; there are more cars generally as the Department of Public Works would attest and there are other indications of the increased purchasing power, increased mail and the rush on the mail order houses, etc. I shall add one welfare point, if you were to lower the index of the cost of living many points, there will still be a cause for complaint because by lowering the index you still have not reached some of the problems that affect the cost of living for certain

people who have not learned to spend their dollars. There are many people spending their money on liquor who can't afford that or gambling in various forms, and I don't wish to make a pun in this way, but whose lives seem to spin around the wheel of fortune—

MR. CASHIN: The Government encourages them to buy liquor.

DR. POTTLE: People very often need as much help in spending dollars as they do in getting a chance to earn them in the first place.

Now, there were a number of references to housing, the shortage of housing. Again I say there is no great shortage of housing in Newfoundland as a whole but only a shortage in certain areas. I would be the last to admit that it is not serious, but a shift of population over which the Government has very little control has caused these matters. Yet I find on March 29, that very pertinent to this matter there are six columns in the "Evening Telegram" of houses to be sold. Now, my honourable friend will reply that the people I am referring to can't buy them but somebody is selling them and somebody else will buy them. These people are selling very largely because they want to improve their present living conditions. But the situation is that overall there is no shortage of housing but only shortage in certain areas. And I shall say this, that this Government is the first Government that has made a direct frontal attack on bad housing. The first frontal attack was made by us and there is reason to believe today that that process has not come to an end even though we have to consider the matter concerns Bell Island, Corner Brook, Grand Falls, Windsor as the case may be. There was a considerable

and important attack on housing but let us remember that it was indirect yet that does not take away the fact that it is costly, in St. John's and in Corner Brook, true it is indirect but it is a credit to St. John's and Newfoundland and I say the work done by all of these men in various places, often over a period of years, is a good example of community effort, for the greater part, much the greater part I say, that job although it was costly is not only a credit to Newfoundland, St. John's in particular but will have a positive influence as it already has on house building in St. John's. Let us remember there is a great influx—

MR. HOLLETT: Was not that done by the Commission of Government?

DR. POTTLE: Yes, but indirectly, I am not taking credit for it. There has been a great impact, Sir, of industrial changes in Newfoundland, sudden growth in certain places three or four times as fast in other places and there are some of these factors. I say, such as the control of population, not entirely within the Government's control.

Now, I should like to refer to another great asset to which I think we ought to give attention of the House and that is the Canadian National Railway as it applies in Newfoundland. This railway is one of the pertinent and pervasive benefits of Confederation. Prior to Confederation, I say it as a Newfoundlander and with some responsibility, prior to Confederation the railway was in danger of becoming a cross country slum and under our own Responsible Government in the orthodox sense, that is if we had it in our own hands cut off from everybody else all expenses to

be met out of public funds we would not be able to provide sufficient for the railway, to keep up permanently the cross country railway. The Canadian National Railway, if I may say so, is the best answer to that mephitic of isolation in Newfoundland. Through that means we have more coastal boats, there are prospects of a new Gulf ferry, actually improved and increased rolling stock. Then the earnings, which are for everybody to see, are very considerable and I understand for this coming year will be even in excess of last year. I should like to touch upon some subtle points in this matter of the Canadian National Service as it touches upon public welfare responsibility: The railway touches the life of hundreds of our people. I understand that their labour relationships are at least fair, and they are good as far as I can understand. We have had one experience and one can only imagine what would happen if the railway strike were of any duration. I speak also with regard to public relations responsibility which the railway has from the lowliest office in the railway to the top where they meet the public, and where Newfoundland's name is known for good or evil as a result of the way their services meet the public. From North Sydney to Port aux Basques and all through it is a very considerable public welfare concern, Sir, and I know the management has these things in mind and will do all they can to further the ends that I am suggesting, namely good public relations.

Now, Sir, the honourable the junior member for St. John's West raised a question about relief and he did not wish to be interrupted when he said the Relief Bill for 1949-50, the first year of Confederation, was four mil-

lion dollars. Now, factually the figures are right but my honourable friend did not make allowance for certain important items. I am not apologizing, the figure is large, Sir, but not for the reason the honourable member seems to suggest. That year the Government made a gallant gesture as an answer to this question of able-bodied relief which is another nephritis in Newfoundland. There is only one answer to it and I shall give that answer in a few minutes. "That was a gallant gesture," I say. Relief in 1949-50 cost us an amount of one and a quarter million dollars as a part of that four million, a non-recurring item which we could not keep up. It was too great a luxury, if I may say so, but a noble gesture and one which we would not repeat; probably with the facts as we knew at that time, we did our best. Then there is in that item a considerable amount of sick relief. There is also in that item of four million dollars an item of unpaid bills which at that time amounted to six hundred and eighty-five thousand dollars incurred in the previous year but not paid until this particular year—\$685,000.

MR. HOLLETT: Excuse me, Sir—Does that arise every year, that there are unpaid bills?

DR. POTTLE: I will come to that in a moment, Sir. At the present time it can be said that there are no unpaid bills in the Department of Public Welfare apart from what came in in yesterday's mail. I mean by that, they are dealt with according as they come in so that if a hundred thousand dollars are provided for a month's relief or five hundred thousand for a year all the bills that come within that year are paid within that year and there are no liabilities now which go over into another

year. That is because of the accounting system which we have introduced.

In 1947-48, the year before Confederation, the Relief Bill was \$1,485,000. In 1948-49 it was \$2,314,000 and the year to which my honourable friend refers it went to four million dollars for the reasons given. In 1950-51 it came back to \$763,000 and this year it is down to \$735,000 and \$312,000 of that is for casual sick relief. Each of these figures relate to distribution for the first ten months. In other words, the net able-bodied relief for ten months of the last year is less than half a million dollars. Before this session ends, Sir, I hope to be able to give a more adequate statement of this whole question of relief. I am quite sure the figures that will then emerge and the statement we might make about it will be enlightening both for ourselves and for the members of the Opposition. The Opposition should hear and know as well as we should hear and know what are the principal problems that relief indicate, what it means to us as a people and I hope at that time to be able to put it in a way most meaningful for us all.

Now, Sir, I want to make a comment with regard to these figures I just mentioned. This item of relief for ten months which amounted to \$750,000, round figures, let us look at it. We have reckoned here on the basis of 1945 census as that was the last figure we had. We shall possibly within a few weeks have the 1951 census, but it is on the basis of the 1945 census we have made these calculations. We have broken these figures down into electoral districts and as you would expect we have a difference there from one to another, but the difference is wider here than you would expect even knowing Newfoundland. In wide-

ly populated areas involving so many of our people such as the Humber Area and the Grand Falls Area you have a per capita cost of .39c. for Grand Falls for those ten months. In other words the cost of relief in those two districts was for Humber Area 39c. and for Grand Falls 50c. per person whereas in other districts such as Harbour Grace, Carbonear—Bay de Verde districts it is \$4.03 and \$4.05 respectively and in Placentia West \$4.01 per person. There are all degrees but there is nobody looking at these figures even on first sight who will see that what happens is that relief bulks most largely in areas which are bound by the uncertainty of the fishing industry. I shall bring other evidence to bear before this session closes to indicate that the uncertainty of the fishing industry as it is presently conducted helps to swell the figures for relief. Therefore, Mr. Speaker, any undertaking to assist the fisheries in the first place is an undertaking to provide more employment for people generally and will be a direct frontal attack on this mephitic of relief. And it is in this connection, Sir, the programme of economic development, the programme of trying to seize opportunity for labour throughout our Province, it is in this connection that our programme becomes relevant and becomes vital. The economic development of Newfoundland consists not only in finding new ways of making use of our raw materials but in making more efficient use of our raw materials. The conservation of our natural resources, I am sorry to say, has not been one of our strong features. As Newfoundlanders we tend to destroy rather than conserve. This, I presume, is because we have always had to fight an unequal fight with nature; the short season for producing,

very few industries and there has been a generally vulnerable economy. In the case of fishing for instance, which I know at first hand, we have tended to kill without due regard for conservation. As a matter of fact we use the word "fish-killer" to describe veteran fishermen of Newfoundland. The size of the net-mesh might look like a small matter but from the point of view of preserving the salmon industry for instance, it may be a very important matter indeed. As Newfoundlanders, I say this kindly again, we tend to look upon our basic industry, our very source of meat and drink from the short-term point of view rather than the long-term point of view. We have not the patience, it seems. It is the same with our forests. Only a few short years ago a timber supply for firewood was within reasonable reach of the people of most of our shorelines. That is largely gone. If we had kept in mind the needs of coming generations we would have taken some steps surely to conserve, by selective cutting and probably replanting. The Government of Newfoundland before this present Government maintained to some extent conservation methods in the Department of Natural Resources in this matter of replacing trees. Whatever the outcome has been, or failure has been it at least is an indication that the part government plays in conservation is very important. I might for the information of the House say that in Britain where our foresters went during the last war to work, so many of them, cutting timber, it is a matter of interest that 90% of the timber they cut had been planted a generation ago. The question of conservation is applicable also to contractors who cut large portions of our wood each year. The temptation is to go in and take

the best, the high grade as we say, and leave the smaller. As a result small and big is cut together indiscriminately.

The two large paper companies have a very considerable stake in this matter of conservation. They extend their operations over sixteen thousand square miles of Newfoundland and between them cut about a million cords of wood every year. With the present demands for more paper the companies are working at record cuts to meet the demand. When we consider that to put out one New York week-end edition, just one, it requires the cutting of scores of acres of Canadian timberland, we get some idea of the rate of depreciation of our forests under present industrial conditions. As far as the paper companies are concerned there is very good reason to believe that they are taking proper precautions by selective cutting and other means. I merely drew attention to them in order to point out the responsibility which paper companies have in insuring continuous prosperity for Newfoundland.

There is a responsibility for us not only to utilize Newfoundland's natural resources for national good of Newfoundland now, but also to insure that these resources will be conserved by plan for future generations. That is a responsibility which the Government and the people of Newfoundland have a right to expect will be fulfilled, and we believe the paper companies are aware of that responsibility.

Now, Sir, in this matter of conservation, we are obliged to think, not only of natural resources, but to think also of our human resources. Conservation does not apply only to the things we live by but with conserving

men. It is at least as important to be sure that we are making the best possible use of our man-power and woman-power as it is to make sure that we are making the best possible use of our land-power and water-power. In special emergencies such as war, man-power and woman-power is brought to a high peak of efficiency so that all available human resources are ready to be, and in fact are employed when and where they are needed most. But we have not developed a peacetime mobilization and as a result we have the possibility that we may have more workmen in one area than is needed and less in another. One industry that has a shortage of labour and in another unemployment. Without any plan of peacetime mobilization we have a situation where young people are being prepared for occupations which will not exist for them and on the other hand specialized work for which there will not be enough skilled workers. I think the time has come, Sir, where, as far as Canada is concerned as a whole, and Newfoundland in particular, we will have to make a plan, there ought to be a closer relationship between the number and types of jobs available and the number of classifications of workers available. If we go on without any such plan the results are what we described. A situation that is planned is not totalitarian but democratic. As a matter of fact we will have to do something of this sort if human resources are to be employed and conserved with maximum effect. As our industries develop one by one these industries will need so many men. But we have the situation where industry has no overall concern for where the workers come from and on the other hand training centres turn-

ing out trainees with total disregard as to where they are to find work.

There is another point, Mr. Speaker, with regard to conservation of life, a subtle point to which I am obliged to refer and which is likely to escape our notice. That is that our generation is becoming more and more a generation of aged persons. In 1939 one out of 18 persons in Canada was 65 years of age and over but in 1951 it has increased to one out of 13 and in 1971 likely to become one out of ten who are 65 years of age and over. Now, the same thing holds true of America as between 1940 and 1947 the expectation of life for males in the United States has increased from 48 years to 65 years and the indications are that about 62% can expect to reach the usual age of retirement. Translated, Sir, that means that if the present trend of age goes on by the end of the present century there will be twice as many people in this age group as there are. While the proportion of our aging population increases, industry tends to make it more and more difficult for such people to get and hold on to employment. With more machinery and more complex machinery the tendency is to prefer younger workers. There are older workers too holding pensionable positions requiring pensions at 65 years who could well go on working beyond that age. I will say now, as an indication of what I am talking about, it looks from the number of applications we are getting for old age assistance that there may not be as many people applying for assistance as we had expected. The answer is that a great many of these people are working, and working profitably, and that is a good sign. Most people, however, come to the age of 65 with-

out very much security and the formal pension, let us say, is not the correct answer. We should be thinking about these men as in the main men who can be employed. But no man will hire them. There ought to be more services concerned with their welfare. Let us remember that whereas formerly we used to consider persons 65 years of age and over as being cast to one side as of little more use, today on the other hand the man of 65 is still vital and should not be cast aside on the heap. There is a good sign that industry is talking over and considering this, and are beginning to realize it. America is taking considerable lead in this matter of realizing that older workers are more reliable, have developed skills and a finer sense of responsibility and are a good influence upon the younger employees.

Canada today is facing a critical situation because of the diminishing rate of available man-power. I would like to quote as an example this item I found in the "Engineers and Mining Journal of Canada":

"Canada is faced with a scarcity of qualified miners because mining is not popular any more. But the Canadian Metal and Mining Association is working through the Federal Department of Labour, Immigration Authorities and the International Refugees Organization to enable many thousands of displaced persons, Ukrainians, and Poles to come over here to Canada as immigrants under agreement to work in our Canadian mines on a twelve month trial basis with freedom to stay on after that period or to find other employment." That explains why we have such men, it is one example of conserving our manpower. Because of these displaced persons finding work in Canadian mines many

mines could not otherwise have reached maximum production without the addition of that labour force. They are in the same position today in England. Forty percent in England are able-bodied and employable and the remainder are over-age and pensionable, or under-age from the employment point of view, or are otherwise unemployable for other reasons such as those engaged full-time as housewives. Before many years Canada will be in the same position. Therefore it is necessary to take active measures to rehabilitate and as in wartime to employ to the full in as far as possible our total manpower resources. It is all the more important because Canada is undergoing rapid industrialization and this necessitates change in the character of the working population. In 1939 there was one person working in industry for every one in agriculture and now only thirteen years later the relationship has changed until now the farmer is outnumbered by the industrial worker by more than two to one. In company, therefore, with other enlightened welfare authorities, we in Newfoundland are not losing sight of the fact that at 65 years of age at any rate the answer is not always a Government pay cheque. It will help but normally it ought to be merely assistance. That is why we have called it the Old Age Assistance Pension. It is not a full-stop, not a pension but assistance which takes into consideration the fact that at 65 a man still has human power, is still valuable, still has a residue of strength. The idea is not to grant a pension or assistance but to make a valuable, suitable, productive worker and to keep as long as possible everybody within the labour pool.

Now, Mr. Speaker, I turn to speak of education in general. It is my view, Sir, that the immediate problem of Newfoundland is, broadly speaking, education. The short-term problem is the one facing us here and now, the one to find jobs, bread and diversify our economy, to bring the best to Newfoundland. As we see it; that is the job of the Government here and now because these jobs need to be done here and now.

But from the long-term point of view, in keeping with what I have been saying of human resources broadly speaking, the problem is education, and I mean broadly speaking. In the field of formal education in Newfoundland the Government has a very considerable investment. These remarks I am to make about education are my own personal views and my colleague in the Department is not responsible for my views, but I make them within the framework of our general policy. As a matter of business alone we ought to be asking ourselves—"Are we getting the worth of our money?"—and the answer must be not just in terms of the number of school buildings, not in the number of pupils enrolled, the number of examinations passed. As principal shareholders in this vast enterprise, surely we should be concerned fundamentally with the kind of youth our schools help to develop because that is part of the job of shaping the character of a Province, of a nation. But while it is a part, and a very powerful part, it is not my intention to catalogue all the elements in such character, if I knew, but to give my attention to some of the social aspects of character as I perceive them: How for instance we should behave towards one another as a result of having passed through the

schools. We certainly expect the school to cultivate understanding of one another, understanding between groups of different societies, different social standards and economic standards, or any other kind of standards so that there will be a minimum of snobbery and bigotry or any other such form of childishness. Where there is no understanding there is ignorance, there has to be, and such ignorance leads to hostility and all the forms of social diseases. We should learn to express for man not merely tolerance but honest-to-goodness understanding of our alikeness as well as of our differences. The more opportunity our children have for give and take the earlier they are likely to discover that our differences are only accidental, our alikeness invariably fundamental. In all these things the teacher has, of course, the important part of play. And here I say again that this Government, this House, I should say, are much concerned about the teaching profession, as much concerned as we are about other vital matters and we would covet for them, within the framework of our means, the best possible salaries which they can command, and I say, within the framework of our means. It is one of the paradoxes of society that the workers such as teachers who have to deal with people are paid very meagerly. That is a paradox of society to which I drew attention in my speech as twisted thinking, we seem to be all twisted in these matters. People who do not contribute to social welfare earn far more than people who are basic like the teacher. Let the teachers therefore argue or plead their case, and I hope they don't have to do it too grievously or with too many but logically, and we are especially on their side. I am not arguing against

better salaries, far from it, I wish we could do better and I am not saying anything about future plans, there may be no plans but the matter of salaries is an open question. But along with salaries there are other things, and to my mind this question of salaries is not the principal and only question that we should be concerned with when we think of the stake of teachers in the whole matter of education. If there is anything amiss, if there is anything that could be corrected by way of the teachers' pensions, or anything that needs correction I don't think the matter of dollars and cents or increase in salaries is going to affect the matter fundamentally at all. It will ease some secondary difficulties but won't create better teachers. If there is anything basically lacking in this whole matter of education, teachers' salaries are just one item. But there is another item. I should like to hear more in educational circles of the great part that education plays to improve, to build up a faith in our people, in Newfoundland, in one another, a more healthy respect for one another, a faith that we are going somewhere, that we have somewhere to go. I would like to see more opportunity for creative co-operation, creative endeavour; I should like to see that our teaching profession examine more and more what is the basic necessity of Newfoundland, and what they themselves, as teachers, can do in reconstruction. I believe I see an example of what I am talking about in the Adult Education movement. And, if I am right, I hope that its influence and its point of view and basic methods will permeate the whole concept of education in Newfoundland. I am fully aware that many teachers in this Province are living examples of the best

we could hope for in education and their number is increasing. As a general picture of education given in the 1945 census, figures were shown stating ten percent could neither read nor write but when we look at the extreme of illiteracy which in some districts go as high as 25% and 30% and in the case of one district of 36% it is worth noting that the districts of the highest illiteracy rate tend to be where the population is most scattered and where a preponderance of small schools, especially of one-room schools, exist. Sir, this special problem of one-room schools ought to be carefully considered and examined by the responsible authorities. What I am pleading for is this, Sir. Education is one of the most potent stimulants of civilization. We see that power coming more fully to its own in Newfoundland and see more fully a measure of compulsion in our schools that will enliven our schools and all of us, teachers, Board of Education, citizens, Government to do all we can respectively to make education do fully and freely what only education can do. I can see, Sir, how the Memorial University, our centre of learning, will play an increasing part in this.

Now, in conclusion: I have been trying to impress upon the House in sundry ways one obvious fact, a fact so obvious our shortsightedness may overlook it, that is that the efforts of the Government to insure prosperity for our people are not, and are not intended by this Government, to be a substitute for the people's own efforts to help themselves in every way they can, and indeed the Government's own effort will be defeated very largely if the people themselves do not help them in every way they can economically, educationally and in many other

ways. Whether we call this native land of ours a Province or a country let none of us even pretend we can paddle our own canoe and be independent of the outside world. We are not independent, even without Confederation we would still be economically, historically in the group of the North American Continent, it is only folly to go on pretending. The real question to ponder is what on earth would have happened to us if we had stepped out on our own to cope with the shapings of this world, but the fact is as has happened, our destiny has been caught up with the destiny of Canada, and if we had to choose again what destiny would we have shared? Today the destiny of Canada, as far as any mortal prediction takes us, is as staunch as any other nation we know, and its future depends upon our human resources as well as on our natural resources. I hate to be always quoting myself but less than a year ago I found myself talking to a national group of social workers in Halifax, and I then said . . . "There is no virtue in continuously looking inward as our destiny lies outside in some respects as within. There is no greater enterprise that could engage the head, heart and hand of the Canadian people today, that phenomenal continent from sea to sea that Canada has become, one of the three largest exporting nations, a tremendously important fact, but that Canada should feel with one heart and speak with one voice on more and more fundamental issues to give a foreward and reverberate for good throughout the world. Now, Sir, I have not this copy autographed but I am going to, so that the Leader of the Opposition may have the full text of this, I give it to him right now. I hope he won't dislike the colour of the booklet,

We can bring this matter of application right down, Sir, to our own local affairs at home, and what I just said to Canada as a whole applies here equally as well. The future of Newfoundland, the lasting prosperity of Newfoundland must take into account not only economic assets but human assets as well. To some of these I have summarily referred. We cannot afford to dissipate human resources by unnecessary bigotry amongst us or by driving wedges of disunity among our people of Newfoundland, we cannot afford that. We need all the people we have and we need them all pulling together. I like to think of a fisherman or a workman as he comes in and listens to his battery radio tonight and turns it on and hears what is doing today, or some other time, as the case may be. I should like to think of that man who works, on hearing that we were discussing things that pertained to the prosperity of Newfoundland, that we had faith in Newfoundland's destiny and are taking proper steps to reinforce our faith by deeds, to think that he would be as happy to hear that as to hear that we are scuttling the ship by scandals. I should like to think even that the newspapers were just as anxious to hear that something has happened to give Newfoundland a good name as to hear that something has happened which will condemn Newfoundland and dishonour her. Quite frankly, Sir, Col. McCormack does not worry me, because I have never considered that the greatest enemies of Newfoundland might be outside, the dire possibility is that while we are diverting our attention to name-calling on either side the heart of our life might become honey-combed within.

I shall not go over my time, Mr.

Speaker, but I would like to say to us all, all Newfoundlanders, gathered here as we have been this afternoon in this House, I don't suppose there have been any people in the Western Hemisphere or probably in any other hemisphere that have in such a short time had to undergo so many changes and make so many adjustments. I do not want to be redundant but it looks as if the very winds of history had taken us and shaken us to bits and planted us down again. Hardly any nation should be expected, hardly any people, so unsophisticated, so honest-to-goodness, so down-to-earth, should be expected surely in such a few short packed years to have to undergo all these changes, economic, constitutional, and social, as we have had to undergo within the last few years. It is almost too much to expect of any people, and yet, we have come through it, not unscratched, there are some scars, but I think every member here believes with me there are no scars that cannot be healed. I think that in our best moments we believe that together we are at our best, rather than when we are tearing one another or one another's interests asunder. I don't want to become as a didactic in language, I don't want to be anything but a straight-thinking Newfoundlander. At this moment there are some of us here who came into this working scene with ideals, as to the old things of the past, to do our best to not only forget them but never bring them up, never perpetrate any of the evil things of the past if we can help it, but rather to try and personify what is best of the past and sublimate them in the present and carry on to bigger things. We are no better nor no worse than the other fellow, I know that much, and I for one am still holding to that little dream which was not all dream, which might be realized not only for

us here but for all of us in Newfoundland.

Newfoundland needs us, and she needs us all together. Let us all hope that we will not fail her in her fateful hour of need.

MR. MERCER: Mr. Speaker, I adjourn the debate until tomorrow.

MR. SMALLWOOD: Mr. Speaker, could we go on to No. 2, and Nos. 3, 4 and 5?

MR. SPEAKER: Committee on Supply: leave was given yesterday that the Committee sit again today.

MR. SMALLWOOD: Mr. Speaker, I was looking at the wrong Order Paper. Mr. Speaker, could we take the first readings?

First readings:

"An Act to Approve and Give Statutory Effect to an Agreement between the Government and the Atlantic Hardboards Limited." Read a first time, ordered read a second time on tomorrow.

"An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company Limited." Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Land Development Act, 1944." Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies'." Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Judicature Act," read a first time,

ordered read a second time on tomorrow.

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

A Bill, "An Act to Provide for the Establishment and Administration of Community Councils." Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Relating to the Conferring of titles and degrees to Students of Queen's College." Read a first time, ordered read a second time on tomorrow.

Committee of the Whole:

A Bill, "An Act Respecting the Department of Mines and Resources."

HON. L. R. CURTIS (Attorney General): No. 7. There are one or two points of editing there.

MR. HOLLETT: I wonder, Mr. Speaker, if the Minister could tell us how much land now comes under the Department of Natural Resources? That is over which he would have control. I believe there is certain land at the moment gone out of the control of the Minister such as 1,400 miles to Seigheim on the Labrador. I take it that is no longer under the jurisdiction of the Minister of Mines and Resources. I am not sure on that point. There is also some 21,000 sq. miles presently under control of the Newfoundland Labrador Corporation Limited which I presume does not come under the control of the Minister of Mines and Resources. There are certain lands at lease for 99 years and I am quite sure, the Minister may not be here but the office will still be in existence 99 years hence; and land under Bowater Corporation—

I was just wondering if you, Sir, or the Minister would tell us exactly what land would come under the control of this new Department.

MR. SMALLWOOD: About 80,000 square miles.

MR. HOLLETT: Could the Minister tell us exactly where these 80,000 square miles are?

MR. SMALLWOOD: I am afraid not. In the Province of Newfoundland, in the nation known as Canada in the Western Hemisphere and belonging to the world, but exactly where in the Province I am afraid I can not carry that detail in my mind, as the honourable gentleman, I am sure, fully believes.

MR. HOLLETT: In the Western Hemisphere.

MR. SMALLWOOD: Yes, in the Western Hemisphere.

MR. HOLLETT: With reference to Section 8 could the Minister inform us exactly what were the duties of the Minister of Natural Resources.

MR. SMALLWOOD: Yes, they are defined very clearly in the act creating the Department. Does the honourable gentleman expect me to have memorized the Act creating the Department of Natural Resources, if he does he credits me with too fine a memory.

MR. HOLLETT: Not at all. I am quite aware that the Minister has an excellent memory. As a matter of fact I don't know of any man in this country who has a better memory, but I think it is unfair that this House particularly on the Opposition side should be asked to vote to give the Minister powers which he himself is not able to describe to us here and now.

MR. SMALLWOOD: Mr. Chairman, I think the honourable gentleman as a magistrate of the law is aware that each citizen is supposed to be aware of the law. It is a law which was passed by the Legislature of Newfoundland and all the honourable gentleman has to do is read it. It is in the Legislative Library. We could have it sent down on the honourable gentleman, I am sure if he were to ask the page, could have the Act placed here. It is in the Consolidated Statutes, the Act creating the powers of Minister of Agriculture and Mines, subsequently for Natural Resources, all of these are carried forward to the Minister of Mines and Resources.

MR. HOLLETT: Thank you, Mr. Chairman. There is no such law in existence at the moment, and I submit there is no such law in existence as this particular Bill would designate at the moment. Therefore how can the Honourable Minister expect anyone to know exactly what the law is on that point. If you read on page 8, the Acts set out in the Schedule are repealed. And that Act is dated the first day of April and this happens to be the second. The first is a day of course of very great consequences to this country and has been for some years. Apparently at the moment there is no such law in existence as at the moment this Natural Resources Bill has been repealed.

MR. SMALLWOOD: It has not passed yet and therefore the Act is still in effect.

MR. HOLLETT: It says this Act shall come into force on the 1st day of April.

MR. CURTIS: That will be changed, Mr. Chairman.

MR. HOLLETT: Until it is changed I am asking what are the duties of the Minister and the Minister says I should know the law. But there is no law.

MR. SMALLWOOD: The Act, of course, is in existence until repealed and the powers of the Minister are set forth in the Act. If this Bill becomes an Act, it amongst other things will repeal the existing Act but it is not yet repealed but only will be if this becomes law. If the honourable gentleman, therefore, wants to know what they are all he has to do is read them.

MR. HOLLETT: Mr. Chairman, could we ask to have that Act tabled here so that we may see what duties we are voting.

MR. SMALLWOOD: Each member of the House is presumed to have all that information.

MR. HOLLETT: Just one point on Section 12, Sir, before you carry it. I take it that section is from the old Natural Resources Act—"May cause distribution to be made" I would like to inquire there, if I may, if the Minister will be given power there to distribute maps which may be made from Air Surveys in Labrador and in other parts of the Province.

MR. SMALLWOOD: Of course, yes, to anybody whom he thinks ought to have them. It has always been so. There is nothing new about that.

MR. HOLLETT: Do they have to be Canadian Nationals?

MR. SMALLWOOD: No, if it were an Englishman and a Scotchman or an Irishman or German or Frenchman or Italian, surely there is nothing wrong about that except it were from behind the Iron Curtain. Nobody

gets into Canada except after passing the security screen, nobody.

MR. HOLLETT: I think probably the Honourable Minister does not quite get my point. I take it if a man, say like Dr. Seigheim, came here, would the Minister have the power, right or authority to submit to him maps which have been so made without the consent of the proper authorities at Ottawa relative to defence?

MR. SMALLWOOD: Certainly. Property and civil rights, if the honourable gentleman will allow me, are solely within the jurisdiction of the Province and are no business whatsoever of the Government nor Parliament of Canada any more than they are of the Congress of the United States or the Parliament of Mexico. Property and civil rights are solely within the jurisdiction of the Province and if this Province have maps of geological surveys and waterpower surveys or any other kind of surveys or natural resources they are the Province's property and if our officers desire to give maps of these or reports of these to anyone under the sun, excluding Russia, we can do so, excluding the Communist Government, we can do so as far as the Government or Parliament of Canada is concerned. Now, there is the defence position. In time of war or threat of war the matter of security arises, then the security officers of Canada would have the right to intervene on the grounds of security only.

MR. HOLLETT: Mr. Chairman, that is the very point I raised. I know that there were certain applications made to the Department of Natural Resources during last fall by or on behalf of this Dr. Seigheim for certain maps which had been made

up from aerial surveys of the property apparently to which we had right only on the Labrador, some fourteen hundred square miles not so very far away from the base at Goose Bay. The question I am concerned with, is it right and proper that any Minister in this particular Province of Canada should have the right to disclose such information or to allow such individuals to have maps of certain areas in the Province without having reference to the Parliamentary authority of the Dominion? Personally, I don't think he should have that authority. I say that with all due respects to the Honourable Minister, for there is no question of his loyalty whatsoever, but I do foresee difficulties if that sort of thing were to be allowed. It is quite reasonable to expect that one would require a map of the property to which he had been given rights, on the other hand, I think we ought to be careful as to whom we give maps. I have not heard of any security or screening tests being given in relation to this Dr. Seigheim for instance or Professor Shippell. There may have been screen tests undoubtedly but the point I wish to raise and I would like to have clarified is that it is important particularly in this day, as the Honourable Premier said, in time of war. Sir, in time of war—there is a war raging now, actual fighting going on in the world. There is a war on and we are in it and there is no question about it, we are in it in a global sense all the time and it is very important that we do not give away maps of strategic areas such as North West River on the Labrador.

MR. SMALLWOOD: I appreciate the sentiments expressed by the honourable gentleman and appreciate particularly his concern that the security of Newfoundland and of Canada

and of the democracies be assured, preserved, deeply grateful for his concern and I am sure the whole House have heard with deep appreciation his concern, his expression of concern for our security. That is exactly what we would expect from any thoughtful member of this House, an expression of deep concern for our security, of a desire that military secrets of this Province should not be released to the enemy. I cannot emphasize too strongly my own personal gratitude to the honourable gentleman for his anxiety about the matter of security. I can assure him, however, that the danger, the peril of this Government or of this Minister giving security information to a foreign agent, giving the strategic values of this Province to the enemy is a peril of considerable limitation. During the time when we were battling out the matter of Confederation, I was widely, in some sections, widely described as a Communist, and a leader of the Communist movement, that had another name, Confederate Communist, widely described as one who was a Confederate and a Communist, which were one and indivisible and I as leader of Confederation was never said to be on the payroll of Mr. Stalin, in most cases, nevertheless the rumour was spread at that time. I think the honourable member will have to accept the confidence of the gentleman of this side of the House in me as a person who is not a Communist agent, an agent of the Government of Russia, will be obliged somehow to accept me as a loyal subject of Her Majesty the Queen and it is at my discretion while I am Minister of Natural Resources in the matter of giving maps, they will be obliged anyway in spite of fears which I hope will be faithfully reported in the press and on the radio so that the public will know

of the honourable gentleman's careful concern for this Government in such matters as dealing with such men as Seigheim and Shippell who may be active agents of the Third Reich and perhaps not only of the Government of Communist Russia but of Northern Korea and China. They may have gone into the bush in Labrador as agents of Communist Russia. Notwithstanding any fear he may entertain in that direction, I fear he will have to accept me as an honourable and loyal and patriotic Minister of the Queen and trust my judgment as to whom I will and will not give maps, geological and forestry and hydro-electric power maps of this Province. But the Minister has that right now, that is conferred on him and that Act confers that right and he will have somehow, as a loyal subject of the Queen, concerned with the Queen's interest, to bring himself with whatever foreboding, whatever hesitation, have to reconcile himself to that danger that I may reveal that kind of information to the Queen's enemies.

MR. HOLLETT: Mr. Chairman, I think that is very well put by the Honourable the Minister of Mines and Resources and, Sir, I express my confidence and my faith in the Honourable Minister but before I sit down I would remind him however that at the time the application was made for these maps that he was not then the Minister of Natural Resources, in fact, I believe the Honourable Minister for Public Welfare was at that time Acting Minister of Natural Resources. While it is quite in order undoubtedly to ask me to accept him as non-communist and that does not go to say that I have to accept everybody who might be sometime in the future or in the past even to accept that person as a loyal sub-

ject of the Queen. Now, I say this with all due respect to any Minister who may occupy that position but I am quite sure any ridicule coming from the Honourable Minister for Natural Resources falls like water on a duck's back, Mr. Chairman, when it comes to me. I have been used to such ridicule and it affects me not in the least. I do make this statement that there was an attempt made by the people in authority, in the present Government to secure maps and documents from the Department of Natural Resources last Fall; whether they got them or not I take the Government's word, I asked that question and had a reply in the negative but there was a request made for maps of that area of fourteen hundred square miles, maps which were made of a survey made by the Government which cost considerable and I believe to develop these maps and these camera shots or whatever you call them, aerial photographs, 152 of these and to develop them at 82c. each and I believe came to eight or nine hundred dollars and these people actually wanted the Department of Natural Resources to develop these and make a map and hand it over to them. Now, there is no question of the loyalty of the Honourable Minister whatsoever, if there were any question of his loyalty he would not be here, certainly would not be Minister of Mines and Resources. I have every confidence in his loyalty, every confidence and I have had for years and years in spite of all the rumours heard during the Confederation Issue and there are a lot of rumours since he has brought the matter up and I myself never heard him described as a Communist, it never came to my knowledge else I might be greatly concerned about handing over this Government, I think the honourable gentleman has a very

vivid imagination and I am quite sure he must have imagined what I envisaged there in my statement.

MR. CURTIS: Section 17 will have to be changed. That was drafted to obtain the Royal Assent on March 31 and as it did not, it will have to be changed now.

The Committee sat and reports having passed the Bill with some amendments. Ordered read a third time on tomorrow.

Committee on Supply:

HON. G. J. POWER (Minister of Finance): Yesterday, Mr. Chairman the honourable member for St. John's East asked me if this \$40,000 contained anything in respect to the General Election. I am able to tell him today, no, nothing whatever but the honourable gentleman might like to have a detailed break-down of expenditures under this heading and I think the Honourable Minister for Supply has that for you.

HON. P. S. FORSEY (Minister of Supply): The following is the requirement estimated for the balance of this year on which supplementary supply is made up.

Printing 1951 Accounts, pamphlet form \$4,600 (that is \$4,600 over and above the estimates for the previous year), the number actually printed were about half the number printed last year.

Binding for 1951 Account, year before one volume of five hundred pages and of course the estimates were prepared on that basis but last year we had two volumes of five hundred pages, consequently \$6,500 more is required. For new legislation, printing, binding, and gazetting \$2,000 over and above the estimates in view of

the fact there was more legislation and more gazetting.

Annual Account 1951-52, Auditor General, another \$600 is required as they are in greater detail.

1952-53: There is no money left in that vote and in order to place an order this year there should be some money in the vote, actually this \$500 will not be spent until June or July but due to Commitment Control we cannot place an order until money under that particular sub-head is available, so we include \$500 which will be a drop balance revoted in this particular year.

Highway Traffic, bound copies printed for sale \$1,600.

Public Works Specifications printed for Trans-Canada Highway Contract \$1,300.

Old Age Pensions Forms, that is for those between 65-70 cost \$2,500.

Printing, stationery and office supplies generally, that includes \$16,000 for printing Hansard, and \$2,500 for expenses in connection with printing of bonds for Town Councils and some typewriters which were bought for Welfare and also some filing cabinets.

MR. SMALLWOOD: How much did Hansard cost?

MR. FORSEY: \$16,000.

MR. CASHIN: For which year?

MR. FORSEY: For last year.

MR. CASHIN: We have not got them yet.

MR. FORSEY: Additional equipment for new cottage hospitals \$1,000.

MR. CASHIN: That is for Ferryland?

MR. FORSEY: And \$1,500: The Board of Liquor Control for a new cash register to take care of the new social security assessments, which had special drawers or something. When bought it was found these items went \$1,500 over the estimates.

That is the total of \$56,000 but we had countervailing savings of \$12,000. As the Honourable Minister has stated, there is nothing there in connection with the November election.

MR. CASHIN: Mr. Speaker, I thank the Honourable Minister for that explanation which goes to show when legislation of this character is introduced we should have the particulars without having to ask and put off and waste time. It should be on the desk of some Minister of the Crown that the Department relates to.

MR. SMALLWOOD: Mr. Chairman, I would like to make it quite clear, in the answer given by the Minister of Finance and the explanation by the Minister of Supply given in detail, none of this amount of printing for forty thousand dollars had anything whatsoever to do with election. The Honourable Minister did say so but I want to make it quite clearly understood that the figures previously given as the cost was in fact the figure and it is not to be increased now by \$40,000 or any part of it.

MR. HIGGINS: It is unfortunate that somebody on the other side of the House did refer to that forty thousand dollars as spent for printing for the General Election.

MR. POWER: I believe I did say it might contain certain amounts in respect to the General Election but I meant these amounts would be contained in the one lump sum.

The Committee sat and approved certain resolutions.

Resolutions read a second time.

A Bill based on said resolutions read a first time, ordered read a second time now. Read a second time. Read a third time, ordered passed and title be as on the Order Paper.

MR. SMALLWOOD: Mr. Speaker, I move all further orders of the day do stand deferred and the House at its rising adjourn until tomorrow, Thursday, at 3:00 of the clock. I may say, Mr. Speaker, if Senator Quinton is buried on Friday the thought is to adjourn the House tomorrow at its first rising until Tuesday following Holy Week. If Senator Quinton is buried on Friday I would like to see all the members of the House go together to the funeral from here and in formal attire, morning suits and silk hats.

MR. CASHIN: Only a few of us got them.

MR. SMALLWOOD: There is a place where some of us rent them when we need them and we can pass that information along.

House adjourned until tomorrow, Thursday, at 3:00 of the clock.

THURSDAY, April 3, 1952.

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

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, in connection with the funeral on tomorrow of the late Senator Quinton, I have this to say: The funeral is taking place directly from the Church of England

Cathedral to the cemetery by motor hearse and I suggest that members of the House be in their places in the Cathedral not later than 2:25 p.m. because the funeral services will commence sharply at 3:00 p.m., following which the procession to the cemetery will leave the Cathedral. Now, we thought yesterday we might meet here and go in a body. That, perhaps, would be a little impractical and it might be more advantageous if all honourable gentlemen proceed separately to the Cathedral by car. I believe the Honourable the Attorney General has arranged with the police for cars of honourable members on Gower Street immediately opposite on the north side, immediately opposite the Cathedral. That means honourable gentlemen should be there with their cars parked in time to enable them to get out of their cars, cross the street and go into the Cathedral by the north west entrance, not the west entrance but the north west entrance and be in their seats by five minutes, say before the funeral service begins. The Very Rev. Dean Rayson has informed me he has designated a special place as being reserved for Members of the Legislature in the section usually occupied by the Governor, with the family mourners across the aisle. From the Cathedral the funeral will be by car not on foot.

Presenting Petitions

None.

Reports of Standing and Select Committees

None.

Notice of Motions

None.

Notice of Questions

Mr. Fogwill gives notice of question on tomorrow.

Orders of the Day

Adjourned Debate on the Address in Reply:

MR. MERCER: Mr. Speaker, rising to speak on the Address in Reply, I should like, Sir, to join those who have already preceded me in expressing my sincere sympathy to Members of the Royal Household upon the death of His Late Majesty, King George Sixth. I realize, Sir, that words cannot atone for the grief borne by members of a home upon the death of one so beloved. At the same time, I fully hope and trust that Members of the Royal Household will find some sort of consolation in the fact of knowing from the spontaneous sympathy throughout the whole world expressed by letters and telegrams that His Late Majesty was held in great esteem and that throughout the world it was felt his was a life well spent and a job well done.

I should like also, Mr. Speaker, in connection with those who have preceded me to pledge my loyalty and true allegiance to Her Majesty Queen Elizabeth the Second. We hope that she may have a long and pleasant reign and when she is at the end of her reign she may be consoled by knowing, as we all hope and trust, that the British Commonwealth of Nations which is changing somewhat today from juniors as it were, growing up, are taking upon themselves sovereign powers of government responsibility. Even though these changes come about she will find at the end of her reign the British Commonwealth as strong and powerful in the interest of peace, as it is in the beginning of her reign.

I would like also, Sir, to congratulate you on your selection for the second time as Speaker of this House of

Assembly. There may be many times when some of us may perhaps stray a little from the strict interpretation of the Standing Orders and Rules but we hope, Sir, that you will not be in a position so that anyone will have the feeling when you correct him, that he has wilfully broken the rules. I am sure you will do it in a firm and friendly manner and it is sincerely hoped none will have the feeling upon correction such as a lawyer had when he was being censured somewhat by the judge while presenting his case and finally becoming rude perhaps out of hot temper as some do here, His Lordship said "Mr. Counsel, are you trying to show contempt for this court?" The lawyer looked at him and said: "No, my Lord, I am trying to hide it." I hope, Sir, you will not have that feeling upon any correction you might have to make.

I have felt all along, Mr. Speaker, that when it came to the time for me to make an attempt to deliver my maiden address I was going to be fairly well prepared until the remarks came forth from the Honourable Leader of the Opposition when he suggested that we political bedlamers on this side of the House would learn more in a shorter time if we were members of the Opposition. I felt at the time he was making that remark that if the honourable member were so solicitous about us political youngsters he should have made a speech in my behalf to the people of Trinity South in 1949, then I would have had two years of special grounding. I realized however afterwards since the honourable member's political views were not the same at that time as mine were he can now be excused for not making a lecture on my behalf to the people of Trinity South. There is no doubt, Mr. Speaker, that

some of us here are political youngsters there is no doubt that we have much to learn from the point of view of political astuteness and the point of view of parliamentary rules and procedure, the point of view of what and when we should say something and from the point of view, perhaps, of when we should be seen and not heard. All in all therefore as first timers making maiden speeches we are in a rather embarrassing position but I feel we should be consoled by the fact that in learning what and when to say and how long to say it, about any parliamentary rule and procedure in political astuteness in this House we have here in our mind at least two experienced educators in the persons of the Premier and the Honourable Leader of the Opposition, and I am sure, Sir, that they will not let us down in educating us in the right way.

Now, before beginning my talk, Sir, I should like to offer my sincere congratulations to the Honourable Member for Carbonear-Bay de Verde on his speech on the Address in Reply yesterday. I sincerely hope that I may be able to make some small attempt toward putting before this House arguments against criticism of the present Government's policy and show the necessity for having a long range policy as this Government has. If I can do only one quarter as well as the honourable member did yesterday and put across my message so plainly I shall be satisfied.

I should like to refer to the Speech from the Throne and some criticisms made in connection therewith by the honourable members of the Opposition. The fourth paragraph deals with the last election and the message therein says: "My Government sought from the people a fresh

mandate for their policy of economic development, and this mandate the people gave with an unmistakable majority of their votes." Well, Sir, that has been criticized by the Honourable Leader of the Opposition when he said in effect that there was no necessity for an election in November of last year, there was no necessity for a mandate because, he said, the Government had a mandate from 1949 and he said, if there were any necessity for an election or for a mandate that the people in the 1951 election did not give any mandate for any industry because it was not sufficiently explained to them. The purpose of the election was not explained, the people were hoodwinked and one honourable member opposite even goes so far as to say that it certainly was not a fresh mandate but on the contrary he said it smells. I realize, of course, Mr. Speaker, the honourable member in question was probably attempting to be funny rather than serious, at the same time threw to this Government a challenge to its policy, the policy upon which the Government embarked as to whether we have the whole-hearted support of the people or whether we obtained that overwhelming majority of votes through hoodwinking, through fraud. Are we sitting here as a fraud upon this country today? To answer these challenges and to answer my honourable friend here it will be necessary, and I sincerely hope this House will bear with me for a few minutes while I go back to the election of 1949 and we should bear in mind, Sir, that we had had no election for a period of seventeen years, most of the candidates who presented themselves for election in both parties were between the age of twenty and forty and certainly most of the people who voted, most of the

voters of this country were between the age of twenty-one and forty. These people had never had a vote before in their lives. Therefore, I say, Sir, these voters and most of us who were candidates up to that time had no party affiliations, we were not steeped in any party traditions. I say also that up to that election of 1949 no party had any particular policy; right up to that moment of 1949 general election the leaders of the various parties were too much taken up with the fight between Responsible Government, Commission of Government and Confederation and Economic Union, so that when the parties went to the country in May, 1949, the two parties had what I felt at that time and still feel they had then the same unwritten manifesto. The manifesto of both parties, I say was (1) to increase employment, (2) increase wages, (3) raise the standard of living, (4) do more for public welfare, (5) do more for education, (6) do more in the field of public health. In short they had one object in view, as I saw it, and that was to make this Province strong economically, fundamentally, strong in health, strong in education and in doing this to help make this Province one of the strongest links in the chain of Provinces linking Canada from the Atlantic to the Pacific. But neither party told the people by what methods they thought it could be done, neither party had a formula for obtaining the ideal objects which they had in view, thus no formula for obtaining that object was presented the people in the election of 1949, or offered the people to provide a shock absorber against the failure of the fisheries which we often get, from changes in military bases, any falling off in work, any falling off in the demand for our paper and the output of our two principal mines. There

was no formula presented to the people by whatever party was elected to go about making these promises. We said to the electorate at that time, at least I did, Mr. Speaker, and I think I would be in a better position at that time to know what the PC party platform was, even better than the Honourable Leader of the Opposition knew it at that time. I said: Here we had two parties coming up for election with the same ideal, the same objects in mind, both parties promising to make this country more prosperous and stronger and a better place in which to live and I said, I don't mind admitting it, the only difference, I said, between the party I represented and the Liberal Party is this; we in the PC Party consider that we have the best men to do the job if we are elected. Now, the funny part of that was that people did not agree with me and taking the old adage that the customer is always right I decided to keep an open mind and to watch the developments, and after two years of the Liberal Government, I finally decided that the people were right, and as I said that to the people at that time also, Mr. Speaker, that is the reason I am here today speaking from this side of the House, I said to the people at that time, we in the PC Party consider we have the better men to do the job in this country but if you think otherwise you will elect a Liberal Party and if you do, and if I find out during the next few years that you are right, that the Liberal Government is doing the job as I think it should be done, then the next time I will be with the Liberal Party. Mr. Speaker, the important thing about that 1949 Election is that the people did elect the Liberal Party as a Government, the people gave that Liberal Government a mandate to do something for

the Province of Newfoundland, they gave that Government a mandate couched in very general terms, a mandate to make this Province strong economically, make it a better place in which to live but it gave no mandate for any particular methods, any particular formula by which to obtain these because no formula was presented and, I believe, Sir, we got our first inkling of what the Government had in mind for obtaining that object at a now famous speech delivered by the Honourable the Premier to, I believe, a Board of Trade dinner, after the election when he made his famous speech of "Do or Die", "Work or Starve," "Develop or Perish," "Make or Break." That was the first inkling we had of the manner in which the Government hoped to obtain their objective. The Liberal Government immediately set about working to translate that speech into action and after two years in office formulated their policy of bringing in new industry, trying to diversify the industry of this country, embarked upon the only policy they could see; in order to bring in new industry the Government backed these industries either by loans to the industries themselves or giving financial assistance directly or indirectly, having embarked upon that policy, something which the people did not know about when they gave them a mandate to go ahead in 1949 then having so embarked in November 1951 that Government went back to the people and said—Here is what we intend to fulfil these promises we made to you in 1949, do you agree with it or do you not?

MR. HOLLETT: We have dropped it now.

MR. MERCER: I shall come to answer that question and I sincerely

hope you will remind me if I forget about it.

The Liberal Government would not, I say, Sir, have been justified in carrying on any longer than they did in the manner in which it was promulgating this policy, would not have been justified without going back to the people as it did. That, I say, Mr. Speaker, is the undeniable answer to the critics of the Government with regard to calling an election in November, 1951.

Now, again, Mr. Speaker, the next question which came up was the purpose of that Election in 1949, was it explained to the people with regard to the method which the Government was adopting in financing industry, did the people understand the policy of that Liberal Government or were they hoodwinked, did we get a fresh mandate or does that mandate smell? Did the people know about what they were voting for? Because if they did not, Mr. Speaker, then we are sitting here by fraud. These are questions hurled across this House by members of the Opposition. Now, to answer these questions, let us look at the logic of these statements made by the Opposition and let us take as an example the good people of the District of Ferryland in 1949. In 1949 the people of Ferryland voted overwhelmingly against the Liberal Party Government. In 1951, after two short years they split fifty-fifty, they went practically en masse towards the Liberal Government. Now, I pose these questions to the Opposition, because, Mr. Speaker, we have to assume that people grow in intelligence and stature year by year and if we assume, as apparently the Opposition would have us do, for a moment that people of Ferryland are unintelligent, stupid and easily hoodwinked, what do we

find? In 1949 they voted overwhelmingly against the Liberal Party and in 1951 they split fifty-fifty with the Liberal Party. Were they then intelligent or stupid and hoodwinked in 1949? We must by all means, by all natural laws, assume that they increased their intelligence a little in two or three years, the people of Ferryland surely are not going back. I don't think the Opposition would have us believe they are going back in ignorance, but they are progressing intelligently. Yet, look how differently the voting went in 1951 from 1949.

MR. P. J. CASHIN (Leader of the Opposition): The PC in 1951 gained over 1949.

MR. MERCER: The Liberals certainly gained.

MR. CASHIN: There was no PC Party there in 1949.

MR. MERCER: Did these people of Ferryland know what they were voting for in 1951, did they change over for individual people, were they hoodwinked? We prefer, Sir, to disagree with the Opposition and we prefer to say that the people of Ferryland are intelligent that they could not be hoodwinked.

MR. CASHIN: Mr. Speaker, to a point of order: That matter of Ferryland, I don't think, though I am ignorant, I don't think that matter of the Election on Ferryland should—

MR. SPEAKER: That is unnecessary to add in a point of order. The honourable member will recall I was about to interrupt. The honourable member so far has not strictly speaking been out of order but on dangerous grounds. Ferryland as you know is subjudice. However in justice to both sides of the

House I permitted the sitting member for Ferryland to make reference to that district so permitted some reference from the present speaker but I would advise the discontinuation of that point.

MR. MERCER: As far as the District of Ferryland?

HON. E. S. SPENCER (Minister of Public Works): It is bad medicine too for some people.

MR. SPEAKER: Order.

MR. MERCER: However, Mr. Speaker, let us try to follow out now the logic of this argument. On the reverse side in the District I was just speaking about. In St. John's East and West and in the District of Harbour Main-Bell Island, here we find in the District of St. John's East and West a small majority of the people voted against the Liberal Party, therefore according to logic which the honourable members opposite applied slightly over fifty per cent of the people of St. John's West and East were not hoodwinked.

MR. HIGGINS: To a point of order, Mr. Speaker: Slightly more than fifty per cent voted PC in St. John's East.

MR. SPEAKER: Allegation of the fact.

MR. MERCER: Let us say sixty per cent of the District of St. John's East were not hoodwinked, I must say not hoodwinked, if they were hoodwinked they would have voted for the Liberal Party. So that we have approximately according to the honourable members opposite 60% of the people in St. John's East and West who are intelligent, who can understand and who did understand the plain, simple language of the Liberal Party's

Manifesto, they knew and understood all about the economic development policy of the Liberal Government, the other 40%, following largely the argument of the Opposition, the other 40% of the people are unintelligent, stupid and easily hoodwinked. Again, Mr. Speaker, we as members of the Government prefer to disagree with the Opposition and say that forty per cent of the people of St. John's East and West are not stupid, unintelligent and understood what they voted for, voted according to their conscience. They might have been mistaken though, but they are not unintelligent as people would have us believe.

MR. HOLLETT: At least they voted according to their conscience.

MR. MERCER: Now, let us follow again the logic, the arguments of the Opposition—Go over to the District of Harbour Main-Bell Island, that great district and what do you find there? How can we figure, if that is possible the logic of the Opposition in Harbour Main-Bell Island. You must remember that according to the Opposition this Election was called too fast, there was no time to explain, that nothing was explained, that the people were hoodwinked. Now, here in Harbour Main-Bell Island the people split between one Tory and one Liberal. How do you figure out who is unintelligent and stupid and who is not where approximately fifty per cent of the people voted for the Liberal Candidate and the other fifty per cent whom we presume were a majority of the same people?

MR. HOLLETT: Point of Order, Mr. Speaker: Might I inquire who stated on this side of the House that people were unintelligent or stupid?

MR. SPEAKER: There is no point of order unless the honourable member claims he is being misquoted.

MR. MERCER: Mr. Speaker, perhaps to make myself clear, I do not want to make any remarks of derogation against the honourable members opposite. The Honourable Leader of the Opposition said the people were hoodwinked in the 1951 Election.

MR. CASHIN: Certainly and I say it now.

MR. MERCER: They could not be hoodwinked unless they were stupid, in understanding what people are telling them so I take as the logical conclusion from his remarks that he must mean the people were stupid. Now, were fifty per cent of these people in Harbour Main-Bell Island who voted and elected a Liberal candidate stupid and fifty per cent who contained a lot of those same people who defeated another Liberal candidate stupid or were they intelligent because according to that logic the ones who defeated him must have been intelligent. They were not hoodwinked. The same people who voted one man into the Government were intelligent on the one hand and at the same time stupid.

MR. HOLLETT: Were you stupid in 1949?

MR. MERCER: Yes.

MR. HOLLETT: Are you stupid now?

MR. SPEAKER: Order.

MR. MERCER: I say, therefore, Mr. Speaker, we in the Government prefer to believe that all of the people of these various districts were and are intelligent, that they were not hoodwinked, that they were able to read,

that they were able to understand, that they did read and understand. Now then, Mr. Speaker, we come to the last stroke of genius in the argument of the Opposition. Again I remind the House that the Opposition contended this election resulting in this Government was a farce. That word was also used, Sir, that people did not know what they were voting for, that they did not understand the manifesto, yet it was couched in very simple language that even a child could understand. These people to whom I now refer are all those people contained in, living in, circumscribed by ninety-five per cent of all the land in this Province, that group of people who make their living as fishermen, lumbermen and farmers, that group of people voted on the average, approximately 80% for the Liberal Government, for its policy of economic development, a policy of do or die, work or starve, develop or perish, make or break. That group, Sir, are the men and women who are the sinew of this Province, the bread and butter, the life blood of this Province, they are producers. Again, Sir, I don't mind making an admission, I as a lawyer am only a parasite upon the earth, as is a merchant, a doctor is a parasite upon the citizens. I am in one of these classes or groups which one might call a necessary evil, and the ones who are the sinew, the bread and butter, the life blood of the Province, are these fishermen, these miners, those groups who produce. Yet we have those in our midst who dare say these people are stupid, unintelligent, could not understand a simply written manifesto. On the other hand, Sir, let us assume for a moment, contrary to anything the Opposition may say, let us assume the people of Newfoundland are ordinary, down-to-earth people, I campaigned in the District

of Port de Grave and I believe the people of Port de Grave will forgive me if I liken them to the ordinary, decent, intelligent hard-working, God-fearing people of this country. In that district I closed every public address I made with words to this effect: These are the exact words: "Ladies and gentlemen, the Liberal Government will spend every cent of the surplus and more if they can get it. The Liberal Government have financed new industries, the Liberal Government will finance, directly or indirectly more new industries. If all of these new industries result in failure the surplus of forty million dollars will be gone and probably you will be bankrupted. The Liberal Government will do that. If you do not want that, for Heaven's sake go into the booth and vote PC." That was my closing remarks on every speech. We got the answer from the people. That was plain enough for people to understand and I am quite satisfied the people understood these words, yet they are ignoramuses, Sir. And I believe, Mr. Speaker, that all the Liberal candidates through this Province talked similarly to be elected. I submit that the result of that election, the number of people who elected the Liberal Government was an unmistakable mandate for the policy of this Government given by an overwhelming majority of the people to do what they were doing.

Now, Sir, the Opposition also criticised the Government's policy portrayed in the Speech from the Throne with regard to mining, and I noticed that some member, I believe it was the honourable member for Harbour Main stated he was tired of hearing such speeches about mineral possibilities of this country. The Opposition are tired of hearing of that, they even

sneer at any attempts to try and alter it and they mentioned that for fifty years prior to the Commission of Government we were reading the same flowery theories in the speeches from the Throne and apart from Buchans and Bell Island as far as mineral development was concerned everything failed and there was nothing further of any great importance. To that, Mr. Speaker, suppose if Edison and Bell had given up just because somebody tried to do the same thing before them and had failed, or the people who were trying to fly aeroplanes in the latter part of the 19th century and the first quarter of the present century. Did they give up just because someone else crashed and died in an attempt to do what they were trying to do. And if you come nearer home, Sir, did the present, or the predecessors of the present Buchans Mining Company Limited give up just because someone before them had failed in trying to separate the ores in order to make it a commercially workable proposition? If they had we would not have had Buchans today. Still nearer home I remember may be some ten years ago when the late Mr. J. A. W. McNeily said to me about Gull Lake, because he was one of the original investors in Gull Lake, put in his money and did not get it back and it was a delusion up to ten years ago. He said: "You know, Mercer, I am still quite satisfied there is a mine to be developed at Gull Lake, it may not come in my time but may in yours." Today we have people working there. If they had given up just because others failed what would have happened? Every one in this House, Mr. Speaker, can cite hundreds of such examples. Nothing, I say, on this earth has ever succeeded without failures, disappointments and heartbreaks. That is the

only way anything has ever been made a success yet. Because our forefathers had tried mineral development for this country and because they failed, for whatever reason they failed, nevertheless, should we therefore give it up, call it quits, lie down and die? If we take that attitude, Sir, this country is doomed to failure, if we have that do nothing policy, Sir, or if it had been adopted in 1949, and that policy of wait and see, the policy of keep that forty millions that golden nest egg there in the bank, that policy of wait for a bad fishery, wait until the time comes when there is no demand for paper and minerals and when all this happens go back on the dole as we were from 1933 to 1940, go back on the dole then and use that forty million dollars for dole, dole it out then to seventy thousand people and see how many years the forty million dollars will last. If we take the other suggestion, if we take the suggestion that the forty thousand dollars under Responsible Government would be used to reduce the per capita debt in the manner explained here yesterday, you would find we would have one hundred thousand dollars to divide among the dolers. The worst, Mr. Speaker, that could happen as a result of the policy of this Government is that every industry will fail, the surplus will be all gone, even then we would not be in any worse position than if we waited and spent the forty million dollars in a few years on dole. At least we can say now there is no great debt and we have tried every avenue open to us to develop this country. We cannot of course, Mr. Speaker, no Government can expect in a few short years to completely industrialize a country, we cannot in a few years find all the mines in the country and develop them and make

them a success, we cannot do that, Sir, any more than overnight we can undo in the fisheries what it took three hundred years to do. But we cannot adopt a policy that defeat is actual, I am a great believer, Sir, in the will to win, our attitude, this Government's attitude, the attitude of the Opposition towards success, ultimate success can make all the difference in the world. You must have that determination and energy and I say, Mr. Speaker, that if we have the will to win, and if we have that determination, that energy, that faith, you cannot lose. Our professor at law school used to say to us that success was one per cent inspiration and 99 per cent perspiration. I feel, Mr. Speaker, that this Government during the past three years has been perspiring, day and night, trying to carry out these promises they made in 1949 to develop this country, to make it a better place in which to live. I say the attitude with which we approach these problems can make a big difference. I had a conversation before the November election in 1951 with a civil servant, we were not talking politics, it does not matter if I name him, it was Claude Howse, the Government Geologist, as to what was the attitude of people coming to the country interested in mineral development. He told me there was a great change in the attitude of the people coming here from what it was in the days of the Commission of Government. They expressed it in this way, people who were finally induced to come here looking for oil or any other type of minerals, they came overshadowed by the thought that there was nothing back of the mines that they had here fifty years before or had read about, that there is nothing there in Newfoundland to find, they came overshadowed with that thought and so

they drilled a hole and immediately they did that they were discouraged, they struck rock and they said, Tom Jones, fifty years ago, explored there and there is nothing to be found. Today they are coming with the attitude that there must be something there and so they are prepared now to take some failure, to take some disappointments, to take some heart-break. The will, the determination, the attitude with which they approach their work makes all the difference in the world. And as a concrete fact I refer again to Falconbridge Limited at Gull Lake today.

The Opposition has also criticised the Speech from the Throne where it dealt with the intention of the Government to sell the three Government-owned industries. They have asked the question: Why not keep these industries and get the expected profit? Now, Sir, that is about the only bit of constructive criticism I heard coming from the Opposition in the past two weeks. I say that is constructive because the question may be debatable, whether we should sell, from the economic point of view, and get money to go into other avenues of employment, other new industries or be satisfied with these and collect the profit on them. It may be a debatable question. The Opposition may be wrong in thinking we should do this, but it is a constructive criticism, but I venture to say, Sir, that if this Government did keep these industries and operate them and make their profits, I can imagine hearing in five or ten or twenty years time the grumbings of the Opposition to the effect that the Government, if they started a new industry should then pass it over to some one else and get out, leave it to private enterprise rather than make them all Government-

owned industries. That would be said if the Government stayed in, but the Government has decided to get out, use the money to some other purpose. And I say, Mr. Speaker, not only this Government but for the past one hundred years of Responsible Government, regardless of what party was in power, or what, they are waiting for private capital to come in and invest private capital to dig up mines, to start new industries, to reorganize the fisheries business, they waited until the Liberal Government took over in 1949.

Now, the Opposition has criticised also the Icelandic Boat Venture and here you see that contrary argument coming up again. They tell us that in new industry you are moving too fast, you are not investigating, moving too fast, spending too much money. You should be spending that money on the fisheries, go out and buy all the fresh fish, modernize all the boats around the country, build more boats, more fish plants. But immediately the Government went into one thing, one single thing in the planning of the fishery policy which failed, immediately the Opposition jumped right down their throats and said, I told you so, you should not have spent the money on that racket. If we had not and ignored the opportunity arising, they would say why not take that opportunity and spend money there instead of on these new industries. It is impossible, I submit, Mr. Speaker, and perhaps that is the way it should be. It is impossible it seems to me to please the Opposition and there is only one thing to do and that is take the old adage, Sir, that by trying to please everybody you please nobody.

The Opposition has criticised the appointment of Mr. Thompson, not Mr. Thompson personally, but the

appointment of an accountant for going into the question of what may happen when the Federal Government will be called upon to make an investigation of the financial conditions. They say—Royal Commission—that is eight years away, five or six years away, and here you are two years after you get in power, two or three years after Confederation, you have gotten down to such a financial status you have to start in right away finding out how to try and get more money from the Federal Government. Now, Mr. Speaker, the terms of union provide for that Royal Commission sometime within eight years and if you leave that job undone, if you make no investigation now, if we do not prepare our brief now but waited until the eight years were up, then the Opposition would say, and justifiably so, why did you not go into this question five or six years ago, why wait until the last minute to tackle it. Because we have tackled this now without first going to the Opposition and saying, give us permission to do it, because we are tackling it now we are being criticised for it. I say, Mr. Speaker, that the reason I am speaking from this side of the House today is because I have watched the policy and actions of the Liberal Government since 1949 and I have found them to have a policy which is dynamic, purposes imbued with a spirit of hope, of great faith in the country and its people, impregnated with determination, with energy and with the will to win. I feel, Sir, that the policy of the Government was well expressed, well summed up by the mover and seconder of the Address in Reply when they agreed on the statement that this is a young man's party, it is a young man's Government with a policy expressive of determination, energy and vision.

The Government having that policy and having at its head the dynamic leader, a leader who has not only poured forth his soul, poured forth his energy but who has the happy knack of getting the last ounce of energy out of all his associates, who is able to combine a team with determination, and energy. A team like that working for the benefit of the country, Mr. Speaker, I say could not fail. This Government, Mr. Speaker, has decided to discard the old man's policy of wait and see and instead has adopted that spirit which conquers the west, that spirit, symbolized by the words "There is gold in them thar hills."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I move the adjournment of the debate.

Third reading of Bill, "An Act Respecting the Department of Mines and Resources"—Read a third time, ordered passed and title be as on the Order Paper.

Second reading of Bill, "An Act to Amend the Newfoundland Asbestos Limited Confirmation of Agreement Act, 1951."

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I beg to move the second reading of this Bill. Honourable members will remember that the last session we passed a Bill, "An Act to Confirm an Agreement made between the Government on the one part and Newfoundland Asbestos Limited on the other part." That agreement is printed as an act of the second session of 1951. The objects of the agreement entered into last year were to assist the Newfoundland Asbestos Limited to bring into production certain areas on the West

Coast that had been proved to have asbestos. I would just refer briefly to the terms: The Company undertook, you remember, Mr. Speaker, to issue 6% redeemable preferred shares to the par value of \$100 and preferred shares so issued were to be preferential both as to capital and dividends. The said shares were to be non-cumulative until commercial quantities of asbestos were shipped from the mine but after shipment had once started the shares were to be accumulative at 6% interest.

The Government undertook, Mr. Speaker, at that time to subscribe for \$75,000 worth of these \$100,000 preferred shares and in consideration of the Government so doing this was to receive in addition to the 6% interest a sum equal to 10% of the net profits of the company after income tax was paid. In other words the 6% interest on the shares and also a bonus of 10% of the net profits. The Government, under the agreement, also had the right to convert these preferred shares into ordinary shares at any time within the first three years of the agreement. So that therefore if the company made a killing and the shares became valuable the Government has the right to change the preferred shares to ordinary shares. The agreement provides further that while any of the shares were outstanding they would not pay any dividends on the ordinary shares and also provides no directors fees nor specific salaries should be paid exceeding the amounts mentioned in the act, but the clause also agreed, Mr. Speaker, and that is one of the reasons for the Legislation here today, the company agreed that it would receive 6% of the net profits after payment of taxes to provide a fund from which to retire the said preferred shares which meant that 6%

of the net profits of the company is earmarked for this particular purpose. Further on in the agreement, Mr. Speaker, the Government undertook to guarantee a bond issue in an amount not exceeding \$250,000 if as a result of the expenditure of the \$75,000 which the Government had invested there had been disclosed a body of asbestos sufficient to support a mill. The Government did invest \$75,000, Mr. Speaker, the reports are sufficient to justify the company in proceeding to erect a mill and the company has now made a request that the Government issue a guarantee for a \$250,000 bond issue. On going to the bank, however, and I may say the bank has agreed to finance the bond issue, it was found some of the terms of our agreement of last year made it difficult for the company to raise the finances. The tying up of 10% of the net profits as a bonus to the Government made it difficult on the one hand and the reserving of 60% of the net profits for the preferred shareholders on the other are both conditions which make it very difficult for the company to raise a bond issue and the additional Legislation before us today provides that the Government will stand aside for its ten percent and will waive its 60% rights until after the bonds have been paid. In other words, Mr. Speaker, the Government agrees not to forgo this 10% and not to forgo this 60% but rather to postpone the payment of the 10% and the retention of the 60% until the bond issue, also guaranteed by the Government, has been redeemed.

I do not think I need labour the point, Mr. Speaker, the Government is very much interested in getting this mine into production, the Government is willing to guarantee this bond issue

and in the interest of the Government it is better to have the bond issue cleared up as soon as possible. For that reason the Legislation was brought in and I have pleasure in moving second reading of the Bill, the object of which I have said is simply to postpone these additional payments to the Government by way of bonus and this additional protection to the Government by way of bonus until the bond issue has been liquidated.

MR. CASHIN: Mr. Speaker, I have just a few brief words to say to the second reading of this Bill which will again come up in Committee. I would like to ask the Honourable Minister handling this Bill if when we get in Committee he is able to produce the various reports he told us about. The position is now the Government has invested \$75,000 which I take it the company went ahead and spent in exploration and the Government tentatively agreed that if this exploration procured anything, they would be prepared to go further and finance. Now, it appears from listening to the Honourable the Attorney General that some reports have been given the Government with respect to the potentialities of this proposition. No doubt the reports have been made by Mr. Howse or someone in authority who knows something about this kind of business and I suggest that when we go into Committee to go through this thing that we will have these reports here to see. We take your word for it, nevertheless it would be a good idea and for the country generally because after all we are voting an amount of \$5,000 in addition to \$75,000 already spent and taken up in shares, and this is a bond issue which we have to guarantee and the bank is

going to loan under certain conditions of a Government guarantee. You say you have those reports by a responsible authority. Why not just let us have a look at these reports in Committee? I think last year we all voted both those in Opposition and, I, as an Independent voted for this Legislation.

MR. SMALLWOOD: The honourable gentleman is perfectly right. It passed the House last year unanimously, that is the authority for the Government to spend the \$75,000, and upon the Government being satisfied that it was a mine that could be operated profitably to guarantee greater amount of a quarter of a million dollars of company's bonds. Now, the reports are given by Dr. Walter Rukeyser, who is perhaps the greatest asbestos engineer in all North America, Mr. Rukeyser is a gentleman who following his own investigation gave the report last Spring and recommended the expenditure of \$75,000 to prove his contention, his contention being that there was a good mine in prospect, an excellent mine. He himself was asked to spend that \$75,000, or to superintend the spending of it. In short he was asked to prove whether his theories were right or wrong, his theory being that there was a good mine. He accepted that challenge and did conduct the survey last summer and fall, and his report now is that his theories were more than substantiated by the drilling conducted during the past summer and last fall and he strongly recommends the setting up of a mill, the operating of the mine at the earliest possible moment in 1952. He did it on the assurance of the Government that the Government would bring this Legislation before the House, this present Legislation. The company has ordered the

equipment for the mill and mine and this means that the mine and mill should begin to operate before the middle of the coming year. The reports of his survey made last year by Mr. Rukeyser have been received by the Government, specifically have been received by Mr. Claude Howse, the Government Geologist, studied by him and accepted unreservedly by him as sufficient evidence to show that it is a profitable mine and sufficiently convincing to him to show that the mine and mill should be proceeded with without delay.

Now, there is no member of the Government who is a geologist or who has expert or scientific knowledge of mining and so we were obliged to accept or reject Mr. Claude Howse's advice on Mr. Rukeyser's reports. We had to begin with the fact that Mr. Rukeyser himself says this is a good mine and ought to be operated and a mill ought to be built and production commenced just as quickly as practical to do so. We have that recommendation from Mr. Rukeyser and we have, secondly, Mr. Claude Howse's complete agreement with Mr. Rukeyser. On the basis of these two recommendations the Government has brought this Legislation before the House and we do so without hesitation, we do so with full confidence in Walter Rukeyser and Claude Howse that we ought to ask the House here to authorize us to guarantee this quarter of a million dollars bond issue and make the necessary changes in the Act of last year to enable that to be done. We, I am sure the whole House, agree that if our confidence is well placed then it is a splendid thing for Newfoundland to go into a new mining field never before in this Province, undertaking the production of asbestos the use of which is grow-

ing with tremendous rapidity throughout the world. Now, in addition to the survey made last year under the personal supervision of Mr. Rukeyser in and around Bluff Head in Port au Port Bay on the limits of this company covering approximately five square miles, in addition to that the Government engaged the Air Photographic Surveys Co. of Toronto to make an aerial borne magnetometer survey of two hundred and forty square miles in the immediate area of Bluff Head; that we did on the recommendation of our Government Geologist and indeed with the support of Mr. Rukeyser himself, on the grounds that there you have, running from Port au Port Bay, northward to Bay of Islands the world's largest area of serpentine formation, serpentine rock which is notoriously associated with asbestos amongst other minerals. So that we have some hope that in addition to the deposits on this company's holdings of five square miles there will be found on the whole area of two hundred and forty square miles other important deposits of asbestos in this Province. I may say, in passing, that the Government lately discovered still other asbestos deposits or if no actual deposits a very successful indication of another deposit in Gander Valley on the shore of one of the lakes on the Gander River, and ever since that discovery last summer, by one of our geologists or Geological Survey Parties, we have continued the survey work throughout the winter by ground magnetometer survey and other means and we are extremely hopeful of finding important asbestos deposits in Gander Valley. Now, should we find deposits of asbestos in that Port au Port, Bay of Islands area, it seems inevitable that the combination of that asbestos with the cement from the cement mill will lead to a

new industry, namely the production of asbestos cement which is really a product, entirely different from asbestos and from cement. It is a new product, for asbestos cement siding for the outside walls of buildings, asbestos cement shingles for roofing and asbestos cement piping for underground and overground plumbing and steam and the like, asbestos corrugated sheets for building construction purposes and asbestos cement products of various kinds. I am sure the House will hope that this mine, this new mine at Bluff Head beginning this year, 1952, will be as successful as the Government believes it will be.

MR. CASHIN: What is the maturity term of these bonds?

MR. CURTIS: Mr. Speaker—

MR. SPEAKER: Does any honourable gentleman wish to speak?

MR. FOGWILL: Mr. Speaker, I will not be very long but I would say, Sir, no doubt every member of the House is glad to hear from the Premier and have assurance that this mine on the West Coast should be developed and that the accounts he got from the gentleman who surveyed the area and also a Government official does leave the Opposition with at least some information as to the prospects of the successful development of this asbestos mine, because, Mr. Speaker, with the \$75,000 plus the guarantee of the bonds up to \$250,000 it leaves the Government with a total responsibility of roughly 92% of the total outlay. As for the Opposition, Sir, we did support the Bill, I believe, last year when it went through the House and, Mr. Speaker, no doubt the Opposition would today if we had some further assurance from the Government that this is going to be a

good thing, otherwise it would be necessary no doubt for us to ask questions and have a report from the Government Geologist.

MR. SMALLWOOD: We will be very glad to bring them down.

MR. FOGWILL: Well the total amount represents 92% of the total responsibility and the Government is practically carrying all the load.

MR. CURTIS: Mr. Speaker, I don't want to delay the debate but the honourable gentleman who has just spoken is a little wrong in saying the Government is looking after 92%, the \$100,000 Government Preferred Shares issued were not sold to anyone except the Government, the Government bought \$75,000 worth and the other \$25,000 are still in the Treasury and under our agreement are not to be sold, just issued as a reserve in case the company comes back and asks us to buy another \$25,000.

MR. FOGWILL: The \$75,000 plus the guarantee is roughly 92% of the total with the exception of the \$25,000 which you just spoke of.

MR. CURTIS: But the \$25,000 are just unissued shares, yet Mr. Speaker, they had a quarter of a million dollars already spent by one of the Asbestos Corporations of Canada in trying to develop this project.

MR. FOGWILL: I don't think the explanation is entirely correct, Mr. Speaker, your total responsibility includes the bond issue and leaves the Government responsible for the whole project, that is what I mean and I don't think I am incorrect.

MR. HOLLETT: Mr. Speaker—

MR. SPEAKER: The honourable

member has concluded the debate. If however it was the intention, I have already warned the House—"Do any other members wish to speak"—Let me advise the House on this one point—the Chair has no permission and never authorizes an interruption only by courtesy of the member who has the floor.

MR. CASHIN: That is the case here, Mr. Speaker.

MR. SPEAKER: It is entirely in the hands of the House at this moment.

MR. COURAGE: Mr. Speaker, I move the honourable member be allowed to speak.

MR. SPEAKER: The motion is the honourable member for St. John's West be now heard.

Carried.

MR. HOLLETT: Mr. Speaker, I may say that I did not quite understand the situation with regard to the closing of a debate by the mover.

MR. SPEAKER: If the honourable member will permit me, there is also a danger always of introducing the Committee stage of the debate and it is likely to end in something of that nature.

MR. HOLLETT: Mr. Speaker, I won't take up much time of the House with regard to this. I was not in the House when this \$75,000 was voted. I am not quite sure whether Mr. Rukeyser is one of the members of the Asbestos Company shareholders or just consulting engineer. The position is, Mr. Speaker, this Mr. Rukeyser has discovered that there is an amount of asbestos in the area upon which he made a report and recommended that a mine be started almost

immediately and the report is so good that our own experts in the Government are agreed it is a good thing. We have put \$75,000 into it. This Asbestos Company, as far as I can understand now, having decided that the mine will be a paying proposition and they want to start a mine, they go to the bank and the bank says, no, we won't lend money under the agreement which you have with the Government. The Government therefore, now wishes the House to defer or postpone any advantages which they had under the original agreement and further to guarantee a loan of \$250,000 by the banks. None of us, Mr. Speaker, is anxious to hinder nor postpone any development of any kind whatsoever as far as our country is concerned, but I must say, as far as I can see, it looks to me as though we ought to have some sort of report as to the financial possibilities of some measure of success with regard to these mines in which we have sunk already \$75,000 and now we are asked to guarantee interest at $4\frac{1}{2}\%$ on a further loan by the bank, I take it, of \$250,000.

MR. CURTIS: Would the honourable member mind my butting in? I may say under the present Act passed last year we agreed at that time to put through the bond issue and we are under an obligation to guarantee these bonds under the Act which we passed last year in exactly the same amount, we are only just modifying the other conditions.

MR. HOLLETT: I take it then, Mr. Speaker, the only difference is that we defer any benefits which we might have had under the original act. If you have already guaranteed the \$250,000 before, in that case I have no argument against the principle of the Bill.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

MR. CURTIS: Mr. Speaker, I had intended to ask the indulgence of the House to go into Committee of the Whole on this Bill this afternoon for the following reason. It is the intention of the Government to adjourn the House today for the Easter Recess but Mr. Seibert is at the moment travelling between New York and Montreal for the purpose of raising this money and if we adjourn for a period of ten or fourteen days we might hold up his proposition that long. I have sent to the Department for a copy of the requested report and it will be here shortly. If now the honourable member would waive having the report before we went into committee and accept our undertaking to submit it before third reading, then I move with their consent we go into Committee of the Whole on this Bill now.

Committee of the Whole: A Bill, "An Act to Amend the Newfoundland Asbestos Limited Confirmation of Agreement Act, 1951."

MR. CASHIN: Mr. Chairman, before we come to this, it maybe somewhat out of order, but I gathered the other day from the Premier's speech that in future, Economic Development of this nature would be the job for the Newfoundland Labrador Corporation.

MR. CURTIS: That would require a new staff.

MR. CASHIN: This is new.

MR. CURTIS: No, this is unfinished since last year.

MR. CASHIN: There was \$75,000 given last year but they did not put

75c. into it, this new company, some company prior to that spent some money and they took over the property and the Government owns this mine now as far as money is concerned and when common stock is issued and paid for they get their profit out of the thing, I take it that is the position. But I say it is the policy of the Government that this kind of thing has to go before the Newfoundland Labrador Corporation.

MR. CASHIN: I understand from the Premier it has been absolutely proven.

MR. SMALLWOOD: If the honourable gentleman will allow me, the amount of or now known quantity is not a question of doubt at all, it is enough to yield a profit of between three-quarters and a million dollars, it is a very rich mine of high quality and we are going to make a nice penny out of it. Don't forget the preferred shares are convertible, can be converted to common stock if it proves that common stock is more than the fixed interest on the preferred stock. We have the right to convert to common stock and share in the profits to a very heavy extent.

MR. CASHIN: But at the present time there is no common stock. Who owns that?

MR. SMALLWOOD He owns it, he acquired the property from the original owner.

MR. CASHIN He acquired the property and formed the company and issued to himself a certain amount of common stock and valued that common stock at what amount?

MR. CURTIS: I do not know the capital.

MR. CASHIN: I am not knocking the Government assistance but get me the statement.

MR. CURTIS: If you want to find out what is the capital of the company, I don't know. The shareholders are Mr. Hunt, Mr. Seibert, Mr. Gordon Higgins, I will tell you in a few moments what the capital is.

Clause 3—

MR. CASHIN: Mr. Chairman, I want it definitely understood that any time any member on the Opposition side of the House rises we are not rising for the purpose of condemning a matter or condemning a guarantee to develop an industry. This is a new programme in Newfoundland, guaranteeing of mines. I have just read the last paragraph here and it looks very bright indeed but if these things are so bright, if we go to Toronto for instance and they are producing a mine in some part of Ontario and a mining engineer of repute gives a report like that, money is easily obtained by the sale of shares. Now, I don't know whether Mr. Seibert or anyone else made any effort to raise money anywhere else. They probably found the easy way was to come to the Government and have them guarantee a quarter of a million dollars, save them a lot of time and in the windup will have greater profits once they pay us off. Now, I voted for this thing last year, I think it was, and I think the members of the Opposition at that time voted for it, but I think in future before we start guaranteeing bond issues for mines we should be careful because if you go into the record of the mining business, I had a taste of it myself one time, and got kicked in the ear, you will find that only one mine in

a thousand is a success and that comes from one of the best mining engineers in New York who told me that has been the average during the past half century and we have been using a half century here quite a lot in making comparisons. Now, we are giving two hundred and fifty thousand dollars, passed here this afternoon to these people who have made no effort as far as I can see to sell stock to any private interest to raise the necessary money, a quarter of a million dollars to establish this industry up on the West Coast. They have not made the attempt or if they have and failed, well then it is a bad proposition. On the other hand if it is as good as this man says, it is going to be a good proposition and when they pay the Government off, I feel the Government is then out of business and will get no more profit out of it. I have not read this thing fully, there is a lot of stuff in here and no one in this House can understand more than myself, it is no use in trying to say we do because we don't, and we just got the stuff here made up for the cost of equipment to be put in there to put this thing in production and they are going to make enough money in two years to pay off a quarter of a million dollars to the bank and I take it the other \$75,000 held by the Government. I do not know how much common stock is outstanding at the present time, the Government is not able to tell me at the present time and how much is being paid for that stock. I know what happened, someone bought this property and incorporated a company and issued themselves so much common stock in the company. Let us have these facts. No one knows anything about this company.

MR. SMALLWOOD: We do know,

we just forget for the moment and as the honourable gentleman knows the information is now being ascertained on the telephone.

MR. CASHIN: My opinion is, Mr. Chairman, we bring this Legislation into the House and we should have these things, not go to the telephone, and the Minister should be able to explain it to the House.

MR. HOLLETT: I feel like advising a note of caution and I am quite sure the Government will agree we should sometimes be cautious about these deals. In the first place we don't know, we know we put \$75,000 and we are not in a position at the moment to know just what is in it for the Government or the people, as in comparison with what is being put in by private enterprise. The Government is satisfied with the reports that have been brought in but the banks are not satisfied, why I don't know enough to say but I have just been looking at page 21 of the report and if I may quote from it, Mr. Chairman: Item (d) Capital requirements; the cost estimated for putting the property in production

for a mill at the rate of one hundred tons of rock a day has not as yet been detailed. Such must perforce await final flowsheet; further studies of transport; grades of fiber which can be produced to best advantage; availability of equipment; type of power to be utilized; refinements which will be justified; permanent vs semi-permanent vs expendable structures; good used equipment which may be substituted for new; etc. The following estimates are based, however upon the following premises: Equipment, new; power to be high-speed, diesel-electric; buildings to be locally-cut timber construction; haulage be tractor (new, to be purchased) and caterpillar trailers over present road, some of which to be located (about three miles), for heavy loads for transfer to and from at south side of Fox Island River, tractor to ride ferry across river at all tide stages using one winch-power for ferrying; flowsheet to be simple and to produce semi-opened crudes, one grade each of spinning-fiber, shingle-stock and one shorter grade; refinements to be kept at a minimum, at least until profits are realized; ditto with camps and recreation facilities.

Summary of Estimated Capital Costs

Mine Machinery, tractor (used), camp equipment, expendibles and operating supplies bought as a "package" from Harriman, complete	\$30,000
Road tractor D-6 for transport with two track-trailers and spares.....	20,000
Two 5-Ton Flat Trucks	7,000
Mill	
Primary Jaw Crusher	\$7,000
Secondary Reduction Crusher K-V (also with drive).....	5,000
Jumbo—Standard Thetford Type—6' long	3,000
Crusher Spares	2,000
Shaking Screens	4,500
Vibrating Screens	3,000
Suction System, Fans, etc., complete.....	12,000
Graders	7,500
Feeders, Bucket-elevators, Conveyors	5,000
Grisley, Trommet, etc.	2,000
Testing Machine and Laboratory	2,000
Equipment	
Motors 175 H.P. @ \$30 H.P. complete with starters, etc.	5,500
Dust Control (initially minimal)	1,500
Misc. (wiring, etc.)	5,000
Foundations and Erection	15,000
Building	20,000
	100,000
Dryer (tower type, rubble construction, refractory lined and with series of oil burners at firebox,—baffles of rail) 4' x 4' (inside) x 30' high	3,000
Dry-rock Bin (200 tons cap., timber construction, plate lined).....	5,000
Power Plant—2 units totalling 200 H.P. (Crusher and dryer to run one shift, mill ten hours on the other) complete with switchboard panel, etc. (Erected)	20,000
Freight and Haulage	20,000
Office and Other Small Buildings, Storage Sheds, etc.....	9,000
Engineering, Travel, and Other Overhead and Small Miscly.	16,000
Working Capital for Additional Exploration	20,000
TOTAL	<u>\$250,000</u>

All these things have yet to be determined, they say, before they can determine the cost item for putting the property into production, yet they go on to summarize, to estimate the capital cost to put the mine into production at \$250,000 and come back and ask the Government to guarantee \$250,000 and the cost estimate of putting the mill into production has not yet been detailed. Then they go to work and tell you they have \$250,000 and then go on to tell us the estimated profits detailed "It has been estimated the total cost of producing fiber will be at the rate of \$12,00 per ton calculated from the results of the work done on the ore body last season that the place-value expectancy of the footwall "B"—orebody as now developed is \$30.00 per ton of rock. At a milling rate of 100 tons a day, therefore, the total costs should approximate \$1200; the total value of fiber produced, \$3000; and the potential profit after all charges before taxes and not including amortization of bonds, \$1800. The proven and semi-proven ore as now developed, 25,000 tons in all, should thus produce a total (using an eighty per cent extractability factor) of \$360,000 available for bond retirement. Utilizing seventy five per cent of the income for such purpose, it would appear that the entire loan might thus be paid off in about two years from its inception (expectancy for operation of mill,—Fall, 1952) from the proceeds from proven and semi-proven ore alone."

In other words from the twenty-five thousand tons of proven ore they expect to pay off \$75,000 they had from the Government and they expect to pay off \$250,000, the bank loan on Government guarantee, on twenty-five thousand tons of asbestos. Mr. Speak-

er, I think we should go about this very very carefully. I say we don't want to be accused of trying to hold up anything but we do know that the Government are very often easy bait for individuals who wish to start mines and cannot float their own expenses. In this country Governments have been known to be easy bait. Whether it is possible to advise them or not I do not know. I do wish we could find some methods of some degree of certainty of hope whatsoever of recovering that two hundred and fifty thousand or at least the \$75,000 put in and also getting out from under the guarantee of the \$250,000 as at the moment it seems to me none of us are in a position to say: ' This is a good thing, let us vote for it.' I think we ought to be very cautious.

MR. CURTIS: In reply to my honourable friend, I think I might say that the original capital of this company is \$250,000 and was increased to \$350,000 in order to issue these \$100,000 preferred shares. I might say that the capital of the company is not an important thing, you can capitalize a company at any capital you like and it does not mean one cent more what you capitalize it at. What happens is this, I would presume, Mr. Chairman, that Mr. Seibert himself picked up the mining claim, bought it and bought the individual mining claims and gave shares in payment for them and that the accumulated claims brought in a paper capital of \$250,000 but in this case fortunately it is a little more than paper because an outside firm has paid at least \$250,000 developing the property so that it is not just a claim that somebody took but rather a claim that somebody has spent a lot of money on and there is no question at all but that Mr.

Seibert and the Newfoundland Asbestos Limited could have in time developed this by going to a market and issuing shares but this might take one year or ten years or twenty to do and in this programme of Economic Development the Government is seeing fit to assist companies in getting into immediate production, as there is a chance of an industry there and a secondary industry to follow it and we think that it is a deal that is well worth taking. Walter Rukeyser was in charge not only to make the original report but to follow up on the report and his own reputation as the foremost asbestos mining engineer in the United States and Canada is at stake and we feel that the investment is a safe one and for that reason we have bought in this Legislation.

The Committee sat and reports having passed the Bill without amendments. Ordered read a third time now. Read a third time, ordered passed and title be as on the Order Paper.

Second reading of Bill, "An Act to Approve and give statutory effect to an Agreement between the Government and Atlantic Hardboards Limited."

MR. SMALLWOOD: Mr. Speaker, I move the second reading of this Bill. This is a Bill to give Legislative effect to a contract entered into between the Government on the one hand and Newfoundland and Atlantic Hardboards Limited on the other hand on the 11th of March past. This company is a locally incorporated one made up in its personnel of two groups, one from Germany, Western Germany and the other from Switzerland. The names of the two men concerned are Gustav Karl Weis who is the German nationalist and

Rudolf Hanhart, his partner who is the Swiss; they combine German and Swiss skill and capital and experience. Hanhart the Swiss is a timber and lumber man in Switzerland and Weis his partner is director of the famous German Furniture Man. House of Moaser and Sons in the town of Hamburg in the Black Forest of Germany. The prime movers in it are Moaser representatives in this country, but Weis and Moaser are perhaps the largest manufacturers of furniture in Western Germany. I think they own four large plants in Western Germany. Making furniture is their principal business, their furniture is sold all over the German Federal Republic. They have been in business for many years and are thoroughly skilled and thoroughly experienced in that industry. In the course of their furniture industry Moaser purchased for Germany, the patents for a new process of hardboard manufacturing developed in the tiny principality of Liechtenstein.

It is rather interesting, Mr. Speaker, to know that patents for all of North America with the exception of Newfoundland have been purchased from that firm in Liechtenstein by U.S. Plywoods who are the world's largest company manufacturing plywood products, a gigantic concern. U.S. Plywoods have bought those patents on this side of the Atlantic and went at once into the construction of a large factory in the United States to manufacture this pressboard. Before that factory was half finished they had launched into the construction of a second and larger factory and before the second factory was completed they had launched into the construction of a third and even larger factory. So that at the present time they are manufacturing in one factory, the second

factory is almost completed and the third factory will be in production some months from now. They find that it is quite impossible for them to keep up with the demand for the product.

Now, this company, Atlantic Hardboards Limited have acquired the patent for Newfoundland and have gone to the United States to confer with the U.S. Plywood Limited for discussions on the marketing of the pressboard that they will manufacture in Newfoundland and have an arrangement with U.S. Plywood to the effect that U.S. Plywood will purchase from them all the pressboard they manufacture in Newfoundland that they themselves cannot sell. Which means, and I ask the House to note the fact, that the sale of the output of this factory is assured before the factory is built at all.

Pressboard, Mr. Speaker, has been made now for some years in many countries. I, myself, have seen pressboard that was manufactured in Sweden, in Denmark, in Czechoslovakia behind the iron curtain, in Canada and in the United States. For two years I have personally been keenly interested in the pressboard seeing in that product an article whose manufacture would be a very logical and sensible one for Newfoundland. So for that reason I have looked at samples of hardboard and pressboard manufactured in various countries and none of them I saw was satisfactory until this new process came on the market. I can show you here what I mean, members on this side have examined all these samples and the gentlemen on the other side might be interested to do so. This one is a product manufactured in Canada and the House will see, as the honourable gentlemen will see, it is a pretty crude and

rough product. Here is one much better manufactured in Denmark and the honourable gentlemen will agree that it is greatly superior to the Canadian product. But it is only when one compares this new Liechtenstein product with the others that one realizes how superior this product is. It is made, as the honourable gentlemen can see, in various thicknesses and in conventional sizes, panels four feet wide and four feet long, six feet, eight feet and ten feet, the conventional sizes in panels for building purposes. Now this pressboard is manufactured for two purposes, one the thing with which we are all quite familiar, wall board panels for interior building construction and the other is, I venture to say, the great new medium for furniture. Sir, if we did not know that this table, this treasury table, the gift of the Government of the Province of Quebec, had been made by hand, we would know from sight that it was made approximately in this manner. A thin sheet of veneer glued to a core, a core made up of narrow strips of board glued together from narrow strips of board, glued together put through a planer and given a smooth, even surface to take the veneer glued on for the outer surface. When you go down to Ayre & Sons, or Popes or Royal Stores or into the various departmental stores across Canada and see the handsome furniture, this handsome furniture is soft wood cut in narrow strips of about an inch and glued together edge to edge, the whole run through a planer and then covered with a thin veneer, a thin sheet of birch veneer, which is then polished to resemble mahogany so closely that only an expert will detect that it is birch and not mahogany at all. This new product will replace the lumber

core which is the base of furniture and instead of narrow strips of wood glued together to hold the veneer surface you will have this product which is vastly superior to the ordinary lumber core. Here is a sample of the product covered with the veneer. This veneer happens not to be birch because they were made in Germany where birch is such a luxury that they can't, just can't afford to use it except in very exclusive circles. The honourable gentlemen can imagine larger pieces which will make desks, tables, cabinet tops and sides and fronts for chests of drawers and bureaus for a sideboard, a cabinet, for radio cabinets, for all kinds of furniture this pressboard can be used and covered with the proper kind of veneer.

Now, this industry, Atlantic Hardboards Limited, is to manufacture the pressboard. It is purchasing birch veneer from the Newfoundland Hardwoods, pressing it onto the pressboard and selling it to the furniture industry on the mainland of Canada and in the United States. The promoters of the industry have called on the furniture trade in Kitchener, Ontario, whose former name as the House may remember was Berlin and which city is populated very largely by Canadians of German descent and where the furniture industry is engaged in on a gigantic scale as it is largely in the hands of German-Canadians, of German descent; and other furniture manufacturing cities in the Province of Ontario. They have gone up there and consulted with the furniture industry and have tentatively been given large orders for this pressboard with the veneer coating and without it.

The total outlay by the Government under the agreement made is a maximum five hundred and seventy-five thousand dollars. It may turn

out to be something less than that because there is a clause in the agreement providing for the possible building of the factory, the building itself being put there for somewhat considerably less than the estimate for what it can be erected for, here in Newfoundland. This will interest the House. The two best quotations they have received in Newfoundland for the factory building, the construction of the buildings complete are \$200,000 and \$175,000. Neither price satisfied the owners of this company and they stated, with considerable confidence apparently, that they could build the factory in Switzerland, prefabricated in sections, ship it by land to the nearest seaport, say to Hamburg or Rotterdam and by water across the Atlantic Ocean to St. John's, pay the Canadian Customs Duty on the value, unload it, truck it to the site which is beside the birch plant in here, erect it ready for use at a total cost, they think, of \$100,000. In which case they would save \$75,000 on the lowest price which is \$175,000. It is provided that the only money of our advance of \$575,000 that would leave Newfoundland and go to Europe will be first the \$60,000 which must, I believe be in U.S. dollars which is the license fee for the patents and, if they discover for a fact that they can erect that building in Switzerland, prefabricated and ship it over here and save not less than \$75,000 then we undertake in the agreement to ship that money to Switzerland to pay for the construction of the factory to enable them to save a total amount of \$75,000. But if we do that the total we advance to them will fall from \$575,000 to some amount less than that sum less the total amount they save on the construction of the factory.

The normal time for the delivery of this machinery would be eighteen months, however Moasers themselves have much machinery manufactured down through the years by various machine companies in Germany, including a machinery factory, a plant exactly similar to this they now operate in connection with their own factory in Germany, and they have made the necessary arrangements with the manufacturers of that machinery that will enable them to get the machinery from the time this contract was signed when they placed the order, get it manufactured and delivered here in Newfoundland sometime in the coming summer. They have undertaken to have it not later than December at the latest date by which they must have it here, prior to December 31, 1952, in fact it will be some months before that date.

Mr. Speaker, I have only this more to say about this Bill. If there is anywhere in the world any industry based on the utilization of the kind of wood we have in Newfoundland that cannot be operated successfully in Newfoundland, then we had better forget all further talk about industrial development. Whatever arguments there may be about the prospects of profits, success in industries based chiefly upon the utilization of the raw material that does not come exclusively from Newfoundland, surely there should be excellent prospects of profit in an industry in Newfoundland based principally upon the utilization of the raw material that is here in ample quantities and to be gotten at least as cheaply as anywhere else in North America. I suggest to the House, wood is exactly that raw material we have it here in Newfoundland for this factory, we can cut it, we can move it, as cheaply as any-

where else in North America and that begins a plant that is absolutely modern, up to date and efficient, together with the kind of personnel and skill needed in such a factory, then that factory can succeed well here, as well as anywhere else in North America. This is the kind of industry in which I personally fell in love many years ago, industry based upon the use of wood, heavens knows we have lots of wood in Newfoundland, wood, rocks and water and fresh air. Now, if we can base an industry on fresh air and there we would hope to have the help of a firm of modern miracle makers, we can have chemical industries. If we can have an industry based on fresh air we have lots of that, if on rocks we have lots of them, and if we have an industry based on wood, the kind of wood we have, namely soft wood and hardwoods consisting almost entirely of birch then this pressboard will be made of birch which will give it a better quality than U.S. Plywood will have. I have seen samples of their product manufactured by the same process but not made with birch and that product does not equal the product this firm will produce here in Newfoundland using birch to do it.

Now, Mr. Speaker, one other point and then I sit down. It is an astonishing fact that in the manufacture of plywood which is done by a very simple process of gluing pieces of veneer together cross grained, never less than three ply up to seven ply depending upon how thick you want the plywood to be, an enormous amount of glue is used, made of liquid, synthetic resin, usually, formaldehyde used in enormous quantities in the manufacture of this pressboard, and if twice as much were used as the birch plant is using, if that were doubled there would definitely be a

need for a glue factory in Newfoundland to manufacture that glue. This industry will more than double the consumption of that glue in Newfoundland which will lead, I believe, inevitably to the building of another factory in Newfoundland without any cost to the Government for the manufacture of this glue.

Now, this pressboard, as I have said before, will be used in three ways and sold in three ways, as panels for interior construction of buildings and dwellings, as raw material for the furniture industry on the mainland of Canada and in the United States, and as furniture because Moasers are primarily furniture manufacturers, and this plant is the first step to another factory for the manufacture of furniture based upon the use of pressboard plus birch veneer and birch plywood from Newfoundland Hardwoods Limited. All these are natural industries and I am quite sure that everyone in this House will, after giving this contract necessary scrutiny, be one hundred percent in favour of it because if we are not for wood and fish we are not for anything, these are our main raw materials in this Province.

Motion is now read a second time.

MR. CASHIN: I move the adjournment until the next sitting day of the House.

MR. SMALLWOOD: I move, Mr. Speaker, the House at its rising do adjourn until tomorrow, Tuesday, April 15th, at 3:00 of the clock.

TUESDAY, April 15, 1952.

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

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I have very great pleasure in announcing that the Right Honourable Viscount Rothermere has accepted the invitation of the Government to become Chancellor of the Memorial University of Newfoundland.

Viscount Rothermere is, as the House probably knows, a son of the late Viscount Rothermere, and the nephew of the later Lord Northcliffe. He is 54 years of age. He is Chairman of the Association of Newspaper Proprietors of Great Britain, which puts him at the head of the whole newspaper publishing field of the British Isles. He is also Chairman of the Company known as the Associated Newspapers Limited, that is the Company owning the "Daily Mail," the "Daily Mirror," the "Sunday Dispatch" and a considerable number of other newspapers published through the country of Great Britain and Lord Rothermere, as a former member of Parliament was Aide De Camp to the Prime Minister of England at the peace conference after the first world war. But, Sir, the thing that makes Lord Rothermere's acceptance of the appointment of Chancellor of the University is his close connection with Newfoundland, and the close connection of his family with this Province. It was his uncle, the Lord Northcliffe who established the paper mill at Grand Falls, thereby establishing the paper manufacturing industry in Newfoundland, established around the year 1905. Lord Northcliffe was replaced by his brother, Lord Rothermere upon whose death, the Viscount succeeded to the title and to the responsibility making him head of that great chain of newspapers in Great Britain. Viscount Rothermere has visited Newfoundland quite frequently

all through his life, and his last visit here was a matter of only a few months ago.

He has said in his letter of acceptance, that it is something of a tradition in his family to be interested in the welfare of Newfoundland and expressed the view that he regarded the invitation to become Chancellor of the University as a call to duty that offered him an opportunity to continue in that field, the long record of service to people of Newfoundland. I think Newfoundland is to be congratulated upon getting Lord Rothermere to accept the Chancellorship of the University. I think that his acceptance of that post is an excellent indication of the fine prospects of the University.

I may say in passing, Mr. Speaker, that efforts are being made to find a new president to succeed President Hatcher, who very shortly will be retiring from that post in the University. If Newfoundland can be as successful in getting the right man for president of the University, as we have been getting a chancellor, it will indeed augur well for the future of what we hope is to become one of the outstanding small universities of Canada.

MAJOR P. J. CASHIN (Leader of the Opposition): Mr. Speaker, before you go on with the Order Paper of the Day, I rise to a point of privilege. My attention Sir, since the House closed, has been drawn to an article which appeared in the "Evening Telegram" which I will table, April 5th, headed Political Notes and written by VOX, whoever that may be, I do not know. I am not going to read the whole article, but there is one particular part I would like to draw the attention of the House to

as it applies to me personally. I think in justice to myself and to the voters of St. John's West, who elected me, that the matter should be cleared up without any further delay. "Speeches that never get made are more interesting than the one that. . . (down to) on tap, Mr. Forsey says, and if the opportunity offers, up she goes."

Mr. Speaker, in justice to myself and to the people that elected me, I think, I do not see the Honourable Minister here this afternoon, I am entitled to an explanation of that statement. Further it was continued in another article in the very esteemable publication that comes out here every Saturday, wherein it says: "Forsey shows mercy to Cashin in House," I shall read that and table both.

Mr. Speaker, I think, at least I am confident that I am entitled to an explanation from the Honourable Minister of Supply and those members of the Liberal Government who have evidently used certain influence to block Mr. Forsey's disclosures of these facts and figures and other personalities about me. The Honourable Minister is not here, but if the Honourable Minister of Supply has anything derogatory about me, against my character, my political record, my honesty, anything whatsoever as he so emphatically, I understand, stated at some time outside this House, here is the place for him to bring it right at me, not to go behind my back, or behind the door somewhere and make the statement and have it copied in the local newspapers so that people would interpret it wrongly. Probably, now I hate to have to bring this thing up, but I look upon this thing in an entirely different light. I have

been a member of this House since 1949, and I had been a member since 1923 under total responsible government, and I am no angel, there are no wings sprouting from me, I ask no mercy from anyone in this House on this side or on the other, there is only one individual of whom I ask mercy and probably will, and I don't know whether my friend, the Honourable Minister of Supply is trying to surpass that individual, that is the good God, and I hope when I pass away, He will have mercy on my soul for sins I have committed in the past. It is not much good to look for mercy from Mr. Forsey, when I have a conference with St. Peter at the gate. At one time, during the Address in Reply, I understood that certain things were going to be cut out, but they have started again on the outside, blackmail is going on. I want to draw attention of you, Sir, and of the House to this very dirty rag published on the Eve of Our Lord's Day, a paper I say which should be banned, immediately on the front page of this sheet we find (Reads the Headline) and hidden away almost on the left hand corner is the crucifixion of Our Saviour. Now, I hate to have to bring this up, any member of this House, or on the outside who gloats over a thing like that, there is only one way to treat that paper, and those responsible for it, in my opinion, Mr. Speaker. There is a lot of this filth and dirt being brought around, and the people who do it are not fit to live, they are the people who are supporting the present Government strongly. Surely if we are to believe all the tales we are told about dignity in this House, we should look to the Ministers of the Crown to give us an example, and if the Honourable Minister of Supply wants to bring out any-

thing against me in my private life, or any member on this side or the other, now is his chance, or do they want me to tell it all myself, because I can go back to sixty odd years, when I came into this world, I can go back for fifty of them, and I have done wrong things and right things, the same as any other human being, but I am not going to stand or sit in this House any longer and be told we have a file to expose in the House here. This is the place to expose that file, now this is real gangster stuff, blackmail in a sense, like you hear of in the city of New York where public men get threatening documents, do this or do that, or we will expose you, it goes right into the very sanctity of your home and your children, to get at you to close your mouth. Let me say right here and now, Mr. Speaker, I welcome that and as I said a moment ago, I seek no mercy from any member in this House nor outside it, there is only one person I will seek mercy from later on, and I hope to get an opportunity to ask for that mercy in the proper way which won't be from the Honourable Minister of Supply nor the Premier nor the Attorney General, or anyone else, and I am not going to be in a capacity to extend mercy to them, they have to account just the same as I.

To me, Mr. Speaker, that stuff borders on communism, and I can't express myself better. The Honourable Minister is not here, but when he does come in, he has to explain this to me. I am not going to let him get away with that, he need not worry. I am not going to make reference to the Honourable Minister here, I don't know whether he is sick or what, but I think, Mr. Speaker, this House owes it to me now to give me that explanation, out with your

file, go back to the days when I was in the army and got CB for being out without leave or something like that, go back if you like, and if you can't, get it out of the record, make it up, go back into the records of others, and see if those people who now preach, could not be prosecuted as it were. I said over the air during the days of the National Convention, those in glass houses should not throw stones, why there would be more stones in here than could fill this room, if we started pelting them across the floors of this House. Here we are at this time, when we are about to enter into a discussion on vital matters in this Province doing this kind of thing to try and frighten us off, but I say now, there is no one in this House nor outside, however, going to frighten me, and there is only one person I seek mercy from, and He is here this afternoon now, though we can't see Him, and not in the person of the Premier, nor the Minister of Supply, or by my friend from St. John's West, nor anyone else, the only one I want to seek mercy from. I am sick and tired of whispers behind closed doors, and behind my back, people who do that are not fit to live, Mr. Speaker. I draw this to your attention, and I want the honourable gentleman, when he sees fit, to come in here. I want the opportunity then to ask him to table all the facts and welcome to clean up this filth and dirt which smells in here this afternoon.

MR. SMALLWOOD: Mr. Speaker, if I may be allowed, I would like to join with the honourable gentleman in deprecating personalities. I am very glad that the honourable gentleman feels so strongly against the use of personalities, the use of slander, against the use of vilification. I am

very glad that he has joined with this side of the House in his determination.

MR. CASHIN: I want that file you talked about.

MR. SMALLWOOD: His determination that there shall not be personalities, abuse, scurrility, innuendo and threats. If the honourable gentleman, who has himself declared publicly that "Vardy is gone, now Forsey, next Curtis got to go," if he declared that in public meeting, I am glad, very glad to hear now from the honourable gentleman that he does not believe in that kind of thing, and I hope he did not mean it, if he made these remarks about the Honourable Minister of Supply.

MR. FOGWILL: Mr. Speaker, may I interrupt. Is a question of privilege debatable at this time?

MR. SPEAKER: In procedure, the Honourable Leader of the Opposition made a complaint, and it is now for the House to decide, which I presume the Honourable Premier is doing, to decide whether it is to be taken into consideration here and now, or left to a committee on privilege.

MR. SMALLWOOD: Mr. Speaker, I was saying that I am very glad the honourable gentleman, the Leader of the Opposition is so strongly expressive in his views against the use of personalities, dragging things out of the closet, dragging skeletons out of the closet, so happy that he is so strongly opposed to that.

MR. CASHIN: Drag anything out you want, as far as I am concerned, I am not trying to hide anything, out with it.

MR. SMALLWOOD: I would be sorry now if I misunderstood. I

think I understand clearly from himself whatever his attitude or conduct in the past, now he is opposed to personalities and scurrility and hints. That he is opposed to dragging skeletons out of closets.

MR. CASHIN : Mr. Speaker, I rise to a point of order. I never made any such statement, I asked that the Honourable Minister of Supply, who is not here this afternoon, who made a statement to the press that he was going to turn on the tap, I want to have the tap turned on, I am not trying to hide anything, I want the tap turned on, I want this file we have heard so much about placed on the table of this House, out with the file, that is what I want. I want nothing hidden, and if I am not fit to sit here, I will get out.

MR. SPEAKER : The remarks quoted by the Honourable Leader of the Opposition are merely allegations of facts. The Honourable Minister may, or may not have made the remarks. The House has no knowledge of that.

MR. SMALLWOOD : Mr. Speaker, I learn to my regret, that the Honourable gentleman did not take a stand against personalities and dragging skeletons out of closets. I understood he had taken that stand, and I was only agreeing with it. I was very glad that the honourable gentleman whatever he may have done or said in the past, as of now, was opposed to scurrility and personalities, dragging up a man's private life, going into a man's home and dragging out stuff to use against him for politics. That is what I understood and if I am wrong in understanding that I am very sorry.

Now, what are we discussing? A speech that was not made. We are

not discussing a speech that was made, but we are discussing an article printed in a newspaper alleging certain statements in a speech which was not made. Surely the House is not going to waste its time taking notes of newspaper comments. If I were as thin-skinned as that, I would keep this House busy virtually every day of the week, if things said about me, if personalities were dragged out by me, far more scurrilous things than things recently said about the honourable gentleman, about my religion, my parents, who baptised me. I know the whole story, I know the explanation of why certain people hate me, and every breath I draw. I know the foul lie that is being invented about me and my religion. The honourable gentleman is going to hear what I have to say, whether he likes it or not. I say that this House would be wasting its time to take notice of what appears in the newspapers by using quotations. It is time enough when there is a flagrant breach of the privileges of the House, I claim there is no such breach now, no breach whatsoever, and we are just wasting our time.

MR. CASHIN : Well, Mr. Speaker, the Honourable Minister is here himself now, and with your permission—

MR. SPEAKER : Order—There is no complaint against the Honourable Minister of Supply, or any other member of this House, the breach of privilege complained of in the article in an issue of the "Evening Telegram," April 5, 1952. There is no proof that any remarks or threats were made or uttered by any member of this House. The complaint is against an article appearing in that paper.

MR. CASHIN : It is not an article, but it is quoted.

HON. E. S. SPENCER (Minister of Public Works): But the Honourable Minister made no such speech.

MR. SPEAKER: Then the article is obviously untrue.

MR. CASHIN: That is up to the Minister, not you, or I, Sir.

MR. SPEAKER: The honourable member is quite within his rights to do that.

MR. CASHIN: It is up to him to say it is not true, Sir. I don't think, with all due respects, Sir, you can say whether it is true or not.

MR. SPEAKER: If the honourable member will permit me: The Chair takes a rather serious view of any publication reflecting upon the character or behaviour of any member of the House. The Chair, however, is not concerned, neither is the House, whether they be true or not, it is merely a matter, ought such things be said at all by any member. Therefore, the only thing I can offer the honourable member, is to move the question to the Committee on Privileges which exists for that purpose, who would give the honourable member, I should think, every satisfaction, even to taking evidence from the Honourable Minister of Supply. As a matter of fact, the Honourable Minister might himself well complain a breach of privilege. That is the only thing the Chair can offer. Since the complaint has been made, the paper complained of tabled, I would suggest that would be the proper thing to do.

MR. SMALLWOOD: Mr. Speaker, I again say, I think we are wasting time to take notice of newspaper articles commenting on a speech that was never made, that was to be made, or may yet be made. Let us wait

until the speech is made, or is attempted to be made.

MR. FOGWILL: We have wasted a lot of time on similar things.

MR. CASHIN: We can handle ourselves. Table the file.

MR. SPEAKER: Order.

Presenting Petitions

None.

Reports of Standing and Select Committees

None.

Notice of Motions

MR. SMALLWOOD: I give notice, Mr. Speaker, I will on tomorrow, introduce a Bill, "An Act Respecting Provincial Parks." A Bill, "An Act to Amend the Mines Regulations Act, 1951." A Bill, "An Act Further to Amend the Act No. 141 of 1938" entitled "An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company Limited."

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Old Age Assistance Act, 1951." A Bill, "An Act to Amend the Blind Persons' Allowance Act, 1951."

HON. PHILIP S. FORSEY (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Rent Restrictions Act, 1943."

MR. SPENCER: Mr. Speaker, I give notice, I will on tomorrow, introduce a Bill, "An Act to Incorporate the Botwood Water Corporation."

Notice of Questions

MR. SPEAKER: Question No. 66.

MR. SPENCER: This answer was made up four or five days, and as explained when giving the original reply, which the question deals with, claims are being submitted by us from time to time, from my Department rather, and are paid in a similar manner. I have pleasure in tabling this answer, as follows:

Total amount of claims paid from February 29, 1952, to date: \$533,021.20.

Additional claims submitted, but not yet paid at this date: \$182,540.00.

Orders of the Day

Committee of the Whole. "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

The Committee sat, passed clauses 1 through 10.

HON. L. R. CURTIS (Attorney General): I move the Committee rise, report progress and ask leave to sit again.

The Committee sat, made some progress, and asks leave to sit again. Ordered sit again later.

Second reading of a Bill, "An Act to Amend the Family Courts Act, 1951."

DR. POTTLE: Mr. Speaker, this Bill is designed in the main to smoothen the administration of the Family Courts Act, 1951, and to correct certain deficiencies in that Act at the same time. As many of the clauses in the Bill have no logical relationship to one another, except that they appear in the same Bill, I think probably the best thing to do would be to take the clauses one by

one, and comment on them in proportion to the comment required.

Clause (2) which amends sections of the original Act is self-explanatory. It gives the clerk of the Family Court power to administer oaths and the second part of the clause enables the probation officer of the Family Court to carry out duties as such with powers of a constable and have certain immunity in so doing.

Clause (3) is one of great substance. It gives the judge of the Family Court, authority by order, to determine proper execution of custody of a child. With this important provision, that the Court shall have at heart, the Welfare of the child, and the conduct of the responsible party. As the House is aware, the Supreme Court already has power to determine guardianship and such powers are not by this Bill curtailed. But for powers of determining proper guardianship we have, (1) the Supreme Court and (2) the Family Court now asks for authority to so authorize and determine. As the House knows, the Supreme Court is an expensive procedure, but the resources of the Supreme Court will be still available and that power is not infringed upon by this Bill. Actually, the problem of determination of custody of a child is limited by the intent of this clause to problems where maintenance of children and dependents arise. At the present time, the Family Court has no power to determine the care and subsistence that may be a point, the particular problem before the Court with regard to a dependent child. At the present time, any father may claim that he is able to look after the child or children, and by saying so, thinks he is thereby discharging his responsibility, where as in actual fact, he may be unfit by his own record, or

present circumstances to do just that thing. Under this section, the Family Court must first decide where the children will go before any other supportive steps are taken for the child's or children's welfare. For instance, this has to be determined before an order for maintenance can be made. This clause gives the Family Court, therefore, power to make just such decision. The point I have just sought to make, with regard to clause (3) is, therefore, Sir, one that is important in making determinations of this kind relating to matters of custody and it does not infringe upon the powers of the Supreme Court. The order to be made, is normally a temporary order, and is not necessarily binding for all time.

Clause (4). This Clause, Sir, is really a matter of constitution. It provides the Family Court with what is always essential for the proper conduct of the Court, namely, its power should be lodged under some constitution, the stipendiary magistrates have their constitution in summary jurisdiction, and the Supreme Court in the Judicatory Act, but the Family Court has no such constitution, and it is intended here, we will find just such constitution in the Welfare of Children Act, 1944. Up until the present time, when the Family Court judge heard adult cases, i.e. as a magistrate, and juvenile cases are heard by the juvenile court judge, but nowhere in the Act is it provided that the juvenile judge, as such, could have power to determine a case, because there was no such constitution. That deficiency is now, Sir, corrected in that provision.

The second part of the Clause given in Clause (4) sub-clause (2) provides for trials in camera and that is not nearly so restrictive as on the face of

it would seem, because actually, the Court is quite open to the press, and people who have a lively and intelligent interest in the operation of the Court, and people having such an interest are given every courtesy, and are enabled to sit in, and hear what goes on. But essentially, these hearings because of the nature of them, are held in camera.

Clause (3) of (4) defines the authority of the Summary Jurisdiction Act.

Now, the new section which is added is clause 14, and is also included under Clause 14, provides that orders which have been made by magistrates of the Juvenile Courts prior to the passing of the Family Courts Act, which are now outstanding, which have to do with such things as maintenance orders, payments of funds or probation orders, can now be taken over by authority of this provision by the Family Court, which were made under section 69 of the original Act.

The concluding clause indicates that the Bill if passed, will be administered by the Minister of Public Welfare, and that amendment ties with the main Act, and will mean that the whole Act under the Interpretation of Statutes Act will be administered by the Minister of Public Welfare, and that gives an indication of the conception and spirit in which this entire Act is intended to be administered and employed.

I have pleasure in moving the second reading of this Bill.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to

Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited."

MR. SMALLWOOD: Mr. Speaker, this is a Bill to give effect to an agreement made between the Government on the one hand, and a company known as Atlantic Optical Company Limited, on the other. Atlantic Optical Company Limited founded by Dr. L. Sennewald, whose name attracted some little attention here while the people of Newfoundland were immersed in a political consideration some few months ago. The election is over with, with the result that Your Honour sees before you, and there seems to be no point in fighting the election over again in this House. I suggest the House might profitably take the agreement as it stands, and examine it on its merits, regardless of whether Mr. Gordon Higgins was smart or not, regardless of Mr. Max Brown going to Gander to interview Dr. Sennewald, regardless of all the reckless charges heard against Dr. Sennewald, and others during the period of the election last fall.

The Optical Industry in Canada as a whole is quite an important one, and I may say, quite a profitable one. There are few industries in Canada more profitable, or in fact, so profitable, as the optical industry. Indeed, it is only a few years ago that the matter came to a head, monopolistic and highly profitable practices of the optical industries had to be investigated by the Government of Canada under the Combines Investigation Act, the result of which was first to show that industry was indeed a tightly monopolistic one and an industry in which the profits were phenomenal to say the least. The monopolistic features of the industry were smashed

and no longer exist, so that today, from the standpoint of patents and other standpoints, it has become quite feasible for almost anyone to engage in the production and sale of optical goods anywhere in Canada, which is quite different from the situation which existed before the Combines Investigation Act investigation was made. The industry has grown quite rapidly in Canada. Before the late war, Canada herself produced 59% of the optical goods consumed in the nation, and imported, mostly from the United States, 39%. Since then, and as a result of the war, the industry in Canada is producing 65% as against 59% before the war and is importing again mainly from the United States 35% as against 39% before the war.

Now, Professor Sennewald proposes in his industry in Newfoundland to produce three hundred thousand eye glass frames a year, and four hundred and fifty thousand lenses, eye glass lenses per year. This production would equal approximately 10% of the total consumption of Canada. It is rather interesting to note in passing, that one person in five, in all the population of Canada, wears glasses, and it is believed by authorities in that field, that there would be more than one in five, but for the high cost of eyeglasses, frames and glass lenses, that if the price were considerably lower, probably two in every five would be wearing glasses.

Dr. Sennewald proposes, therefore, to produce ten percent of the total consumption of Canada. He has in his possession now, I believe, ready to ship to Newfoundland from the Saar, which is a French Protectorate, the very latest equipment for such an industry. His idea is to commence by employing 90 people, a number which would grow as the industry grows, as

all of his products increased. Of this 90, several, four or five would be brought in from the Saar and from Germany, as key men, key technicians to train local personnel in the skills associated with the industry. Later, as the company developed and grew and became profitable, Professor Sennewald is ambitious to go into the manufacture of camera lenses, binoculars, microscopes, and similar optical goods.

Now, Dr. Sennewald himself, is forty-six years of age, German born, but has resided most of his life, since the war, in the Saar, which is a French Protectorate, as the House knows. He is quite a distinguished scientist, studied physics and mathematics at the University of Dresden, Berlin, Vienna, and also in London, and has a degree in science and medicine. He has still a third doctorate associated in some way with opticals, I am not quite clear on that. Dr. Sennewald was once proposed for the Nobel Prize in physics, but Hitler's Government would not permit him to accept, so he never was a Nobel Prize winner. After the collapse of Germany, the Russians urged him strongly to go with them to Moscow, to enter the University of Moscow, and to be a consultant to the Government of the Soviet Union in the matter of optical production and optical science. However, he was highly disinclined to go to Russia, and with the help of the Western allies, he was able to make his escape, and with him to take his equipment from Eastern Germany, where he happened to be at the collapse, to the French Protectorate of the Saar, where he has been since, and where amongst other things, he has been and is now, a professor of physics in the University of the Saar.

He is bringing with him to Newfoundland three men, each of whom is highly skilled in his particular field, and a man named Kilwer who is the same age as Dr. Sennewald. He is a skilled tool maker and optical manufacturer, and a man named Olis Urban, who is also 46 years of age, who is an engineer, but particularly a specialist in glass grinding. Mr. Urban, before the war, ran a large optical plant in Czechoslovakia, and I am inclined to think he is a Czechoslovakian, but since the war, he has resided in the Saar. By a strange coincidence, all four men are of the same age, 46 years of age. Hansell Kiel in Germany is the business man of the group. Now, Sir, no one ever suggested that Dr. Sennewald is a business man, personally I had the gravest doubts about Professor Sennewald's whole project until fairly recently. He came to St. John's last summer, he appeared before the Cabinet and we had long conversations with him, and as a result of these conversations, I personally formed a pretty definite impression about him, the impression being that he was indeed an outstanding scientist, that was obvious, a man who had three doctor's degrees in Physics, Medicine, and in some branch of optical science, a man who had been offered the Nobel Prize in physics, a man who is a close personal friend with some of the greatest physicists in the world today, including some at McGill University, was undoubtedly an outstanding scientist, a man of great energy and a considerable amount of personal charm at the same time. The impression that I formed was that he was not himself personally a businessman of the quality and experience that we would require before being willing to advance so large a sum of

public money to him to assist to establish an industry here. And so he did not get the money. Now, he bombarded us with letters, most energetically, he bombarded us with letters. I did not answer them except one I answered, which was to the effect I was not satisfied with his business ability, that I thought he should make a close study of the industry in Canada as a whole, and particularly a close study of the markets in Canada. Now, at the time I may say I was under the impression myself, a mistaken impression as it turned out, that the optical industry in Canada was a tight monopoly, and I just could not see how a man, even a distinguished man in a sense, but lacking in business experience could hope to establish an optical industry in Newfoundland and compete successfully with what I thought was a tight monopoly in Canada in this industry. So that the one letter I sent him was to the effect that I thought he should make a close and careful study of the industry itself in Canada, and particularly of the markets in Canada, and then come to us, and we would discuss the matter. Instead of doing that, he continued to bombard me with letters, which I never answered. When later last Fall, I went to Germany, wherever I appeared in Germany, I found waiting for me a letter from Professor Sennewald, written by him from the Saar, each time demanding an answer, what are you going to do? Are you going to back me? I did not answer any of these letters until one day the Professor appeared personally in some little industrial town in the South-western part of Germany, I forget the name of it, appeared personally and appealed personally to me to go ahead and back him. I said to him: "Professor, I will not recommend to my

colleagues in the Government any support for your industry until you first make that market survey in Canada." And I went on to say that we had every respect for him as a scientist, indeed every respect for him as a man, a personality, but we were not satisfied that this industry had been sufficiently studied by him to assure him of the soundness of the proposition. Again the day I left Hamburg for Copenhagen in Denmark, and then on to Sweden, I found a long letter from him, a threatening letter, that he was going to expose me to the whole world as a man, who as a leader of a government did not keep his word, and he sent a copy of that same letter to the Attorney General and Dr. Valdmanis. We three conferred as to what we should do. He just did not seem to be prepared to listen, but would just hold us to this gentleman's agreement which we made him and insist that we advance him the money, and he would not go and make the personal study on the spot of the optical industry in Canada. He just would not do it. We agreed that we would ignore it and not answer his letter at all. Then in the absence of any replies from us, Dr. Sennewald, who, I understand, had incurred a considerable amount in equipment and machinery on the strength of this gentleman's agreement to come to Newfoundland and had been forced to sell it again at a considerable loss to him, became what I can only describe as frantic with anger, with disappointment, with frustration, and at that point, he began writing letters to the other people outside the Government altogether. The result, the House knows. He was invited by the gentleman, who was then in the midst of the election taking the place which the present honourable gentle-

man now occupies, as Leader of the Tory Party, was invited to come to Newfoundland at Tory Party expenses, and he came.

Now, I was never too comfortable in my mind about Dr. Sennewald, about the way we had treated him, I insist to this moment, that the attitude we took was a practical one, was the only proper one. He was asking for, I think, the amount of \$250,000, a considerable amount of public money, to engage in and establish an industry in Newfoundland. God knows this Government was anxious to have that industry. But the stand we took was a proper one, it was an inevitable stand. We had taken the same stand in all the other cases where industries were proposed and we took it in this case. At the same time, the man's energy, the man's determination were those of a unhappy man, on the wanted list of the Russians, and if ever Russia marched and occupied the Saar, he would not only be able to get far enough, quickly enough, to get out of their reach nor his young children. He was a family of four, I believe, and was very anxious to get to this side of the Atlantic, and I had never felt really comfortable in my mind. I felt angry because he would not take my advice to make that close economic study on the mainland of Canada that I suggested, I felt angry about that, but also my feeling was, the poor devil, he is an able man, and this is his chance to get his family out and to give us an industry, I wonder if we were too tough with him. I used to wonder if we were just a little too tough, yet to this moment I am convinced our attitude and conduct was proper and the only attitude we could take in all prudence.

Well, I sent Max Brown to Gander

to interview him there, to ask him one question, just one question: Dr. Sennewald, why have you come to Newfoundland? Is it (a) To engage in politics with the Tory Party or (b) to try and get an industry established, which is it? His answer was: "I am not interested in the Tory Party, or any other party, I am not interested in politics, I am not interested in the election, I want to start an industry." So Brown had been instructed to say, and did then say, all right, if it is industry you are interested in, come in, and the Premier will see you. So he came to St. John's. Brown brought him to my office. I did not fall over him by any means, I was a little cool, just a little cool to him, and I said: "Dr. now look, we begin again where we began, we come back to where we began. You are not going to get a dollar from the Government until you satisfy the Government that this is a safe and sound industry. You have now got to do what you should have done last summer, go to the centre of the optical industry, to Toronto, and while you are at it, go to Montreal and look into the matter, examine it, study it, and if you can satisfy the Government that it would be a safe and profitable industry to establish this optical business in St. John's, in Newfoundland, if you can satisfy us that it would be safe and sound and practical, then I will recommend it to my colleagues that we back you with this industry, to the extent of, I think, the amount of \$150,000. He said: "I will go and do it. I admit now I should have done it in the first place." And he did so, he went to Toronto and went to Montreal, and he came back, he was gone some weeks, and came back and reported to us that he had interviewed all the

companies engaged in that industry in Canada. These Companies are: American Optical Company, which is a Canadian Subsidiary operating in Canada under the name of American Optical Company of Canada Ltd., with head offices in Toronto. This Company has taken over the former Consolidated Optical Company. He had conferred with the General Manager, and with the sales manager of American Optical Company of Canada Limited. The second, one of the largest companies in Canada, is Imperial Optical Limited of Toronto, and the third is the Firm of Born and Long, a subsidiary of the American firm of the same name. This company is in Toronto too. This is a selling rather than a manufacturing firm, but holds a strong position in the field, SKHAN, being German, I presume, Optical Company also in Toronto, and they have the sole agency for the Shuron Optical Company of New York. He visited these four firms, and discussed this matter with the top personnel of the four companies, and he brought back the inside story of the optical industry in Canada, the inter-relationship between these four companies, the retail and wholesale field for the sale of optical goods and he had come to certain arrangements with some of these companies. I will not, and I cannot, be made, and I do not intend to reveal the private business arrangements made between Professor Sennewald and certain large and important optical companies on the Mainland of Canada, but he satisfied the Government who questioned him very closely, and in great detail, satisfied the Government that he has an industry exceedingly sound from the profit making point of view. This will give the House some idea of how sound it is:

He can make here in Newfoundland for 70c., an eyeglass frame that costs retail in St. John's today \$8.00. He can make in his factory in St. John's for 70c., an eyeglass frame which sells retail in St. John's for \$8.00, which sells wholesale for \$2.63. Now, he could sell it for something under \$2.63 on three hundred thousand frames and make a very substantial profit. The profit on the lenses are of the same order, can make what seems to be quite a substantial profit, and this is what seems to be quite a substantially profitable industry.

Now, Sir, the ordinary facts of the case are stated in the Bill which the House doubtlessly has read and studied and there is no need for me to give a detailed description. The particulars of the Bill itself are well known to the House. In Committee of the Whole when it has passed second reading, we can take it up in detail. I have, I think, covered the ground sufficiently, if not to convince the whole of the House, then to convince most of it. That is notwithstanding the unfortunate political aspect that was thrown about this matter, during the heat of an election last Fall. This is a sound little industry, I say little, advisedly as it is beginning with only 90 people of whom some 80 to 85 would be local people, nearly all of whom would first have to be trained by skilled men. We think this little industry is essentially sound, and that German skill and German, European technique applied to this industry can develop this company into something much larger, employing more people and becoming much more important in the course of a few years than it will be at the outset.

Mr. Speaker, I move the second reading.

MR. HOLLETT: Mr. Speaker, I think when I went to look for support in the last general election, and also during the by-election, in which I myself engaged, we told the people that we were definitely in favour of new industries in the country. We took that stand, Mr. Speaker, again today, that this country needs new industries, our people need the fruits of new industries, we need plenty of work and, therefore, I take that stand now here, that I am definitely in favour of new industry in this country. But, Mr. Speaker, I draw the line, Sir, on certain industries. The Honourable Premier has spoken to the principle of this Bill, and the only thing that I can remember that he said relative to the principle of the Bill was that, if this concern of Sennewald's came into the country, they would immediately cut down prices of cycleglass frames, or something to that effect, they could produce for 70c. what now sells for \$8.00 and wholesale for \$2.63. That would certainly mean cutting the prices, unless the Government are going to allow this Dr. Sennewald to manufacture frames of glasses and sell them at an exorbitant profit. I don't think this Government could stoop to that, they have great ideas of socialistic worth where there should not be any profits. This Government would not allow that, because if they did, I think it would be bad for other companies manufacturing eyeglasses in this country today. We have the Imperial Optical Company manufacturing glasses and I wonder what effect it would have on their employees if this Dr. Sennewald, this man to whom somebody offered a Nobel Peace Prize for science, suddenly cut prices from \$8.00 down to 70c. That is the only thing, if I were to speak on the principle

of this Bill, I would have to have more facts to see if any of the present people working for instance, for the Imperial Optical Company would be thrown out of work. I would like to have some facts produced. We have only the word of the Honourable the Premier that Dr. Sennewald told him if allowed to come in here, he would produce frames for eyeglasses at 70c.

MR. SMALLWOOD: Mr. Speaker, to a point of order. I am going to pass the words "only the Premier's word" I never said any such thing, I said Dr. Sennewald satisfied the Government, not that he told me but satisfied the Government whom I said questioned him closely, and in great detail. Mr. Speaker, I take it, I can address myself to the point of order.

MR. HOLLETT: I was speaking about the principle of the Bill and I have averred and still aver that the Honourable the Premier has given us nothing whatsoever which would establish a principle for handing out \$150,000 from the pockets of the people of this country to a man coming here to manufacture glasses. Therefore I am against the principle of this Bill, though I do favour new industries.

The Honourable the Premier told us of the concern he had over this Dr. Sennewald. I do remember seeing in one of our local papers which was supposed to be a quotation from one member of the Government, mentioned Dr. Sennewald, I think, Mr. Speaker, sometime not far prior to November 26th, the day on which the general election was held. The Honourable Premier told us that after Dr. Sennewald came here, that date he sent this man whom he called Max Brown, sounds like a Newfoundland name. I can tell you, Mr. Speaker, that the

man's name is Braun-Wogan, a German and not Max Brown at all. He sent Braun-Wogan to Gander to meet this Dr. Sennewald, that, Sir, was not far prior to the November 26th, election. He asked this Braun-Wogan "What about it?" Who, Sir, is connected with a Company in Germany known as New Technique. I think some members of the Government have some knowledge of some of these people. I believe, Dr. Sennewald has some knowledge of this German Company, New Technique of Germany, and of which I understand one, Ernest Leja was past president. Then there is also a German engineer, and Mr. Rosevitch now out at the Cement Plant, and Dr. Essenger and a few more of these people, most of them Germans. I dare say the Government, or some members could tell us the relationship between this New Technique and the big firm of MIAG and tell us also the machinery for the Cement Plant was supplied by this firm of New Technique and another firm. They probably could tell us, Sir, that there was some misgivings of the great firm of Miag in Germany about the operations of New Technique in Newfoundland. And perhaps they could tell us that this Dr. Sennewald knew quite a bit about New Technique and their proposed operations here in Newfoundland. I do not say, Sir, that Dr. Sennewald was to give certain information relative to this, to the public, or the so-called Tories, but I submit, Sir, there was some reason for this man coming out, this Dr. Sennewald, who had been turned down by the Honourable the Premier, who did not think he was a businessman, and, therefore, turned him down, and who, when he came here shortly prior to the November

26th, election, said; "You must do as I told you before, go to Canada, to the United States, particularly Canada, and find out if you have a market for these eyeglasses" and he went to Canada, went all over Canada, and may I point out to you, Sir, came back, and on December 8, an agreement was signed, and it was near November 26, when he left here, and he came back December 8. This agreement was then signed by which he was to get \$150,000 under certain conditions.

We are told, Sir, that this man Sennewald is to set up a plant whereby he can make eyeglasses, and all sorts of optical goods, and engage and pay wages to 90 men or women, and as the case might be, create an industry based on capitalization of \$150,000, and he would immediately, or very soon hereafter engage 90 people, and turn out eyeglasses and certain optical goods by tens of thousands, and sell them to certain firms in Canada, and probably for all we know, in the United States. I might say, Mr. Speaker, that the Honourable Premier has given us no reason whatsoever, as to why we should support the principle of this Bill. True, he did go into a fairly lengthy oratorical account of this man Sennewald even though two weeks prior to signing the agreement, he had no faith in him. The Premier has told us what a wonderful scientist he is, how he turned down, or at least was not allowed to accept the Nobel Peace Prize, how he himself turned down an offer to go to Moscow. That I might say, would be in his favour, as a future citizen of this country, and a few other things which he told us, but I submit, Mr. Speaker, he has not yet offered to this House anything to support the principle of giving \$150,000 to Dr. Senne-

wald of whom we know nothing, simply to come here and manufacture eyeglasses. I contend Mr. Speaker, we have industries in this country, old industries and local industries and industries that are much more entitled to \$150,000 out of the surplus funds of this country, in my belief, than this Dr. Sennewald, this importation from Germany, the idea—where does he come from?

MR. SMALLWOOD: The Saar.

MR. HOLLETT: Well, it is very close to Germany. Dr. Sennewald, an importation gets \$150,000 out of the kitty, and yet we have our fisheries deteriorating for want of such capital, we have our fresh fish industries, which need new capital, such as this \$150,000 for draggers to put our fishermen to work. Our salt fishermen are giving up the salt fishery, because the cost of outfitting is so tremendous, that they can no longer carry on, oilskins three times the price, rubber boots three times the price, engine parts and what not, all two and three times the price paid in 1949, and yet the present Government makes no effort whatsoever to urge upon the Federal Government the necessity of some form of subsidy to preserve our salt fishery, and yet by saying this Dr. Sennewald was a wonderful man, they ask us to hand out \$150,000 to make eyeglasses. Such a ridiculous thing to be offered to this House. I never heard the like of it before. To hand over \$150,000 to someone who knows nothing about the business, and two other friends who are the same age, all born the same year, all 46 years old, get the \$150,000 to come here and make eyeglasses in competition with Imperial Optical Company in Canada, and American Optical Company in Canada, two of the greatest optical companies in the whole of

North America. I would ask the members of the Government to go and talk with the Directors. I have done it. Ask them what they think. They are quite unconcerned, I can tell you. Let them give Dr. Sennewald \$150,000 and go ahead and see where he makes out. Now, Mr. Speaker, I consider the reason for the principle of that Bill given by the Premier this afternoon the lamest I ever heard put across the floor of this House for an Act that has come in here, a man in whom two weeks before December 8, the Premier has no faith whatsoever, who had not shown that he was a businessman, not been able to show any markets for his products and this man Sennewald, brought over here by Gordon Higgins, who was at that time, I believe, in charge of the Tory party to get a few members elected, this man brought over by Mr. Higgins and suddenly the Government, the Premier learned of the matter, in fact it was published in the press and sent this Max Braun-Wogan, this man whom I believe also has something to do with this New Technique. Could I have some information about some of these birds, Mr. Speaker, and I am considerably disturbed about this New Technique, I wonder if this Messrs. Miag in Germany could not tell us all the facts some of us learned about some of these chaps, directors of New Technique, this company which engineered the bringing in of the machinery for the cement plant. I wonder if the president of Miag or General Manager, when he comes here shortly and looks at the Cement Plant and the Machinery some of these men put up there, will he be satisfied?

Dr. Sennewald, apparently, Mr. Speaker, knew certain things which are

still unknown to this country. Dr. Sennewald was about, according to him, and according to the correspondence which I, myself, read in the paper, to disclose certain things which were not nice things, apparently with regard to certain things going on. Whether that had anything to do with the visit of Max Braun-Wogan in this airplane, the cost of which, I believe, has not yet been paid and I hope is not paid by this Province. It was simply, purely and simply a political plane, and certainly if it is brought into this House, I would be bound to vote against it. But I wonder if the knowledge which Dr. Sennewald had relative to New Technique had any relation, any bearing upon the trip to Gander. I would not dare suggest that it had any relationship whatsoever to the sudden change of mind of the Honourable Premier with regard to the business ability of Dr. Sennewald, nor with regard to the condition of the Canadian markets. Something definitely happened, Mr. Speaker, to change suddenly in a couple of weeks or less, the opinion of the Government, who prior to that had said, no we don't want anything of Dr. Sennewald, it is no good, he is not a businessman, we won't loan him any money. Yet, Sir, on December 8, within two weeks, the Government goes to work and signs an agreement with Dr. Sennewald to give him \$150,000 to come in here and set up a new industry to manufacture eyeglasses. The Honourable Premier has said that this optical business is one of the most profitable in all North America and/or words to that effect, one of the most profitable businesses in which a man can engage, and yet this more or less wonderful scientist, who can manufacture glasses so cheaply, comes here to this tenth

province, and says: "You give me one hundred and fifty thousand dollars to start it." I put it to you, Mr. Speaker, this business so profitable then there should be other avenues for capital other than this Provincial Government, which, if I am correct in my thinking, has not too many \$150,000 to distribute, to dish out at the moment.

I am utterly against the principle of the Bill. We have nothing to go on, nothing except the words which have been spoken by Dr. Sennewald to the Honourable the Premier, when he says he can make eyeglasses—

MR. SMALLWOOD: Mr. Speaker, to a point of order: The honourable gentleman persists in saying that. He met me only once in my life in Newfoundland to discuss this thing, that is when he arrived from Gander and I had fifteen minutes conversation. All the conversations were with the Government, he informed the Government, not me, the Government, all of us sitting around in one meeting together.

MR. HOLLETT: Mr. Speaker, I thank the Premier for his correction. I am delighted that other shoulders than his, the Honourable Premier's will have to bear the brunt of the responsibility for this \$150,000, I am glad to hear it. For, although, Mr. Speaker, there are times when I speak with some acerbity towards the Honourable Premier, I must say I have great admiration for him, for many characteristics and qualifications. I am not so sure I can say that with respect to perhaps his business ability and perhaps if I knew more about him, I could even say that. But I am glad to know that other members of the Government, the whole Government is responsible for this, and

I would like to have, therefore, Mr. Speaker, further facts upon which we could base the necessary propriety of baling out \$150,000, I know it is only small stuff for the members of the other side of the House, it is usually a million or two and a half million, but Mr. Speaker, on small amounts big principles sometimes are at stake, and one of the biggest principles that I can imagine is the justifiability of any government passing out one hundred and fifty thousand dollars on no facts whatsoever, except that this man, this Professor Sennewald has informed the Government that he can make eyeglasses and frames cheaper than anybody else in the world.

MR. SMALLWOOD: Nobody said that, and the honourable gentleman never heard it. He knows he never heard it.

MR. HOLLETT: I know there was something about somebody making something for 70c, which retailed for \$8.00 today and sells wholesale for \$2.83.

MR. SMALLWOOD: \$2.63, but nobody said cheaper than anyone else in the world, the honourable gentleman only said that.

MR. HOLLETT: Mr. Speaker I feel quite sure that the Government would not grant \$150,000 to any man who could not do something better than anybody else in the world, the greatest scientists, the greatest engineers, and we, Mr. Speaker, are the greatest tomfools in the country to be listening to half of it, it is ridiculous.

MR. SMALLWOOD: That is the reason you are on that side of the House.

MR. HOLLETT: I am delighted to be on this side of the House.

MR. SMALLWOOD: And you will be there a long time, if you are re-elected, you will be on that side a long time, but you have to be re-elected.

MR. HOLLETT: I understand that at this moment the Liberals are cooking up something about me, which I am to hear about sometime in May. "Something is coming up for Hollett in May." Mr. Speaker, I trust that I may have your protection in May. But that aside, I realize of course, that the Government are obligated to bring industries in, and in this Bill they have signed an agreement to pay out \$150,000, they guaranteed to loan, and the Government agreed to make advances available to the Company. I have read the agreement which has been made with this Company, and I notice they have their registered offices in St. John's, I wonder, Mr. Speaker, if we could not get a little more specific as to the registered office in St. John's. Why, you have to get four or five detectives to go around and find the registered office. I don't know if it has much to do with the principle of the Bill, but, Mr. Speaker, I think the Government ought to be a little more specific. However, I can point out, Mr. Speaker, that anybody interested can go down and for 25c. find out from the Registrar of Companies. I have, and it has cost me 25c.

Now, Mr. Speaker, if the principle upon which this Government has parted with \$20,000,000 in the last two and a half years, is no better and no more sound than the principle upon which they are flinging out this \$150,000, then Mr. Speaker, I have poor hopes for the success of the industries on which they have poured out this money. The only principle I see, there is no principle there, eye-

glasses in this country of ours true are high in price, but high prices go with high wages and they are the things I know the Honourable Minister of Labour likes to see. But I would point out that if the Honourable the Premier brings this man here to make cheap eyeglasses, he is going to put people out of work and I speak about the principle of the Bill, on that grounds particularly as it is unfortunate. Unfortunate, I think, that the Government ever did get mixed up with Dr. Sennewald, most unfortunate to think that in a week or so, he was able to change the minds of the whole Government as to his business ability, as to his great ability on all matters so that they were able to say, very well we will dish out \$150,000. Well that in itself indicates a smart man, he must be brilliant but that does not mean the optical company will be a success. I hope it does. We are doomed to have another optical company here in St. John's, Mr. Speaker, at least I think so, this man is going to get one hundred and fifty thousand dollars from the Government, but they got to find it first of course; that is one of the reasons Sir William Stephenson is in New York. I do trust he is successful in raising some money. I feel quite sure the principle upon which this hundred and fifty thousand dollars is based is at stake unless Sir William is raising more money now.

If I have said some things, Sir, which are a little bit harsh, I ask you to understand we are not long out of an election particularly out of a by-election and there maybe still a little bit of politics lingering in our blood vessels. But as I have said in connection with the principle of this Bill, nothing whatsoever has been produced to show me that there is

any justification whatsoever for us, as a Government and Opposition, to vote to pay out \$150,000. Dr. Sennewald, on December 8, returned from the Mainland where he went the last week in November or thereabouts when he had no business ability. We are asked to confirm that agreement made so soon thereafter, but there is nothing in my opinion since offered this House to show that we should vote for such a principle or have faith in an industry based upon the facts which have been presented. I certainly am against not the principle of new industries, Sir, but the principle involved in this Bill wherein \$150,000 is to be paid out on spec, on spec is the right word, "on spec." I maintain, Sir, that certain facts should be submitted to this House to indicate how Dr. Sennewald is to make glasses and sell them at a profit and pay his hired help in competition with Imperial Optical and American Optical and others across Canada. Nothing has been brought in here to show that there is any hope of this whatsoever and the only reason given for it being here is that the Honourable the Premier was deeply concerned that if Russia happened to come into Germany, this man's life might be in danger. I submit, Sir, there is not a particle of sense in such a principle for this Newfoundland, this Tenth Province to pay out \$150,000 simply because Dr. Sennewald would be in danger because Joe Stalin crosses the border. Now from the philanthropic point of view, or Christian, yes, I suppose it would be a Christian-like thing to give \$150,000 for a life, but as a business proposition, I see nothing whatsoever in it, and I shall vote against this Bill simply because there was nothing produced to show me the principle is sound.

MR. FOGWILL: Mr. Speaker, I have to agree with my colleague here, the honourable member for St. John's West. I am in agreement with what he said. This gentleman, Dr. Sennewald, Mr. Speaker, appeared on the Newfoundland scene last year, before that he was quite unknown, and having appeared on the Newfoundland scene, the Newfoundland scene was at that time concerned with politics, and I believe, this gentleman came to this country on the invitation of Gordon Higgins. I did have the pleasure or otherwise, of meeting this gentleman, and when I met him one afternoon about four and a half hours after he was to have an appointment with Mr. Higgins, and he was delayed somewhat by another appointment, when he told us, when he did arrive, that he had been delayed four or five hours by an interview which he had with other gentlemen of the departments of the Government, and when I met him, Mr. Speaker, he appeared to me to be a very frightened man. I don't know who frightened him, I don't know if the gentleman was a drinking person, he did not appear to be drinking, but it seemed someone had frightened the life out of him, and he was four and a half or five hours late for this interview. I did meet him again on another occasion, Mr. Speaker, I just passed him by. It was one Sunday morning shortly after the first interview with Mr. Higgins, and I had a phone call that stated Dr. Sennewald and another man had gone up on Signal Hill. So I went up there. Mostly what I had in mind was to ascertain and find out who was with Dr. Sennewald, and when I went up over Signal Hill, they were nowhere in sight, I went out around the headland on that morning. It was a nice day. Here was my fine bird from

the Saar, Max Brown who was described to me before I left. So undoubtedly, Mr. Speaker, that was Max Brown or some other such name as Brownvoker?

MR. SPEAKER: The honourable gentleman's remarks are not pertinent to the Bill.

MR. FOGWILL: The remarks were introduced by others in the second reading before me, by both of the members for St. John's West, and by the Premier himself.

MR. SPEAKER: Certainly the insertion of the personal was to support the Bill, or to oppose, but it has nothing whatsoever to do with either, and therefore, must be out of order.

MR. FOGWILL: I don't wish to disagree with the Speaker at any time. I don't see how it is out of order. I am opposed to the principle of the Bill and I said first that I agreed with my colleague.

MR. SPEAKER: The honourable member for St. John's West was entirely in order, this is not.

MR. FOGWILL: Anyhow, Mr. Speaker, to cut it short, I passed the two gentlemen by and said; "Good morning" and they said—

MR. SPEAKER: The honourable member cannot set aside the decision of the Chair. The Chair is not interested in social meetings on Sunday morning on Signal Hill.

MR. FOGWILL: Well thank you, Mr. Speaker, I hope no other member in this House on any other Bill, and I have not been guilty, and I hope—

MR. SPEAKER: The honourable gentleman is still out of order. Will the honourable gentleman either speak

to the principle of the Bill, or for the last time, if the honourable member disagrees with the ruling of the Chair, the Chair must submit it to the decision of the House.

MR. FOGWILL: The principle of the Bill involved—the spending of one hundred and fifty thousand dollars of the taxpayers money, to set up an optical company in St. John's under the managership or presidency of Dr. Sennewald. I understand that is the principle of the Bill. I am opposed to that, Mr. Speaker, and in making some few remarks in respect to my opposition, to the Bill—I hope I am in order, Mr. Speaker, if I make some reference to the Honourable the Premier, when he made some very pleasing remarks indeed in connection with the good Dr. Sennewald who was nominated, I believe, for the Nobel Peace Prize for physics, etc., and he spoke of the people over in Europe and how much sympathy he had for them. Now, Mr. Speaker, this gentleman came to this country, as I remember plainly, from my colleague here from St. John's West. He was called a bluff in the press. The Premier pointed out he told the gentleman he had to make a study of the optical business in Canada before he, or his Government, could agree to advance any money to him, and as pointed out by my colleague from St. John's West, he made that study in just a couple of short weeks, which I believe, is utterly impossible to do. How could any man make a study, particularly when the Premier pointed out he had doubts as to his business ability, how could he make a study in two or three weeks. No, Mr. Speaker, that is one reason why I am opposed to this Bill. Another thing, Mr. Speaker, when Bills of this sort have been presented to this House on

second reading, it generally has been the custom to build up the purposes outlined in each Bill. The same thing occurred in this one also. It happened in one case a few short months ago, the thing was impossible, the Government had not faith in this Dr. Sennewald, and suddenly he is stupendous, right out of this world. They now come here and enter the agreement agreed upon away back in December 8, when they suddenly decided this was a colossal thing, stupendous. Like everything else, they have brought in, it is wonderful, stupendous, but with no facts, whatsoever, and how in common sense, how are we to decide over here with no facts, none at all. With other things, it was the same way and that is why I am opposed to this Bill on the principle of what is brought in. No information on the survey of the Canadian markets and the amount of production in the Canadian markets in the way of optical goods, so that the Opposition could be in a better position to decide. Under the present circumstances we are not in a position to decide, therefore, Mr. Speaker, I am opposed to it also.

MR. HIGGINS: Mr. Speaker, it is not my intention to delay the House at any length, but I do feel obligated to support the stand taken by my colleagues from St. John's West and East, in so far as this particular Bill is concerned. There is something about it that does not have the right feel about it. I agree this may be just unfortunate, but the fact remains, Mr. Speaker, that when this Dr. Sennewald's name first came before the public's attention, he was referred to in the public press as a "bluff." As I recall, the line ran something like this: "The German is a Bluff," and it may well be that was so, I don't

know, it is not for me to debate if Dr. Sennewald is a bluff or not, but unfortunately, this same gentleman had hounded the Premier all over Germany by letter, and ultimately by personal contact, and who had been told, as this House is told today, we have every faith in your ability as a scientist, you are probably a very decent man, but for goodness sake, go and learn the business you are talking about, then come back and talk to us. This man arrived on the scene, and it is so important to find out whether he is coming to establish an industry, or coming to talk politics with that arch-villain, Gordon Higgins, that Max Brown or Brown-something, I don't know, requests a plane be sent down here from Ottawa for that purpose.

MR. SMALLWOOD: No.

MR. HIGGINS: Well, it was sent from Torbay, I beg your pardon, it was on the authority of Ottawa to be critically correct that the RCAF had a plane dispatched, that is beside the point. Let us not forget that was sometime preceding the 26th of November, and at this time, this gentleman, who is scientific, arrived. We are not even questioning his personal integrity, it is not at the moment in question, but he had come out at the expense of the Tories, and for some reason known only to himself, did not keep an appointment so we have been told this afternoon, but did discuss the question of his industry, and he was again told, don't waste our time, go to the centre of the optical business, learn the ins and outs of it, and come back and talk to this Government, not to an individual, Mr. Speaker, but talk to this Government, these jealous custodians of the public interest, if you can say, these hard-headed men, and if your proposition is good, then we will talk business

with you. And that man goes off and he spends two weeks in Montreal and Toronto and he gets the inside story of the optical business. Unfortunately, we will never get the inside story, because we have been told, and I agree, quite properly told there may be certain things in this optical business it is not good for the general public to know. But, whatever it is, when he came back, and in the short time remaining, sells this Government, this hard-headed business Government the idea that he now knows enough about the optical business to justify them in giving him a hundred and fifty thousand dollars. No, Mr. Speaker, but I do say that the consideration which the Government must have given that proposition, must, of necessity in our opinion have been limited. Whilst I am prepared to accept the position that Dr. Sennewald is a brilliant physicist, I question whether his particular qualifications, particular ability would enable him to pick up the inside story of the optical business from a business standpoint in two weeks. I suggest, Mr. Speaker, that Dr. Sennewald on December 8, was a little better informed than he was on November 23, or 24.

Now, Sir, the second point, and I make this point from the standpoint of cynicism towards the Premier, because whilst I am a juvenile in this House, I have known the Premier a good many years and one thing I have always admired him for is this, he is a completely honest man in his responsibility towards others. I say that not sardonically at all, and I believe him when he says that one of the considerations nagging at him was where this chap Sennewald was concerned, did they lead him up the garden path where this gentleman's

agreement was concerned, and it did weigh with him to get the fellow out of the path of the Red Peril. But, Mr. Speaker, this Province is not wealthy enough to set up a branch of the International Refugee Organization. We have had a lot of industries coming here, highly skilled men, but also all of them seem to be on Joe Stalin's wanted list. That I submit, Sir, cannot be our main aim, not our aim at all. We can't as human beings but have every sympathy with people like that, but certainly we should not be asked to take it into consideration in voting public funds, the fact that any particular individual may or may not be in danger from some foreign totalitarian power. I do say, Sir, for the reasons more clearly advanced by my colleague from St. John's West, as well as the ones I have attempted to advance or lay before the House, I do not agree with the principle of the Bill, and I shall not vote for it.

MR. CASHIN: Mr. Speaker, sometime back, when there was a meeting of the Newfoundland Labrador Corporation, I understand, or we were given to understand in this House that any more new industries to be forthcoming would have to be analyzed by the Newfoundland and Labrador Corporation.

MR. SMALLWOOD: That is not so.

MR. CASHIN: That is what we were given to understand.

MR. SMALLWOOD: You were not given to understand any such thing.

MR. CASHIN: Apart from that, let me say, Mr. Speaker, that as a public man, I am certainly strongly in favour of development of our re-

sources of either Newfoundland or on the Labrador, and as I see it, the development of the resources of Newfoundland, the natural resources of Newfoundland—

MR. SPEAKER: May I interrupt the honourable member—There is not a quorum.

MR. CASHIN: Mr. Speaker, I was about to say, at least I did say, that I was strongly in favour and would support anything that was brought into this House for development of the natural resources of Newfoundland. I certainly do not think, and I don't believe any member of the Government thinks that this Bill now before the House will develop any new resources in Newfoundland. Here we are at the present time with fisheries to be developed, as pointed out by my colleague here this afternoon, would easily take not one hundred and fifty thousand dollars, but many millions of dollars if we could afford it. But on the face of this whole situation, Mr. Speaker, does it not look peculiar that any man, Dr. Sennewald whom we heard so much about in November, and who has been pestering the Government for a long time with respect to establishment of an industry here being turned down, according to correspondence appearing in the local press, by the Government because he had no business ability, was a first class man as a scientist, or whatever you like to call him, but suddenly he evidently tried to enter into politics in Newfoundland from what we can hear, and the next thing, another man in the employ of the Government at that time, and also I may say permanently employed with Seigheim proposition, was sent to Gander to get this man, get in touch with him, and who held him for some time evidently. If I

were uncharitable I might say other things, but I don't intend to. As far as politics was concerned, Seigheim, or Sennewald, or Brown, or Von Brokan or whatever you call him, did not matter, he could neither get a vote for me or against me. However, this man evidently used the political situation at that time, and the Government turned him down before and then he came here and now after two weeks, he learned the optical business in North America, and is able to come back and able to tell the Government that there is profiteering in the optical business. Spectacles, or eyeglass rims, could be produced for 70c, now costing \$2.63 wholesale and retail \$8.00, or whatever it might be, taking round figures, \$2.60 and \$8.00, and on the face of that, the Government says we are going into the trust business now, going to break this trust established in North America, and the American Optical Company and Imperial Optical Company are fleecing the shirt off us in Newfoundland, and we are now taking advantage of this man, Sennewald, who has learned this business in the last two weeks, he knows it all, and we are going to give him one hundred and fifty thousand dollars to break the optical trusts in eyeglass and other kinds of optical goods which they produce, with \$150,000. If they said twenty million dollars, they might have a chance to do something to break that big trust established in North America we heard about this afternoon, which Sennewald evidently discovered in a week or two in Toronto, and Montreal, where the headquarters of these companies are in Canada. Well, Mr. Speaker, I just take that stuff with a grain of salt. It is just as well for us to realize right here and now that this hundred and

fifty thousand dollars is gone down the drain. If the Premier or the Government came in here this afternoon and voted this to the fisheries, or something in connection with our natural resources like the development of the fisheries, they would have every justification for doing so, but to come in and tell us and expect us to swallow that thing, that this man Sennewald, by this industry, is going to bring some revenue to the provincial treasury, and employment to 90 people, why I question if anything like that is employed with the Imperial Optical Company here. I can't swallow it. I am sorry, Mr. Speaker, but I have to say, that man's mouth was shut with \$150,000 of Newfoundland money, and I don't know what he had to say politically in Newfoundland, and care less, because everyone in here knows with what regard I look upon German Nationals. I have every sympathy for those poor unfortunate people whom Joe Stalin might be after, but as pointed out by the member for St. John's East, let us not establish such an industry here in Newfoundland, and finance it. This industry will flop too, undoubtedly, I may be wrong, but to my mind, it is not going to bring a dollar to the Treasury of Newfoundland, and \$150,000 is gone, for what? How could the Government change their mind over a week, when they did turn this man down definitely last year on several occasions, as the Premier told us this afternoon, he was pestered with letters from this individual. Now, what would be the story from what we are told, I don't know, and as I said, I don't care, but I am not going to make any reference to it here in this House, because it would not do the Government, nor the Province of

Newfoundland any good, what he could have told, and what he did not tell, but it cost the Province \$150,000 to keep his mouth shut. That is what it amounts to.

MR. SMALLWOOD: Mr. Speaker, to a point of order: I am just getting a little tired of making these points of order. Does the honourable gentleman realize what he is saying? If he does, and insists on repeating what he is saying, I have half a mind to demand an apology or have him ejected from the House.

MR. SPEAKER: I was about to say the point of order is well taken. The honourable member cannot make a statement like that, that a certain individual has been paid by the Government to keep his mouth shut. That was the import.

MR. CASHIN: Mr. Speaker, I am sorry. I do not think with the capability and qualifications that Dr. Sennewald has, he would do anything like that. I believe now, Mr. Speaker, that honourable individual was so capable, so efficient an individual, that in two weeks, he could learn the optical business, and such a wonderful individual that in two weeks he could educate himself into the ways of the trust business in North America. But I do not believe that he would and just imagine, Mr. Speaker, an individual, who was selected for the Nobel Peace Prize doing a thing like that. Certainly not, I would not dare to think anything like that, he is too high and mighty, too honourable. I am sorry if I was talking wrongly, because I realize now, and apologize to the gentleman wherever he is. In view of the fact of his qualifications in two weeks, he is able to acquire knowledge with respect to the optical business in Canada, or in

Newfoundland, in view of the fact that he had been recommended for the Nobel Peace Prize and that Hitler had disallowed it, why certainly I was wrong, Mr. Speaker. I am sorry, and I offer my apologies to Dr. Sennewald and to this House, and I hope and trust that those who were here this afternoon reporting for the press will see to it that my sincere apologies are recorded to Dr. Sennewald, certainly under such circumstances, a wonderful individual.

MR. SPEAKER: The honourable member's remarks are rather dangerous. A point of order has been raised and upheld by the Chair, and to tender ironic apologies to the person—

MR. CASHIN: Mr. Speaker, I made a mistake and have tried to correct it.

MR. SPEAKER: The Chair does not regard with favour an ironical apology for a breach of rules.

MR. CASHIN: I apologize, Mr. Speaker.

MR. SPEAKER: The point was, the honourable member made a statement against Her Majesty's Government, which he ought not to have made in this House. He was called to order.

MR. CASHIN: Mr. Speaker, I apologize with all my heart, I certainly do.

Now, we will come back to the point. I see no justification for voting this \$150,000, whether or not we are more entitled to use that \$150,000 in other directions, whether or not that \$150,000 was required for the fishery or some other local industry than in the establishment of an eye-glassframe industry here. The other

day I think some of your subsidiary industries were needing help financially, directly or indirectly, helped financially, well surely if those subsidiary industries need financial assistance, they should get it, in preference to an optical company, or any other kind of industry of that sort. Surely, if the fishing industry is in dire need of help, the salt codfishery, as pointed out by my colleague from St. John's West, it is the duty of the Government to see if they cannot do something instead of voting \$150,000 to an optical company in Newfoundland. That is the point I am trying to get over, and I think my argument in that respect is logical. I am opposed to the principle of this Bill, but strongly in favour of new industries to develop natural resources. But, Sir, industries like this one mean nothing to Newfoundland, I hazard the opinion, and hope and trust, Mr. Speaker, I am wrong, but I am sticking to my opinion that that \$150,000 is wasted, whatever the methods, or whatever the motive behind that whole thing; as to that man Sennewald, I know nothing of him and care less. I am going to vote against that Bill.

MR. SMALLWOOD: Mr. Speaker, time does not allow me more than a few minutes to reply to some of the points made, but I will try to cover any points that were points in my opinion and I would take them in the order in which they were made.

The honourable member for St. John's West, who spoke first described this Atlantic Optical Company as one that was coming here to enter into competition with Imperial Optical Company here, the one that is here in St. John's. I want to make that very clear to the company operating here in St. John's under the name of

Imperial Optical Company, the fact that there will be no such competition. This Company here is not a manufacturing company, they do not make, they import their lenses and they import their frames, and they make them up here to doctor's prescriptions. They are not a manufacturing concern, they merely make up doctor's prescriptions, which was done long before ever they came to Newfoundland. There is no competition whatsoever between Atlantic Optical and Imperial Optical in Newfoundland. The honourable gentleman said that he has talked with some of the directors of those companies, and he mentioned specifically Imperial Optical. Now, I was not aware that the honourable gentleman had left the Province recently, in recent months since this Sennewald matter came up, nor am I aware that any of the directors of Imperial Optical, or any other optical company have been to St. John's or Newfoundland, and I am rather curious to know how the honourable gentleman could have had conversations with the directors of these companies.

MR. HOLLETT: Would you like to know?

MR. SMALLWOOD: I would like to know. I am quite curious. If he means that he was talking to the local manager of Imperial Optical, I can inform him now he is not a director of that company. Of course, I accept his word that he had been talking to the directors of some of these companies, I accept his word, but I am curious to know where and when these conversations took place in the light of the fact the honourable gentleman, to my knowledge, was not out of the Province since the Sennewald matter came up, nor have any directors of these companies been in

St. John's since that time. I am simply curious.

Give it to the fisheries—Give it to the fisheries—We have given to the fisheries something of the order of two million dollars in three years, two million dollars hard cash in three years we have advanced, this Government has advanced to assist the fisheries in Newfoundland, two million dollars, not a hundred and fifty thousand, but two million, and I can tell the House now before this Session ends, we hope to bring a proposition before the House for the spending of five hundred thousand dollars this year to assist the salt codfishery, as soon as the Fishery Development Commission returns from Ottawa, where they are having conferences with the Government there in Ottawa and as soon as they come to an agreement with the Government of Ottawa, we hope to spend half a million dollars this year, to assist the salt codfishery, and the same next year, and for many years after.

MR. CASHIN: We will support it.

MR. SMALLWOOD: That has nothing to do with Atlantic Optical Company, nothing in the world, has nothing to do with the fact that we are spending money on these industries as no Government in Newfoundland history has ever spent it before, or perhaps ever will again. We cannot be blamed for not spending money to assist the great basic industry of Newfoundland, that is exactly what we are doing.

Now, a little word about New Technique: The honourable gentleman rattled off a lot of foreign sounding names that sounded very impressive, and had the tinge of something improper about it. There seemed to be somehow a dark and

mysterious picture attached merely by reciting these foreign sounding names in this Chamber until you read the local press and read the names of the baseball stars on any American baseball team located in St. John's or Harmon Field or at Argentia, where they all sound like German or Russian names, and these are names of Americans, but we sneer at the names of industrialists whom we bring here to start industries, Dr. Sennewald has a foreign sounding name, but he is going to employ 90 of the constituents of my two honourable friends in St. John's West, even if he has a foreign sounding name. John Staddler has a foreign name, and was brought here as one of the greatest papermakers of the world, first general manager of Corner Brook, is there anything against John Staddler being a Belgian.

MR. HOLLETT: I don't think I made any sneering remark about anybody.

MR. SMALLWOOD: I am very happy to hear it, it sounded to me suspiciously—

MR. HOLLETT: Your suspicion is natural.

MR. SMALLWOOD: I am unfortunately a suspicious character and not suspecting, but suspicious in the eyes of the Opposition. I have suspicions of my own. I did suspect that the recital of these names were to have the effect, that we are being fooled by foreigners, the next thing it will not be safe to walk the street. If it is in order, I would like to read a letter. I will read it Mr. Speaker, it is from Mrs. William Stephens, 27 James Street.

"Dear Mr. Smallwood:

The information I am going to

pass on to you may not be worth the paper it is written on, and again, it could be invaluable. Myself and my husband have talked it over from every view point, and he thinks I should contact you. I will be as brief as possible. One Thursday night I visited a friend, whom I had not seen for almost a year, she lives (such a place). There I met a person (so and so of Topsail). You know I have been a Liberal all along in every election since Confederation. She opened up on political matters, and seems to have had the impression I was a P.C. I don't know why, but I had not said a word. She told a story saying it was going to cause a riot when disclosed. Said Frank, whoever Frank is you probably know and Jimmie Higgins went in to the Octagon on Sunday morning. Higgins stayed in the car, but Frank went down through the woods and came upon a scene that chilled his blood. There were about six Germans in a group including Sennewald and Dr. Valdmanis. Sennewald was down on his knees shivering and shaking and apparently begging for mercy, while Valdmanis covered him with a gun. Frank went back to the car and told Higgins what he had seen, and Higgins told him to go down again and come back through the path on which the scene was taking place, and to be sure that they saw him. He did so, unwillingly as he was shaking with fear. When he came to them, Dr. Valdmanis quickly put the gun in his pocket and turned around to Frank, tipped his hat politely and said: "Good morning, taking the air."

She said the Major and himself had their case prepared to bring it up in the House, and when he does, that bloodshed is going to take place.

The stories started and circulated

about Dr. Valdmanis are humorous in the extreme.

MR. HOLLETT: I take it that letter will be tabled?

MR. SMALLWOOD: I have given the name of the letter writer, and the address and that is all I will do. I will not table the letter, it is not required. The address is 72 James Street, Mrs. William Stephens.

MR. HOLLETT: I raise the point, has that letter to be tabled in the House?

MR. SPEAKER: It is a very good point. I do not think it has to be tabled. It seems to the Chair to be ridiculous in the extreme, and that is the purport to be quoted from the quotations with names and addresses. If the honourable member will leave it until tomorrow.

MR. FOGWILL: Mr. Speaker, the woman has a wonderful imagination.

MR. SMALLWOOD: The picture that amused me was the picture of the junior member for St. John's East sitting in the car, while the senior member had to go down through the woods and coming back reporting and was instructed to go down again and come up through the path and let them see him.

MR. HIGGINS: I take it the Premier, although he knows I am not noted for my bravery thinks I am polite enough to suggest to the senior member to run down, Frank, and run all the peril. I don't think it is necessary to say there is no truth in that. Sunday morning I go to Mass, and I have no urge to go anywhere else after.

MR. FOGWILL: Mr. Speaker, I want you to understand that the letter read out by the Premier in the

House, as far as I am concerned, is absolutely a fairy tale.

MR. SMALLWOOD: I have no doubt of it in the world. I don't think any such thing ever happened, therefore, the honourable gentleman could not have seen it happen, but it could be spread just as the story of the German going around with a lash to make the Newfoundlanders work harder, or a German hiding in a tree top to spy on Newfoundlanders.

Now, Mr. Speaker, the honourable gentleman from St. John's West talked about New Technique, and has contrived successfully to leave an impression of something wrong, something reprehensible going on. Now, New Technique is a company made up of Fredrick Kreyser and Max Brown, that is his name BRAUN. They were not concerned with the Cement Mill, had nothing to do with it. MIAG built the mill machinery and William J. Lundrigan erected the building, New Technique had nothing to do with it, Max Braun and Fredrick Kreyser had nothing to do with it. It was entirely between the Government on the one hand, and MIAG and William J. Lundrigan on the other. The only connection of New Technique with Newfoundland is that they are co-contractors in the building of the plaster plant and the names which my honourable friend read out, not as he said German, but Latvians, every name except one, and that one exception was the chief chemist for MIAG, who was there temporarily in Corner Brook. Not one of them was a German, with that one exception, all Latvians, every one of them.

Now then the honourable gentleman then used an argument which each member speaking since has re-

peated. He painted the picture of the Government having said Sennewald was not a businessman, and said to Sennewald: "Go up to the Mainland and study the market, study the industry up there." I said that, exactly what I said, but I will tell you in a moment what I did not say. They repeated me to this effect, Sennewald is not a businessman, he is a scientist, an optical scientist, and not a businessman, go to Toronto and Montreal and study the markets, and come back and show us that it is a sound industry, that it can make a profit and I will recommend to the Government, to my colleagues, that we will lend you this money. Now, having repeated that my honourable friend then went on and was copied by those who have spoken since, the honourable the junior member for St. John's East and Honourable Leader of the Opposition repeated the statement, that a man goes up and in two weeks learns the optical business. I wrote it down. The Honourable Leader of the Opposition said in two weeks he learned the optical business.

MR. HOLLETT: Enough to change your minds.

MR. SMALLWOOD: No, he did not learn the optical business, he knew it before he went up there, there is not doubt whatsoever in my mind about that, nor in the minds of the Government, that before Sennewald ever saw this side of the Atlantic Ocean, which he did last summer, he knew the optical business.

MR. HOLLETT: What was wrong with him?

MR. SMALLWOOD: What was wrong? He did not know the Canadian market. Could he learn that in two weeks? Yes, the market is what I said and not the optical business,

and my honourable friends, three out of four on the opposite side credited me with describing him as learning the optical business in two weeks, which would be absurd, if I did say it, which I did not.

MR. HOLLETT: He learned the optical business in Canada in two weeks.

MR. SMALLWOOD: He did not learn the optical business in two weeks, nor in two months, nor in two years, the optical business could not be learned in two years.

MR. HIGGINS: Mr. Speaker, a point of order: What the Premier did say was that he brought back the inside story of the optical business.

MR. SMALLWOOD: Of the market.

MR. SPEAKER: There is no point of order.

MR. SMALLWOOD: I yielded, Mr. Speaker. The fact is he was not told to go in two weeks, or in any period to learn the optical business, he was not told that, that would have been ridiculous; we asked him to go and learn about the Canadian market, and he could do that in two or three weeks, I hold in two days, two hours. Let any man who was an optical manufacturer coming from Germany, who could produce in Germany and ship to Canada, let such a man land in Toronto, go to the head of the big optical people and say to them, I am thinking of establishing a plant in Newfoundland, as a matter of fact, they knew all about him before he arrived in Toronto and Montreal, the people whom he saw knew all about him because the local manager here picked up the information and sent it on, undoubtedly they had, and they knew all about Dr. Sennewald. In

one hour, he would be quite capable of making a deal with the big optical people. Another argument used by the honourable member for St. John's West was that the Company is coming here to put the local people out of business. They are not even competing with them, as I have pointed out, they have no manufacturing here, they import all their optical goods and merely fill prescriptions. Now, there is no suggestion of their cutting prices, that has not even been suggested.

MR. CASHIN: Then they are going into the profiteering racket, too.

MR. SMALLWOOD: They are unquestionably going to conduct their business on a sound business basis, they can manufacture for 70c., the wholesale price is \$2.63 and the retail price here in St. John's is \$8.00, I suggest that leaves room for substantial profit. I made a remark in passing, if for any reason, the big trust company in Toronto wished to put a firm out of business, they would have to cut their prices in three, and even then sell at one third the present price, and Sennewald could compete and make a profit. That is not suggesting price cutting, it is only in the honourable gentleman's imagination. Then the honourable gentleman kept saying: "Give Sennewald, dish it out to Sennewald, hand him \$150,000," but I say, and the Bill says, lend, that is somewhat different. I think the House will agree that there is some difference between dishing out, giving, handing out and lending \$150,000. Sennewald himself is investing \$150,000, that is \$300,000 of which half is advanced by us as a loan and half is invested by them, making a total of \$300,000 and the Government is taking a mortgage on all of it. Does that sound like handing out?

Does that sound like dishing out, giving away \$150,000 of cash, hard earned cash?

MR. HOLLETT: Exactly.

MR. SMALLWOOD: If it does, then will I take my hat off to the honourable gentleman's keen business arguments based on his varied experiences in the business of this Province. Or is the honourable gentleman using arguments? They have not used any that I can recall, they have made a few debating points, smart debating points, yes, but they don't even touch the fringe of the case.

We gave them fact after fact, they have given none, made two or three smart debating points, smart and clever debating points, I do admit it is smart debating to say we are trying to compete with existing companies and that we have so much pity and compassion that out of public funds, we dish out \$150,000. Now, that is smart debating, but it is not very helpful, does not help the House to decide rationally and prudently what is a safe and prudent thing to do. It does not help to suggest that Dr. Sennewald has learned the optical business in two weeks, a man who was one of the largest authorities, of whose work the House has heard.

MR. CASHIN: I never heard of it in my life.

MR. SMALLWOOD: Never heard or Weis, the honourable gentleman has never heard of him, well all right, I won't try to educate the honourable gentleman beyond saying that in the world today, it is a question whether Wiss is first or second in the optical business. If not first, certainly second. And this man has spent his life there, and has to go to Toronto to learn the optical business in two weeks.

Smart debating, but it does not encourage us to expect sound and constructive criticism, the great need of Newfoundland for an Opposition, who would criticize the Government, hold it up to public gaze, get to the bottom and the heart of this economic policy of the Government. If that is a sample of such, I think our propositions must be pretty sound if all the Opposition of four brilliant, and they are four honourable gentlemen in all, if that is the gambit of criticism of our policy, no wonder we were re-elected with such a majority and will be again, when the next election is held. My honourable friends had better laugh so that they may not weep, laugh so that you may not weep, laugh it off.

Mr. Speaker, this is not a super-colossal industry, I said quite deliberately it was a nice modest little industry by employing 90 people all from St. John's West, who will remember that the two honourable gentlemen from St. John's West, who were elected with a majority in that constituency voted against the establishment of an industry to employ 90 of their constituents in St. John's West.

MR. HOLLETT: Mr. Speaker—

MR. SPEAKER: The debate has been closed. The point should have been taken when the honourable gentleman was speaking.

MR. HOLLETT: A point of order, Mr. Speaker.

MR. SPEAKER: Yes.

MR. HOLLETT: I wonder to whom the Honourable the Premier ascribed the aberration, to the two members for St. John's West, or to the constituents.

MR. SMALLWOOD: I have forgotten. If I have to correct all the people in this Province whom I think have been victims of aberrations, I would be here a long time.

MR. HOLLET: I don't think Sennewald is doing anything to correct it.

Bill read a second time.

MR. SPEAKER: I would like to ask the House to grant me an extension of time until tomorrow to make a decision to whether that letter should be tabled. I do not know the exact page in "May" but from page 30 to page 40—it says: Quotations do not refer to anything done in the House or said in the House and do not refer to any honourable member.

MR. SMALLWOOD: I move all remaining orders of the day be deferred and the House adjourn until tomorrow at 3:00 of the clock.

—
WEDNESDAY, April 16, 1952.

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

Presenting Petitions

MR. COURAGE: Mr. Speaker, I beg leave to present a petition signed by a committee of the leading citizens of the historic town of Harbour Breton of Hermitage and Fortune. The petition is rather long so I will content myself with giving a digest of the contents. The petition asks for an improvement in the general communications of the District of Fortune Bay and points out that altogether there are only some thirty miles of motorable road in the whole district and asks for a road which would connect

Bay D'Espoir with Harbour Breton. In support of this request the committee pointed out that between Bay D'Espoir and Harbour Breton there is a considerable amount of very fertile land which this road would open up and naturally lead to development and, to quote the committee: "The road will connect two of the largest settlements on the coast, St. Alban's and Harbour Breton and will give both communities opportunity to gradually move away from the coastal fringe where life at best is precarious." It points out also that such a road would have a great attraction for tourists and that this road linked with the Trans-Canada Highway would open up good game and fish country which would attract residents and sportsmen from the central towns and attract large numbers of people from the coast where passenger boats are always available to take tourists to different settlements particularly the great salmon river of Bay du Nord or Long Harbour. I would say, Mr. Speaker, it would mean considerable attraction for tourists as they have one of the few Indian settlements now remaining in Newfoundland and the scenic attractions alone would draw large numbers who had never visited the South Coast.

The petition also points out the effect this road would have upon the industrial development of the South Coast, and points out that for defense purposes alone this proposed road would be very important. Apparently the committee has gone into the matter very thoroughly and says no serious economic problems would be encountered in the construction of this road which would be over fairly level barrens where road construction would be a fairly easy proposition. It ends with the usual prayer for which

your petitioners ever humbly pray and is signed by the committee, as I said before, consisting of a number of the leading citizens of Harbour Breton and under the chairmanship of a very energetic and community minded young priest, the Rev. Father L. J. Woodrow and the members of the committee whose names are signed to the petition.

I have great pleasure, Sir, in supporting this petition and I move, Sir, that it be laid on the table of the House and referred to the Department of Public Works which is the Department concerned.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Public Records Act, 1951."

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Parsons' Pond Oil Land Vesting Act, 1951." Also a Bill, "An Act Respecting an Election in Labrador in the Present Year."

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Town of Carbonar Act, 1948."

Also: A Bill, "An Act Further to Amend the Town of Harbour Grace Act, 1945."

Also: A Bill, "An Act Further to Amend the Rural District of Placentia Act, 1945."

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Department of Public Works Act, 1950."

Notice of Questions

Notice given by Mr. Cashin of questions on tomorrow.

Answers to Questions:

MR. P. J. CASHIN (Leader of the Opposition): The answer to question No. 46 of March 20, relating to loan boards was tabled but did not give the names of the people to whom loans were made. Mr. Speaker you might remember the Premier saying he was going to get those things some time ago. We have not got them yet.

MR. SMALLWOOD: Yes, Mr. Speaker, I remember but was there not some question as to the propriety of tabling not the names but some other information. That it would be a little unfair to make public the names, certainly.

MR. CASHIN: The names of the people who got the loans.

MR. HOLLETT: Mr. Speaker, there are two questions, No. 51 and No. 65, still outstanding.

MR. SMALLWOOD: I will undertake to get that.

MR. HOLLETT: The other is in connection with Dr. Valdmanis, I think.

MR. SMALLWOOD: I think I answered that verbally—Dinners for which the Treasury paid.

MR. HOLLETT: I asked the names of the people there.

MR. SMALLWOOD: I think the dinner in question was given by the Government to representatives of Krupps, the German Steel Manufacturers, and the United Steel another great steel company and the members of the Cabinet attended and Dr. Valdmanis and his assistant Mr. Graudins and Mr. Pushie, as did Mr. Short, the Deputy Minister of Economic Development.

MR. SPEAKER: Before going on to the Orders of the Day, I would refer members to a slight misarrangement on the Order Paper.

Orders of the Day

Address in Reply:

MR. SMALLWOOD: The Minister of Fisheries and Co-operatives was to continue but he has had a bereavement in his wife's family and has gone up to attend the funeral. He will be back tomorrow and will be ready, I think, then to resume the debate.

Second reading of Bill, "An Act Relating to the Assessment of Taxes by Municipalities":

MR. FORSEY: Mr. Speaker, in 1949 when the Local Government Act was passed there were some four communities in this Province which were levying taxation by means of assessment of property, the rest were collecting their taxation by means of a poll tax. Consequently in the Local Government Act, 1949, there was only a general procedure laid down for the assessment of property by communities and details omitted. Since that time, however, at their own request a number of communities have changed

over from the poll tax to assessment of property for taxation purposes and it has increased to some eleven communities and there are today quite a number more who wish to change their method of taxation, of collecting taxes. Consequently in this Bill the details are listed for the collection of taxes by communities by way of assessment of property. In the meantime the Department of Supply has sent to New Brunswick two assessors and as a result has become conversant with assessment of property and has been, as a matter of fact, very busy and has more municipalities waiting for his services. The numbers are increasing all the time. That is the first principle that is involved in this Bill. The other one is that in the past municipalities have been depending on memory or any records for the tax collectors roll and this particular Bill provides for a tax collector's roll for all municipalities.

These are the two principles, Mr. Speaker, which are involved in this Bill, and I move the second reading.

Ordered read a second time, read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Limited."

MR. SPEAKER: This second reading was moved by the Honourable the Premier and the Honourable Leader of the Opposition adjourned the debate but did not speak—The Honourable Leader of the Opposition—

MR. CASHIN: Mr. Speaker, with reference to this Bill, I must plead that I have overlooked it. I note here, however that, I gather rather,

if my memory serves me right, that this has something to do with press-board, I think and will be adjoining the birch plant out there. Well now, under the circumstances, I think I am correct, if not the Honourable Premier may correct me in that respect, in view of the fact that this birch plant is being sold to the Newfoundland Labrador Corporation or is in the course of negotiations to be sold, I imagine that during the course of the committee stage on this Bill we will be able to get these particulars. In the meantime as far as I can see in this Bill there is another guarantee of some \$500,000, \$575,000 altogether, under section (4) sub-section (b) the sum of sixty thousand dollars which is to be paid as license (patent fee) immediately upon the arrival in St. John's of all the machinery set out in Schedule "A" except as provided for in clause 5 hereof, this is the only sum to be transferred abroad from the total Government loan . . ."

Something like all these European industries that have arrived here, the Government advances a certain sum of money when the machinery arrives and thereafter advances certain amounts as the work proceeds. I think that is it. But the total amount will be \$575,000 for which the Treasury will be involved in the form of either a guarantee or advances in cash. Because recently we have made guarantees to other concerns something around these lines and one of them floated a bond issue or negotiated a commercial bond loan to repay the Treasury. How long, Mr. Speaker, can we continue doing this. They have plenty of time for people of the machine plant, something on the same plan as this one, to float these bonds, to float a commercial bank loan and under this section, I feel that we

should be more informed with respect to the production this new plant is going to bring about and the basis of selling the product, samples of which were handed to us here in the House when the Premier introduced the second reading of this Bill sometime ago. However we are just taking another chance on \$500,000 in the hope that it will be okay. None of us here are expert in these things and we have just got to take the Government's word that they have made the necessary investigation and have found it to be a paying proposition. I cannot say whether it is or not but I certainly feel that we have to go slowly in connection with these guarantees. They can't float their bond issues at the present time and if they can't float their bond issues how can they repay any cash advanced by the Government? These are points that have not been explained in connection with other industries developed here like the machinery plant and other plants a number of them. None of them have been able to negotiate loans, I don't know if they tried or not and were turned down, if they have been unable to negotiate these loans then the cash surplus of the Treasury now available for these purposes is not going to last very much longer, if there is anything left at the present time. Today, I asked a question with respect to a report of Coverdale and Collpits which, in my opinion, bears on all these new industries, and if the Government are unable to sell these things at what they cost, approximately \$10,000,000 and get that much cash back, there can be no returns unless they are able to float a loan to redeem cash advances by the Treasury in these connections. We will probably be able to get more information in connection with this Bill when we

get in Committee. The Premier is piloting the Bill through the House and undoubtedly will be able to inform us as to the full particulars which we have not got at the present time and, no doubt, by that time we should have the report by Coverdale and Collpits which we were told we would have by the 20, March, and it is now nearer the 20 of April, and which report will give us an insight into this whole industrial situation, and until such time as we get that we are just groping in the dark as far as these new industries are concerned, as far as I can see.

MR. FOGWILL: Mr. Speaker, I am in the dark too, to a certain extent on this new industry. But, Mr. Speaker, I do note there on page 10 "Schedule A" the cost of machinery for this new plant totals the amount of \$400,996. According to the agreement this is the amount this company is putting into the total cost of this plant, the other amount of \$575,000 is put in by the Government. Now, I am in doubt, Mr. Speaker, on the cost of this machinery. It looks unduly high, you have automatic clippers there at a cost of \$23,157, total \$69,471. I presume that there would be customs duty collected on this machinery and I suppose this amount would be the cost of the machinery from the shipping point, \$400,996, which would be subject to sales tax at 10% which would thereby be accrued to the Federal Government, \$40,000 in the way of sales tax on this amount of machinery. It is also subject to customs duty, I should think, I don't know what the rate would be put on it but suppose about 15%. If that be so, I may be right or wrong, I know nothing about it, if it is 15% that would be just about \$60,000 plus ten percent sales tax, therefore the Federal Gov-

ernment would gain by the importation of this machinery, roughly \$100,000 in customs duty and sales tax. That is quite a lot of money. I can't say off-hand that I would be entirely in favour of this Bill although the samples laid down in the House to show to the members when introducing second reading show a very good product. The samples brought over on this side of the House, I must say, Sir, were a very nice product indeed and finely manufactured. If that is a sample of the stuff to be turned out in there, if it is turned out at a price competitive with similar articles there is no doubt the plant would be a good thing. There are a lot of questions which can probably be ironed out in Committee. I just rose to the point about the machinery whether it is subject to customs duty and general sales tax of 10% so that in reality the machinery then would cost, if I am right, about \$500,966 instead of \$400,966.

MR. HOLLETT: Mr. Speaker, there is just one word I have to say in relation to this principle, a principle that, as has been pointed out by the Leader of the Opposition, is pretty much the same in all these Bills. I notice in section 8 of this one the company agrees to repay any Government or Government guaranteed loan as soon as the company shall have succeeded with or without Government assistance in negotiating a commercial bank loan or the sale of its bonds and in any event within eight years from the date of any such loan. Should the company within two years from the date hereof establish in Newfoundland a furniture factory approved by the Government or another industry the nature and extent of which is so approved the Government agrees to extend the term hereby

limited by two years to ten years. In other words for a period of eight years it is not necessary to make any effort whatsoever to repay any of this loan, they have carte-blanche for eight years apparently according to that clause. I don't like that part of the principle very much, I quite understand a new industry requires a little time to get firmly established. We have not had much opportunity to go into the Bill and can take ample time in Committee.

HON. L. R. CURTIS (Attorney General): I would refer you to section 10.

MR. HOLLETT: "Within three years after the making of this Agreement if a commercial bank loan or the sale of its bonds shall not have been arranged the company agrees to establish a sinking fund and to pay into it annually moneys sufficient to liquidate the amount of any Government or Government guaranteed loan made under this Agreement with accumulated interest."

What kind of sinking fund? It does not say that, sufficient money to liquidate the amount, in what period? It does not say.

MR. CURTIS: Within eight years.

MR. HOLLETT: There is no mention here. However that is something we can go into in Committee.

MR. SMALLWOOD: First of all, as to the Coverdale and Collpits report that was received before the House recessed for the Holy Week and I will be very glad to table it here tomorrow, in fact it is here now and I will table it now. I am very happy to say that this report is highly favourable to our three industries and I am sure the House will be equally happy to

hear that this famous firm of consulting engineers of Wall Street, after their preliminary investigations, report very favourably on all three of these new industries, and I repeat, preliminary investigation. It is a preliminary report, a report based upon a preliminary investigation, because, obviously, neither of the three plants was in full production at the time the investigation was made, indeed neither of the three plants is yet in full production nor is likely to be for many months to come. I would say that it would take the best part of the year from the beginning of production to get in full production. That is a perfectly normal situation in any new plant, as an example of that I might cite the great new machine installed at Corner Brook by Bowaters at a cost for building and actual installation of twelve million dollars which began producing, I think, about two years ago and is not yet in full production, after two years, and in the first year many flaws had to be overcome. It is perfectly normal in any large plant anywhere in the world. It would be a miracle if an industrial plant reached maximum production, top efficiency at once upon completion. So that this report is based upon a preliminary investigation and is highly favourable. They will come back maybe months from now and make a final investigation and let us hope that their report then will be equally favourable.

Now, Sir, as to the point raised by the Honourable Leader of the Opposition, on the financing of these industries this one in particular. As he says the general pattern of the other industries is followed in the present one, this pressboard industry. When the Government first adopted this policy of assisting these European

companies to establish industries in Newfoundland or to enlarge or expand existing industries, when we first adopted that policy there was in Canada as a whole and in Newfoundland quite a different banking system from what we have today in Canada. It is now just about fifteen months since the Bank of Canada, which is the central bank of this country, invited all the chartered banks of Canada to restrict credit and to limit bank loans for capital purposes, capital development purposes to a period of not over one year for any loan and not renewable. You could not get a loan from a bank for capital investment for a period of more than just under a year and then get around the idea by renewing it for another year and so on for one year after the other. That was quite impossible and so all of the banks of Canada today upon the invitation really of the Government of Canada because the Bank of Canada is the financial instrument of the Government of Canada, all agreed since the 24 February last year to restrict credit, to make no loans for more than a year for capital development purposes. Now, up to that time what this Government was doing, and did in many cases was to provide capital to companies for development by guaranteeing bank loans. That is how we kept the fluorspar mine at St. Lawrence from closing down, we guaranteed a bank loan of a quarter of a million dollars through the Royal Bank of Canada, guaranteeing principal and interest on that amount. Now, that cost us nothing yet, and it will cost us nothing unless and until the company fails, a condition highly unlikely in the extreme and if they fail it will be the loss of an industry and the loss of a half a million dollars wages a year to the employees of that

mine and it would on the other hand be quite a financial stroke to the Newfoundland Government. We have a mortgage on all of the assets of that company and as they happen to own what the United States Bureau of Mines describes as the largest and richest deposit of fluorspar in the world our quarter of a million dollars is handsomely protected if ever we should be called upon by the bank to pay. So it is in quite a number of other cases we arranged financial assistance to many companies, to John Penney and Sons of Ramea for the building of a large dragger, the Fishery Products for the building of a couple or three draggers, to the North-lantic Fisheries for building of several draggers and for the building of a great new fishery plant at Grand Bank, to a company building a large new plant and acquiring draggers at Gaultois; to the Olsen Sealing and Whaling Company to prevent their closing down. Incidentally there are reports that they may be forced this year to close as all whaling companies on this side of the Atlantic and indeed in British Columbia have already announced they are obliged to close for this year. So that in a number of cases, quite a number, the Government helped companies to expand, to enlarge and to build new plants by guaranteeing loans to such companies from the banks. They could not get money from the banks unless the Government would agree to guarantee the loans both as to principal and interest.

Now, that method of assisting companies to expand, to build up this Province, that method was lost to the Government immediately after 24 February 1951, as a result of the action of the Government of Canada exercised through the banks of Canada, upon all the chartered banks in Can-

ada including Newfoundland. Now, as of that moment the Government were confronted by three possibilities (1) to require that a company requesting assistance should go out and float its own bonds upon the Government's guarantee of principal and interest of the bonds (2) that the Government advance the money in cash as a loan from the surplus and (3) that the Government itself place bonds upon the market, its own bonds and out of the proceeds make the cash loans to the companies concerned.

MR. SPEAKER: I do not see a quorum.

MR. SMALLWOOD: Now, Mr. Speaker, out of these three possibilities that confronted the Government which was the most feasible, the most practical and therefore the most desirable? It is not that the Government should go out and borrow money and lend it to these industries, that was not the desirable thing but the most desirable thing was that these companies should themselves float their own bond issues, their own debentures guaranteed by the Government as to principal and interest in exactly the same way that other companies had done before this through the banks, just as other companies had been getting bank loans guaranteed as to principal and interest by the Government so that these companies could borrow the money and by the sale of their bonds guaranteed by the Government as to both principal and interest. That was the desirable thing and in fact what we have done, we have loaned the money out of the surplus, out of the cash surplus and for a very good reason. If a Newfoundland company already in existence and we will just consider some well known names, if the firm of Ayre and Sons or Bowrings or Steers Limit-

ed, or J. T. Swyers Limited of Bonavista or any such well known Newfoundland company wished to have financial assistance from the Government for expansion or along a line of new activity, the Government would be quite well justified if it were not a very small loan, if it were a loan of a couple or three hundred thousand dollars it might not be very practical to suggest to the company that they should sell their bonds in so small an issue, so small an amount, it is possible to float a bond issue of so small an amount as a couple of hundred or three hundred thousand dollars, and except in such cases the Government would probably be well justified in saying to a large Newfoundland, well established Newfoundland company, all right you need half a million or three-quarters of a million or two million, float your bonds, sell your bonds on the financial market, we will guarantee the bonds as to principal and interest. That would be practical because the Newfoundland companies being established, having a record of earnings and a profit reward would have no difficulty in placing its bonds when guaranteed by the Government. Indeed such companies as I have suggested by name would have no difficulty floating their bonds without a Government guarantee, no difficulty whatsoever. But now turn to a company not an old established Newfoundland company at all but a brand new company now incorporated a month or six months ago and the incorporators as is quite customary consisting of a lawyer, a couple of stenographers in that lawyer's office. There has been a lot of play made about that recently and I am quite sure that those who made that play are not so ignorant of the practice as to be surprised because if you take

Dunn and Bradstreet's reports every week and see the companies incorporated you might at first be a little surprised to find big companies incorporated at one, two, three, four and five thousand dollars by one lawyer and a couple of stenographers. Yet week after week after week all through the year for many years in Dunn and Bradstreet's Reports that is what you see. There is nothing unusual about it. So I say we have those European companies. We are now discussing Atlantic Hardboards Limited incorporated within recent weeks. Who are the incorporators? The lawyer was Mr. Dawe, I think, of Curtis and Dawe, I think so, but I don't know. Here is a company incorporated by Mr. Dawe and a stenographer or two, I don't know, I have not seen it, probably could look it up in Dunn and Bradstreet. Here it is now they are just incorporated. The honourable gentleman laughs. Does he seriously mean that laugh, does he think it is funny, think it is unusual that companies are incorporated nine times out of ten indeed ninety-nine times out of a hundred are incorporated in the name of the lawyer drafting the articles of the association together with one or two girls in that office? That is quite common is it not?

MR. CASHIN: I was not laughing at that, I was laughing at the fact the Attorney General did not know whether Mr. Dawe did or not.

MR. SMALLWOOD: I doubt if the Attorney General has been inside his law office five times in the last three years. He is a pretty busy man as the Attorney General, extremely, tremendously busy. Mr. Dawe his private law partner, I have no doubt does many items of business in that law business or trade or profession about which the Attorney General

knows about as much as I do or the Honourable Leader of the Opposition.

However, take this company just recently incorporated who are they? There is a European concern involving two countries, Germany and Switzerland, two names, Wies the German and Hanhart the Swiss. Who are they? Mr. Weis, Mr. Hanhart, Mr. Dawe and a couple of stenographers. Who are they to go up and float a bond issue with no record of earnings, no record of profit? Of course they function in Germany and Switzerland where they are profit making companies with good records but what has that got to do with Atlantic Hardboards Industries Limited incorporated in St. John's, Newfoundland in the month of March or whenever it was? It has nothing whatsoever to do with it so I suggest to you that the Government were quite right in realizing that it would be nonsense, it would be nonsense to expect this newly incorporated company in Newfoundland consisting of European industrialists establishing here, it would be nonsense to expect them for a while to go out and float their bonds even with a Government guarantee. That day will come when these companies get established and acquire a record of earnings which is the first thing that any bond buyer looks at. Here is a company wishing me to buy its bonds—What is the record of that company?—I look it up and find it was incorporated a month ago and I am not going to buy their bonds. So that whatever may be the case a year or two or three years hence certainly at the outset these newly formed companies cannot sell their bonds. Therefore we are left, for the time at least, with one possible solution, that is to advance them the cash out of the surplus and that is what we have done,

and that is what we will continue doing until there is no surplus left. When that time arrives, if and when that time arrives that there is no surplus left, then certainly we will have no more new industries if that is the only way they can be had, if that is the only way they can be got, out of the surplus. Certainly then once that surplus is all gone that will be one way by which we will not be able to get new industries. Some other way, then, has to be found. That is common sense.

There is one other point to which the honourable gentleman from St. John's East referred and that is the duty. It is true all this machinery will have duty levied in Canada.

MR. CASHIN: It is not here yet?

MR. SMALLWOOD: No, but they will have to pay duty to the Government of Canada and sales tax to the Government of Canada and they will have to pay the freight to get it here, truckage to get it from the pier to the building site, money will have to be paid to install the machinery, money will have to be paid to hire the staff to operate the mill, money will have to be paid to buy the raw material and that is why the Government are lending that money. The Government are lending the money to pay for these things including working capital. They have no dollars, no dollars whatsoever. I suppose they have had considerable difficulty finding enough dollars to pay their passage over here and back, to pay their hotel bill when they got here. They have no dollars on the other side of the Atlantic. Sir Shaun Leslie when he was here, Winston Churchill's first cousin, when he came across to Canada last year, the House remembers him, I think he sat in the Chamber one day and went

around wearing a kilt in St. John's, this distinguished man had to travel second class on the train on this side of the Atlantic, as he could not get enough dollars. He is a wealthy man in Ireland, a wealthy man in pounds, shillings and pence but there was no one over here who wanted pounds, shillings and pence. He had to scrape up a few dollars to get over here and they were so few he had to travel second class on our railway. It is the same all over Europe, millionaires and multi-millionaires in Europe in all countries except Switzerland, the only exception in all the continent of Europe, multi-millionaires without a dollar to their name, all kinds of currency good over there but no good over here and have not the dollars necessary to come here.

MR. HOLLETT: Their governments have it.

MR. SMALLWOOD: They have it but not too much. The British Government, as the House knows today, is dangerously and perilously short of dollars and before the Government of Great Britain will allow anyone in Great Britain today to have a dollar he has to prove his case up to the hilt and as for getting a dollar to come gallivanting on this side of the Atlantic they won't even consider it.

Well, Mr. Speaker, that is all except for one final point. The honourable gentleman from St. John's East praised this product that I passed around the House as a sample.

MR. FOGWILL: They were good.

MR. SMALLWOOD: I was glad to hear him praise these samples. This is a nice little industry, not big, but there is something about this industry, it is not just the manufacturing of

that pressboard important as that is, fine product as it is. The important thing about this industry is that it leads naturally and inevitably into an entirely new one, the manufacturing of furniture. Because, forget it not, this German company has names famous in Germany for their furniture and the pressboard to them is only a side-line, the making of this pressboard adopted by them a year or a little more ago in Germany, they are delighted with it as raw material for their furniture, and in starting this pressboard factory in here beside the birch plant they are starting something which will lead inevitably to and naturally to an industry different altogether, the making of furniture. Now, that to me is the most important thing about this, and in the agreement we have undertaken to extend the period of their loan for two years once they begin the furniture industry. It is the furniture industry I want to see. This thing will employ at the most a couple of hundred, maybe three hundred men, but a furniture factory would soon drive that up to many hundreds more. That is why the Government were so happy to bring this Bill before the House. There is only one thing we are not happy about. This industry and the birch industry and the machinery plant have gone into the District of Harbour Main. The textile plant, the fur dressing plant and the optical plant are going into St. John's West and I have no objection to that because when the next election rolls around, as the House knows, we are going to win St. John's West back. That will come back. St. John's West was Liberal always and will come back again. I don't begrudge these three industries for St. John's West nor these three for Harbour Main. The

only regret I have is that we can't find an industry for every district of this Province including the Coast of Labrador.

MR. CASHIN: How about Seigheim?

MR. SMALLWOOD: I was waiting for that.

MR. CASHIN: I have heard there are a lot of German woodsmen ready to embark.

MR. SMALLWOOD: Mr. Gordon Higgins tabled a question in the House of Commons on that and the answer was, no, so that another rumour has gone.

However, I frankly do not like to see these new industries concentrated in too small a part of the Island. I would like to see them spread out. I would like to see every district in Newfoundland acquire one or two of these industries. However, we cannot, we just cannot make conditions to any of these men that come here willing to establish an industry in Newfoundland, cannot make conditions as to whether they should establish in this district or that.

MR. FOGWILL: In the meantime you could fix the roads in St. John's East.

MR. SMALLWOOD: St. John's East, where is that? I never heard of it? Is it in Newfoundland?

MR. FOGWILL: It is the place where you were going to build a stadium.

MR. HOLLETT: That is where you live.

MR. SMALLWOOD: That is where I live. That is St. John's East. I have heard about it before, heard

the name but have sort of forgotten about it.

MR. SPEAKER: Interesting but not at all pertinent to the Bill.

MR. SMALLWOOD: In St. John's East we might put another new industry, about which the Honourable the Attorney General just reminded me. I said that this pressboard plant will lead very naturally to a furniture industry which together with the pressboard industry would naturally lead to another industry to make glue. Perhaps the glue would be a good industry for St. John's East, perhaps we could establish a glue factory in St. John's East and thereby make it stick.

MR. SPEAKER: Might I interrupt and ask the honourable member to stick to the subject.

MR. SMALLWOOD: Yes, a very sticky subject.

Well, Mr. Speaker, I know that in their hearts the Opposition, whilst they must perform their duty as an opposition and try to pick holes in the Government's policy and thereby fool a lot of people, even some sensible people around the Province.

MR. HOLLETT: That is not their duty but the Government's duty.

MR. SMALLWOOD: Stick to that story—One of these days, Mr. Speaker, I might take a day off and really educate these Opposition members in how to do their job. They should have me over there with them some time for a day or two to show them what an Opposition really could and should be like. But they will never have that pleasure, we have twenty-three years over here yet and whilst it is their duty, undoubtedly, to pick holes in the Government's policy and

do it as vehemently and passionately as possible so that, as I say, a few people scattered about actually and honestly believe we are a terrible Government. There are only a few but two-thirds of all of them are in St. John's. It is their duty to do that, yet in their hearts they applaud us for our courage, for our sound programme of development and I am sure they will vote for this Bill to establish this new industry in Harbour Main District. That they will break their record in this session of just voting against an industry, break that record now and change it, put a new record on today and vote for the principle of this Bill to establish this fine new industry in Newfoundland, using Newfoundland raw material, employing Newfoundland people, vote to establish this new industry in Newfoundland.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act Further to Amend the Land Development Act, 1944:"

MR. CURTIS: I beg to move second reading of this Bill. Honourable members will remember in 1944 the Government of that day, the Commission of Government, passed an Act dealing with land development which gave the right to acquire certain lands and to put buildings thereon and to sub-divide the same and let out same for further development purposes.

The situation has developed whereby some of the settlers have just moved off the property and have left it and the object of this Bill is to enable the Minister to re-enter abandoned property like that and in cer-

tain cases to allow compensation for any improvement made by the settlers. Now, the settlers are divided into two groups, some have leases and some have not leases. In some cases people have gone on the property and have occupied with the leases and those have in some cases effected certain improvements. Now, the object of this Act is to enable the Minister to accept the surrender of these people of the property and to make and to render them compensation for any improvement they have made if within six months they put a claim in. Now, one of the objects of the Bill is to govern that six months period, up to now it is not known whether or not any claims have been made and consequently the Minister is unable to dispose of the area until he knows just what the area has cost and to know that he must know the cost of any improvements and before that the settler must file with him a statement showing the value of such improvement and arrange for their payments. I would move, Sir, the second reading of this Bill which has become necessary as a result of this situation.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act Further to Amend the Judicature Act."

MR. CURTIS: Mr. Speaker, I beg to move second reading of this Bill which is an unimportant measure. The idea is to so recast the section of the Judicature Act dealing with juries that certain persons not presently exempt from jury services may become exempted, particularly those persons employed in the control or direction of commercial aircraft flights or members of commercial aircraft crews or

of the supervisory flight operations personnel or station handling personnel of a commercial air service. This will appear as sub-clause (a) of the amended paragraph 26. The object of the Bill, also, Mr. Speaker, is to exempt members of the RCAF from jury service.

Apart from that it is a recasting of the old Act and these are the only changes. I would move the second reading of this Bill.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the Law Society Act."

MR. CURTIS: Mr. Speaker, I beg to move second reading of this Bill presented at the request of the Law Society. The object of the Bill is to enable the Society to raise money for its purposes by taxing its own members and would-be members and would-be lawyers. I might say that with the oncoming of Confederation the Law Society was put to very considerable expense. It maintains, as you know, Sir, a library in the Court House and as a result of Confederation they found they must have a number of Canadian cases which otherwise they would not use. Since then the expense of buying new books have been out of all proportion to the annual income of the society and it is proposed therefore to raise their own fees and the object of this Bill is to do just that. In future they must pay a certain amount on sundry articles:

(1) On filing articles.....	\$10.00
(2) Every assignment.....	5.00
(3) Every affidavit.....	1.00
(4) Every certificate.....	5.00

- (5) Every fiat for admission... 10.00
 (6) For every writ, whether
 mesne or final, issued by
 a solicitor out of the Sup-
 reme Court in St. John's 1.00

The Law Society hopes as a result of these additional fees to be able to balance its budget and keep its library, used not only by the Law Society but by the judges and by the courts and by the Department of the Attorney General. I would move the second reading of this Bill.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Provide for the Establishment and Administration of Community Councils."

MR. SPEAKER: The Bill has not been distributed.

Second reading of Bill, "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College:"

HON. S. J. HEFFERTON (Minister of Education): I move the second reading of this Bill. In moving the second reading a short explanation should be necessary. Queen's Theological College of Newfoundland has been preparing candidates for examinations for a long period of time and after preparation they sat for examinations largely under provisions and regulations laid down by Durham University with which Queen's is affiliated and as a result degrees were or were not granted, such as Licentiate in Theology. Two years ago Durham University decided to waive the conferring of these degrees and the students of Queen's Theological College graduated without the privilege

of obtaining their degree locally. Some two years ago, and without any bearing whatsoever upon the political union of Newfoundland with the rest of Canada, the Church of England in Newfoundland severed its connection with Canterbury See which it had held since the beginning of the Church of England in Newfoundland and became part of the Church of Canada. Provisions for that had been in negotiation going back to the year 1929 when preliminary arrangements were made for the entry of Newfoundland. However, consummation of the event for various reasons did not come about until 1949. Under the general Synod of the Church of England in Canada the authority is given to confer degrees, that conferring of course being subject to the legislation in the various provinces. That authority in the various provinces has been given, for instance in Ontario and in Nova Scotia and in New Brunswick and in Prince Edward Island and under the provisions of the General Synod of Canada to the Metropolitan of the particular See in whatever church you belong pertains, for instance Newfoundland at the present time is under the Ecclesiastical See of Quebec and the Metropolitan of that See is able to designate or appoint delegates from various provinces to appoint the conferring of degrees and that enables The Lord Bishop of Newfoundland, a visitor of Queen's College, to confer degrees of Licentiate in Theology or any other degrees upon those candidates who after due preparation and sitting for their examinations should have qualified.

In other words, this Act by us merely enables Queen's College or a visitor of that College to confer degrees which previously were conferred because of its affiliation with Durham

University. I move second reading of this Bill, Mr. Speaker.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Notice of Motions

Honourable the Premier, asks leave to introduce :

A Bill, "An Act Respecting Provincial Parks."

A Bill, "An Act to Amend the Regulations of Mines Act, 1951."

A Bill, "An Act Further to Amend the Act No. 41 of 1938 entitled "An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company."

Honourable the Minister of Public Welfare asks leave to introduce a Bill,

"An Act to Amend the Old Age Assistance Act, 1951." Also A Bill, "An Act to Amend the Blind Persons' Allowance Act, 1951."

Honourable the Minister of Municipal Affairs and Supply asks leave to introduce :

A Bill, "An Act Further to Amend the Rent Restrictions Act, 1943."

Honourable the Minister of Public Works, a Bill, "An Act to Incorporate the Botwood Water Corporation."

Above Bills read a first time, ordered read a second time on tomorrow.

Committee of the Whole :

On Bill, "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Clause 11 :

(1) Sub-section (3) of Section 37 of the said Act, as enacted by the Act No. 31 of 1950, is repealed and the following substituted therefor :

"(3) In addition to the interest payable under sub-section (1) where a corporation that paid tax under sub-section (2) of Section 34 had a taxable income for the taxation year of more than \$10,000, it shall, forthwith after assessment, pay an amount equal to 3% to the tax payable."

(2) Sub-section (7) of the said Section 37, as enacted by the Act No. 19 of 1951, is re-numbered as sub-section (6A).

(3) Sub-section (1) of this section is applicable to the 1951 and subsequent taxation years.

MR. HOLLETT: May I have an explanation of that section, Mr. Chairman. What is it all about?

MR. CURTIS: That amendment, Mr. Chairman is consequential upon clause 10. The amendment to clause 10 provides the exemption from instalment payments by Corporation—Section 10—

(1) Sub-section (2) of Section 34 of the said Act is repealed and the following substituted therefor :

"(2) Where a corporation has held forth the prospect that it will make allocations in proportion to patronage to its customers of a taxation year as described by Section 52 and its taxable income for the year is estimated by it to be not more than \$10,000, it may, instead of paying the instalments required by sub-section (1) pay to the Minister of Finance, at the end of the twelve months period referred to in sub-section (1), the whole of the tax as estimated under Section 31."

(2) This section is applicable to the 1951 and subsequent taxation years.

MR. HOLLETT: That does not make it clear to me.

MR. CURTIS: It is up to you to understand it.

MR. HOLLETT: The explanation is more obtrusive than the actual wording here. That must be a new industry, Mr. Chairman, where the taxable income is more than \$10,000 it shall, forthwith, after assessment, pay an amount equal to 3% of the tax payable. Now, I see another 3%—That is Federal tax?

MR. CURTIS: It is very simple to explain. We have as you know two income taxes, one Federal and one Provincial. They have a Federal Act which they administer in Newfoundland and we have a Provincial Act. The Provincial Act calls for five percent income tax which is payable to the Federal, collected by them and the Act administered by them. Now, every firm in Newfoundland has to file income tax returns under the Federal Act and it is much easier to have the two uniform so that when the assessment is made of 5% or whatever it is under the Federal Act they just add another five percent and bring the Provincial Act to make the two uniform, to show one set to do both and it will not mean that every taxpayer has to file two sets of returns and perhaps on two different bases of calculations of income tax, one under the Federal and one under the Provincial. Therefore we have made an exact copy of the Federal to simplify the position both from the responsibility view of the taxpayer and the collector.

MR. HOLLETT: Mr. Chairman, what I can't understand is that amount of 3% where the corporation has paid tax under sub-section (2) of section 34 of more than \$10,000 it shall forthwith after assessment pay an amount of 3%. Why 3%, why not the whole tax? That is interest, I take it.

MR. CURTIS: Either interest or penalty. You see there is a difference in tax, Mr. Chairman, up to ten thousand there is a rate and a rate for profit exceeding \$10,000, last year only 15% but companies over \$10,000 had to pay 50% and it would seem to me, I was out when the clause was read, that where a company apparently files returns under the \$10,000 amount when they should have filed over the \$10,000 amount there is a penalty of 3% for their so doing.

MR. HOLLETT: That is the reason I raised the point. People in Newfoundland who have such income should be informed of this.

MR. CURTIS: You may be sure the Federal people will do it.

Clause 12 through 16 read and carried.

(1) Sub-section (1) of Section 39 of the said Act is repealed and the following substituted therefor:

"(1) If the return of a corporation's income for a taxation year has been made within two years from the end of the year, the Minister of Finance (a) may, upon mailing the notice of assessment for the year, refund, without application therefor, any overpayment made on account of the tax, and

(b) shall make such a refund after mailing the notice of assessment if

application therefore has been made in writing by the corporation within twelve months from the day on which the overpayment was made or the day on which the notice of assessment was sent."

(2) Sub-section (3) of the said Section 39 is repealed and the following substituted therefor:

"(3) Where an amount in respect of an overpayment is refunded, or applied under this section on other liability, interest at the rate of 2% per annum shall be paid or applied thereon for the period commencing with the latest of

(a) the day when the overpayment arose,

(b) the day on or before which the return of the income in respect of which the tax was paid was required to be filed, or,

(c) the day when the return of income was actually filed, and ending with the day of refunding or application aforesaid, unless the amount of the interest so calculated is less than one dollar, in which event no interest shall be paid or applied under this sub-section."

(3) Sub-section (1) of this section is applicable in respect of applications for refunds made after the first day of May, 1951.

(4) Sub-section (2) is applicable in respect of overpayments of tax for the 1950 and subsequent taxation years.

13—(1) Paragraph (cb) of sub-section (1) of Section 43, as enacted by the Act No. 19 of 1951, is repealed and the following substituted therefor:

"(cb) a corporation that was constituted exclusively for chari-

table purposes, no part of whose income was payable to, or was otherwise available for the personal benefit of, any proprietor, member or shareholder thereof, that has not since June 1, 1950, acquired control of any other corporation and that during the period,

- (i) did not carry on any business,
- (ii) had no debts incurred since June 1, 1950, other than obligations arising in respect of salaries, rents and other current operating expenses, and
- (iii) except in the case of a corporation that was, before January 1, 1940, constituted exclusively for charitable purposes, expended amounts each of which is,
 - (A) an expenditure in respect of charitable activities carried on by the corporation itself,
 - (B) a gift to an organization in Canada the income of which for the period is exempt from tax under this Part by virtue of paragraph (ca), or
 - (C) a gift to a corporation resident in Canada the income of which for the period is exempt from tax under this Part by virtue of this paragraph, and the aggregate of which is not less than 90% of the corporation's income for the period."

(2) Paragraph (b) of sub-section (3) of the said Section 43, as enacted by the Act No. 19 of 1951, is repealed and the following substituted therefor:

"(b) there shall be included in computing a corporation's or trust's income all gifts received by the corporation or trust other than

(i) a gift received subject to a trust or direction that the property given, or property substituted therefore, is to be held permanently by the corporation or trust for the purpose of gaining or producing income therefrom, or

(ii) a gift or a portion of a gift in respect of which it is established that the donor has not been allowed a deduction under paragraph (a) of Section 21 or a gift made by a person who was not taxable under Section 2 for the taxation year in which the gift was made."

(3) The said Section 43 is further amended by adding thereto the following as sub-section (4):

"(4) In computing the income of a corporation for the purpose of determining whether it is described by paragraph (cb) of sub-section (1) for a taxation year,

(a) there may be deducted an amount not exceeding its income for the year preceding the taxation year computed without including or deducting any amount under this sub-section, and

(b) there shall be included any amount that has been deducted under this sub-section for the immediate preceding taxation year."

(4) This section is applicable to the 1950 and subsequent taxation years.

14.—(1) Section 47 of the said Act

is amended by adding thereto the following as sub-section (4):

"(4) Where a corporation would have compiled, during the whole of a taxation year, with the condition contained in sub-paragraph (i) of paragraph (c) of sub-section (2) were it not that its business operations during the taxation year were carried on in part in Canada through ownership of shares in or control of one or more subsidiary or affiliated corporations, the corporation shall be deemed to have complied with that condition if, during the whole of the taxation year,

(a) the business operations so carried on in Canada were of a mining nature, and

(b) its main business operations were of an industrial, mining, commercial, public utility or public service nature and were, except for management and the designing, purchasing and transportation of goods, carried on outside Canada."

(2) This section is applicable to the 1949 and subsequent taxation years.

15. Sub-section (2) of Section 49 of the said Act, as enacted by the Act No. 19 of 1951, is re-numbered as sub-section (1A).

16.—(1) Sub-section (1) of Section 54 of the said Act is repealed and the following substituted therefor:

"(1) A corporation that is resident in Canada may elect in respect of taxation years ending on or before December 31, 1951, by notice to the Minister of Finance in prescribed manner to file a return in which its taxable income is consolidated with the taxable income of all its subsidiary wholly-owned corporations resident in

Canada, carrying on the same general class of business as itself and having the same taxation year as itself."

(2) The said Section 54 is further amended by adding thereto the following as sub-sections (13) and (14):

"(13) Where a loss sustained by a corporation in a taxation year has been included in computing the consolidated taxable income under this section, the amount thereof shall, for the purpose of paragraph (b) of Section 21, be deemed to have been deducted under that paragraph in the year in which it was so included.

(14) Where a loss sustained by a corporation in a taxation year has been included in computing the consolidated loss under this section, the amount thereof shall, for the purpose of paragraph (b) of Section 21 be deemed to have been deducted under that paragraph in the year in which it was so included to the extent that it may reasonably be regarded as having operated to reduce the consolidated taxable income for that or another year."

(3) Sub-section (2) of this section is applicable to the 1952 and subsequent taxation years.

Clause 17:

17. Sub-section (1) of Section 59 of the said Act is repealed and the following substituted therefor:

"(1) When the Minister of Finance has knowledge or suspects that a person is or is about to become indebted or liable to make any payment to a corporation liable to make a payment under this Act, he may, by registered letter or by letter served personally, require him to pay the moneys otherwise payable to that corporation in whole or in part to the Minister of

Finance on account of the liability under this Act."

MR. HOLLETT: Mr. Chairman, I think we might very well look at that section. "(1) When the Minister of Finance has knowledge or suspects that a person is or is about to become indebted or liable to make any payment to a corporation liable to make a payment under this Act, he may, by registered letter or by letter served personally, require him to pay the money otherwise payable to that corporation in whole or in part to the Minister of Finance on account of the liability under this Act."

It seems to me to be a sort of high-handed way for the Minister of Finance to act; he has the right, under that section.

MR. CURTIS: I would like to tell my honourable friend, that is the present clause, the only difference made is the addition of the words "Or by letter served personally." That is the present law, the principle has been accepted previously.

MR. HOLLETT: By the House?

MR. CURTIS: Yes, last session.

MR. HOLLETT: I don't suppose there is much difference between the registered letter and one served personally but it is high-handed all the same.

MR. HIGGINS: It is too late to talk about it now.

17 Carried.

18 through 20 read and carried.

18. Sub-section (1) of Section 71 of the said Act is repealed and the following substituted therefor:

"(1) Any information or complaint under this Act may be laid or made

by any officer of the Department of Finance by a member of the Royal Canadian Mounted Police or by any person thereunto authorized by the Minister of Finance and, where any information or complaint purports to have been laid or made under this Act, it shall be deemed to have been laid or made by a person thereunto authorized by the Minister of Finance and shall not be called in question for lack of authority of the informant or complainant except by the Minister of Finance or by some person acting for him or Her Majesty."

19.—(1) Paragraph (aa) of sub-section (1) of Section 73 of the said Act is repealed and the following substituted therefor:

"(aa) "subsidiary wholly-owned corporation" means a corporation all the issued share capital of which (except directors' qualifying shares) belongs to the corporation to which it is subsidiary and "subsidiary controlled corporation" means a corporation more than 50% of the issued share capital of which (having full voting rights under all circumstances) belongs to the corporation to which it is subsidiary."

(2) This section is applicable to the 1949 and the subsequent taxation years.

20.—(1) Sub-section (6) of Section 74 of the said Act is amended by striking out the words "and in any event this Act shall expire on the 1st of January, 1952" and substituting therefor the words "and in any event this Act is not applicable to a taxation year ending after the thirtieth day of December, 1952."

(2) The said Section 74 is further amended by adding thereto the following as sub-section (7):

"(7) This Act shall be deemed not to have expired on the first day of January, 1952, and shall be deemed to continue in force and to have continued at all times subsequent to the thirty-first day of December, 1951."

Clause 20 carried, Clause 4 carried.

4. Section 11 of the said Act, as enacted by the Act No. 31 of 1950, and as amended by the Act No. 19 of 1951, is further amended by adding thereto the following as sub-section (4B):

"(4B) Sub-section (4) is applicable mutatis mutandis, in respect of expenditures made in connection with

(a) the testing of a significant geological structure by a deep test oil well that was spudded in during, or the deepening of which was commenced in 1952, and that proved unproductive, or

(b) the testing of a significant stratigraphic trap by a group of test wells that were spudded in during 1952 and drilled to an aggregate depth of twenty-five thousand feet and all of which wells proved unproductive."

The Committee sat and reports having passed the Bill without amendments. Ordered read a third time on tomorrow.

Committee of the Whole on Bill, "An Act Further to Amend the Education Act, 1927:" also

A Bill, "An Act Respecting the Maintenance of Parents, Wives and Children," and a Bill, "An Act to Amend the Family Courts Act, 1951."

MR. HEFFERTON: Mr. Chairman, on this occasion I suggest we adopt the procedure laid down under Standing Order No. 46 and read the numbers.

The Committee passed the Bill, "An Act Further to Amend the Education Act, 1927," without amendments.

A Bill, "An Act Respecting the Maintenance of Parents, Wives and Children :"

Clauses 1 through 4 carried.

1. This Act may be cited as the Maintenance Act, 1952.

2. In this Act—

(a) "acts of cruelty" means conduct creating a danger to life, limb, or health, or any course of conduct which in the opinion of the court is grossly insulting and intolerable or is of such a character, without proof of actual personal violence, that the wife or children seeking maintenance could not reasonably be expected to be willing to live with the husband or parent after he has been guilty of the same;

(b) "child" means an unmarried boy or girl, including a grandchild, step-child, foster child, and adopted child, actually or apparently under the age of seventeen years, and includes a child under twenty-one years of age, who because of physical or mental disability, is unable to provide himself with adequate food or other necessities;

(c) "dependent parent" means a parent, grandparent, step-parent, foster parent, and parent by adoption who is destitute or who by reason of age, disease, infirmity or other cause is unable to maintain himself;

(d) (i) "deserted child" means a child

(a) whose parent, without reasonable excuse, fails to provide him with reasonable maintenance; or

(b) who has left or has been re-

moved from the home of the parent because of neglect by or misconduct or acts of cruelty of the parent;

(ii) for the purpose of sub-paragraph (i) "parent" includes a guardian and a person who has the care and custody of or who is charged with or liable for the maintenance of the child;

(c) "deserted wife" includes a wife who is living apart from her husband because

(i) of his assaults or other acts of cruelty towards her or their children;

(ii) of his adultery which has not been condoned;

(iii) of his refusal or neglect without reasonable excuse to supply his wife and their children if any, with adequate food, clothing or other necessities; or

(iv) of his being a person who by reason of frequent drinking of intoxicating liquor is incapable of managing himself or his affairs and is an unfit and improper person to have the custody and control of his children or of his having been guilty of adultery that has not been condoned;

and this paragraph applies to a husband living apart from his wife under a separation agreement whether or not the agreement contains express provisions excluding the operation of this Act, if the husband is in default under the agreement.

(f) "judge" means the judge of a Family Court or a stipendiary magistrate or two justices of the peace acting together;

(g) "officer" means a welfare officer, a probation officer of a Family Court, a probation officer or any other

officer of the Department of Public Welfare, a member of the Constabulary Force of Newfoundland and a member of the Royal Canadian Mounted Police stationed in Newfoundland;

(h) "parent" includes a step-parent and a parent by adoption;

(i) "son" and "daughter" include a grandchild, step-child, foster child, and adopted child, except where in the opinion of the judge any such child does not owe to the dependent parent an obligation of gratitude for nurture, care, or affection.

3. Every son and every daughter is liable for the support of his or her dependent parent to the extent and in the manner provided in this Act.

4.—(1) Upon complaint of any person that he is a dependent parent or of any officer that such person is a dependent parent, a judge may issue a summons requiring a son or daughter of the dependent parent to appear at the time and place mentioned in the summons and show cause before such judge as may be then and there present why an order should not be made against him or her for the maintenance of the dependent parent.

(2) Whether or not any son or daughter appears in obedience to the summons issued under sub-section (1), the judge, upon proof of service of the summons, may inquire into the matter of the complaint and if satisfied on the evidence adduced before him that the person is a dependent parent and that the son or daughter has sufficient means to contribute to the maintenance of the dependent parent may, having regard to the whole circumstances of the case, make an order that the son or daughter pay for the maintenance of the dependent

parent to the person named in the order such sums of money at such times or intervals as the judge may prescribe.

(3) Where the dependent parent has several children, the judge may require the summons to be served on any or all of them not already summoned and may order such of them as ought in his opinion to contribute to the support of the dependent, apportion the sum to be paid among the children having regard to their ability and obligations.

(4) An order may be made under this section although the dependent parent is being cared for by another or in any home, sanatorium or other eleemosynary institution.

Clause 5 :

5.—(1) Upon complaint of a child by his next friend or by any officer that he is a deserted child, the judge may issue a summons requiring the parent or the guardian or the person who has the care and custody of or who is charged with or liable for the support and maintenance of the child to appear at the time and place mentioned in the summons and show cause before such judge, as may be then and there present, why an order should not be made against the parent, guardian or person for the maintenance of the child.

(2) Whether or not the person summoned appears in answer to the summons, the judge, upon proof of the service of the summons, may inquire into the matter of the complaint and if he is satisfied on the evidence adduced before him that the child is a deserted child may make an order that the person against whom the complaint is made pay to the person named in the order for the mainten-

ance of the child such sums of money at such times or intervals as the judge may prescribe.

MR. HOLLETT: Mr. Chairman, I have not had time to read this, Mr. Chairman, and it seems to me, on complaint of child by next friend—How is next friend defined?

MR. CURTIS: The next friend could be the father, mother, aunt, uncle, grandfather, depending upon the nearest of kin I should say.

HON. DR. H. L. POTTLE (Minister of Public Welfare): It is a normal legal phrase.

MR. HOLLETT: It may be normal but should be defined somewhere. I know for adults it is quite in order but upon complaint of child by his next friend. In the first place I question whether a child could make a complaint.

MR. CURTIS: That is standard legal procedure. A child is represented in court by his best friend, it could be his father or mother.

MR. HOLLETT: I wonder why? It should be defined in the Act.

Carried. Clauses 6 through 27 carried. Passed without amendment.

A Bill, "An Act to Amend the Family Courts Act, 1951:"

Passed without amendment.

The Committee sat and reports having passed the Bills without amendment.

Committee of the Whole on Bill, "An Act to Approve and give statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited:

Clauses 1, 2, 3 read by clerk: Agreement read:

1. This Act may be cited as the Atlantic Optical Company Limited (Confirmation of Agreement) Act, 1952.

2. The Agreement made between His Majesty the King in right of Newfoundland represented by the Honourable Joseph R. Smallwood, Minister of Economic Development, of the one part, and Atlantic Optical Company Limited, a company incorporated under the laws of Newfoundland and having its registered office in St. John's in the Province of Newfoundland, of the other part, dated the eighth day of December, 1951, and forming the Schedule to this Act is hereby approved, confirmed, and adopted, and all and singular clauses and provisions thereof are hereby declared to be valid and binding upon the said parties thereto and each of them respectively and to have the force and effect of law and all and singular the several acts, matters and things therein provided to be done or performed by or on the part of the parties respectively are hereby declared to be proper and lawful, and the parties shall have full power and authority from time to time to do and perform the several acts, matters, and things in and by the said Agreement provided to be done in the manner and with the effect and under the conditions stipulated and provided in the said Agreement.

3.—(1) The Province of Newfoundland hereby guarantees the payment of the interest on the due dates at the rate of not exceeding four and one-half per centum per annum on the loan or loans not exceeding in all the sum of one hundred and fifty thousand dollars (\$150,000.00) raised by the Company in accordance with the said Agreement and the repayment on

the due dates of the loan or loans so raised.

(2) The Lieutenant-Governor in Council shall have power to give and execute in due time a separate instrument of guarantee of the loan or loans so raised, in such form as he may approve.

(3) The following form of guarantee shall be endorsed on all certificates issued in respect of the loan or loans so raised if they or any of them are raised by sale of the Company's bonds and the guarantee shall be signed on behalf of the Province by a person or persons to be appointed in writing in that behalf from time to time by the Lieutenant-Governor in Council and the signature of each such person may be engraved, lithographed or otherwise reproduced upon the certificates.

Pursuant to the Act No. of 1952 of the Legislature of the Province of Newfoundland, the Province of Newfoundland hereby unconditionally guarantees to the holder of the within bond the payment on the respective due dates of the principal moneys and interest to become due in respect thereof.

Dated this day of 195 .

S C H E D U L E

THIS AGREEMENT made at St. John's in the Province of Newfoundland in the Dominion of Canada the eighth day of December Anno Domini one thousand nine hundred and fifty-one BETWEEN His Majesty the King in right of Newfoundland represented herein by the Honourable Joseph R. Smallwood Minister of Economic Development (hereinafter referred to as "the Government") of the one part AND Atlantic Optical Company Limit-

ed a company incorporated under the laws of Newfoundland (hereinafter called "the company") of the other part WITNESSED AS FOLLOWS :

1. The company will complete and put into operation a factory for the manufacture of eyeglass frames, lenses and optical goods at St. John's.

2. The company will have all necessary equipment and machinery for the said factory and sufficient raw material for its operation in St. John's before July 31st, 1952, unless prevented by delay due to an increased rearmament programme in Europe or other unforeseen conditions.

3. Subject to Section 5 the Government will lend or cause to be lent to the company the sum of one hundred and fifty thousand dollars (\$150,000) which sum is to be made available to the company in the manner hereinafter appearing.

4. The company agrees to pay on the thirtieth day of June and the thirty-first day of December in each and every year during which any such loan or loans are outstanding interest on so much of the said one hundred and fifty thousand dollars (\$150,000) as may have been lent and is due and owing at the rate of four per centum per annum.

5. The Government agrees to make advances available to the company as follows :

(a) Fifty per centum (50%) of the value of each shipment of machinery and equipment consigned to the company on its arrival in Newfoundland.

(b) One hundred thousand dollars (\$100,000) less advances made under paragraph (a) of this clause on the completion of shipments of all factory machinery and equipment.

(c) Fifty thousand dollars (\$50,000) when the factory is completed and put into operation :

Provided that the Government shall not be liable to advance to the company at any time any sum in excess of the value of the machinery and equipment delivered in Newfoundland and installed in site plus the amount of cash actually paid into the company's treasury as the purchase price of shares.

6. Before making or authorizing any loan under clause 5, sub-clauses (b) and (c) hereof the Government may require the company to execute in its favour a first mortgage on all its assets in Newfoundland (exclusive of cash in Bank) and pending the furnishing of such security any moneys advanced by or on account of the Government shall be disbursed only as approved by the Minister of Economic Development.

7. The company agrees to repay any Government or Government guaranteed loan as soon as the company shall have succeeded with or without Government assistance in negotiating a commercial bank loan or the sale of its bonds and in any event within ten years from the date of any such loan.

8. Within three years after the making of this Agreement if a commercial bank loan or the sale of its bonds shall not have been arranged the company agrees to establish a sinking fund and to pay into it annually moneys sufficient with accumulated interest to liquidate the amount of any Government or Government guaranteed loan made under this Agreement.

9. In order to facilitate the company in negotiating a commercial

bank loan or the sale of its bonds the Government agrees to guarantee both as to principal and interest such loans or bonds. Any bonds issued hereunder will mature in not less than ten years from the date of issue and the interest payable thereon shall not exceed four and one-half per centum ($4\frac{1}{2}\%$) per annum.

10. As long as there is any liability absolute or contingent by the company to the Government the company agrees to insure and keep insured against loss or damage by fire all its fixed assets in Newfoundland and to make any loss payable under any such policy or policies of insurance to the Government, or as it may direct.

11. This Agreement is made subject to the approval of the Legislature of Newfoundland.

IN WITNESS WHEREOF the parties of these presents have hereunto their hands and seals subscribed and set the day and year first before written.

SIGNED on behalf of the Province of Newfoundland by the Honourable Joseph R. Smallwood, in presence of :

(Sgd.) LESLIE R. CURTIS.
(Seal)

(Sgd.) JOSEPH R. SMALLWOOD,

The Common Seal of Atlantic Optical Company was hereto affixed, in the presence of :

(Seal) Atlantic Optical Company Ltd.
(Sgd.) L. SENNEWALD,
Managing Director.

MR. HOLLETT: Mr. Chairman, before you go on to parts of the agreement I would like to say a few words, if I am to be consistent with

the remarks I made yesterday on the principle of this Bill. I objected and I also say something now in Committee of the Whole. You will remember, Sir, that as a member of the Opposition I disagreed with the principle underlying the passing and presentation of this Bill to the House. In the first instance the mere fact that this Government would give out, this House vote out \$150,000.

MR. SMALLWOOD : Point of order, the honourable gentleman is beginning to discuss the principle which is now adopted and is not now debatable.

MR. HOLLETT : I referred to the matter of the principle not discuss it and I said in line with the idea of the principle I was about to make my address to the guarantee and not the principle at this time. Under this particular section 3 the Province of Newfoundland guarantees the payment of the interest on the due dates at the rate of not exceeding four and one-half per centum per annum on the loan or loans not exceeding in all the sum of \$150,000 raised by the Company in accordance with the said Agreement. In the first instance the company has not raised any money and apparently this only provided that the Government will guarantee it when it is raised. I have taken the trouble to look into this Atlantic Optical Company Limited. I take it, Mr. Chairman, this will go into the history of this country, the Bill itself, information as to how it came about and so on.

MR. SMALLWOOD : You are out of order again.

MR. HOLLETT : It is very difficult to discuss the idea of loaning \$150,000 or guaranteeing it unless we

refer to the reasons for guaranteeing them.

MR. SMALLWOOD : That was all considered yesterday.

MR. HOLLETT : I maintain it was not done yesterday. The Atlantic Optical Company, if you will remember, Mr. Chairman, stated in the Bill that the agreement was signed somewhere around the 8th of December. I find that the thing was registered on the 8th and apparently the agreement was drawn up on the 3rd day of December. That is barely more than a week or so after the 26th of November. The implication is there, Sir, the 3rd of December is only a very few days following the 26th of November, or the 24th of November when Dr. Sennewald, I believe, was here on his visit to Newfoundland via Gander and was brought in here by plane which was apparently loaned or hired by the Federal Government of Canada. In the discussion which took place yesterday we learned that Dr. Sennewald was informed that he should go back to Canada to study the market.

MR. SMALLWOOD : Mr. Chairman, the honourable gentleman is completely out of order.

MR. CHAIRMAN : Out of order—previous debate.

MR. HOLLETT : Thank you, Mr. Chairman. We are going to be debarred from discussing this thing properly.

MR. SMALLWOOD : Mr. Chairman to a point or order—My point is that the honourable gentleman is suggesting that the House is being debarred from debating this Bill. That is highly out of order. The rules of the House have been made by the House and are to be carried out in

Committee of the Whole, there is no one barred except by the rules and the rules are made by the House. No one is barred from anything which is his right. Every member of this Committee is barred from discussing the principle of this Bill. The rate of interest can be discussed, whether it should be four and a half percent or five or the terms of it may be, but not the background of this transaction, that was debated yesterday.

MR. CASHIN: Mr. Chairman in connection with the background of the Bill, one cannot very well discuss section three of the Bill, without reference to, in some degree, the background of the Bill. Furthermore to be held down by close, tightly knit rules, we can always avail of the opportunity, I imagine, to move a six months hoist to this Bill, in which case also then we can discuss the Bill in whole and we are prepared on this side of the House to do that now without having to go to the trouble, without having to discuss the Bill as a whole in third reading where we would move a six months hoist to it which we are entitled to do.

MR. CHAIRMAN: I would like to inform the honourable member there is no desire or wish on the part of the Chair to prevent him from discussing the clause under consideration. We are now discussing the guarantee and I presume some amount of background is necessary to lead up to it. At the same time the rules regarding previous debate must be enforced. The principle of the Bill has been passed and there is not very much we can do about that unless the honourable member wishes to confine his remarks to either one of these sections and the guarantee, but as to the principle of the Bill that the amount of \$150,000 be loaned to

the Atlantic Optical Company cannot be discussed, that has also been decided by the House and the Committee cannot change that.

MR. HOLLETT: Thank you, Mr. Chairman. I said if I were to be barred, I had no intention, Mr. Chairman, of making any inference that the Chair was interfering to debar me or any statement which I might make.

I am on this particular clause 3, the guaranteeing of a loan of \$150,000 to build an optical plant in this country. I was looking at some of the clauses embodied in the articles of the association of this company and find they can carry on business of filling optical prescriptions. As I cannot refer to any remarks made yesterday I will point out they are to carry out the business of fillers of optical prescriptions as well as providing optical, surgical—

MR. SMALLWOOD: Point of order. The honourable gentleman is permitted only to discuss the clause now under discussion and not a clause further on in the Bill, we discuss that when the Committee comes to it. You may have to learn the hard way but we have no choice.

MR. CHAIRMAN: I think the clauses have been read as far as section (3), I think it might be better if the Clerk read the whole guarantee right through now.

MR. HOLLETT: Before you start to have it read, Sir, I was discussing Section (3) of the Act not of the Guarantee, of the Act in which the Guarantee is included.

MR. SMALLWOOD: We have not come to that yet. It was about to be read when the honourable member took the floor I think for the purpose of clarification we might read through the Guarantee now.

MR. CASHIN: Mr. Chairman, that \$150,000 is the whole Bill really, the guaranteeing of the \$150,000 and I take it we can discuss the advisability of it or otherwise, of guaranteeing this \$150,000, or comment on it?

MR. SMALLWOOD: No.

MR. CASHIN: I am talking to the Chair, who gives the decision not the Premier or any other member of the House. It is about time you understood that.

MR. CHAIRMAN: Section 3 as the honourable member says is the meat or point of the Bill and that has been discussed and passed on second reading. I hold we cannot discuss that. From there on, the way in which the money has been paid or classified or I think in the agreement any of these may be debatable but clause 3 of the Guarantee is the principle of the Bill.

MR. HOLLETT: May I point out in my opinion, Section 3 of the Act is not the principle. It is Section 3 of the Act I want to discuss, not of the Guarantee.

MR. CURTIS: I think, Mr. Chairman, it would simplify matters to have the word "Schedule" at the head of the agreement. It is incorporated here into Clause 3 which was never intended. If the word "Schedule" were written just after the word.

MR. CHAIRMAN: In that case I shall then put Clause 3.

MR. SMALLWOOD: Mr. Chairman, if I may, if on page 4, immediately after the form of guarantee shown and immediately before the agreement you insert the word "Schedule" that is then the actual agreement and the part proceeding that is the Act to which the agreement forms the schedule. Then the (3) of which the

honourable member speaks is the (3) which begins on the first page, Section (3) of the Act, the rest is the Schedule to the Act.

MR. HOLLETT: I learned the hard way and I did not learn it all here, Mr. Chairman may I speak to Clause (3) of the Act now?

MR. CHAIRMAN: The honourable member has the floor.

MR. HOLLETT: The Province of Newfoundland hereby guarantees the interest on due dates at the rate of four and one-half percent and not exceeding four and one-half percent on \$150,000 in order to set up in this country the Atlantic Optical Company purported to fill prescriptions for eye-glasses and also to manufacture eye-glass frames and so on, and to carry on the business of fillers of optical prescriptions and providers of optical and medical requirements for hospitals and patients. Also this company for whom we guarantee \$150,000 will be allowed to carry on the business of manufacturers, buyers, sellers, importers, exporters, dealers in goods and articles and merchandise of every description. We will be told that this is found in the articles of every association but you will find that this optical company has the right therefore to engage in business of whatsoever nature they so desire. As a matter of fact they are allowed to construct roads, wharves, tramways, bridges, reservoirs, docks, pumping stations, stills, that ought to pay off, and engineering machinery, etc. They have a share capital of \$150,000, fifteen hundred shares of \$100 each. Their head office is registered in the law office.

MR. SMALLWOOD: Mr. Chairman to a point of order; Mr. Chairman, must I keep appealing for the

observance of the rules. The honourable gentleman, to me it appears, is flagrantly violating the rules. There is only one thing as I see it that can be discussed legally here today in Committee of the Whole and that is clause (3), nothing that does not appear in clause (5) is debatable. Surely, Mr. Chairman, the honourable gentleman is out of order.

MR. CHAIRMAN: I think the honourable gentleman was discussing the articles of association which don't appear here.

MR. HOLLETT: Mr. Chairman, I was describing the optical company, the Atlantic Optical Company to whom we are about to loan or give or guarantee one hundred and fifty thousand dollars.

MR. SMALLWOOD: Mr. Chairman, I hold to the point of order. It is out of order for the honourable gentleman to describe the company or describe any justification for the Government entering into an agreement. All the matter for debate and discussion of that point was done on second reading. That has taken place and offered all the opportunity he wished to debate that matter and the vote has been taken and that closes it. Now the only thing we are permitted to do in Committee of the Whole is to debate it here clause by clause and the matter contained specifically in such clause. Surely there is nothing more clearly established in parliamentary law than that.

MR. COURAGE: The honourable gentleman is not addressing himself to the clause . . . I would ask him to be more relevant in his remarks.

MR. HOLLETT: (Reads clause).

MR. SMALLWOOD: That is not

debating but reading it out, we have had it read out a minute ago.

MR. HOLLETT: That is a clause which I rose to make some discussion on. In view of what the Premier just said I wonder just where and how and why anyone could begin to debate and what particular point, if I cannot say any more than simplify the wording of the Act I can say very little.

MR. CHAIRMAN: You cannot discuss the principle of the Bill, the fact that there is \$150,000 to be given to that company. That was already discussed at second reading and has been approved by the House and we cannot at this time enter into a discussion on that point. As a matter of fact there are some things which are debatable. I take it that the honourable gentleman in his remarks suggested that the one hundred and fifty thousand dollars should not be paid and on the other hand certainly it is not proper to discuss the articles of association of the company, that is outside the Act completely.

MR. HOLLETT: Mr. Chairman, even for my own benefit to recite the articles, to have them perfectly understood. I thought it would be in order but if you say it is out of order, I take it then all the Schedule is also part of Section 3 of the Act, is that all a part? Well, I can only say, Mr. Chairman, that I definitely am against this vote of \$150,000.

MR. SMALLWOOD: Mr. Chairman, to a point of order.

MR. CHAIRMAN: I have already ruled it out of order.

MR. SMALLWOOD: You can't get away with it.

MR. HOLLETT: I thought the Chairman was looking after this.

MR. SMALLWOOD: We will have order.

MR. HOLLETT: I would like to rise to a point of order.

MR. SMALLWOOD: You don't even know how to spell it.

MR. HOLLETT: I was going to rise to a point of order on this Sir, but I think it hardly worthwhile. Thank you, Mr. Chairman.

MR. CHAIRMAN: I move the Committee rise for lack of a quorum.

MR. COURAGE: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have passed the Bills:

"An Act Further to Amend the Education Act, 1926," without amendments.

"An Act Respecting the Maintenance of Parents, Wives and Children," without amendments.

"An Act to Amend the Family Courts Act, 1952," without amendments.

Ordered read a third time on tomorrow.

MR. COURAGE: Mr. Speaker, as Chairman of the Committee of the Whole on a Bill, "An Act to Approve and give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited, I have to report that the Chairman had to rise the Committee for lack of a quorum.

Ordered sit again tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move all remaining Orders of the Day stand deferred and that the House at its rising do adjourn until tomorrow, Thursday, at 3:00 of the clock.

THURSDAY, April 17, 1952.

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

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill "An Act Respecting Unclaimed Articles of Clothing and Household Goods."

MR. POWER gives notice of motion on tomorrow to ask leave to introduce a Bill, "An Act to Amend the Social Security Assessment Act, 1949."

Answers to Questions

MR. P. J. CASHIN (Leader of the Opposition): Mr. Speaker, may I draw the attention of the Premier to Question No. 46 with respect to individuals given loans by the Boards.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, yesterday I promised to bring that matter to the attention of the Chairman of the Board, Mr. Baxter. I have not had a chance to speak with him since but he objected strenuously on the telephone with the Attorney General to give the names and told the Attorney General that his impression was that he did have an understanding with the Premier that the names ought not to be released. I am not going to say I never gave that but I can say I don't remember giving him that impression.

I don't remember agreeing that the names ought not to be published. I think probably I did agree on discussion when the matter was first tabled when the Chairman came to me and said, "Am I going to be obliged to table all information that men lay before me when they apply for a loan?" I said, surely that is hardly proper. A man goes to a bank and gets a loan and we should give him the same immunity, not entirely the same immunity as going to a private bank. It is public money and when it is lent at least I think the names of the persons receiving it ought to be released and the purpose of the loan but the intimate details of the man's business property ought not. I don't think any member of the House would insist on having it, so that I think I can say now definitely and I believe my colleagues support me in this, I have not consulted them, but I believe they would agree we should oblige the loan board to give the names and perhaps the purpose of the loan.

MR. CASHIN: Mr. Speaker, just one word in connection with that. We must remember that there were other loans with a guarantee given to other parties and loans were given by the Commission of Government and the present Government which have been tabled here, we had copies here and I think published in the press and the Chairman of these various boards has no right whatsoever, he just has to do what he is told, he is a servant of the House, the people, and is not the Manager of the Royal Bank of Canada today.

MR. SMALLWOOD: He has spent his lifetime being a bank manager.

MR. SMALLWOOD: Mr. Speaker, might we pass the Address in Reply and go on to No. 2.

Orders of the Day

Third Readings:

"An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949," read a third time, ordered passed and title be as on the Order Paper.

"An Act Further to Amend the Education Act, 1927," read a third time, ordered passed and title be as on the Order Paper.

"An Act Respecting the Maintenance of Parents, Wives and Children," read a third time, ordered passed and title be as on the Order Paper.

"An Act Further to Amend the Family Courts Act, 1951," read a third time, ordered passed and title be as on the Order Paper."

First Readings:

Honourable the Premier asks leave to introduce a Bill, "An Act Further to Amend the Public Records Act, 1951"—read a first time, ordered read a second time on tomorrow.

Honourable the Attorney-General asks leave to introduce a Bill, "An Act to Amend the Parsons Pond Oil Lands Vesting Act, 1951"—Read a first time, ordered read a second time on tomorrow.

Honourable the Attorney-General asks leave to introduce a Bill, "An Act Respecting an Election in Labrador in the Present Year," read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act to Amend the Town of Carbonear Act, 1948," read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Amend the Town of Harbour Grace Act, 1945." read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Further Amend the Rural District of Placentia Act, 1945." Read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Public Works, asks leave to introduce a Bill, "An Act Further to Amend the Department of Public Works Act, 1950." Read a first time, ordered read a second time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, we propose an early adjournment this afternoon at around 4:00 o'clock because of the fact that His Honour the Speaker has to be absent as have also a number of the other members of the House to attend an event out of town. For that reason I would not suggest anything controversial for this afternoon which might have the effect of delaying the adjournment. So that we could go into Committee of the Whole on Nos. 9, 10, 11 and 12.

Committee of the Whole:

"An Act Further to Amend the Land Development Act, 1944."

The Committee passed the Bill without amendments.

"An Act Further to Amend the Judicature Act."

The Committee passed the Bill without amendment.

A Bill "An Act Further to Amend the Law Society Act."

MR. HOLLETT: Mr. Chairman on section (2) I take it that includes the rates that are laid down there. I understood from the Honourable the Attorney General yesterday that they are taxes or rather fees to be collected

from budding lawyers, I was wondering there is no danger of the Society having an over-draft..

MR. CURTIS: It is under the Law Society Act.

MR. HOLLETT: Going on to No. 6—For every writ \$1.00, I take it if I went to a young lawyer I would have to pay that to him.

MR. CURTIS: If you went straight to the court you would not.

MR. HOLLETT: A lot of people go to lawyers anyway in St. John's and I take it that dollar will come out of the pocket of the citizen and that dollar finds its way eventually into the Law Society to support the Law Society. I have my doubts about whether that is the correct thing to do or not. Formerly, as I remember, and I believe up to the present time, 25c. was all one had to pay for such a document. If I had a case against my gallant friend here, the Leader of the Opposition and I went to the Attorney General or to his partner, Mr. Dawe, I would have to pay 25c. for this writ but tomorrow or the next day, as soon as this Act is passed, if I go in I have to pay a dollar. I am not so sure if it is right that this House should tax the citizen 75c. extra simply to assist the Law Society in the maintenance of its law library. I raise the point and I am wondering if the Attorney General would give us some explanation relative to that.

MR. CURTIS: Yes, Mr. Chairman, the point is well taken but the position is this. The Law Society maintains a library, it is a very expensive thing to maintain and I say the lawyers as a whole don't try to pawn off on anybody else what they should do themselves. The annual fees payable by every lawyer are in the case of a

Queen's Counsellor \$25 a year, every barrister is not a Queen's Counsellor and has to pay \$15 a year and students pay fees in proportion. Now this is a tax only on writs issued. When the Supreme Court issues writs they are never issued for less than \$200 and claims to less than \$200 have to go to the Magistrate's Court but when the Supreme Court deals with claims the minimum is \$200 and as soon as the County Court Act becomes effective that figure will be five hundred and not two hundred. So that I don't think there can be any serious objection to this increased taxation. It will involve I think about four or five hundred dollars a year. I think the number of writs issued as a whole come to about six or seven hundred a year so that an increase of 75c. is true some claims may be as low as two thousand and some higher amounts.

The Law Society has asked for this and we feel that we ought to give it. I might say, I am sorry my honourable friend the learned member for St. John's East is not here because I would like to feel that I have his support in this, as I feel sure I have, and I am sure the other legal members of the House feel that the cause is a good one. The main thing is the library and it is in the interest of the general public and the justice department.

MR. HOLLETT: The general public may not construe this as assistance from them to support the Law Library. There is nothing in the Act about the library, it is merely a tax put on a man who has to go to court because he has broken down somebody's fence and he goes to a lawyer and he has to take out a summons and I don't think it is implied here

that it is necessary only for the Supreme Court.

MR. CURTIS: It says here. "In any case whether the Supreme Court or Magistrates Court." I see no reason—

MR. HOLLETT: I see no reason why the ordinary individual should be taxed an extra 75c. to assist the Law Society to maintain a library. I am not pressing the point but only draw it to the attention of the Attorney General that it might be a little unwise. It does not apply to courts in outports, just courts on circuit.

MR. CURTIS: It does not apply on circuit either.

MR. HOLLETT: I can't very well let the St. John's people pay that and I am hoping my colleague from St. John's West will support me in this. I feel that St. John's should not be charged an extra 75c. I feel quite sure he will not agree to this and I would not like to see it pass through without drawing it to the attention of the House.

MR. SMALLWOOD: I am extremely happy to find that at last my honourable friend from St. John's West has found an issue. He has been within the House now for some weeks in search of one and at last has found one, a matter of taxation, and I assume from his tone and words that he is willing now, surely, to lay down his life for the principle of saving the people of St. John's this onerous taxation of \$600 a year spread out over the entire population of this city which is something of the order of sixty thousand souls. Now, if I had time and a pencil I could work out how much per capita that six hundred dollars would come to when divided into sixty thousand people.

At any rate it will not be a phenomenally large amount per capita but that should not stop the honourable gentleman from his gallant fight on behalf of the people of St. John's. It is exactly one cent and that for even a cent I admire the honourable gentleman and congratulate him that he has at last found the first worthwhile issue he has had since he entered the House, he is going to save the people of St. John's one cent. That is worth fighting for and furthermore it should have the result of seeing that the honourable gentleman is again fully reported in the press tomorrow and on the radio tonight and I congratulate him for that, for his ability in seeing to it that on every matter that came before the House this session he has found something to say whether what he said mattered or not, he has found something to say and when he did speak that his name is reported on the radio and in the paper the following morning. Now, he is no longer under the necessity to try and drag in an issue, there is now one ready made for him and it took an astute and intellectual genius to pounce upon it, to realize the political value, the tremendous popular appeal that this one cent will have. Now, if I were a person who never thought of politics or any political intention I would say at once, one cent Hollett, but that would not be in order to use the honourable gentleman's name to say, one cent Hollett, but if it were in order and I were political minded I would tack that name on him, one cent Hollett and he could stand or fall on that and I am sure that five years hence the good people of St. John's West in gratitude for a gallant fight made in their behalf by their member to prevent that taxation of one cent will reward him accordingly and give him the full value of that one cent

in their votes. I don't know whether it will be enough to re-elect him. I am sure, Sir, I don't know, but at all events I can compliment him for trying.

MR. JACKMAN: You are still sore, are you not? Still sore.

MR. HOLLETT: At least I can claim the honour, I think, Mr. Chairman, of giving the Premier the most reason or more often than anybody else, more reason for rising to his feet and engaging in some oratory and orations on nothing usually. The Honourable Premier seemly has only to open his mouth and out it pours like some of the old chaps in the old latin days, it pours out. I wish we had a forum, we can hardly call this a forum, but some day we will build a pedestal in some forum and on that pedestal place a statue of the Honourable the Premier because I am quite sure we have not had such an orator as the Premier for a long time.

Now, with regard to this one dollar, I don't know what mathematician worked that out for the Honourable the Premier, I believe it was the Honourable the Minister of Public Works and I do hope he applies his mathematics in better form and shape when it comes to making up estimates for Public Works because it was his estimate that every man, woman and child in St. John's East and West goes to a lawyer once a year at any rate and pays a cent. I think that is the basis on which it has been worked out, I think it is hardly necessary for me to point out to the Honourable the Premier that we all don't have to go to a lawyer, children and grandmothers and sisters and mothers, sometimes perhaps we have to go to a woman's husband, as the case might be but surely not every man, woman

and child have to go to a lawyer. Therefore you can hardly call me one cent Hollett, you had better stick to the "too lazy to work Hollett" and get the man who compiled and wrote the Sacred Cow to stick to that. I would advise you to get in touch with him Mr. Chairman, and through you the Premier to advise the author of the Sacred Cow to stick to the "Too lazy to work Hollett," as "One cent Hollett" won't work as the calculations are all together wrong. I, the Honourable the Premier and the Attorney General are satisfied to tax all these who come to a lawyer in St. John's an extra 75c. There is no reason why we should fight over it but I would like to draw it to your attention, Mr. Chairman, and to the House that I think it is highly unnecessary. A lot of people in St. John's today are suffering hardships because the cost of living is so high and it costs them too much to go and make a complaint and have the case dealt with by a lawyer before the Supreme Court, too many people are paying to the hilt for legal protection at the moment and too much for justice yet we bring in a tax to increase the fees ordinary citizens have to pay. Ask the lawyers of this town to think it over. It is no laughing matter for this House, not all the sixty thousand people go to law but the unfortunate ones do go and have to support sixty or seventy lawyers in good form with motor cars and lovely homes and that sort of thing. I would like the Honourable Minister to put that in his pipe and smoke it when he goes home and perhaps tomorrow he will make another sarcastic remark about too lazy Hollett.

MR. SMALLWOOD: Mr. Chairman that is most interesting how any honourable gentleman of common

sense can project that, what would a dollar do? Now, I have just one thing to add. The honourable gentleman ought not to attack his Leader who has rather indicated to us that he does not propose very long to be leader and I dare say the honourable gentleman might have ambitions to take his place as Leader. Well that is all the more reason for his being graceful enough now not to attack his Leader whilst he is Leader. He just made a pretty bitter and effective attack upon his Leader when he pointed out that my calculations of a cent presupposes every last man, woman and child of the sixty thousand people going to court. In taking that argument and adopting that principle I had followed the Honourable Leader of the Opposition who in this House told us that the taxation that the people of Newfoundland pay to the Government of Canada is \$350 each for a year, every baby even and then the honourable gentleman went on to say the people of Newfoundland were not very much interested in the people in Alberta nor is he. He made the point very clear that the people of Newfoundland, this Province pay to the Government of Canada \$350 per head every baby even the babies born this forenoon have to pay \$350 a year and every child and man and woman in Newfoundland, which comes to \$126,000,000 a year. Now, what he meant was that this would be the average of all the people of Canada and if Newfoundland were paying the general average of all Canada it would be that much per head. I took the same principle exactly and worked out the \$600 with the help of the Honourable Minister of Public Works and it worked out to 1c. per person and if my honourable friend from St. John's West attacks that he must

attack his Leader who followed exactly the same reasoning, identically the same reasoning, when making his attack upon my point he is actually attacking his own Leader which is not done, is not proper, not right even if he intends to replace him. At least while he is there as Leader he should show him proper respect, the proper deference, don't attack him, don't undermine him, don't be impatient, wait, wait a while until the honourable gentleman is ready to vacate the post and then perhaps the honourable member for St. John's West might have the doubtful privilege of becoming the Leader of the Tory Party but don't be impatient and don't begin undermining the Leader while he is Leader.

MR. HOLLETT: Point of order, Mr. Chairman. I think there is something in the rules and regulations somewhere in which it is said that it is improper to hurl accusations such as have just been hurled by the Honourable Premier to this side of the House that I wished to usurp the powers of Leader. I would like a ruling on that point, Sir.

MR. CASHIN: Mr. Chairman, in connection with the honourable member for St. John's West trying to dethrone me or anything like that I am going to tell the Premier he is all wet. I made it quite clear here before and I don't want to repeat it again but at the present time I am Leader of the Opposition and I have no intention of ever attempting to want people who are in the House at the present time some of them, to go out and spread this sectarian stuff, they will never get that opportunity and I made that quite clear some time ago and I say the same thing this afternoon, bring down that man from Ottawa, Bradley who would no doubt be called here

immediately if I lead a party which I have every right to do as well as anyone else, then this man Bradley would commence firing his staff in favour of the Liberal Party as he did in Confederation and those supporting it would be called off after it was over.

MR. HOLLETT: Mr. Chairman, if I may after all that I move this section be deleted.

MR. CURTIS: I need not say, Mr. Chairman, that we oppose the motion.

MR. HIGGINS: I gather the Law Society also opposes it.

MR. CURTIS: We will see how you vote.

MR. SMALLWOOD: To me, Mr. Chairman, this whole Bill does not amount to a row of beans. But if it is defeated we resign.

MR. HIGGINS: You were going to resign over the high cost of living.

MR. SMALLWOOD: That did come down but it came up again. If we are defeated on this Bill or Motion or Resolution we have to resign.

MR. CASHIN: It is not necessary.

MR. SMALLWOOD: I just want to make it clear that this is a Government Bill.

MR. CASHIN: It is not belonging to the Opposition anyway.

MR. CURTIS: Most of the lawyers do.

MR. HIGGINS: That is an awful slander on the legal profession.

MR. CHAIRMAN: Moved subsection 6 with reference to \$1.00 be deleted.

Motion is lost,

MR. HOLLETT: Six hundred more votes for Hollett.

MR. CURTIS: You must have saved six dollars.

The Committee passed the Bill without amendment.

Committee of the Whole—A Bill, "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College."

Passed without amendment.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have sat and passed the following Bills without amendment.

"An Act Further to Amend the Land Development Act, 1944." Ordered read a third time on tomorrow.

"An Act Further to Amend the Judicature Act," ordered read a third time tomorrow.

"An Act Further to Amend the Law Society Act," ordered read a third time on tomorrow.

"An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College," ordered read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move all remaining orders of the day do stand deferred and the House at its rising do adjourn until tomorrow, Friday, at 3:00 of the clock.

FRIDAY, April 18, 1952.

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

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

None.

Answers to Questions:

MR. PETER J. CASHIN (Leader of the Opposition): Mr. Speaker, I would draw the attention of the Honourable the Premier, or the appropriate Minister, to a question with respect to Mr. Baxter.

HON. J. R. SMALLWOOD (Prime Minister): The names will be given.

Orders of the Day

Adjourned debate on the Address in Reply:

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, we mourn in these days because a king is dead. George VI was a king in whom all people were well pleased. He bore himself in his exalted office in all things as befitted a king, and the standards he set as a citizen and as a monarch, and as a constitutional monarch, were a joy to his people everywhere. George VI was king of England in England's finest hour, in those dark days, when this tiny Island kept the ramparts of civilization until free men everywhere could muster the strength to protect, and to preserve their heritage. It is some measure of a man, that in those dark days he bore the mantle of kingship with dignity, as indeed he did all the days of his reign, so that it is altogether fitting and proper that we, who are his subjects, and whom he served so splendidly, should mourn in those days because a great and good king is dead.

To his young daughter, the Sceptre and the Crown now pass, the second Elizabeth to come to the Throne of England, comes to that high office at a time of great trial and tribulation for her realm and for the world. May it be of some consolation and some strength to her in her high and lonely station to know that she will at all times have the complete loyalty and devotion of all her subjects.

Like the people of England, we recall with pride in this House, the glory and greatness that came upon their race during the reign of the first Elizabeth, and they have high hopes that this second Elizabethian age will likewise be full of great revivification for England. Such high hopes, we who live in this Island can well understand, and it will not be felt at all strange if we too, draw inspiration for the future from the fact that we are living in the second Elizabethian age, for there are things of great importance and fate for Newfoundland.

This programme of this Island's development, upon which we have embarked, will either open the way to new happiness and prosperity for all our people, or will ruin Newfoundland beyond redemption in our own generation, so that we too have high hopes that the years that lie immediately ahead, may prove to be years of such accomplishment, as will constitute an Elizabethian age for Newfoundland, in the strict meaning of that term as designating an age of great accomplishment.

Now, before I pass on to other things, I should like, Mr. Speaker, to add my word of congratulations to you, Sir, upon your selection to fill the high office that you now hold. Those of us who have had the privilege of serving in this House before

now under your speakership, if I may use that term, know that you have always discharged your office with distinction and with impartiality and with dignity. This House did honour to itself, Sir, in selecting you for the roll of first commoner of this Province.

Now, Mr. Speaker, I should like to turn to the Speech from the Throne. It will have been noted that the speech was concerned for the most part, almost entirely, with economic development, with the serious and comprehensive efforts of this Government to insure that Newfoundlanders generally may come by a greater portion than has been their historical portion, in the confident belief that there will then follow the other things that go into making of a better way of life. For we do believe that it is possible to have a better way of life in this Island than we have hitherto known. If we cannot, then there are some of us who have dreamed in vain and who have spent our manhood without result and all our future in this Island must be as grey as all our yesterdays. The things we seek in Newfoundland are the simple things that ordinary folk seek everywhere. We want the simple things that all men everywhere in the world ask of life, butter for their bread, and a home to call their own and some employment, some ownership of the means of production, and a hand in the management of their own affairs, a say in the shaping of their own destiny, peace in the land in their time. It may well be that these are small goals, but they are not little goals, and they are in any case, what all the generations of men have asked of life, and that generation which will see them come to pass, will be indeed blessed for men in those days will be so close to the millennium as they

are likely to get during their time upon this earth.

In Newfoundland at the present time, we are embarking upon a great endeavour to try and secure these things for our people, and we hope to achieve them by way of, amongst other things, a greater balancing out of our economy and to that end the Government now in office is proceeding to exercise the mandate they did recently receive to proceed with an industrial revolution. So it may well be, that the industrial revolution of history after having all but passed us by for several centuries is, at long last, coming to Newfoundland without benefits, we hope, of the many undesirable things that went along with the industrial revolution in history. That too, will be a test and measure of our success. In other lands the industrial revolution came slowly and not without pain. Someone invented the spinning jenny, someone else a power loom, and someone else a steam engine, but between these first machines and the assembly line of today, from which roll great planes, in between, lie many years of heartbreak and social upheaval and many adjustments painfully made. Such an industrial revolution Newfoundland is to have all at once. The Honourable the Premier spoke the other day of some fifteen new industries, all of which we hope to be forthcoming very shortly. In proof of this, fifteen new industries is an industrial revolution even if no others were to follow which we hope there will. This fifteen we hope is only the beginning and the whole pattern of Newfoundland life will be changed. There are some among us who will lament to see such change, their eyes grow misty and their voices choke at the thought of all the seemingly

decent folk of this Island living out their lonely life upon the lonely seas, and in the thousand lonely coves each of them a gun shot over the ridge from nowhere, people whose tradition has been, that if the fishery were good, they lived in comfort through the winter and people whose tradition has been that if the fishery failed, they lived through the winter by tightening their belts and more often than not in this Island, the fishery has failed. These peculiar people who see some kind of strange romance in all that, and would not see it changed, and who will regret any industrial revolution about to come. But I remember that I talked once with a man who lived on a small Island off our South Coast, and I remember that he told me that more than once on a bitter winter night, he stayed awake all night to keep his wood stove red hot with fire while not a dozen feet away, a bucket of water froze solid. That man will not regret to come by some of the amenities that come by an industrial revolution. I have talked with more than one Newfoundlander in my time, who told me that he had to row eighteen and twenty miles for fire wood, such persons would not be sorry to come by some of the conveniences that can come of industrialization, and you and I, and all of us know of many, certainly of some whose returns from their year's labour on the sea is hardly sufficient to enable them and their families to keep body and soul together. They will not be sorry for the prospect of steady work at good wages. I am convinced that this industrial revolution that is about to come upon us, can be a great and good thing for all our people, and that wisely directed and properly guided, it can bring a new peace, a new prosperity, a new happiness to

all who live in this Island. Here is a proposition with which I think we can all agree. It is not a new proposition but merely the restatement of one that has been stated over and over again. In this Island we live in poor circumstances. There are not enough doctors to go around, enough nurses or teachers to go around, sometimes there has not been enough bread and tea to go around. There are not enough hospitals, schools, roads, there are not enough houses and not enough furnishings, not enough—God knows how many things. Our standards of living are lower than those of any other Province of this nation, and they are going to stay that way for just so long as we are content to follow on in the same old ruts as our fathers were content to pursue. The only way to have it different, is by developing our natural resources to the point where our economy can support an improved standard and when we find that, even in that fashion, we cannot raise our standards to the Canadian average, then we shall have no other recourse than to seek to take advantage of that provision in the terms of union which would enable us to call upon the financial resources of the nation to achieve that industry. If we have to make such a call it will not be, I feel certain that we are asking for more than what is just and what is due.

In this Island we live on the outer fringe of the great North American civilization, and the people of that civilization enjoy the highest living standards in the world, but there are wide gaps between the standards we enjoy, and those they enjoy on the Mainland of Canada and in the United States. I know of places, where if this night, a man is taken ill with something so surgically simple as a bad

case of appendicitis, I know of places in this Province, where he can die before a doctor can get to him, or he to a hospital. I know of places where there are no electric lights and kerosene lamps still burn, where there is no telephone connection, where people still wade knee deep in mud through lack of roads, where a movie is rarely, if ever, seen, where over-worked teachers labour in over-crowded one-room schools, and where an opportunity to make a dollar is so restricted as to make a constant, ceaseless, unending grind from morning to night. Now, I am not saying, mind you, that there are not other places in this great North American Civilization where conditions are not as bad, but I do maintain that in proportion to the population there are more such places in this Island, than on the average, our standards are not anything like so high. I am not prepared to admit that our standards need to be as low if in the past Newfoundlanders had been concerned to make as much of their heritage as they might have, but then the past seems to have been concerned for the most part with giving away our heritage for free. Goodness knows what water powers, mineral rights and other raw materials have been given for as much as 99 years for the annual rent of one pepper cone. Nothing is to be gained by seeking to attach the blame for all that, nothing much ever yet came of a witch hunt, and the most that we can hope to do in this day and age, is to understand our standards for what they are, and to do the best we can in our own time to raise them to a level where they can at least be mentioned in the same breath with the North American average.

The Government has done what it could in the past three years to raise

the standards. I would say that the most notable achievement to be found in that direction, is in the field of public welfare, and the matter of seeing to it, that the young and the old, the lame and abandoned, the hungry and destitute are adequately cared for. The Department of Public Welfare has made great and significant strides in the field of public health, to many who had no hospitals, came cottage hospitals, a new San on the West Coast, extension to the Mental Hospital, new health services and facilities.

The Department of Education has made great efforts to keep up with the ever increasing demand of expanding school populations only to be met with even more demands. The Department of Public Works have built many miles of new roads and constructed many new bridges, and are rapidly pushing the Trans-Canada Highway with all possible speed, but there again, the need for new miles of roads and more new bridges is forever going on, and so it goes throughout the whole area of the needs that the Government attends to. Yes, there is a great amount of achievement to show for the last three years, and the level of standard of living has been raised somewhat, but we are still far from what we feel we should be satisfied with. Possibly the biggest job of all yet remains to be done, that is in the fisheries. There our needs are monumental, the trap and trawl, trap skiff and dory are no longer fishing instruments such as can enable our fishermen to earn enough in any day on an average to maintain themselves and their families in anything like the living standards that Western men have come to expect to have in this mid-twentieth century and there is necessary in our fishing in-

dustry a vast and comprehensive change-over to new and modern and more efficient methods. As the Premier has remarked more than once in this House, it will take millions to do what must be done in the fishing industry, and will take many millions more to raise our standard in other directions. Where are these millions to come from? It would be most unwise to anticipate that maybe Santa Claus is going to show up and present those millions, but as I have said, it is only right and just that we should be able to call upon the financial resources of the nation, for some of the millions we shall need, but many of them we are going to have to raise ourselves. The way we see it, we can come by those extra millions only through development of our natural resources and so we have embarked upon the industrial development programme of which there has been so much hellabelloo in the last three years, and we believe in this fact, that we can indeed come by the extra millions necessary, and we do not know of any other way in which we can.

If we succeed in this industrial development programme, then we shall indeed come by these extra millions necessary, and Newfoundlanders will come to enter the more into the inheritance of the Western way, history will point to us as men of vision and great enterprise and, if we fail, if we fail, there won't be enough of us left after the next election to pick up the pieces. That is the chance which as politicians we take. But we are convinced that we shall not fail, for this is a well-planned and well-thought-out endeavour, and I do not know of anything else there is left for us to try. Should we indeed fail, then we who live in this Island are doomed to

live forever in this Island in the Western world and yet not of it, holding on by the skin of our teeth, by a miserable existence in a Province of no promise. It were better that we should call off as a failure the experiment of trying to live in this Island.

Of course, the greatest natural resources of all that we have at hand to develop, is our fisheries. Some idea of the impact that their development along modern lines would have upon our economy and way of life, may be had from the impact that the partial change-over to fresh and frozen process has already had. However, when we come to plan for a vast and comprehensive change-over to modern and more efficient methods which are necessary, we are confronted with the greatest of difficulties. I will not attempt to be specific, but will content myself with saying that to those who appreciate the complexity of that problem, no explanation is necessary and to those who do not, I doubt if any explanation is possible.

I should like at this time to be able to give to the House a somewhat different report as to the future of the fishery policy. The House will appreciate however, that it is not possible for me to do so. About a year ago the task of formulating a fishery development was passed to the Fishery Development Committee. In a recent statement at Ottawa, the Honourable A. W. Mayhew, Minister of Fisheries for Canada said that his Government must await the report of the committee before dealing with matters of policy for fishery development in Newfoundland, and we, of this Government, have likewise deferred action awaiting the committee's recommendations. The committee is

approaching the end of its work. In fact, recent discussions have been held between the committee and this Government, and the Government of Canada, and in consequence of these discussions, the Honourable A. W. Mayhew and the senior officer of the Department of Fisheries of Canada propose to come to Newfoundland during the week of May 12, to discuss with the Newfoundland Government and the Fishery Development Committee the interim proposals of the committee. So I hope that the day when we can make a pronouncement of a specific action to be taken in this coming year is near at hand and that before late in the summer, an over-all pronouncement will be given in respect to the development of the Fisheries. I can say this, that during the year since it was appointed, the committee has worked very hard, and I think it is a fair statement that the committee has conducted the most thorough and exhaustive research into the problems confronting Newfoundland's fisheries that has ever been conducted, and I have every confidence that there will come of the committee's efforts a plan for the development of Newfoundland's fisheries that will be adequate to these days. I had thought that I would produce this particular Report in the House upon the experimental fishing and demonstration that was conducted by them during the past year, however, that would have to run into a rather long-winded piece of business and rather than tire the House with it, I have here a Report on the matter put up by my Department, which when I close my remarks I will ask the pages to distribute to the members of the House for their information.

Now, it is not without regret that I find it necessary at this time to take

issue with a person who occupies a position of high responsibility with the Government of Canada for statements that he made recently in a national broadcast on the fisheries of Newfoundland. I take no particular joy in having to do this, but I have no choice, but to do it. The remarks, the statements, that he made cannot be permitted to stand unchallenged. In justice I am bound to say that it may well be that the statements were made without realizing the full impact that they would have upon such fishermen of Newfoundland in general and upon the fishermen of Bonavista in particular, as may have heard that broadcast. Be that as it may, when a Minister of the Crown, speaking from within the precincts of the Peace Tower on Parliament Hill in Ottawa, with the chimes of the tower clock pealing the hour to bear witness to the high place he occupies, I submit that it ill behoves such a man to make pointed charges of neglect directed at this Government for its failure to fulfill its duty unless such charges are in keeping with the facts. That is something that no responsible Federal Minister would do unless he knew what he was talking about, and in this case he did not. The statement to which I take objection was made by the Honourable F. Gordon Bradley, Secretary of State for Canada, in a recent broadcast, when he said at that time amongst other things, this: "You will remember also that I outlined a programme for building these boats in groups" (he was speaking of long-liners) "under Provincial Government supervision, a plan which would spontaneously reduce the cost to the fishermen. It is very unfortunate that the Provincial Government were unable to organize the building of these boats during the past winter and a number of fisher-

men have lost a year as a consequence."

If a person placed less highly had made those statements, I would be inclined to dismiss them by saying the gentleman was talking through his hat, but that would be discourteous to a Cabinet Minister of the Government of Canada, and I will not make such a statement about the Honourable the Secretary of State. But I don't mind saying that F. Gordon Bradley of Bonavista was talking nonsense, and I am going to suggest to Mr. Bradley that he should arrange to have the Secretary of State confer with the officials of the Department of Fisheries and Transport, as well as the officials of the Fisheries Research Boards at St. Andrew's and St. John's to test the soundness of the boat building programme that he proposes, and when he finds, as we have found, that at times you have to take the council of wise men who have both knowledge and experience notwithstanding any personal pride of authorship that one may have in a proposal, or in this case a pet theory. The facts are these:

During the Fall of 1951, the Honourable Mr. Bradley made public without regard to consultations with the Government of Canada, or the Government of Newfoundland or the Fishery Development Committee, his own pet theory for boat building. Had he discussed his proposals with appropriate officials of this Government, or the Government of which he is a member, he would have found that a great deal of study had been given to the all-important programme of making vessels available to fishermen, improved vessels with mechanized gear adapted to diversification of catches of fishermen and equipment with navigational aids to permit a wider range of operation. Having done that, per-

haps he would be less impetuous. If he had known the problems and policy in all probability he would never have launched out, nor would he have found it necessary to blame this Government for his actions as a means of diverting the attention of the fishermen at Bonavista and Newfoundland from his own indiscretion in promoting a scheme incapable of fulfilment and which might very well be termed "Bradley's Building Bunkum." My understanding is this was what Mr. Bradley proposed: groups of fishermen should be encouraged to cut their own timber for boat building, that it be under the supervision of expert woodsmen using labour-saving logging devices, that one or two centralized boat building places should be established under the supervision of competent boat builders, and that a number of boats, I believe the figure suggested was twelve or maybe fifteen of uniform hull design should be undertaken. In this connection, I would not pass the observations of Dr. Needler of the Fisheries Division Research Station at St. Andrew's, one of the best informed men in the Government of Canada on fishing boats. In a letter to the Department of Fisheries and Co-operatives dated January 4th, 1952, Dr. Needler expressed the following opinion: "In an area such as Newfoundland, where the best type of fishing vessels are yet to be developed, and where no one (and I repeat with emphasis—no one) knows which is the most promising type, I believe it is necessary to take a middle course in the construction of almost any kind of boat as long as the quality is reasonably good, and not of a size that fishermen could not readily finance it. In Newfoundland at the present time, there are a few well established old types which seem to deliver mainly in sailing vessel design on the one hand,

and very small inshore boats on the other. The time is ripe for rapid progress in your Province and in the interest of that progress to have not one or two, but many promising types of boats tried out. Many of these may well be boats which have been found able and economical elsewhere . . ." The letter reads as follows:

Atlantic Biological Station,
St. Andrews, N.B.

January 4, 1952.

Mr. Clive Planta,
Deputy Minister of Fisheries,
Dept. of Fisheries and Co-operatives,
St. John's, Newfoundland.

Dear Clive:

A number of circumstances which I hope you will understand have prevented my answering your letter of October 27 before this. Mr. Harvey and Mr. Storey spent altogether two or three days in St. Andrew's and we discussed the problem of improving the fishing boats of Newfoundland. I believe that they have already taken back some of the views expressed during our discussions, but Mr. Storey was anxious that I should write to you directly and now I am doing so at long last. Any administrator in approaching the problem of helping fishermen improve their craft with loans or subsidies is on the horns of a dilemma. He is in danger, on the one hand, of being so careful not to have the funds wasted that he limits the aid to narrow classes of boats clearly defined and of high quality and on the other hand of allowing so much freedom that a great deal of waste is involved. In an area such as Newfoundland, where the best type of fishing vessel is yet to be developed and where no one, and I repeat no one, knows what is the most promising type, I believe that it is necessary to take a middle

course offering aid in the construction of almost any kind of boat as long as its quality is reasonably good and its size warrants the belief that the fishermen could not readily finance it himself. To be more specific I should like to make the following points:

Vessel design is as yet mainly an art rather than a science. Although some matters of buoyancy, stability and strength can be calculated by the trained designer, the conditions under which boats operate are so varied that the best type for any particular use or any particular area must still be found by trial and error. In Newfoundland at the present time there are a few well-established old types which seem to derive mainly from sailing vessel design on the one hand and from very small inshore boats on the other. The time is ripe for rapid progress in your Province and it is in the interests of that progress to have not one or two but many promising types of boats tried out. Many of these may well be boats which have been found able and economical elsewhere, but the ingenuity of the local fishermen or boat builder in modifying either these new designs or the old ones of the locals needs encouragement under present circumstances. I am therefore, strongly of the opinion that it would be unwise to limit financial aid to a few well-defined types and very strongly of the opinion that it would be disastrous to limit it to a few approved designs, as I am sure the best boat designer in the world has not the basis for designing the best boat for Newfoundland.

It seems reasonable that there should be both an upper and a lower limit for the size of boat which is financed. The purpose of any loan or subsidy is to improve boats and it is clear that

in a great deal of Newfoundland the boats need to be larger than they now are if full use is to be made of the resource. I should therefore suggest some such length as 35 or 40 feet as the minimum for any boat to be built under provincial loan or grant. It seems too that the large sea-going fishing vessel, whether dory fisherman or trawler, is not experimental and is usually owned by groups which do not require government financial aid. The need in Newfoundland is for the development of larger inshore fishing craft and I should suggest setting a maximum length well below 100 feet, possibly 75 or 80. Although it is somewhat more cumbersome to apply, I believe that gross tonnage reflects the actual size of the boat better than length and perhaps 50 or 60 gross tons should be the maximum size.

Quality as distinct from design is important. While unnecessary polish and gadgets are to be avoided, sound strong construction and reliable equipment are a necessity. The application of such general standards of quality are admittedly more difficult and require more intelligent judgment on the part of inspecting officers than if the boats are built to approved plans only. I think, however, that the extra effort is well worthwhile if the trained inspectors can be found, as limitation of aid to a few approved plans is far too restrictive to meet the needs of the present situation. Sound construction, reasonable safety measures and good equipment, especially engines, should be required. Gasoline engines have been effective and relatively safe in really open boats but they have been shown to be very dangerous in decked boats and very expensive where long runs are involved. While I am not sure that it is economically feasible to insist on diesel engines in

all boats to which aid is granted, there should, I believe, at least be a premium of some sort for the installation of good diesel power, limiting this premium to any standard makes which are prepared to set up local parts and repair services.

The offshore fishing grounds of the Newfoundland area have been fairly well explored and are continually being better explored by the growing fleets of foreign and Canadian seagoing fishing vessels. The innermost fisheries within a very few miles of land have been well explored with traditional hook-and-line, trap and gill-net methods. What is lacking is a development of inshore fisheries in a sense broadened to include everything within reach of the village fishermen in shore trips of a day or two. It is not yet clear what types of gear will be most important in this development. Some dragging or Danish seining will be possible where the bottom is smooth enough and both these methods require very smooth bottom when used by small boats. Long liners will be applicable to almost any type of bottom and will need to be tried much more widely than it has been before its economic value is known for all localities. Drift-netting for herring or other species is a real possibility in some places and can be improved with modern equipment. A number of small fisheries such as scallop dragging, for example, may be lucrative in limited areas. One is tempted, therefore, to try to develop a "general purpose boat." I doubt whether any such thing exists in the sense of a boat which can use each method as well as other boats specialized for that particular method. The natural way to find the best type of boat for any locality is for the fishermen to use whatever type

appears best for the method which he has most in mind and to attempt to adapt it as occasion demands to other methods. An example of this is the successful use of the Cape Island type long-liner in flounder dragging in St. Mary's Bay, this type of boat being well tried in long-lining and lobster fishing but probably not as good as some other types for dragging. Perhaps this paragraph is a redundancy; it is an attempt to emphasize the need for supporting a great many types as demanded by the fishermen.

The tradition in Newfoundland is to use a relatively heavily-built, deep-draught boat and I have little doubt that such a boat, which also accords with the view of some designers, will be in considerable demand. I wish, however, to put in a special plea for the shallow-draught and more lightly-built Cape Island type, not because I think it is necessarily the best type for many Newfoundland purposes, but because it is a reasonably promising type against which there will be considerable prejudice. Its virtues lie in its cheapness, in its high speed with reasonable power (giving it a wide range on daily trips) and in the fact that it has been tried and found economically successful in long-line fishing in very exposed waters even in winter.

I think that any sound policy must include financial aid for the construction of this type when requested by the fishermen. It should, however, also include aid to any local or foreign fishing boat type within the required size range and of approved quality. These other types include, for example, the Scandinavian cutter, the small inshore dragger developed on this continent and many others. On reconsidering what I have said earlier,

perhaps it is necessary to make it clear that far from disapproving of marine architects, I believe that their skills should be used but that they should be used to develop rather than to restrict.

I hope that I shall have an opportunity of chatting with you again in the not-too-distant future.

With kindest personal regards and Compliments of the Season,

Yours sincerely,

(Sgd.) A. W. H. NEEDLER,
Director.

Now, here is another opinion along the same lines set forth by a member of the Fishery Division of the Food and Agriculture Division of the United Nations, a statement on the fishing boats of Newfoundland. A study of the fisheries of the larger producing nations discloses that they have all sorts of boats in their fisheries. An attempt has been made in a few countries to build uniform fleets—they have failed. It would be wise to accept the fact that it would not be economical to standardize a country's fishing fleet to a few classes of boats and the same is applicable to Newfoundland.

Now, I should imagine that either or both of these gentlemen would have told Mr. Bradley, and he was certainly in a position to consult the former, Dr. Needler would have told him that just because two long liners had successful fishing out of Bonavista for the last three years the problems connected with Newfoundland fisheries did not, therefore, consist of getting fishermen into long lining. That would be a most dangerous over simplification and I am most concerned to learn that it was held by any Federal Minister, particularly the Newfoundland Minister in the Govern-

ment of Canada. There is good enough reason to believe that long liners are finding some of the answers we must seek in the fishery but they are far from the full and complete and final answer. Here is something further that Mr. Bradley should have known. An arrangement between the Government of Canada and the Fisheries Board of Newfoundland in respect of the subsidizing and payments to be made on long liners and draggers was not concluded until September 20th, 1951, although negotiations had begun in July. Until such an agreement was reached, no commitments could possibly be made in respect to the making available of subsidies and bonuses on long liners. Mr. Bradley was told on several occasions that the Government of Newfoundland could not respond to his request that we invite the fishermen of Bonavista to begin building boats. There was no compelling reason why we should invite the fishermen of Bonavista to commence building boats, any more than say the fishermen of Burin. It is not the function of Government to reach out and select certain individuals to make applications to build vessels, particularly when such construction has to be financed by loans of public funds. Initiative on the part of the fishermen themselves is essential and necessary to the ultimate success and the fishermen themselves have to avail of the opportunities that the Government makes possible.

Here is another point of which Mr. Bradley should have been aware. The revelations of the Department of Fisheries at Ottawa in respect of vessels being subsidized were understood at first in Newfoundland, to mean that \$185 a ton would be available on long liners and draggers of the 45 to 60 foot class.

It subsequently developed that this was not quite correct, and that the subsidy available for long liners was only \$100 a ton. This position was not finally clarified until March of this year, when the Deputy Minister of Fisheries at Ottawa informed the Chairman of the Fisheries Loan Board that for the future the subsidy would be \$105 on boats of both types. Finally there was another point, another problem that had to be cleared up. Again the regulations of the Department of Fisheries at Ottawa required that complete engineered plans of all vessels upon which subsidies are being sought be filed with the Department at Ottawa and must be approved by the Board of Steamship Inspectors. Now, such fully engineered plans can run as high, I am told, as \$10,000. Such a sum obviously very few, if any of our fishermen can afford. In negotiations with the Department of Fisheries at Ottawa and the Department of Transport and the Board of Steamship Inspectors, two officials of my Department, Mr. R. A. Harvey and Mr. Colin Storey, found that the Ottawa officials were very co-operative and completely understanding of the situation. So an agreement was worked out between the Federal Deputy Minister, Mr. Bates and our Mr. Harvey, whereby applications made by my Department from fishermen's models of their proposed boats can be submitted and will be accepted as satisfactory plans for a period of one year in order to give them time to deal adequately with the problem in the light of experiences. This is the practice which is now being followed. That winds up these comments. I could go on with some other matters, but in the light of all this, I suggest that it is a fair statement that Mr. Bradley's statement was not a fair statement. There is absolutely nothing

to indicate that a number of fishermen have lost a year because this Government did not proceed to organize the kind of boat building programme he suggested. Indeed, there is everything to indicate that his programme was at best immature and is at this moment, impractical. With regards to his statement, that the programme such as he suggested would substantially reduce the dollar cost of such boats to the fishermen, that is purely and unconditionally supposition, and I may add that it contains a form of mischief in which no responsible Minister of the Government of Canada should indulge. So I repeat that Mr. Gordon Bradley of Bonavista was talking nonsense.

I now turn to the matter of legislation: As the time nears when the Canadian Fishery Laws will replace the old Newfoundland Fishery Laws which are for the greater part, those laws that apply in the administration of our fisheries today, when we shall have occasion in this Chamber to consider legislation that will have to do with the administration of the fisheries within provincial jurisdiction. Some idea of what this legislation will involve can be had from a study of the Acts presently in force in other Canadian Provinces, particularly the Maritime Provinces, and it may be expected that consultation will be held soon between the Government of Canada and ourselves with regard to such legislation.

You can be certain of one thing, when the Fishery Inspection Laws of Canada become effective in Newfoundland, the Government of Canada will not assume the responsibility for administering the practice of culling fish if they can avoid it. And I am going to make bold to say here and now and in advance, that I would

strenuously resist this practice continuing under Provincial Authority. The proper place for determining the quality and grade of fish is by inspection for export and ways and means will have to be worked out to that end. That will mean revolutionary changes in the handling of salt fish, it will mean that fishermen will be paid for fish on the basis of actual export grades as determined by intermediate inspectors and a new procedure for the payment of fishermen and safeguards to insure that these procedures are fair and just. There are many other factors that will be involved in the adoption of the Canadian fishing laws and in due time, the administration or the jurisdiction of provincial authorities. These matters are receiving considerable study and will be brought before this Chamber in due course.

In that matter we have reasons to be keenly alert to the various scientific conditions which prevail in export markets for our salt codfish, particularly Newfoundland's historical foreign markets which are in the sterling area. As you have heard recently from the Honourable Mr. Mayhew, conversion of sterling will be made available this year. Newfoundland exporters have been given assurance by Mr. Mayhew they are making conditions as favourable as possible. We can be assured this means dollars in Europe will be possible instead of convertible sterling. So be it. In recent years the salt fish producers of the Mainland Provinces, have been finding it increasingly harder to compete with fresh fish markets for their share of cod landed at Maritime ports and in consequence of last year's relaxation of the fishery board's regulations, the exporters of heavy salted salt bulk in Newfoundland, from Newfound-

land resulted in some seventy thousand quintals being sold to mainland buyers. Now, the high price at present prevailing on the Mainland for fresh fish prices and dwindling to almost disappearance here at home of dory schooners fishing for salt fish and the present scarcity of supplies of cod on the all too bountiful grounds of the Grand Banks are happenings that may cast their shadow on coming events. One might expect perhaps a further relaxation of regulations with regard to the export of salt bulk fish and this would not be bad, indeed it would be good except for one important consideration. When salt bulk fish is moved from Newfoundland to the Mainland for finishing in commercial dryers and to be marketed by Mainland firms then the extent to which that traffic grows, to that extent, we become subservient to our Mainland competitors. For it is then they and not we, who hold the markets in which the product is finally disposed of. It is true that Newfoundland exporters have never seriously entered into the Western Hemisphere for markets with heavy salted fish but when our Mainland competitors reach out for our raw materials, then it behooves us to have a look at our long range position if our light salted fish markets in Europe become more difficult then our need for markets for salt bulk fish will become more acute and it will seem only logical then that we should be concerned to build and operate commercial dryers for heavy salted fish instead of being prepared to drop down one peg more in the know-how of marketing and be prepared to market only salt bulk fish. It seems only logical we should be prepared to finish the product in our own plants with Newfoundland labour and market the product in markets which if we leave un-

contested our Mainland competitors will hold to their advantage.

In the circumstances which at present can be foreseen, we can be confident that the returns to the fishermen in relation to market prices cannot be less this year than last year, and I feel certain that the Honourable Mr. Mayhew had this in mind when he told the salt fish exporters at a meeting in Ottawa recently to have confidence in the prospects of this year's marketing of salt fish, to dispel fears and perform their natural function in supplying fishermen, buying fish and preparing to do business.

The implementation of the Laws under the jurisdiction of the Honourable Minister of Fisheries for Canada have been administered both in the letter and in the spirit in a manner which has given confidence to the fishermen of Newfoundland, who came last year into yet another benefit of being in Confederation, it can, therefore, be taken that the message which the Honourable Mr. Mayhew gave the exporters could in like manner be given to the fishermen to enter into this year's production with confidence that their returns in relation to market prices will this year be under the vigilance of the Fishery Support Board as will be the prices in the markets for salt fish under the vigilance of the commission appointed by this Government.

Let me finish in this fashion: Because of the things that we do, because of the policies that we pursue, we in this Government have come in for extremes of criticism, we are moving much too slowly or moving much too quickly.

We are putting all our eggs in one basket, or spreading out too widely.

We are merely scratching the surface or biting off more than we can chew. To all of which let it be answered that it is better to have scratched the surface than never to have tried, it is better to confront with courage what some consider impossible rather than be overwhelmed with the consequence of doing nothing. At least we have the capacity to dream large dreams, to fix our eyes upon far visions that are indeed strange and splendid, at least we have the courage to take such actions as seem necessary to make those dreams and those visions come to life in our time. And if we fail—then it may well be that after us the deluge and if we succeed—if we succeed then a new prosperity, a new happiness, a new dignity for all our people in all the fields of life. There is no man of vision and courage but will say that to try to gain all that is to require too much in one generation.

Mr. Speaker, I move the adjournment of the debate until tomorrow.

Third readings of Bills:

A Bill, "An Act Further to Amend the Land Development Act, 1944." Bill read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act Further to Amend the Judicature Act." Bill read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act Further to Amend the Law Society Act." Bill read a third time, ordered passed, and title be as on the Order Paper.

A Bill, "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College." Bill read a third time, ordered passed, and title be as on the Order Paper.

Committee of the Whole :

On Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company Limited."

On Bill, "An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities."

On Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries, Limited."

MR. CASHIN : Mr. Chairman, in connection with Clauses 3, which was read the last day, we were discussing it and a difference arose with respect to what we could or could not say at this stage. I would just like a definite ruling by the Chair as to what time we are permitted to take by those who might be opposed to the Act and registered our objection in second reading and now section by section in committee stage.

MR. CHAIRMAN : I am afraid the Chair cannot instruct the Committee or any member of the committee as to what he shall or shall not say. The Chair can merely call to order or settle a point of order as it arises.

MR. CASHIN : Mr. Chairman, in connection with this particular section, which is the guarantee section and one which we on this side of the House at any rate are not in accord with. We have discussed it while on the principle and so forth, and we just at the present time in Committee again register our protest against the passing.

MR. SMALLWOOD : Mr. Chairman, to a point of order. I question whether the honourable gentleman is permitted to express any disapproval

of the principle of this Bill which has been adopted by second reading by the House before we came into Committee of the Whole.

MR. CHAIRMAN: The point is well taken. I think the honourable gentleman understands that.

MR. CASHIN : I understand it as a point of order, and Mr. Chairman, I am going to accept your ruling and I don't want the Premier or any other member of the House to interrupt me, you are the person to put me in my pew.

MR. CHAIRMAN: The honourable member can rise to a point of order.

MR. SMALLWOOD : Mr. Chairman, I was within my rights. The honourable gentleman must not suggest that I was not, nor that any honourable member would not be within his rights on rising to a point of order.

MR. CHAIRMAN : I have already informed the honourable gentleman that any member can rise to a point of order at any time.

MR. CASHIN: I have no objection to any gentleman rising to a point of order, but I do object to any attempt Mr. Chairman, to tell you what you should or should not do. It is for the Chair to decide not me, nor any other member. I certainly agree with the point of order when a party is out of order, but not to tell the Chairman who is the final judge in the matter, and I am not going to tolerate it.

MR. CHAIRMAN : I don't think anyone instructs the Chair.

MR. CASHIN: I think it is about time it is stopped.

MR. CHAIRMAN : Is it the wish of the Committee that the schedule be read?

MR. CASHIN: Yes.

MR. CHAIRMAN: I might mention here, according to Standing Orders, unless it is the wish of the Committee the clauses need not be read, according to page 46. We assume it is the wish of the Committee to have it read and the Chair is quite willing to read it any time the Committee expresses the wish. It has been read as far as No. 3.

MR. CASHIN: Mr. Chairman, in connection with that section regarding the rate of interest. It appears now that until such time as the company gets into operation and in a position to raise the money by either a bond issue or by a commercial bank loan, they are drawing money from the Government, they are advancing the money. What rate of interest are the Government receiving for advancing that money?

MR. SMALLWOOD: The amount named.

MR. CASHIN: 4%. Well now, Mr. Chairman, I think, if my memory serves me right, we have other instances of agreements, which have gone through, fishery agreements and so forth, where the interest rate is 3% and here in this case it is 4% and 4½%. In other words, we are raising our rate of interest. I think for fishery advances by the bank and cash advances by the Government the rate of interest was 3½% and now you come in here and agree to allow 4%. I know that at the present time, it is difficult to raise money on government bonds at 3½%. I know that.

MR. SMALLWOOD: Impossible.

MR. CASHIN: We don't know what is impossible as far as money is concerned, we might sell the bond issue at 3½% or 4% or 4½%.

MR. SMALLWOOD: That would not be 3½% then.

MR. CASHIN: However, that is the point I am making, we don't know if it is possible to even raise this one hundred and fifty thousand or not. That is what I am trying to get at. As I pointed out before, it is \$150,000 we are giving this outfit and \$150,000 we may or may not ever get back. It may be outstanding as a cash loan to this country for many years to come. If they are not able to raise that money in the open market and then if we went in for a big loan say twenty million dollars, we might have to pay 4% on it, when under ordinary circumstances, we can get it for 3½%. Now, there is no bank today paying anything like that for saving accounts. They pay in the Newfoundland Savings Bank up to 3% for five thousand dollars and thereafter reduce it. Here it guarantees 4% and we don't know whether these people are able to raise it or not. So, as a matter of fact it would be just as well in my mind to leave out altogether and have the \$150,000 agreement to pay the Government back and forget about the commercial bank loans. It won't be raised, they won't get the money.

MR. SMALLWOOD: I am sorry I did not understand from the remarks of the honourable gentleman as to whether he complained that the rate was too high or too low, and again I get the impression, I felt it was that the rate was too high, but towards the end of his remarks, he complained that the rate was too low. You know, the fact of the matter is that in all the loans and guarantees by the Government, the rate ran to 3½% but he must be aware of what is going on in the bond markets of North America today, a steady inexorable rise in the interest rates and

the discount rates upon bonds and debentures. Canadian bonds have gone on the market from the Government of Canada in Ontario which has the best bond rate of any Province of Canada. An issue of fifty million dollars was floated the other day, and was underwritten by a syndicate of bond houses in Canada and the United States headed by Wood, Gundy & Company. On fifty million dollars, the rate was 4% and the discount I think was a point or a point and a half, no, a little under one point and the yield 106. The great Ontario. The Province of Manitoba floated a bond issue the other day, 30 million dollars at 4½% selling at 98. 4½% selling at 98 to yield the best part of five percent, a \$10,000,000 bond issue in the Province of Manitoba. The interest rate is rising steadily, and the only thing I ask myself, is the question whether this four percent is high enough. The agreement itself was made in December past, and four percent at that time seemed like a fairly comfortable margin to cover it, but there is this about it. Whatever the rate is, it is only part of the story, the other is concerned with the amount of the yield and with a rising interest market, a rising money market. In the United States the same thing is happening, it is happening now in Great Britain, and the bond market is rising, money is becoming dearer and so I would not hold that 4% is too high. Not because we guaranteed bank loans a year ago, a year and a half or two years ago at 3½% we would be justified in doing it today. If we do this six months or a year from now, it may depend what happens in the bond market, it may be necessary to put these interest rates at a higher figure. I would not say that 4% is too high.

MR. CASHIN: I am glad the Premier—I was fishing for this. The thing is I don't believe we can raise \$150,000 as an issue today in the market for five percent, I doubt if we can raise it for six percent, and I will tell you why: No bonding houses are going to underwrite \$150,000, it is too small. Now, that brings us to the point, I am probably being out of order now, we are both out of order, but that brings me to the point all these bond issues or commercial bank guarantees, the Government guarantees 4% but neither of these companies is able to go into the market and raise this money at 4% and what should happen and will ultimately have to happen, and the Premier has confirmed the things, these bond issues will have to be underwritten somehow as a whole, in other words, your machinery plant out here with half a million dollars and your other plants, altogether somewhere around five or six million dollars will have to be taken as one and will go in the market probably today for four and a half percent, but any individual to go out to Wood Gundy or Harriman-Ripley today to underwrite \$150,000 at 4%—why that chap would not be allowed into the office. I consider we are only wasting our time putting in this as ultimately you are going to get repaid by the company floating a bond issue but the company never can float a bond issue under present market conditions with money getting more expensive to buy. That is what it means, you have to pay for money, and it is going to go up to 6% on this small loan. Therefore, in looking to the future with respect to raising money which you have to raise, whether you like it or not, within a very short period . . .

MR. SMALLWOOD: How short?

MR. CASHIN: I don't know. A lot of that is up to Coverdale and Collpitts. And whilst I am on my feet, in connection with how long or how short, you will have to raise some money if you got to sell these industries that you created, your cement plant, your gypsum and birch plants which, according to the Speech from the Throne, you are going to sell to either a private corporation, or they will be taken over by the Newfoundland Labrador Corporation, who in turn, will raise money to pay the Government, I take it, that is the idea. I remember one time we would be able to go into the money market and buy for $3\frac{1}{2}\%$ but today, as the Premier admits, we cannot get it, and I know he is right in that respect.

MR. SMALLWOOD: I did not say that—no.

MR. CASHIN: Not for $3\frac{1}{2}\%$, the Great Ontario had to pay 4% , any of these brokers selling bond issues today, sometimes make a lot of money and more times they lose it. Here is how they do it. Wood Gundy or Harriman-Ripley form a syndicate and they go out and place these bonds in the market and take some time and make sometimes $1/16\%$ as profit and think they are getting off lucky and sometimes the market goes up from the time they took the loan until the time they start to distribute and they make a fair profit. They gamble too, and make some money on them and sometimes they make a small amount of money. I know what the interest was back thirty years ago, when Wood Gundy and Canadian Royal Securities lost money on the Newfoundland Government loan, and the Atlantic Optical Company or whatever you like to call it, can't go into the market tomorrow and raise \$150,000 on a ten year bond issue.

They can't do it. It is a joke. One time they would be able to go to the bank and the bank would take the Government guarantee, but not any more, you can't do that today, therefore, they have to go out and try to sell. Why have the bond issue in here at all—why not raise a loan and be done with it.

MR. SMALLWOOD: We do not intend to borrow.

MR. CASHIN: That is what you are doing. You are going to lend money to other people, and before very long, because when the Newfoundland and Labrador Corporation take over these other plants, they have to pay the Government ten million dollars, or something like that, in cash, but they will get it on Government guarantee and not on the credit of these industries, partially—yes, if they are any good, but without that Government guarantee, they cannot raise that money, and they will not attempt to raise that money and therefore, you are loaning money because the Newfoundland Labrador Corporation is going to pay you for them, and you are financing them and are at the present time. That is why I say for these particular industries especially, when you get down to a pretty low level with respect to the surplus you are permitted to spend for capital account or the extension of public services, we all know now it is low, it is only nonsense to come in and tell us that one of these days, we are all going to be speechless. I know one person in this House who will never be speechless, the Premier will never be speechless as long as this place is here.

MR. SMALLWOOD: You are not bad yourself.

MR. CASHIN: Not too bad. Now, when this time arrives, which it will arrive, we were practically told today that a ten million dollar loan is in the offing at the lowest. Incidentally, in a statement made by Sir William Stephenson a short while ago, he indicated that the corporation is taking over the commitments and raising a loan to pay off, all the same, it is a Government guarantee, it is a way of going around it, but what about it, we are paying this out now in cash, you have been paying it out for machinery and out here, I understand half a dozen men are working on the textile plant in the West End, and some were laid off yesterday, men up from Notre Dame Bay, and were laid off.

MR. SMALLWOOD: Waiting for the water-line to go up.

MR. CASHIN: They may be waiting on a water line, or I don't know what but they were brought up to go to work, and now they are laid off. Whether there is a water supply there or not, I don't know, that is up to the members of the Municipal Council. We have a member of that Council in the House.

MR. HIGGINS: And no one is embarrassing him.

MR. CHAIRMAN: You know that you are out of order.

MR. CASHIN: I was never out of order in my life. You know that putting this bond issue in this agreement is a joke.

MR. SMALLWOOD: That need not be a joke, and if the idea were that they were not floating a bond issue this year, or getting a commercial bond issue this year, it would indeed be a joke, but this is an Act which

looks into the future for a number of years.

MR. CASHIN: And two or three years from now they are supposed to pay you back.

MR. SMALLWOOD: Most of these guarantees or loans are for ten years. This present credit restriction imposed by the chartered banks upon industry and commerce in general at the invitation of the Government of Canada through the Bank of Canada, if it is to continue, and who is to say so, for more than another year or two, and possibly it will get worse, who can tell what is going to happen in this world in the next year or two, or three, we may be in the midst of a war or some miracle may happen and the war situation may pass over and rearmament may slow down, and therefore, credit restrictions end, in which case, the chartered banks would be most happy to make advances on Government guarantees as they were in the Bank of Canada until it stopped a year or so ago, on the 24th February last year, very happy to accept a guarantee for loans that they would make to various industries, indeed the banks were coming to me and saying, we have not had any business, can we have a share of this business for this industrial development. All four banks were coming to us, but now they are not permitted to do it by national policy, but who is to say that national policy will last. This is a one year agreement, a year or two or three from now, we advance it now at 4% but a year or so from now it will be nice to get back the \$150,000 by the company concerned raising a bond issue on our guarantee, certainly \$150,000 is a small bond issue, admittedly unless it be privately placed which often happens to both large and small bond issues,

quite often that they are privately placed and underwriting houses will underwrite an issue knowing they can place it. It is quite commonplace so that it is not as foolish as it may appear.

MR. CASHIN: The point is this: You are depleting your own cash by paying it out.

MR. SMALLWOOD: If the honourable gentleman thinks we are going out and floating a bond issue, we are not doing it.

MR. CASHIN: Soon you will have to.

MR. SMALLWOOD: Time will tell.

MR. CASHIN: In reference to Section 6 of the agreement, what is the amount of that sinking fund to be?

MR. SMALLWOOD: They have to liquidate the loan in the remaining period.

MR. CASHIN: In other words, seven years are left and consequently in that seven years, they have to pay interest and establish a sinking fund. Would it not be wise to incorporate into that particular Section the amount of proportion of the sinking fund which they have to pay annually?

MR. SMALLWOOD: It says enough to liquidate the loan.

MR. CASHIN: Well, that is not the point I am getting at, as this particular company may or may not have the necessary money at the time to be able to liquidate, to be able to create a sinking fund, it may or may not. We don't know. There is no such thing as a prospectus being shown here as to how much they will make except that we are told glass

frames will be manufactured for 70c. and wholesale for \$2.63.

Section 7 read by clerk: The Company agrees to repay any Government or Government guaranteed loan as soon as the company shall have succeeded with or without Government assistance in negotiating a commercial bank loan or the sale of its bonds and in any event within ten years from the date of any such loan.

MR. HOLLETT: Mr. Chairman, on sub-section (5) may I ask if any of the machinery has yet arrived in the country?

MR. SMALLWOOD: No machinery has arrived and no money has been advanced and will not be, and cannot be, until as and when it arrives, it is packed and about to be shipped and Professor Sennewald has received his visa and his family as well.

MR. CASHIN: A special plane at Gander again?

MR. SMALLWOOD: Not unless there is an election and the Tory party tries to make politics of this particular thing.

MR. FOGWILL: Mr. Chairman, I would like to ask the Honourable Minister, has the site for the factory been selected, and if so, is it a new one?

MR. SMALLWOOD: No, they are not building a factory, that is obvious with only a loan of \$150,000. They will rent part of a building from the Government. The building owned by the Government on Cornwall Avenue, purchased a year or so ago and mostly occupied by the Board of Liquor Control, and the top floor will be rented to Sennewald at a substantial rent, a fixed substantial rent.

The Committee passed the Bill without amendments.

"An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities."

Sections 1, 2, 3, read.

1. This Act may be cited as The Assessment Act, 1952.

2. In this Act

(a) "assessors" means appraisers appointed under the Local Government Act, 1949, or under any of the Acts cited in Schedule A to that Act which is not repealed, and includes the Director of Assessments and his assistants appointed under Section 4 of this Act;

(b) "Clerk" means the clerk of a municipality;

(c) "collector" means a collector of taxes appointed under Section 24;

(d) "Council" means a Council established by or under the Local Government Act, 1949, and a Town Council or a Rural District Council established under any of the Acts cited in Schedule A to that Act which is not repealed;

(e) "Minister" means the Minister of Municipal Affairs and Supply or any other Minister of the Crown appointed by the Lieutenant-Governor in Council to administer this Act;

(f) "municipality" means a Town, Rural District, or Local Government Area established under the Local Government Act, 1949, and a Town or a Rural District established under any of the Acts cited in Schedule A to that Act which is not repealed.

MR. HOLLETT: Have we agreed, Mr. Chairman, to just read the numbers?

MR. CHAIRMAN: I must refer the honourable gentleman to page 46 of the Standing Orders which says: "In Committee of the Whole, the Bill shall be considered and number and short title called unless the Committee agrees otherwise they shall be called as standing orders prescribe."

MR. HOLLETT: Unanimous agreement?

MR. CHAIRMAN: No. If it is the wish of the Committee that they be read, they may be read. It is agreed that the clauses should be read.

HON. E. S. SPENCER (Minister of Public Works): Mr. Chairman, this Bill has been distributed since 27th of March, as I have my date recorded on it here, and I take it, the objection raised last year was I think, justifiable, some Bills have not been distributed early enough to have members have the opportunity to read their contents before coming into Committee, but since this has been distributed for three weeks, I take it, that we should be all familiar with its contents, and I don't see why we should delay the House to have it all read. I think the Committee agrees it is just a waste of time.

MR. HOLLETT: It may be all very well for the Honourable Minister of Public Works, who has had the opportunity of perusing that Bill in the process of making it in combination with other Ministers of the Crown. But you must admit it is a considerable lengthy Bill, and I, for one, have seen it for the first time, whether it was distributed the 27th March this year, or next and I think it is highly unfair to say the number and then, passed, I object to it.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Chairman, if we had a longer pause?

MR. SMALLWOOD: Mr. Chairman, there is no desire in the wide world on the part of anyone in the House to rush the Legislation. In the first two sessions of the House, there was an enormous amount of Legislation and the Attorney General's Acts were like an assembly line turn out, and an enormous amount of Legislation was passed here and we were frequently accused of trying to rush it through, and there was some degree of truth in that, Bills would be accepted, second reading debated and passed in one or two days, but now, we have resolved, we have tried to be quicker in getting the bulk of the Legislation ready, either before the House opened, or shortly after with the result that we have on the Order Paper, some 26 pieces of Legislation on today's Order Paper, and many of these were distributed a long time ago. Now, a member is expected as part of his duty, he is paid for it, whether he be a minister, a private member, we are all paid alike as members, and we are all expected, it is our duty, to study these Bills, and if the honourable gentleman has not studied this Bill since the 27th of March, it is his fault, and not the fault of the Committee.

MR. HOLLETT: Is the Honourable the Premier insinuating that I am neglecting my duty?

MR. SMALLWOOD: I understood the honourable member to say—The Bill has been distributed since March 27th, and the honourable member must have mislaid his copy and that is not the fault of the Committee, he may have a good reason, but it is not the fault of the Committee.

MR. HOLLETT: Have you read it?

MR. SMALLWOOD: Yes, I read

every Bill, that is part of my work, and it is part of the work of every member.

MR. HOLLETT: All the same I object to the insinuations of the Honourable the Premier, simply because a member of this House suggests that a Section of a Bill, or a Bill be read, the Honourable the Premier gets up and suggests that the member for St. John's West is negligent in as much as he has not read the Bill, and I object to such innuendoes.

MR. SMALLWOOD: I am not objecting, but I am saying that it was placed on the honourable member's desk on the 27th of March, and he had ample time to read and if he has not, it is not the fault of anyone else, everybody else has read it.

MR. CHAIRMAN: The Chair would like to know what is the wish of the Committee. In view of the disagreement, I think the only thing the Chair can do is make a motion.

MR. SMALLWOOD: Mr. Chairman, I perhaps can save some little time—why not read it, or if there is any objection defer the reading and go on to some other Bill the honourable gentleman has read, or are we going to face that with every Bill?

MR. CHAIRMAN: The Chair agrees to read it.

Sections 3 through 8 read.

3. Whenever a tax is imposed on real property (hereafter in this Act called "property") under the Local Government Act, 1949, or under any of the Acts cited in Schedule A to that Act which is not repealed, all the property in the municipality, whether subject to taxation or not, shall be assessed in accordance with the provisions of this Act.

4. The Lieutenant-Governor in Council may appoint a Director of Assessments and such assistants as may be deemed necessary.

5. The Director of Assessments shall supervise, direct, guide and co-ordinate the work of assessors with a view to bringing about a uniform standard of assessment in all municipalities.

6. (1) Every assessor shall be given free access at all reasonable times to all property for the purpose of making a proper assessment thereof.

(2) Every adult person present on the property when an assessor calls in the performance of his duties shall upon request give to the assessor all the information in his knowledge which will assist the assessor to make a proper assessment of the property or part thereof.

7. (1) Where an assessor has twice visited property for the purpose of making a proper assessment thereof and has been unable to obtain all information necessary for such purpose, he may deliver or cause to be delivered or mailed to the address of any person, whether resident in the municipality or not, who is or may be assessed in respect of the property or who is a tenant thereof, a questionnaire in Form 1.

(2) Every person to whom a questionnaire is delivered or mailed shall, within ten days after the delivery or mailing, enter thereon in the proper places all the information required thereby that is within his knowledge and sign and deliver or mail the questionnaire to the assessor whose name and address appear on the notice.

8. The assessor is not bound by any information given under Section 6 or

7, nor shall any such information excuse him from making due inquiry to ascertain its correctness, and, notwithstanding any such information, the assessor may assess every person for such amount as he believes to be just and correct and may omit his name or any property which he claims to own or occupy, if the assessor has reason to believe that he is not entitled to be placed on the assessment roll or to be assessed.

MR. HOLLETT: There is a court of revision to whom he can appeal?

HON. P. S. FORSEY (Minister of Supply): Yes, that is right, page 11, Section 21.

MR. HOLLETT: Thank you.

Sections 9 through 11 read:

9. (1) Every person who, having been required to furnish information under Section 6 or 7, makes default in delivering or furnishing the information is guilty of an offence and liable on summary conviction to a penalty not exceeding one hundred dollars and an additional penalty of ten dollars for each day during which default continues and in default of payment to imprisonment for a period not exceeding three months.

(2) Every person who knowingly states anything false in any such information or in furnishing such information is guilty of an offence and liable on summary conviction to a penalty not exceeding two hundred dollars and in default of payment to imprisonment for a period not exceeding six months.

(3) Every person who wilfully obstructs or interferes with an assessor in the performance of any of his rights, powers, and privileges under

this Act is guilty of an offence and liable on summary conviction to a penalty not exceeding two hundred dollars and in default of payment to imprisonment for a period not exceeding six months.

10. The clerk shall furnish the assessors with all books, forms, and stationery required for the purpose of carrying out their duties under this Act.

11. (1) The assessors in every municipality in which a tax on property is imposed shall in accordance with the provisions of this Act assess the capital value of all property, whether subject to taxation or not, within the municipality not less frequently than once in every three years.

(2) Any property assessment in effect prior to the date of commencement of this Act remains valid until a new assessment has been made under this Act.

MR. HOLLETT: May I ask what is the necessity of assessing capital value of property when it is not subject to taxation? What is the idea behind that?

MR. FORSEY: I am afraid I don't know—we could let that stand.

Clause 12 read and passed.

MR. FORSEY: Mr. Chairman, might we revert back to Section 11—I think that would be required for two purposes, for information of the Dominion Bureau of Statistics and secondly in the event of the municipality floating a bond issue, the underwriters would require to know the total capital value of all property. I do remember that last year that was one of the things we had to furnish in connection with municipalities that had bonds on the market, and as it would be a bit difficult at the time,

except in the case of Harbour Grace, which already had property assessment.

MR. HOLLETT: That is why I asked. I take it under this Act wherever there is a municipality the assessor can go into your store or home, or enter upon any property you possess and set down all property which you possess for the purpose of taxation, or as the honourable Minister says, for the benefit of the several departments. In other words, I take it, we are now entering upon that period which was talked about a lot under the confederation issue whereby everything was to be subject to taxation even to the pet rooster. Whether that applies to real property or what not, it does not matter, but it looks to me now we are breaking this country up into municipalities and appointing assessors and that assessor has the right to go into a man's home down in Springdale if he wishes, and itemize every piece of property which the man possesses for the purpose of taxation or otherwise. That is the only reason why I raised the point, and I am assured now by the Honourable Minister that it is so, they can come every year and find out what property every person has.

MR. FORSEY: It is not so—providing that municipality has expressed its wish to have the changeover from the poll tax to property tax. In the case of Harbour Grace and Carbonear, they have always had property tax, and the assessor does not go into any community unless he is requested to do so by the town council, who in turn, have found out the majority opinion of the people on the subject. Such a course has been followed in Placentia, Harbour Grace, Carbonear, and I forget the others who have already had the property tax.

MR. SMALLWOOD: Mr. Chairman, I am glad the honourable member for St. John's West touched on that matter. I would like to make it very clear that this Government never will pass legislation imposing property taxation on the people of Newfoundland. We will never do it, not during the remainder of our 23 years in office, we will not do it. We have no intention of doing it. On the other hand, if town councils want to do it, and ask for the right to do it, and ask this House to pass legislation giving them the right to do it, that is their business, and we will accommodate them, but we will not impose property taxation.

MR. HOLLETT: Mr. Chairman, I think that is exactly what this Government is doing by passing this Act.

MR. SMALLWOOD: Point of order, Mr. Chairman: The Government are not passing this Act, the House of Assembly is.

MR. HOLLETT: Mr. Chairman, the Government has prepared this Act to bring in and ask this House of Assembly to pass at the request of the Government.

MR. SMALLWOOD: At the request of the town councils.

MR. HOLLETT: And it is clearly understood that an assessor has the right to go into their homes and list down in an assessor's book a set of books worth 50c. each in their homes and list all the real property. I wonder if the town councils know that, if it is really understood by them that the assessor can now go into their homes in these municipal areas once every three years and list the total items of real property, which may or may not be subject to taxation. According to this Act, it is immaterial

whether it is subject to taxation or not it must be listed. If an assessor comes into your home and asks you any questions relative to this real property, how many suit cases have you got and what have you got in them, have you got a violin and is it in good condition, all these things have to be listed with a view to imposing taxation. Now, I would like to be sure that the people in these various areas, these municipalities, which the Honourable Minister says asks for this to be done, I would like to know that the people understand that. Now, we know very well we have to have taxation and the Honourable the Premier is only begging the question when he says this Government will not tax property. He is doing it right here by bringing in this Act, and it is only nonsense to try to get away from it. We cannot live under confederation and under union with Canada unless we adopt practically the same methods of taxation as they have in Canada, and it is only utter nonsense to say they can do this or that. This Government must tax property. But the only reason I raise the point is the Government tells us they have been asked to pass this Act whereby an assessor can go into the homes once every three years and list all the personal property. We are told the people know that. I would like to be sure. It is very easy sometimes to get unsavoury Bills pushed down our throats you know, and this may be in prospect of being down now. I am not saying the Government would dare to do that, or attempt, or even like to do that, but I would not like even the Government to, perhaps my love for them is a bit limited, but I would not like even them to pass an Act which is bound to be distasteful to a number of people in this country. It is all right if you

are going to put a tax on houses, stores, or such, it is all right to go in and list that, state exactly what is the value for the purpose of taxation, but why under this Act give the area the right and power and authority to go into the homes of individuals in these municipalities and list down all the real property. I think you are adopting a somewhat dangerous policy.

MR. FORSEY: Mr. Chairman. Of course, we don't have to have taxation, they don't have any in the Fiji Islands, but I would not say their standard of civilization is very high. There are nine town councils who have requested to institute a tax upon real property which is listed on page 6 or 7, four towns have this already and in addition to the four, Harbour Grace, Carbonear and two others. I just forget them now, it also applies to the city of St. John's, the same thing happens here in the city and is going to extend now to these nine town councils, five new ones.

MR. HIGGINS: God help the rest of the country.

MR. FORSEY: They have asked for it, I don't say that everybody in the community is in agreement to it, but I should think the majority, the town councils have requested it, and I don't see very much else that can be done.

MR. CASHIN: Have you got those requests in writing? It is not tabled.

MR. FORSEY: I can table it.

HON. L. R. CURTIS (Attorney General): Mr. Chairman, don't you think we are going into a lot of things not contemplated in the Act. I have just finished reading section 12 which sets forth just what should be

listed and if you will note, there is no talk of listing any furniture or assessing any furniture or suit cases or violins, the list starts in with a column number and lists the number of acres of land, the number of acres cleared, then the actual value of the land, the value of the buildings, the total value of the land and buildings. There is no talk of suitcases or violins or furniture and whilst the word property might be used to cover almost everything under the sun, what is the sense in listing all the furniture when there is no taxation to be made on that furniture. You will not find anything about furniture there.

MR. SMALLWOOD: Anything about mouth wipes?

MR. CURTIS: You see this is purely just to assess the property. There is no talk of taxation on furniture.

MR. HOLLETT: Mr. Chairman, we may need mouth wipes before this thing is over. I was discussing the point under section 11, and if the Honourable the Attorney General will read that—

Section 12 read by Mr. Curtis—

12. (1) Every assessor shall prepare an assessment roll in which after diligent inquiry he shall set down according to the best information to be had the particulars hereinafter mentioned and in doing so he shall observe the following provisions:

(a) He shall set down the name and address in full, if they can be ascertained, of all persons, whether or not they are resident in the municipality or ward for which he has been appointed, who are liable for assessment therein.

(b) He shall set down in the pro-

per column opposite his name the amounts assessable against each person.

(c) Lands shall be designated in the roll by its boundaries or other intelligible description.

(d) Where in any municipality or portion of a municipality, streets and other highways are commonly known locally by names or numbers they shall be entered and listed in the assessment roll by their names or numbers according to such orderly plan or method as will insure that every separately assessed parcel fronting on either side of the street or highway is entered on the roll in proper sequence of street numbers for that side of the street or highway on which it fronts or, if there are no street numbers, in such other suitable sequence for that side of the street or highway on which it fronts as will insure ready and certain identity for each separately assessed parcel.

(e) Where in any municipality or portion of a municipality, streets and highways are not commonly known locally by names or numbers, every assessed parcel shall be entered in the assessment roll according to such orderly plan or method and in such suitable sequences as will insure ready and certain identity for each separately assessed parcel.

(f) In the preparation of the assessment roll for any municipality divided into wards, it shall be so arranged that the assessments for each ward shall be kept separate from the assessments for every other ward.

(2) The assessor shall set down particulars in separate columns as follows:

Column 1. The successive number on the roll.

Column 2. Name (surname first) and post office address of taxable persons (including both the owner and tenant) in regard to each property.

Column 3. Number and name of street or other designation in which the property lies.

Column 4. Number of acres or other measures showing the extent of the property.

Column 5. Number of acres cleared, including as cleared all land cleared of trees, arable or otherwise, fit for cultivation, or suitable for pasture, and whether vacant or built upon.

Column 6. Actual value of land, exclusive of the buildings thereon.

Column 7. Value of buildings as determined under Section 14.

Column 8. Total actual value of the property.

Column 9. Total assessment.

Column 10. Date of delivery of notice under Section 17.

MR. HOLLETT: Now, how can anyone stand up and say there is no intention of doing it in view of that particular section. That is why I raised the point: What is the point of assessing all personal property which I may have in my home?

MR. CURTIS: That is qualified by the next section which I have read.

MR. HOLLETT: It is, not at all, this is a general section here.

MR. CURTIS: If you read subsection (2) of Section 12.

DR. POTTLE: Section 11 is qualified in accordance with the provisions of this Act.

Carried.

12 through 17 read :

13. The Minister may, subject to the approval of the Lieutenant-Governor in Council, by regulation prescribe rules for the guidance of assessors and every assessor affected by the rules shall conduct himself in accordance with the rules.

14. (1) Subject to the provisions of this section, land shall be assessed at its actual value.

(2) In ascertaining the actual value of land without buildings thereon consideration shall be given to the present use, location, normal rental value, normal sale value and any other circumstances affecting the value.

(3) In assessing land having buildings thereon the value of the land and buildings shall be ascertained by giving consideration to present use, location, cost of replacement, normal rental value, normal sale value and any other circumstances affecting the value, and the value of the buildings shall be the amount by which the land is thereby increased, and the actual value of the land and the buildings so ascertained shall be set down separately in the columns of the assessment roll, and the assessment shall be the sum of such values.

15. All property under the control of any person as executor, administrator, trustees, guardian or agent, and property of an infant, shall be assessed in the name of the person exercising control over the property, but only in his representative capacity, and the assessment shall be kept separate and distinct from assessment of the property held by that person in his own right, and if there is more than one person exercising such control notice

given to any one of such persons shall be sufficient.

16. The assessment roll as well as all records of any kind prepared by the assessors in the course of making the assessment shall forthwith on completion be forwarded to the clerk.

17. (1) The clerk or his assistant shall deliver in the manner hereinafter provided to every person named in the assessment roll a notice in Form 2 of the sum or sums for which the person has been assessed and such other particulars as are mentioned in the Form, and shall enter in the roll opposite the name of the person the date of delivery of the notice and the entry shall be prima facie evidence of the delivery.

(2) When the person assessed is resident in the municipality, the notice shall be delivered by leaving it at his residence or place of business or by mailing it addressed to him at his residence or place of business.

(3) When the person assessed is not resident in the municipality, the notice shall be delivered by mailing it addressed to him at his last known address.

(4) When a person assessed furnishes the assessor with a notice in writing giving the address to which the notice of assessment may be delivered to him and requesting that the notice be delivered to such address by registered mail, the notice of assessment shall be so delivered and such notice shall stand until revoked in writing.

DR. POTTLE: I wonder if we may refer for the purpose of showing some light. If the honourable member for St. John's West will refer to the Parent Act, from which this Bill

originated where real property is defined under Clause 3. Under the Local Government Act, 1949. Reads :

3. The said Act is further amended by inserting immediately after Section 17 as Sections 17A and 17B the following :

17A (1) For the control and management of every Local Improvement District established by an order made under sub-section (5) of Section 3, there shall be, during the period stated in sub-section (2) of this Section, a Board of Trustees consisting of three persons appointed by the Lieutenant-Governor in Council which shall be a corporation.

(2) Subject to this section, the term of office of a Board of Trustees shall be such period as may elapse from the date of the appointment of the Board until the election of a Council in accordance with Section 17B.

(3) A Board of Trustees appointed under sub-section (1) shall, during its term of office, have and perform all of the powers, authority and duties of a Council elected under this Act and of the chairman thereof including, without limiting the generality of the foregoing, the powers of taxation of a Council.

(4) The Lieutenant-Governor in Council shall appoint a member of every Board of Trustees to be chairman and the Board of Trustees shall appoint one of its own members to be vice-chairman who shall, in the absence of the chairman, exercise his powers and duties.

(5) The Lieutenant-Governor in Council may make any appointment necessary to fill any vacancy in a Board of Trustees.

(6) Where he considers it necessary

or desirable, the Lieutenant-Governor in Council may at any time by order

(a) remove any member of a Board of Trustees from office and appoint another in his stead; or

(b) dissolve any Board of Trustees.

17B (1) If, upon the expiration of three years from the date of the appointment of a Board of Trustees under sub-section (1) of Section 17B or at any time thereafter,

(a) there are not less than seven hundred and fifty persons residing in the Local Improvement District administered by the Board; and

(b) a majority of the residents of the Local Improvement District who are not less than twenty-one years of age indicate by a petition addressed to His Honour the Lieutenant-Governor in Council their desire to have a Council elected for the control and management of the area comprised in the Local Improvement District,

(1) The Lieutenant-Governor in Council shall, subject to this section, revoke the order made in respect of the area under sub-section (5) of Section 3 and declare the area to be a Municipality by an order made under sub-section (1) of Section 3 as if no order had been made under sub-section (5) of that section in respect of the area.

(2) Where an order is made in accordance with sub-section (1) of this section, the boundaries of the area affected by the order may be defined so as to include part only of the area contained within a Local Improvement District or part or all of such area together with another area or areas.

(3) Subject to this section, when an order is made in accordance with sub-

section (1) of this section, a Council shall be elected in accordance with Section 6 and all results shall follow as if no order had been made under sub-section (5) of Section 3.

(4) Where an order is made in accordance with sub-section (1) of this section, the Board of Trustees who served in the Local Improvement District immediately before the order was made shall serve as a Council in the Municipality until a Council is elected; and when a Council is elected, the Board of Trustees shall thereupon cease to exist, and all of the property, rights, assets, duties, liabilities and obligations of the Board of Trustees shall immediately too, be vested in, assumed by and imposed upon the Council.

DR. POTTLE: That is what property means when we refer to property here, you have to go back to the Local Government Act, 1949.

MR. HOLLETT: I thank the Honourable Minister for his courtesy. That is the information I was trying to get.

Clauses 18 through 21 read:

18. Notwithstanding the delivery or transmission of any notice provided for by Section 17, the assessor at any time before the revision of the assessment roll is completed may correct any error in any assessment and alter the roll accordingly and he shall do so upon notice being given to him of any error, and upon so correcting or altering any assessment the clerk shall deliver or transmit an amended notice to the person assessed.

19. (1) In the interval between the three-year assessments the assessors shall make a special assessment of the value of any house or building then newly constructed or extended.

(2) Where by reason of increase of rent or for any other reason the assessors in their discretion deem it necessary or desirable, or where the Council directs, that a special assessment of any land or building be made, the assessors shall proceed to make a special assessment.

(3) In every case notice in writing of a special assessment shall be given to the owner of the house or building or, if he be absent from Newfoundland, to his resident agent.

(4) The owner or agent or the Council, by giving the other party notice of appeal in writing within one week after the service of the notice of the special assessment, has the right of appeal to the next court of revision and the assessment as revised by the said court, or by the Supreme Court in case of a further appeal thereto, shall be held to have been the correct assessment from the date on which the special assessment was made and fixed by the assessors, and the difference, if any, between the amount of the tax actually collected and that which should have been collected shall be paid by the owner or refunded by the Council, as the case may be.

(5) Pending an appeal under sub-section (4), the tax shall be paid and collected on the basis of the special assessment.

20. (1) The clerk shall deposit the assessment roll with a stipendiary magistrate exercising jurisdiction within the municipality or such other person as the Council may appoint for that purpose and the books of assessment shall be open to the examination of all persons interested in them.

(2) The clerk shall publish in a newspaper published or circulating in the municipality the date of deposit

of the books of assessment and a notification that they are open to examination by persons interested in them.

21. (1) A stipendiary magistrate exercising jurisdiction within the municipality or such other person as the Council may appoint for the purpose of revising the books of assessment (in this Act referred to as the "court of revision") shall, after the expiration of seven days after the books of assessment have been deposited, at certain times within the seven days thence following to be notified in a newspaper published or circulating in the municipality, hear and determine applications for the revision of the assessment.

(2) The court of revision may if the number of objections renders it impracticable to complete in the revision within seven days, extend the time for such period as the court deems necessary.

(3) The Council and any person interested in the revision may by notice in writing to be filed with the court of revision and served on the assessors or any one of them, prior to or during a period set for hearing of application object to the amount for which any property or any interest therein may have been assessed.

(4) The court of revision shall hear and determine the objection and amend or confirm the assessment accordingly.

(5) After the completion of the revision the assessment, subject to the right of appeal hereinafter provided, is final and binding on all parties until a new assessment and revision have been made.

MR. HIGGINS: What provision, if any, Mr. Chairman, has been made

for people sitting on a court of revision? We have one in the city of St. John's. How would you compensate anyone sitting other than the magistrate, some real estate agent for instance, how are you going to pay him?

MR. FORSEY: The town council would pay him.

MR. HIGGINS: There is no provision necessary in this Act?

MR. FORSEY: No.

Clauses 22 through 30 read.

MR. HOLLETT: May I ask if that is based upon some Canadian Legislation, that particular penalty?

MR. FORSEY: Yes.

I move the Committee reconsider Section 7:

MR. FORSEY: The Committee will note that in sub-clause I of clause 8, a line was omitted. The line should read: "Where an assessor has visited the property for the purpose of making an assessment thereof."

Moved the Committee report, having passed the Bill without amendments.

MR. CHAIRMAN: A Bill, An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries Limited."

MR. SMALLWOOD: If the Committee would prefer to have the clauses read, it is perfectly satisfactory—It is an important Bill.

Clauses 1, 2, 3 read and carried. Agreement Clauses 1, 2, 3, read:

1. The Company will acquire land in Newfoundland, clear and prepare

the same as a site for and erect and complete the erection thereon of a building and provide and install therein a modern and up to date plant for the manufacture under patented processes of hardboard and other finished and partly finished products from wood and wood waste at a cost of not less than eight hundred thousand dollars (\$800,000.00). The aggregate value of all assets of the Company in Newfoundland so established shall not be less than nine hundred and seventy-five thousand dollars (\$975,000.00).

2. The Government will lend, or cause to be lent under Government guarantee, to the said Company the maximum sum of five hundred and seventy-five thousand dollars (\$575,000.00) which amount is to be available at the times and in the manner hereinafter appearing and is to be fully used in the erection of the said building, the provision and installation of the said plant and the providing of operational and starting expenses and working capital.

3. The Company agrees to pay on the thirtieth day of June and the thirty-first day of December in each and every year during which any such loan or loans shall be outstanding interest on so much of the said five hundred and seventy-five thousand dollars (\$575,000.00) as may have been lent at the rate of four and a half per centum per annum from the date or dates of each and every loan as hereinafter provided.

MR. CASHIN: I would like to draw the attention of the Premier and other Ministers to the sum of \$60,000 which is to be paid as license (patent fee) immediately upon the arrival in St. John's of all the machinery set out in Schedule "A." "Except as provided

for in Clause 5 hereof this is the only sum to be transferred abroad from the total Government loan of \$575,000.00." Why should we send money over there?

MR. SMALLWOOD: The owner of the patent in the principality of Liechtenstein insists upon the payment in dollars and this company has not got any dollars.

MR. CASHIN: I don't see why we should give them \$60,000. It does not make sense, it is over and above the cost of this plant—this plant is supposed to cost some \$800,000 and you are loaning them \$575,000, \$60,000 of which has to go to Liechtenstein to pay for a patent we don't know anything about. These people coming out here are financed by the Newfoundland Government surely they ought to be able to arrange their own patents, without our giving money to some people in Europe for patents.

MR. SMALLWOOD: The patent owner has sold the patent rights to various parts of the world. In Europe, of course, he accepts European currency. One of the two men mentioned here, Gustav Karl Weis, represents a company, who in Germany, have bought the patent rights in Germany from these people and have paid for it in German currency obviously and in Denmark, Holland, France, Belgium and other European countries where this patent was brought for processing, obviously it was paid for in their own currency but now they come to this side of the Atlantic and it is fairly obvious, I think why the owner of that process, when selling the patent on this side of the Atlantic would insist on payment in dollars. However, that is their condition they laid down. They have sold not only the patent, but the sole rights to the

United States, and now the patent in Newfoundland to this company, and this company has the only patent.

MR. CASHIN: What about Canada?

MR. SMALLWOOD: The sole right for Canada except for Newfoundland is in the hands of the U. S. Plywood who bought the rights for all North America except this Province, I am not sure, if it is just the Province of Newfoundland or the Province of Newfoundland and the Maritimes have been sold to this company. But, that is not so important as it may sound, because this company in turn, have made their own arrangement with the U. S. Plywood.

MR. CASHIN: Someone is getting \$60,000.

MR. SMALLWOOD: The owner of the patent. It is the best process in the world. The House has seen the samples and anyone in the business who has examined these various pressboards agree that it is not only the best, but is outstandingly so. U. S. Plywood would not have bought it and rushed construction otherwise.

MR. CASHIN: Where is it to be built?

MR. SMALLWOOD: In the immediate vicinity of the birch plant on the other side of the railway track. The members of the Committee may have noticed the big open clearing across the track slightly to the East of the plant buildings of the birch plant, the plywood building.

MR. FOGWILL: Would the Honourable Minister give some information to the Committee with respect to the prefabricated buildings. Are they to be wood or metal, or what?

MR. SMALLWOOD: It seems to

me altogether extraordinary that this company should consider the possibility of building a factory in Switzerland, fabricated in sections, ship it across the Atlantic Ocean, pay the freight from Switzerland to the seaport, Rotterdam or Hamburg, then the ocean freight, the duty on it, and the sales tax, no sales tax because building materials are not subject to sales tax, the freight or truckage to the site and the assembly of it at a cost of \$100,000, when in fact, the lowest figure they have been able to get for building of a factory in Newfoundland is \$180,000. They think that they will save \$75,000, but we would not hold them to that. It seems extraordinary and I must say, I will believe it when I see it. I find it hard to believe, but who am I, the Government, or the Committee. We can't very well say we don't believe they can do it, therefore, we will not make this allowance for it, perhaps they can.

MR. FOGWILL: In that case, if they are building a prefabricated factory there in Europe and shipping it over here, this will be an additional amount of money going to Europe in dollars.

MR. SMALLWOOD: Yes, that is so.

MR. CHAIRMAN: At this time, I would remind the Committee that we have but a few minutes.

MR. SMALLWOOD: Mr. Chairman, I move the Committee rise report progress and ask leave to sit again.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have passed a Bill, "An Act to Approve and Give Statutory Effect to an

Agreement between the Government and Atlantic Optical Company Limited." Without amendment. Ordered read a third time on tomorrow:

A Bill, "An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities." Without amendments. Ordered read a third time on tomorrow.

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards." Without amendment. Ordered read a third time on tomorrow.

The Committee rose, reported progress and asks leave to sit again. Ordered sit again tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move all further orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow, Friday, at 3:00 of the clock.

MR. SPEAKER: Before I put the motion to adjourn, may I table some interesting information of a very interesting incident in the form of a letter received from Mr. Justice Montague of Winnipeg, Man., written the 7th day of April, 1952.

Dear Sir;

I picked this up somewhere for a few cents and having read it with interest, I consider that it should be returned to its proper home. I touched down at Torbay and Gander when flying to Ottawa in November, 1941, and then at Gander when returning to England some two weeks later. Naturally, I wish our youngest Province every success, including the building up of a fine Legislative Library.

Sincerely yours,

P. J. MONTAGUE,

This article bears the seal of the Legislative Library of St. John's, Newfoundland, and had been sold for \$1.50. I take it, the House would like to thank Mr. Justice Montague for, shall I say, his honesty.

House adjourned accordingly.

MONDAY, April 21, 1952.

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

Presenting Petitions

HON. P. J. LEWIS (Minister without Portfolio) Mr. Speaker, I beg leave to present a petition on behalf of the residents of Brigus Junction relative to the construction of a road to connect that area with the highway system at Conception Harbour. This is a settlement of 130 people without any means of transportation except the railway and for some considerable time they have been agitating for such a system. The petition is largely signed and has the support of surrounding areas, representative clergymen and others outside the particular area.

I have discussed the matter with the Minister of Public Works and he is very sympathetic to it. I have great pleasure in presenting this petition and ask that it be laid on the Table of the House for presentation to the Department which it concerns.

MR. COURAGE: Mr. Speaker, I beg leave to present a petition from the Maritime Hospital Services Association which is a body incorporated under the law of the Province of Newfoundland, sometimes better known as The Blue Cross or Blue Shield. That association is a non-profit association

and is well known in the Maritime Provinces in connection with its work of providing hospitalization and medical treatment. It is, as I said non-profit. Your petitioners are making petition to this House of Assembly and at the same time to the Legislature of New Brunswick and of Nova Scotia for permission to amend its act of incorporation by specifically providing that no member of your petitioners shall be personally liable for any of its debts. This petition is signed on behalf of the Maritime Hospital Services' Association by its solicitors, Barron, Lewis and Hickman. I have much pleasure in recommending this petition to the House and ask leave that it be laid on the Table of the House.

MR. SPEAKER: I understand the honourable member to say that the petition anticipates a piece of private legislation?

MR. COURAGE: I did, Your Honour.

MR. SPEAKER: Then who will present the Bill?

MR. COURAGE: I will, Your Honour.

Presenting Reports of Standing and Select Committees

HON. L. R. CURTIS (Attorney General): Is it not the practice, Mr. Speaker, with respect to Bills such as the present petition to have it referred to a Select Committee to see that the rules of the House are complied with?

MR. SPEAKER: When the honourable member asks for first reading that action follows as soon as the Bill has been tabled. If the honourable member has the Bill ready he may give

notice of his intent to read on call of motion.

MR. P. J. CASHIN (Leader of the Opposition): I give notice of the following questions on tomorrow. Whilst on my feet I would like to remind the Honourable the Premier that I have not yet received a reply to my questions relating to outstanding loans.

HON. J. R. SMALLWOOD (Prime Minister): I sent down for the list of names.

MR. CASHIN: We should have had that information for this afternoon.

MR. SMALLWOOD: Why?

MR. CASHIN: It has been asked for now a week ago tomorrow.

Giving Notice of Motions and Questions

None.

Orders of the Day

Third Readings:

A Bill, "An Act to Approve and give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Ltd."

MR. SPEAKER: The motion is this Bill be now read a third time.

MR. CASHIN: Mr. Speaker, I rise for the purpose of recommending this Bill be read six months hence. I do so, Mr. Speaker, as we on this side of the House feel that this Bill comes in under peculiar circumstances.

MR. SMALLWOOD: Mr. Speaker, to a point of order: Is the honourable member permitted to discuss the principle on an amendment to third reading?

MR. SPEAKER: The position on third reading is: if an honourable member wishes to move another date for third reading of the Bill, commonly called the three or six months hoist, that becomes an amendment to the question the Bill is now offered for reading a third time, and of course nothing in the Bill can be discussed. The only other form of amendment is a reasoned amendment as to why the Bill should not be read a third time. The principle of the Bill is not to be discussed. If the honourable member wishes to attempt the six months hoist he may do so, but of course there can be no argument on the principle of the Bill. That has already taken place on second reading.

MR. CASHIN: Would you mind telling me, Sir, under what rule of the House does that apply? I am prepared to accept your ruling in this matter but would like to point out, I, at one time many years ago, had the privilege or otherwise of seconding a motion that a Bill be read a third time or deferred for six months. At that time, I think it was 1930 or 1932, the present Chief Justice was Speaker, and we discussed the principle of the Bill at that time, if my memory serves me right. I would like to know, under what rule, I, or any other member, is not permitted to discuss the principle when moving that the Bill be read three or six months hence.

MR. SPEAKER: I can make no exact reference to any procedure followed on this matter in the past. All I can say at the moment is that to my knowledge the established parliamentary procedure both in England and in Canada is that there can be no wide debate and certainly the principle of the Bill cannot be discussed on the motion to read the Bill a third time now or six months hence. I

shall give the honourable member the authority which he has a perfect right to ask for:

"Beauchesne," 3rd edition, Paragraph 710 and 711:

Paragraph 710 refers to debate on both second and third reading and points out the difference. Debate on third reading must be confined to the provisions of the Bill.

Paragraph 711 says that amendments postponing the third reading for three or six months may be offered.

"May" pages 504 and 554, 14th edition gives further information on the subject.

The authorities then, in my opinion, are quite clear on the subject that there can hardly be any discussion on third reading except to make a purely verbal amendment or a reasoned amendment. If to the present question the honourable member wishes to move an amendment that this Bill be read a third time three or six months hence, he may do so. But he cannot now debate the principle of the Bill.

MR. CASHIN: I move, Mr. Speaker, that this Bill be read six months hence.

MR. HOLLETT: Mr. Speaker, I rise to second that motion. May I ask a question? Did I understand we cannot discuss the contents of the Bill?

MR. SPEAKER: If the honourable member were moving a reasoned amendment he might discuss a certain part of the Bill. But the amendment is; to read the Bill, not now, but at a stated future time.

MR. HOLLETT: All that one can do is second it?

MR. SPEAKER: That is all that is necessary. I may say that the reason for offering the amendment or the three or six months hoist is not that the Opposition think that they can defeat the Bill. It is merely a method by which they go on record as having opposed the Bill in its final stages. I ask honourable members to note carefully, the main question is "that this Bill be now read a third time." To this the amendment offered is "that the Bill be read a third time six months hence." The question now is, therefore that the word "now" do stand part of the question. Those in favour of the amendment offered by the Honourable Leader of the Opposition will, of course, vote against this question, and those opposing the amendment will vote "aye." In my opinion the "aye's" have it.

MR. CASHIN: Divide:

Favouring the Motion: Honourable the Premier, Honourable the Attorney General, Honourable Minister of Public Welfare, Honourable Minister of Health, Honourable Minister of Finance, Honourable Minister of Fisheries and Co-operatives, Honourable Minister of Education, Honourable Minister of Public Works, Honourable Mr. Lewis, Mr. Courage, Mr. Canning, Mr. Mercer, Mr. Norman, Mr. Brown, Mr. Button.

Opposing the Motion: Mr. Cashin, Mr. Hollett, Mr. Fogwill, Mr. Higgins.

Motion carried fifteen to four.

Bill read a third time, ordered passed and title be as on the Order Paper.

Third reading of Bill, "An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities." Read a third time, ordered

passed and title be as on the Order Paper.

Second reading of Bill, "An Act Respecting Provincial Parks."

MR. CURTIS: Mr. Speaker, I beg to move second reading of this Bill which is a Bill designed to permit the Government to acquire and make provisions for the management of provincial parks. The Act has its origination in the fact that some time ago it pleased Bowaters to offer to the Government an area in the Humber District known as Big Falls, I think it was, with the idea that it should be set aside as a park. We found that if we did accept the gift we would have to pass an Act providing for rules and regulations to maintain the area. We thought it better therefore to draft a regulations Bill which would provide for provincial parks anywhere and the Bill before the House now is a Bill which will enable the Lieutenant-Governor in Council (1) out of moneys provided by the Legislature or (2) as a gift or (3) from crown lands to designate certain areas as provincial parks.

Section 4 provides that the Lieutenant-Governor in Council may by proclamation constitute any area in the Province as a provincial park, in the meaning of the Act, and Section 6 designates the powers and duties of provincial park officers and provisions are made for the appointment of a board or committee to operate these parks. Under Section 7 of the Bill, the Lieutenant-Governor in Council, where it is deemed necessary, can acquire any lands as provincial parks, and under Section 8 can make rules and regulations for their care.

I don't think there is anything contentious in the Bill which I think, Mr. Speaker, will commend itself to the

House. I have much pleasure in moving second reading.

MR. HIGGINS: I take it this offer is still open from Bowaters?

MR. CURTIS: That is the object.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the Regulation of Mines Act, 1951:"

MR. SMALLWOOD: Mr. Speaker, I move the second reading of this Bill which is one to amend the Mines Regulations Act which was enacted here, I think, last year. It is only for the purpose of covering the cost of filing certain returns each year: To file on or before the 15th day of February each year a report showing for the preceding calendar year:

(a) the total tonnage mined or produced;

(b) the concentrates obtained from the total tonnage mined or produced;

(c) the average metal content of minerals and concentrates produced and processed;

(d) the places of sale of all products of the mine;

(e) the total number of persons employed in or in connection with the mine;

(f) the total wages and salaries paid; and

(g) the gross value received from the sale of all minerals and concentrates."

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act Further to Amend the Act No. 41, of 1938" entitled "An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company Limited."

MR. SMALLWOOD: Mr. Speaker, I rise to move the second reading of this Bill. In 1938 the Commission of Government passed an Act giving certain concessions in Labrador to the Labrador Mining Exploration Company Limited, that, as the House knows, is the company headed by Jules Timmins of the Hollinger Consolidated Gold Mines Company of the Province of Quebec. In that agreement the company were granted twenty thousand square miles of Labrador at a point where Labrador meets the Province of Quebec about three hundred and fifty miles inland from the open Atlantic coast and about the same distance inland from the Town of Seven Islands in the Gulf of St. Lawrence on the North Shore of Quebec. So that, as the House will see, the twenty thousand square mile area leased to that company was in the most inaccessible part of the whole of Labrador.

They were granted the twenty thousand square miles under certain conditions, one of them being that by 1963 the twenty thousand square miles should be reduced to one thousand square miles, and as a step along the way, by 1953 the area be reduced to a total of two thousand square miles. Now, just so that the House will have that fact fixed firmly in mind let me repeat, the company was granted an area of twenty thousand square miles. I think that was in 1938 and by 1963 the total area was to be reduced to one thousand square miles and on that one thousand square miles the company was to get something in the

nature of a permanent grant for the purpose of mining. And in between 1938 when they were granted the twenty thousand square miles and 1963 by which year they are to be reduced to one thousand square miles, in between these two dates, namely 1953 they were to take a middle step of reducing the twenty thousand square miles.

The purpose of the present Act is to eliminate that second setup, the second setup which requires the company to have reduced their holdings to two thousand square miles in 1953. The company wrote the following letter under date of February 5, signed by J. R. Timmins, President.

Labrador Mining and Exploration
Company Limited,

February 5, 1952.

The Honourable Joseph R.
Smallwood,
Premier of Newfoundland,
St. John's, Newfoundland.

Dear Mr. Premier :

Reference is made to the Act No. 41 of 1938 as amended by the Act No. 15 of 1941 and the Act No. 47 of 1944 and the Agreement, forming the Schedule to the said Act No. 41 of 1938 as amended, between this Company and the Government of Newfoundland.

By virtue of Clause 18, as amended, of the Agreement, the Company is required to reduce the area defined in Clause 4, by 15% on March 31, 1953.

Clause 19, as amended, provides that the Company shall be entitled up to the end of the calendar year 1953 to select an area or areas not exceeding 2,000 square miles in all.

Clause 20, as amended, provides for the issue of a ten year license for the purpose of survey examination and development of the selected areas.

Clause 21 provides that a survey shall be made of the areas to be selected under Clause 20.

From 1936 onward to 1950 inclusive, with the exception of 1940 and 1941, when operations were suspended due to wartime difficulties, the Company has conducted a tremendous amount of work in the Labrador concession.

The following is a summary of work accomplished :—

- | | Sq. Miles |
|---|-----------|
| (1) <i>Geological Mapping and Prospecting</i> | |
| (a) Detailed | 675 |
| (b) ½ mile | 3,300 |
| (c) Reconnaissance | 6,000 |
| (2) <i>Geophysical Work</i> | |
| (a) Ground—on iron ore deposits | |
| (b) Airborne—14,000 line-miles | |
| (3) <i>Aerial Photography</i> | |
| 2,100 sq. miles on 1,000 feet to one inch. | |
| (4) <i>Drilling</i> | |
| 60,000 feet on test-drilling and tonnage drilling. | |
| (5) <i>Test-pitting</i> | |
| Many thousands of linear feet of trenching have been done. | |
| (6) <i>Shaft-sinking and adit</i> | |
| Three shafts were sunk to an average depth of 55 feet and one adit 225 feet long was made in one deposit. | |

(7) *Ancillary Surveys*

In addition to the numerous other surveys required by the development, surveys were conducted on railroad, power, townsites, termini, ore-loading docks and on the harbour site and harbour installation, necessary for the transportation and shipment of ore from the interior.

More than \$50,000,000 have been spent on the overall project to date and an additional \$150,000,000 will be spent prior to any shipment of ore. It is evident from the foregoing work conducted and the moneys spent that the terms of the Agreement have been carried out in good faith and that the Company has amply fulfilled its obligations.

The imminent necessity of releasing an extensive area presents several problems. The Agreement requires that the blocks totalling 2,000 square miles to be selected by December, 1953 must be surveyed. It further requires that the blocks to be retained in 1963 totalling 1,000 square miles must also be surveyed. This means that the surveying done for 1953 would have to be done, completely revised in 1963, which in our opinion would be a costly and wasteful procedure.

A further consideration in this regard is the fact that before an accurate area can be laid out, the location of the interprovincial boundary must be accurately known. Until proper surveys are made by the Government, the size and location of the blocks cannot be established.

Owing to the accelerated tempo of the project and the resultant demands on our air transportation equipment and personnel, it has not

been possible to complete our examination of all parts of the area. The location of proven economic interest have been mapped in great detail. Outlying areas within the "Labrador Trough" have been mapped in somewhat less detail, but not thoroughly investigated. Some 7,000 square miles have not yet been touched. Due to the necessity of proving sufficient tonnage to warrant the building of the 360 mile railway for the successful development of the project, much of our energy has been expended on a limited area of iron ore formation to the exclusion of the search for other minerals.

With the completion of the railway construction and the start of shipments in 1954, the search for base metals and precious metals will be intensified as well as the general exploration of the balance of the concession.

It should be pointed out that the finding of more iron ore in Quebec to date compared to the tonnage developed in Labrador is due to more favourable topographical features in that province such as higher ground, more numerous outcrops as well as easier accessibility.

There is no reason for not expecting considerably more ore in Labrador eventually, although it will require more work in the remainder of the concession due to the lower ground covered with swamps and lakes, but at a much higher cost.

The expense incurred on this development to date amounting to some \$50,000,000 includes a considerable sum for air transport costs which for the year 1951 exceeding \$1,000,000. During the coming sea-

son and the years 1953 and 1954 the aircraft will be fully occupied in furthering the construction of the railway, particularly that portion transversing Labrador in the Province of Newfoundland. It is apparent that any other call on the aircraft such as surveying and prospecting would seriously impede the progress of the railway construction and retard the completion date to bring the iron ore fields into production. From a practical standpoint, it is obvious that if the terms of the Agreement without amendment, were strictly adhered to, large sums of money and occupation of technical personnel for the next few years would be vitiated to the detriment of the successful exploitation of the project as a whole. In our judgment, the time, money and endeavour could be more efficiently utilized after the completion of the railway and the start of iron ore shipments.

We would respectfully request therefore that the actual ground surveying be deferred until the final 1,000 square miles have been selected, except in cases of application for mining leases.

Further we would respectfully request that Clause 18, as amended, be deleted and that the provisions of Clauses 19 and 20 as amended, be further amended to extend the period of selection until the end of the calendar year 1963 to coincide with the date of the final area of 1,000 square miles to be retained and any consequential amendments of succeeding Clauses.

Yours very sincerely,

(Sgd.) J. R. TIMMINS,
President.

MR. SMALLWOOD: After we had given the matter more careful thought we sent on the 6th of March, a month later the following reply.

March 6, 1952.

Mr. Jules R. Timmins,
Labrador Mining and
Exploration Co.,
721 Royal Bank Building,
Montreal 1, P.Q.

Dear Mr. Timmins:

The Government have given careful and sympathetic consideration to your letter of February 20. My colleagues and I agree that you and your company have accomplished a very remarkable piece of work in bringing the iron ore development of Labrador to the present stage. Indeed, we feel that this has been one of the great accomplishments in the present century in North America. We certainly would not feel disinclined to co-operate closely with so great an enterprise.

I regret, nevertheless, to inform you that the Government are not willing to accede to the request made in your letter.

We are, however, willing to recommend to the Legislature in the forthcoming session some changes in the legislation aimed at meeting your wishes, at least in part. If you will this year drop 3,000 square miles of your present holdings we would recommend legislation eliminating your present obligations to reduce your holdings by 1953 to 2,000 square miles and providing for your dropping 1,200 square miles of the holdings per year, commencing in 1953, for the remainder of the period. In 1963 you would, as the legislation provides reduce your

holdings to the final 1,000 square miles.

This is as far as we are prepared to go by way of recommending to the Legislature any change in the existing legislation.

Sincerely yours,

(Sgd.) J. R. SMALLWOOD,
Premier.

MR. SMALLWOOD: To that on March 10th, Mr. Timmins replied as follows.

Labrador Mining and Exploration
Company Limited.

March 10, 1952.

The Honourable Joseph R.
Smallwood,
Premier of Newfoundland,
St. John's, Newfoundland.

Dear Mr. Premier:

Many thanks for your letter of 6th, instant. I have discussed its contents with my associates and whilst your conditions for extending this Company's Agreement to 31, December, 1963 are somewhat severe and will cause considerable alternation in the programme of development, we are willing to agree as follows.

In consideration of your Legislature extending the term of this Company's Agreement from 31, December, 1953 to 31 December, 1963 and releasing this Company from the obligation of surveying and reducing the area to 2,000 square miles during 1952 and 1,200 square miles annually during 1953 and each subsequent year for the remainder of the period. During 1963, the area will be reduced to 1,000 square miles and licenses issued, as pro-

vided in the Agreement. It is understood that in all other respects this Company's Agreement will remain unchanged.

Yours very sincerely,

(Sgd.) J. R. TIMMINS,
President.

MR. SMALLWOOD: The present Legislation is to give effect to the suggestion of the Government in its letter of March 6, to which the company in its letter of March 10, has somewhat unwillingly agreed. The company has informed the Government that of the 20,000 square miles granted them under the Act of 1938, as amended, they have now something around 16,000 or perhaps 17,000 square miles. That is to say they have themselves dropped between three and four thousand square miles. That is they had dropped that area before they made this present approach to us in this present year. My personal recollection is that they told me between three and four thousand square miles, three thousand is the figure given here. That would mean they have left of their twenty thousand square miles, seventeen thousand square miles and of that amount, under this section they would drop this year three thousand reducing it to 14,000 square miles at the end of this present calendar year and then next year, 1953, and in each year succeeding up to and including 1962, they would drop twelve hundred square miles and in the final year of their present agreement 1963, they would reduce it to the final and ultimate one thousand square miles on which, under this agreement, they are entitled to a lease to run into a long period of time. How long, to be frank, I don't know. I have not checked in the Act to see how long a

period their lease is on the final one thousand square miles.

Now, Mr. Speaker, when the Government were confronted by this request from the company we had many things to take into account. To begin with at the first flush we felt that the Commission of Government had perhaps granted to a private company in 1938 too much of the territory of Labrador, 20,000 square miles. At first flush today in 1952, with our thinking in 1952, it seems that to grant to a private corporation 20,000 square miles even if in the end that was to be reduced to one thousand square miles was a bit too much. But then we tried to project ourselves back to 1938 and put ourselves in the shoes of the Government of that day when they were approached by this company for a grant of 20,000 until 1963, actually 1953 then to become two thousand and in 1963 one thousand, away off in the hinterland of the Labrador, in a place which they must have regarded as the Land that God gave Cain, and which some of us who have seen it are inclined to agree is the Land that God gave Cain, the end of the earth, the beginning of the world, because you can't fly over it without being impressed by the utter dismal appearance of the land where it snows every month of the year. The Commission of Government of that day, gave that company that 20,000 square miles and as a result we have now developing there one of the greatest iron mines of the whole world. A project which is taking a quarter of a billion dollars to bring into production, a project that has aroused the interest of important people throughout the world, a project in which banks, insurance companies, bond houses, steel mills, metallurgical industries, public men, armies,

airforces, and navies and defence authorities and Governments in North America are evincing the most lively interest possible, a project which has been given enormous, simply enormous publicity in the last two years; by giving that company the sole right to prospect and explore and develop on that 20,000 square miles the Commission of Government did produce what will shortly be one of the great mining developments of the whole world. So, on second thought, we in this Government felt that if we had been in their shoes in 1938, we too without a doubt would have given them the same concessions.

Now, all the minerals in that area are almost useless, almost useless, without a railway and the railway will cost two hundred million dollars to put there. It is 375 miles long, two-thirds of the distance running through the Province of Quebec. When Timmins and his associates were given that grant, that concession, they had, I suppose, scattered exploration trying to take in all of the twenty thousand square miles or they could have concentrated their efforts and their expenditure of money upon proving up enough tonnage of iron ore to justify the building of a railway. Now, it was this latter they did. The iron ore is at the boundary, at both sides of the boundary, it is underneath the boundary, and they estimated that it would cost something between a hundred millions and two hundred million dollars to build a railway in there, as without a railway in there the minerals would be useless. To build a railway they thought then would cost as much as a couple of hundred million dollars and to get any one or any groups of persons to put up as much as two hundred million dollars to build a railway which

could not be of any value except for hauling ore, it was necessary to prove to the acceptance of anyone who might be asked to put up the money to build the railway, to prove the existence of enough iron ore of sufficient good quality to enable the owners of the railway to haul enough iron ore over a sufficiently long period to get back the cost of the railway, to amortize its cost. They sat down and figured it out that to amortize the stupendous cost of that railway it would be necessary to have ten million tons of iron ore hauled by the railway every year for 30 years, three hundred million tons of iron ore it would be necessary to have hauled over the railway in thirty years to make possible the amortization of the cost of the railway. And until they could prove that they had three hundred million tons of iron ore accessible there could be no hope of ever raising the money with which to build the railway. So that they concentrated almost to the exclusion of everything else on the proving of sufficient tonnage, of the three hundred million tons as a minimum. To do that they had to spend during these years something around seven million dollars. The first three or four million dollars they spent on their exploration, the geological surveys, their drilling might be money down the drain, as the spending of that three, four or five million dollars would not be enough to prove the three hundred million tons and in fact by the time they had spent three million dollars in their prospecting they had not proved anything like the necessary tonnage of iron ore, and so far as they knew they might have to spend another one, two, three, four, or five million dollars and still not prove the necessary tonnage. As it happened the spending of the seven

million dollars did prove in fact the necessary tonnage of three hundred million tons.

Now, the House is aware of the fabulous cost that company incurred when they first began to fly their equipment in there. They paid, I think three dollars a pound, or two dollars a pound, they paid to fly into Knob Lake in the heart of the Labrador, food, first men, then food, stoves to cook the food on, lumber to build their shacks, diamond drills to drill, bulldozers to build roads, trucks to run on those roads, everything was flown in, the trucks were cut down by acetylene torches and flown in in pieces and then welded together in there, bulldozers treated the same way, diamond drills cut in pieces and then welded together after they had them in Knob Lake. Diesel shovels, power equipment, all the food, all the clothes, all the fuel for aircraft, all the equipment to build the runways and all the personnel were flown in at first at a cost of two dollars a pound. Now it is one of the epics of this century, one of the industrial epics since the turn of the present century anywhere in the world. We ask ourselves as a Government, as this House must do, if Jules Timmins and his associates have done a good job in Labrador, have they? Can this House say, can Newfoundland say Jules Timmins and his company are an outfit that have energy, that have daring, that have knowhow, and that have money, and the will necessary to spend the money on prospecting? On their record the answer can only be yes to these questions. There is no room for any doubt that of all mining companies on this earth today there is none more energetic than this one, more daring and venturesome than this one, with more knowhow about

Labrador than this one, and more willingness and ability to spend money prospecting. Now we recognized, quite candidly, that the Government had here a chance to deal pretty harshly with this outfit, this company. We said, they got twenty thousand square miles, seventeen thousand square miles. By 1953 under the Act they are to be down to two thousand and in 1963 down to one thousand and that is final. Now, they want us to come into the House of Assembly and ask the House to eliminate the section of their Act which requires them as the second step to reduce their holdings to two thousand square miles by the end of 1953. Here we have a chance, seventeen thousand miles is too much, let us take it back, let us say, no, we won't amend the Act, let us hold them to it, let us hold them to it. Let us make them cut their holdings down by the end of 1953 to two thousand square miles. We considered that and said, so we get back eighteen thousand square miles, so we have it, so it is ours, so it belongs to the Crown, so what? Where are we then? What will we do with it? Where will we find a company anywhere in the world as willing and as able as they to go and prospect? What is the good of it to us except insofar as it is developed? Who is most likely to develop it? Who is more likely than this company, who is as likely as this company? So we decided as a Government to come to the House and say we think that on the record of their accomplishments, of their energy, their record as the people responsible for the most daring piece of pioneering of the present century, they are good people to have prospecting for the next ten years, prospecting and drilling on that twenty thousand square miles. Now, of course, we asked them to drop three

thousand and they agreed to do that, we asked them to drop one hundred square miles a year and they have agreed to do that, not very willingly but they have agreed to do it. That is the Legislation now before the House.

The House in deciding on this question must bear a few points in mind. I respectfully suggest to the House that members of this House and the general public of Newfoundland must bear several points in mind (1) That this great development in Labrador has caught the imagination of North America and indeed of Europe, (2) That the whole industrial and financial world which is really one in the world today is as one in its admiration of Jules Timmins and his associates in these various American steel companies who are making this great development possible and that any smallness on our part, any cheapness on Newfoundland's part, any cheapness or smallness on Newfoundland's part will rebound against us throughout the whole financial and industrial and mining world. That is the consensus of opinion amongst businessmen, bankers, financiers, industrialists, public men in North America that if ever there was a company with which a new Province ought to cooperate closely it is this company and this Province, and that any attempt on our part as a Province to deal cheaply or meanly or without imagination with this company could blacken us, would blacken our name, would blacken Newfoundland's name in the most powerful quarters of this continent.

Now, the Government took all these factors into consideration and we agreed to bring this present legislation before the House of Assembly. They say that by 1954, the year after

next, they will be shipping ore over the railway and with the railway built and the trains running very frequently over it they can send their parties of prospectors and drillers cheaply in over the railway with equipment, drills for these prospectors in over the railway cheaply and from the inner parts or other parts of the railway send them out men and material and equipment and food to the various parts of their concessions by air. Once the railway is built they can reduce very considerably the cost of prospecting and drilling. But if they have to do it now it means taking aircraft and men, flying persons away from the building of the railway, diverting them from that into the prospecting areas. They claim, and I think they have justice in this regard on their side, they claim that if they are obliged to reduce the present seventeen thousand square miles to two thousand by the end of next year they will be obliged to take men away from the railway job who are needed there to get it under production and transportation by 1954, or else they will have to do a very skimpy job of prospecting on the remainder of the concession and for that reason we have brought this legislation in here.

MR. CASHIN: Mr. Speaker, I listened, with the exception of a few moments when I was called out, to the Premier speaking on second reading of this Bill now before the House. We have discussed the Labrador mining Concession in this House on many occasions before we became a Province of Canada and since.

In 1938, or if I might be allowed to go back to 1935, this particular concession was held, if my memory serves me properly, by a Newfoundland gentleman who was unable to find the necessary money to conduct any proper

prospecting of the property with the result that he had to give up that concession in 1934. Thereafter in 1938 another company which called itself the Labrador Mining and Exploration Company headed by a gentleman called McKay took over and got these concessions from the Commission of Government and for two or three years this group of three individuals carried it on at that time and under that agreement. Also, if my memory serves me correctly, they agreed that when the mine once came into production they would pay the Treasury of Newfoundland the rate, I think, of 10c. per ton royalty or mining tax, call it what you like. However, I think in 1944 or thereabouts the Commission of Government amended that particular section of the Act and made it read so much percent of the operating profits. Now, also about that period, this same company under another name were granted a smaller concession in Quebec Labrador. I have not a copy of the agreement here but Quebec Labrador only gave them a thousand or twelve hundred square miles and they in turn had a much better return on the whole transaction than Newfoundland does.

Now, one thing the Premier did not point out this afternoon was this: which I am very anxious to know, when this mine actually comes into production, what section of Labrador or Quebec Labrador will the first ore be drawn from. It could be from the Quebec side of the boundary or the Newfoundland side of the boundary.

MR. SMALLWOOD: Both.

MR. CASHIN: The Premier tells me both. Very well, it is going to be very difficult indeed to arrive at the stage where the company is operating, unless the company is operating two

separate companies, how much royalty or bonus or how much money Newfoundland will actually get out of the concession here in that agreement of 1938 and later if the company was granted the right to develop that high water power in Labrador known as the Grand Falls. In the agreement it distinctly states that they would pay the Treasury of Newfoundland I think 15c. a h.p. royalty. Now, all those things are very, very nice but many of us do certainly object, and we have no stronger objectors than the Premier and his colleagues have been, that we have been giving away things in Newfoundland for the past 50 years and when these people came back to the Government recently demanding certain revisions in this Act I feel that the Government, in the interest of the Province of Newfoundland should have done better, I am not opposing this particular Bill but I am trying to point out what I feel the Government should have done in that matter, that is they should have made a further agreement that instead of that five percent on the net profits of that company that they should pay us at a flat rate of so much percent per ton produced and shipped in any one year. In other words a royalty of 10c. a ton when we would know what we are getting but under the present setup we don't know what we are going to get.

I have great admiration for the promoters of this great company. Mr. McKay actually gambled three or four hundred thousand dollars of his own personal fortune to bring it around, and Mr. Timmins came into the picture somewhere in 1941 and took over for Hollinger Mining Incorporated of Toronto and from there on money started to pour in, Hollinger himself spent up to a year ago somewhere in

the vicinity of eight million of his own money and has recently acquired considerable funds from the United States Steel Companies, insurance companies, and, as the Premier pointed out, spent upwards of fifty million dollars on the whole development and another one hundred and fifty million is to be spent before the mine comes into actual production. However, I want to take this section in hand and point out that in my opinion, and I speak for myself in this matter, the Government when this company came to it in March and on previous occasions also, because on several occasions since we came into Confederation with Canada this company made propositions and asked for amendments of the original agreement and the Government—

MR. SMALLWOOD: Not to us, this is the first.

MR. CASHIN: They had other agreements here last year and the year before certain amendments were made to this Act and I think I mentioned the same thing then as now, we should have put it up to them; "any further concessions you get we also want to have some concessions. We appreciate the work you have done in that territory, we know it was looked upon as a barren wilderness, we also know that in order to have this development we know it will necessitate the deepening of the canal water from the St. Lawrence River into upper Canada to the head of the Great Lakes into the steel plants of Illinois and Ohio. We know that all these go hand in hand and if the plans of the present Federal Government are brought into effect the deepening of the canal is assured, and I take it that even at the present time further discussions are going on between the Federal Government at Ot-

tawa and the U.S. Government with respect even yet to the American Government coming in on a paying proposition of deepening that waterway. At the present time ships of only fourteen feet draft can go up through and it will have to be deepened to forty feet to facilitate ships of thirty thousand tons of cargo going into these canals." All this should be taken into consideration but the main job is to see that the Province of Newfoundland gets a square deal, that we get something out of the whole proposition. I do not know whether or not the Government had in mind at any time when discussing future amendments to this Act to ascertain from the Hollinger Mines or the Labrador Mining and Exploration Company, whether or not they were prepared to amend their financial section of the agreement in return for our granting them further concessions. It must be remembered that the original agreement definitely stated 10c. a ton royalty and for some reason or another that particular clause of the agreement was amended and made to read five percent on profits, and we know that when a company's capital expenditure is hundreds of millions of dollars, which is roughly eight million dollars a year in interest, they have to produce each year and have to repay not only the principal but also to pay the interest as well and have a sinking fund to pay that off, we know that, but in the meantime we in the Province of Newfoundland are to get nothing in the form of money going into our Treasury.

MR. SMALLWOOD: It is estimated that five hundred thousand dollars a year will go into our Treasury.

MR. CASHIN: In sales tax.

MR. SMALLWOOD: No, under the agreement.

MR. CASHIN: Under the agreement of five percent. Well, Mr. Speaker, I am a great believer that a bird in the hand is worth two in the bush. In other words, they are going to make huge profits on the production of that iron ore. How much we do not know, but how much would five percent, how much total profit would they make in order to make five hundred thousand dollars a year, ten million dollars profit a year in order to pay Newfoundland five percent, or half a million dollars a year. Well, now, if they were producing ten million tons, which they are not or cannot . . .

MR. SMALLWOOD: They plan on thirty.

MR. CASHIN: I am putting it down at ten million tons a year and if they paid the Newfoundland Treasury ten cents a ton royalty that would mean a million dollars a year revenue. I don't know, I cannot foretell the future yet and want those famous Sennewald glasses to see through it so that we can visualize that we are to make five hundred thousand dollars a year through the operations of this mining company in Labrador. We don't know, someone tells us but we don't know, someone estimates it, I don't know who it is, it can't be in the Government but if these people are estimating we are to get five hundred thousand dollars a year because this five percent is applicable as our portion of the profit, surely then they ought to be prepared to insert a clause that would guarantee us five hundred thousand definitely when the operation goes into effect, then they would have something. Are they prepared to do that? After all the property belongs to the people of Newfoundland and I agree with every word the Premier said, when he said this company is

taking wonderful chances, risking its reputation and money, going into the open markets and borrowed hundreds of millions of dollars; they did not go in and borrow unless they had a fair certainty that it was going to be a successful operation, the bankers and insurance companies and steel companies would not have loaned them this money unless they were certain that the thing was going to be a success, and as I said at the outset I hope it will be a success. Because, Mr. Speaker, the iron mines at the head of Lake Superior are being depleted at the present time, we are threatened with war, and steel is essential not alone for war but for everything else and the high grade ore of these mines is being depleted and there is no high grade ore anywhere else in the North American Continent but in Quebec Labrador and Newfoundland Labrador on the Newfoundland side of the boundary. And that brings along another question, we have noted with grave concern, in recent copies of the Canadian Press the fact that Premier Duplessis, a great friend of the Premier, still maintains that Quebec owns Labrador, our portion of Labrador. We know that under the terms of union with Canada, the Federal Government has said that we own that portion but in every map published or printed by the Provincial Government of Quebec they don't draw any border line off on it, they have not attempted to do it and that is one of the reasons why I am very, very concerned over this whole situation. With respect to the operation of both these mines would they be on both sides of the boundary, and who is to get the best of the bargain? Are there two sets of accounts to be kept, one for the Labrador mines on one side and another set for the other? Because on the other side of the bound-

dary we have the Quebec side, and who is there to see that the operation is conducted on our side of the border and a certain amount shipped from our side and a certain amount from the other side? All these things have to be taken into consideration when working on the basis of percentage. On the other hand if working on so much royalty a ton like on Bell Island we would know where we stand, we would know whether they produced ten million tons a year on the Newfoundland side or on the other side, and if on the Newfoundland side then we would not get 10c. a ton royalty or five cents but some specific amount so that when we are making up a budget the Finance Minister knows exactly how much to budget for his revenue coming in from the operation of the Labrador Mining Company in Labrador. At the present time, if that mine went into operation tomorrow and the Finance Minister were preparing his budget he can only guess and make a long guess at that as to what revenue he is going to get from the operation of the Labrador mine in Newfoundland Labrador. On the other hand, he can go very close to it if he knows the specific amount per ton in royalties that the Government will receive in proportion to the tons shipped from the Newfoundland side of the Labrador. But now you cannot, you can only make a guess at it.

Now, these are a few remarks which I hope may be of interest and they are suggestions, we on this side of the House realize the importance of this huge development. I think when we prepared the economic report in the National Convention in 1947, mining operations in the Labrador were outlined in that report. It gave a revenue or prospectus of revenue which we should get from there as a million

dollars a year. That revenue is in royalties alone because we had in mind, those of us who sponsored Responsible Government, making a new agreement with this Labrador mining company. Such new agreements are made every day because the old agreement was amended two or three times since 1949. Here now is our opportunity. I suggest to the Government and to the mining company that it would be in order to guarantee us some annual revenue out of these operations.

Then there is another thing, a very important thing. Our Treasury has spent considerable money in making surveys of water power and this large water-power is supposed to be the largest in the world, the Grand Falls Water-power, which is controlled today by the Labrador Mining and Exploration Company, Limited, and if they are not going to use it and are going to use some other small water-power in that area—well, if they do not need this large water-power why retain it? Why not then when the company comes to look for quid pro quo, a very familiar statement here during the days of the National Convention, by ceding back that water-power they are not going to use, for which Newfoundland was only to get fifteen cents a hp, out of it. And if, as we are told, water-power is of such great necessity to development of industry, then we should have that water-power back. These are things which I think should be taken into consideration by the Government when discussing that matter with Mr. Timmins of the Labrador Mining and Exploration Company but in the correspondence read by the Premier, the interchange of correspondence, there is nothing whatever with respect to this particular matter. I draw the atten-

tion of the House now to the fact that we on this side of the House are behind every kind of industry or development of sound economic nature, we want to make that known publicly because at times we have been accused of trying to knock sound industrial development in Newfoundland when the reverse was quite true. This is a great development. The original people who sponsored this took their financial lives in their hands and were looked upon as crazy. Some dropped out in the beginning and said they were going to lose good money and throw good money after bad. Even the great Joe Seymour in Montreal dropped out though he still owns large stock in the Labrador Mining Company. He felt they were throwing good money after bad but he still has an interest because of his original investment. Today the development of the Labrador Mining Property in Labrador, is, yes I agree, the outstanding mining venture of the past half century. But it is our job, and I repeat it is our job to see that the financial interest of the Province of Newfoundland is taken care of and it is up to the Government in a matter of this nature to take some suggestions from us here on this side who after all have just as much interest in the development of the natural resources and future prosperity of our people as any member on the other side of the House.

MR. HOLLETT: Mr. Speaker, I will not continue to delay the House very long on this Bill, I admire both the Honourable Premier and the Honourable Leader of the Opposition. They are familiar with this particular territory on Labrador, I believe, at least the legislation that has been brought in on various occasions with reference to this twenty thousand

square miles. I should like to urge, at the risk of offending Mr. J. R. Timmins or even the Honourable the Premier, that we ought to be cautious in extending the agreement for a further ten years. If we look at the Act we will find that in the past the Government has not extended it for such a long period because this company has asked for an extension before on the original agreement made in 1938, it was then extended to 1946 and then to 1953 and now they want to extend it to 1963. We must realize, of course, the longer we extend that time the longer we tie up the area which may or may not have minerals therein. We hold it up from the mineral experts, the mining experts, the explorers, they cannot go in on that territory while it is under agreement to the Labrador Mining and Exploration Company. I would suggest, Mr. Speaker, that instead of extending that period of some years, why not take it easy, why not as members of the House of Assembly take it easy? Give them a year and extend it from year to year rather than extend it for the whole period of ten years. No man can tell the amount of wealth that exists in the Labrador, there must be an enormous amount of wealth down there. We know that from the huge amount that has been discovered by this company and they only touched iron ore yet. Apparently they have thoroughly explored some three thousand miles otherwise they would not have released that particular area from the terms of the agreement. They have sent in the proper sort of people to investigate and they have discovered that within that three thousand one hundred square miles they have found nothing of any value and therefore have released it. There still remains, as the Premier pointed out,

some seventeen thousand square miles, in that area there may be an enormous amount of ore. Remember, even though they have discovered huge deposits of iron ore down there, the area on which they discovered it is not of such great expanse and does not take in much of those twenty thousand square miles and there may be all sorts of minerals down there. I want to point out if we extend that agreement for a further ten years we are tying up for ten years a huge extent of the Labrador Territory in which there may or may not be minerals, tying them up so that other investigators are not allowed to go in and explore or investigate for the various minerals and probably some of them may be precious ores.

Now, I have heard the Honourable the Premier deplore, and I have done it myself, and I have heard the Leader of the Opposition do so, loudly, the concessions granted by past Governments and when I listened to the Honourable the Premier this evening giving his reasons as to why the Government decided to extend this agreement for a period of ten years, I could see very well how easy it was for past Governments to give or grant concessions. I will say, therefore, we ought to learn from the past and say to this company, "Look here, your time is up next year, we are prepared to extend the period for another year and in that year we can find out exactly what the position is and if the position justifies it we can then extend it for another year."

MR. SMALLWOOD: They can only prospect for four months of it, we are only extending it for four months when we extend it for a year.

MR. HOLLETT: Extend it again next year and then again.

MR. SMALLWOOD: What is ten years on seventeen thousand square miles? It is forty months.

MR. HOLLETT: Even so it does not cost the House any great effort to pass an Act every year from year to year or every two or three, not ten, I think it is dangerous. As I pointed out it keeps other people from going in, I know that one hundred miles are coming out each year. What you are doing, I take it, Mr. Speaker, is extending this Act so that they will only have to do one hundred miles each year for the next ten years. Whether the House thinks that is wise or not, I am not so sure it is. I am not against the principle of the Bill. I have heard the admiration of the Premier and the Honourable Leader of the Opposition and the whole of Newfoundland for the work this company has done but I am not foolish enough to think any of these great financiers are doing it for any particular love they have for us down here or Newfoundland in general. They are in it for the money they can make out of it. In my opinion they did us out of considerable revenue when they changed the clause from 10c. per ton to five percent net profit. I would like to suggest, Mr. Speaker, we will not live long enough, there will be no net profit as far as iron ore is concerned. Remember they have been put to huge expense and have to get the money back. I will say the steel companies will make some profit, yes, but we are not fortunate enough to participate in these profits but get only five percent of the net profits of the Newfoundland, or Labrador Iron Ore Company on the Labrador, on the raw material there and I don't think we are going to get very much out of this. Therefore we should extend it from year to

year. It is just possible there will be some other Government, perhaps the P.C.'s will be in power in five years hence and in October when the Honourable Leader of the Opposition becomes Premier he might be able to make a better deal with regard to the returns to this country. After all we are going to need revenue, Mr. Speaker. As I am saying, I am not against the principle in general but am against that particular time limit.

There is one other thing I have not had time to look up and in this connection I wonder if the Premier will advise me. In Clause 8: The words "ten years" are deleted and substituted "forty years." Therefore I wonder what that refers to?

MR. SMALLWOOD: That explanation will be made. It has nothing to do with the principle of the Bill.

MR. FOGWILL: Mr. Speaker, I don't intend to belabour this subject at all but, if I may be permitted for a moment, perhaps to turn aside from the principle outlined in this Bill to some one or two words on the operations in Labrador. I believe in the original agreement there is a clause stipulating that those employed in the Labrador development would be in all cases Newfoundland people with the exception of technical help and so on. Now, I do know, Sir, that there was quite a rush last year for people here in the Island expecting employment on the Labrador. I was instrumental myself in aiding several people to get down there to be employed on this project, and some of them have returned, one or two returned because of illness and others returned for other reasons. While I have no knowledge that conditions down there were so bad that people had to return

to Newfoundland or to the Island because of that but nevertheless, Mr. Speaker, the conditions down there, I think, could be improved particularly on the building of the railway where union men had been employed down there last season and returned. They have no objections or criticisms regarding the food or working conditions which were rather hard in some cases, but objections were made to the shelter some of these men had. I believe they had to live in tents. So I mention this to the Government, since I understand there is a member of this House who has a position with the company more or less looking out for people going down there to work and I believe he is doing a good job, I think so too. If the Government had more assurance for the people of Newfoundland who go to the Labrador to work, that these people going there would be more satisfied than they are then perhaps, Mr. Speaker, it would be well if the Department of Labour would interest itself in the conditions of work, food and shelter and wages.

I agree with my colleagues here on my right in their remarks in respect to the royalty instead of the five per cent on the net income. I believe in the long run even if we had it down to five cents a ton on the prospectus or output of the mine of thirty million tons a year as shown we would be better off. It would bring us much more revenue than the five per cent. At five cents a ton I agree the net profits are to be very small for a long time. I would suggest to the Government that the Department of Labour would interest themselves in conditions of work down there in the Labrador Mining Development and see to it that people working there would have decent wages, decent food and decent shelter. Thank you.

MR. SMALLWOOD: Mr. Speaker, there are just a couple of points to which I think I ought to reply before the debate closed.

In the first place with regard to the amount of taxation which the Legislature enacted some years ago imposing it on the company. It was on the basis of this legislation that the company made all of its financial arrangements. It was on the basis of that taxation set forth in the Act that they borrowed scores of millions of dollars from bond houses and insurance companies in the United States and Canada, and it was on the basis of that taxation that they secured the active and financial interest of these six American steel companies. For this House to change that now would be in effect a criminal attack upon the good name of Newfoundland the repercussions of which would be felt throughout North America for many years to come with very adverse effects for Newfoundland. It would be nothing short of a criminal thing for this House to do against the interest of Newfoundland in view of the fact that it was upon the basis of the legislation passed in Newfoundland with regard to their taxation that they were able to make all of their financial arrangements towards building of the railway and the operation of the mine. If the banks and the bond houses and the insurance institutions and the steel companies were all to agree with the Labrador Mining and Exploration Company and with this legislation that the basis of taxation should be changed, then it would be a safe and sound thing for this Legislature to change that basis within that agreement but if we were to change it now Newfoundland's good name in North America would be destroyed.

Now one other point: This basis of taxation is the same exactly as in Quebec, exactly the same, the rate however is somewhat different in the Province of Quebec. In this Province it is a straight five percent of net profits as defined in the Act, in the Province of Quebec three percent of the net profits on the profits up to a certain figure but from that figure to another figure it is four and above that to another figure of five percent and above that it is six percent. I speak from memory and it may possibly be to seven percent. I am not too sure whether the maximum is six or seven percent. Their rate is different from our rate, ours being a fixed rate of five percent on whatever profits as defined which they may make.

Now, is that not likely to encourage the company to mine all they can mine in this Province as against the Province of Quebec? If the rate in Newfoundland is five percent flat fixed on the tonnage that will in fact be produced, is the company not more likely to mine in the Province where the rate of taxation is somewhat lower? I believe it will be so and it is extremely likely to be what they will do.

Now, the Honourable member for Trinity South told me a moment ago, while listening quietly to the honourable gentleman from St. John's East that the only men who live in tents in that whole job are surveyors. Surveyors, no one else. That is rather important. Surveyors, Sir, mostly have always lived in tents as the House knows and these are the only men on that whole job, so the honourable member tells me, who live in tents.

MR. FOGWILL: I have been told differently.

MR. SMALLWOOD: Well, the honourable member for Trinity South has been up and down from one end to another of that job and perhaps the men who built the wooden shelters for the workers for a time had to live in tents until they got the wooden shelters built. I dare say that happened, but that is only for as long as it takes to build up the more or less semi-permanent shelters.

MR. FOGWILL: It would not take four months to build a shack to live in, would it?

MR. SMALLWOOD: No. The honourable gentleman has left the House to make sure he is absent when the vote is taken, which is quite proper as he happens to be an employee, not a director but an employee, of the company. For that reason he has left the House. I believe he would vote for it if he were present but he left so that he would not vote for it at all, so that his position would not be in the least misunderstood.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of a Bill, 'An Act to Amend the Old Age Assistance Act, 1951.'

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I rise to move the second reading of this Bill which is made up of somewhat minor amendments to the original Act of 1951. In the main these amendments which are two in number provide for smoothening out of the administration of the Old Age Assistance Act: Clause (2) provides that assistance may be paid under the

Act. The clause in question provides only, at the present time, for an agreement to be made. But in order to insure that the Act will provide assistance more accurately it may be paid under the Act as a Federal Requirement. Any assistance in this regard we have kept uniform with other Provinces across the Dominion in stating precisely within the Act or in this amendment that additions may be made in accordance with the agreement.

Clause (3) is designed to make it abundantly clear that there will be no alienation of any allowance whatsoever. The agreement provides for that and this amendment here provides that it keep in utter uniformity with the agreement in making it, I say, above all doubt, clear that there is no intention within the Act to alienate the personal assistance.

Clause (4) makes it possible for this legislation to come into effect at the same time as the original Bill will come into effect, or when the assistance comes into effect. That is the first day of April, 1952, which is the date of the agreement. I move second reading, Sir.

Bill now read a second time ordered referred to Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the Blind Persons' Allowance Act, 1951:"

DR. POTTLE: Mr. Speaker, I move the second reading of this Bill. This Bill is designed to make certain amendment or administrative changes or improvements in the original Act being the "Blind Persons' Allowance Act, 1951."

There are in all three amendments. One is designed to make it abund-

antly clear that the payments mentioned as paid by Canada to Newfoundland and the subject of the amendment is the insertion of the words "By Canada." The second part of Clause (2) makes it clear that it also may be paid in accordance with the agreement. That is to say we are asked to insure that the Act does provide, does authorize the payment of allowances. The present Act merely provides for an agreement.

Clause (3) is designed to insure that the purport of the Act shall conform with the content, the text and the spirit of the agreement namely, that there shall be no alienation of the Blind Persons' Allowance. The agreement makes that clear and we seek in the Act to make it likewise clear that a Blind Person's Allowance shall not be alienated.

Clause (5) provides that this Bill shall come into effect on the first day of January, 1952, to conform with the date on which the agreement itself came into effect. The amendments altogether, Sir, are an example of abundance of caution in these respects and are designed to smoothen the administration of the Act, being the "Blind Persons' Allowance Act, 1952." I move second reading, Sir.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Incorporate the Botwood Water Corporation."

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, in moving the second reading of this Bill I feel that some slight explanation is due the House as to the reasons for it.

I shall review briefly, as briefly as I can, the circumstances leading up to the presentation of this particular Bill. The Act is designed to provide a means whereby a sufficient supply of pure water may be made available to the citizens of that town, a town which extends some four or five miles along the shores of the Bay of Exploits. The town of Botwood in some small measure has been inhabited for close on 70 years or more and in the last twenty-five years the AND Company set up in a concentrated area near what might be considered the centre of the town certain buildings for their own operations. That company provided a small well which had a pumping system sufficient for their necessities and at the same time provided a supply of fresh water to the shipping entering the harbour. The town of Botwood continued to grow, and it was obvious that many demands would be made to connect the water supply, the result being that the company's system became entirely overcrowded and they were unable to cater to it. The time came around in 1938 when the construction of sea planes based at Botwood began and brought an influx of construction men and mechanics and others to deal with servicing of the Trans-Atlantic flying boats and others which were to come there. The demands were such the company endeavoured to extend their facilities as far as it would allow to help take care of these necessities. However, the Newfoundland Government or a branch of the Newfoundland Government known as the Newfoundland Airport at that time sent officials to Botwood; it might not be out of place to say that I happened to be the engineer in charge of the work there to construct living quarters for the personnel and any passengers who were being flown back and forth be-

tween North America and the British Isles about that time in connection with the war. We provided our own water supply or made an attempt to do it and did supply it for a while but unfortunately the terrain of Botwood does not permit, or does not contain a pure supply of water. I take it that honourable members of the House, Mr. Speaker, might very readily say that that same thing applies to a great many other communities throughout Newfoundland. Of course I am well aware of that. But we tried and we found that there was very considerable contamination, but then chlorination took place and we managed to get by through the aid of the Health Department in analyzing the supply of water produced and we got by until the need became still greater, as around 1937 the building and extension of the famous sea plane base at Botwood handled more planes. At that time the RAF came in there and they put up quite a number of extensive buildings, including hangars, living quarters and various other necessary buildings for the purpose of war services in the community at that time. It then became necessary for them to produce or to put in a supply line for a water supply. This entailed an expenditure of perhaps one hundred and fifty thousand dollars. The actual figures are not available to us but the Dominion Government or through them the contractors for the RAF at Botwood built a pipe-line from what is known as Peter's Pond, some five miles or more distance from the town of Botwood. Prior to then the only sure supply of water for that town was two rivers which entered the sea one at either end of the town, one at Peter's Arm and the other at Northern Arm, some five miles distant. These of course, while they are accessible or

run freely and people could see the water but even these sources on times were likely to be polluted. As a result the RAF put in a very fine pipe-line to drain from Peter's Pond and in doing so gave a very good water supply. They then joined up with this particular system and tied in the whole thing so that it became available only for the needs of those who were connected with it. But the demand still began to grow and at the end of the war as is customary the RAF just pulled out as any military organization would do and left the service up in the air. The pumping station was left unattended and of course the AND Company or somebody had to step in and this they did under agreement with the Commission of Government, who in turn bought from the War Assets Corporation the pipe line and water supply. Consequently the Newfoundland Government at the present time owns that pipe line and pumping station. But for some six years or more now the AND Company operated the line and the system has extended its facilities to householders but they cannot extend it sufficiently to give the necessary supply of water to all who demand it. Consequently the people of Botwood came into the picture and they approached the Government; they are not an incorporated town, but they have a water company and that company is to be incorporated to take over and operate this system by mutual agreement between the Newfoundland Government, my Department acting on behalf of the Government, and the AND Company and the company has agreed to pass over all their facilities to the Botwood Water Corporation almost entirely unencumbered. They have spent possibly \$30,000 in the last five years. One year it cost over \$12,000 maintenance

but the company are waiving entirely any expenditure and are prepared to pass it over practically unencumbered with the exception of one small account of three or four thousand dollars. We have sent a man from our Department to assist them in the organization of their company, hence this Bill.

The Bill, Mr. Speaker, I do not think is a very contentious one. It has been distributed now since the 16th which is six or seven days ago and as far as I can see does not require very much in the way of explanation except the circumstances leading up to it.

Clause (1) merely cites the Botwood Water Corporation and what follows is merely to designate the AND Company, and the Water Corporation, and the Town meaning the Town of Botwood. What follows are more or less recommendations to the Government re the operation of the corporation. I feel it is unnecessary to go into those in detail. I would refer to Clause (3) which merely points out the boundaries of the town extending from Peter's Arm to Northern Arm. Clause (4) gives the construction by the corporation. Clause (5) is merely that members will be appointed rather than elected in as much as it is not a municipality. Clause (6)—vacant seats, it merely states that if they have a vacant seat on the corporation it will be filled by appointment by the Lieutenant-Governor in Council.

The appointment of servants; that particular clause gives the corporation power to appoint any servants they may require such as pump men or other help to operate the service properly. They may have to have a secretary probably and other officials. Clause 16 states the objects of the

corporation and I believe I mentioned these in the beginning of my remarks, which is really to acquire, distribute water from any source or sources for the use of the inhabitants of the town. All the other regulations, as I see it, Mr. Speaker, are very clearly portrayed in the few paragraphs that follow and they merely give the necessary power to operate their corporation in an efficient manner and in the event of their failure provisions are made to take care of the system.

I have much pleasure in moving the second reading of this Bill, Mr. Speaker, and present it to the House with the sincere hope that it may provide the much needed water supply for the Town of Botwood which it has been in need of for many years.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of a Bill, "An Act Further to Amend the Public Records Act, 1951 :"

MR. SMALLWOOD : Mr. Speaker, last year we passed an Act here setting up a commission to concern itself with the collection and preservation of public records. The commission consists of Messrs. N. C. Carew, J. G. Higgins, H. S. Furlong, L. E. F. English and a number of other individuals who for many years have been deeply concerned with the historic documents of Newfoundland. The present amendment is merely to appoint a chairman. There is another section which says that the revenue of the board shall consist of voluntary subscription, donations received for it from the public and such moneys as may perhaps be voted by the Legislature. Then it provides that minutes of the meetings shall be kept. I don't think it can be regarded as

very contentious. This Board may not shatter the world but within the family of Newfoundland it is important, it is important that an active effort be made to gather together and preserve carefully documents, especially original documents bearing on the history of our people, of our former country and present Province, especially our former country because it deals with its actual history.

MR. HOLLETT : Mr. Speaker, naturally we all support the Bill, I merely rise to request from the Honourable Premier some information, if he can give it, what progress has been made since the Act was passed last year, if anything has been done within the past year to gather together some of the records which did exist, if the Committee set up has anything to date?

MR. SMALLWOOD : I think the committee or board have met from time to time to canvass the position. Remember they have had no funds. Now, I believe, in the estimates for the coming year, this present year, there is a small vote in the forthcoming estimates which ought to be here before the end of the week or early next week, providing a small amount of money for them and that will really start them off but they have canvassed and started meeting and have discussed the matter. This is not going to set the Province afire and they can only spend what they have.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading a Bill, "An Act to Amend the Parsons Pond Oil Lands Vesting Act, 1951 :"

MR. CURTIS : Mr. Speaker, this

is a very simple amendment to an Act which we passed last year, which was "An Act to vest in the Newfoundland Labrador Corporation the Parsons Pond Oil Fields."

Honourable members will remember when it was enacted last year we were unable to find out who owned those oil fields. From information we had the company in whom they were vested had been dissolved, gone out of business and nobody knew who owned them and the only person we found who might be interested said he was not, so we passed an Act vesting them in the corporation but through an inadvertence one of the areas was omitted and the object of the amendment is to include it in the Act. I move this Bill be now read a second time.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading a Bill, "An Act Respecting an Election in the Labrador in the Present Year."

MR. CURTIS: Mr. Speaker, I beg to move the second reading of this Bill. Honourable members will remember that after nomination day last fall, the 16th of November, the returning officer reported that it would be impossible for him to have an election in Labrador on the 26th day of November as required by the proclamation. There had been a nomination day on the 16th of November and certain candidates were nominated but by proclamation the date of the election was postponed and it was desirable, in the opinion of my Department that there should be no election and the position now should be clarified. The object of this Act therefore is to require that there shall be an election in Labrador

within the present year, that is, the old writ will be cancelled and a new writ will be issued and polling day be fixed by proclamation of the Lieutenant-Governor in Council to replace the proclamation issued last fall and the place of the nomination of candidates will be at Goose Airport and the final results of the poll shall be at Goose Airport and the candidates nominated on the 16th day of November, 1951, shall be deemed not to have been nominated. In other words there must be a new nomination. The object of the Act is to make clear there shall be no legal technicalities after the election and it is much better to make sure before than to battle it out in the courts afterwards.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

First readings:

"An Act Respecting unclaimed Articles of Clothing and Household Goods."

"An Act to Amend the Social Security Assessment Act, 1949."

MR. CURTIS: Mr. Speaker, I have to leave town tomorrow and as I am sponsoring this Bill, I wonder if the House would give consent to have it read a second time now so that I may explain it. It is ready for distribution now, I think.

Second reading of Bill, "An Act Respecting Unclaimed Articles of Clothing and Household Goods."

MR. CURTIS: This is a Bill, Mr. Speaker, to clarify the law with respect to items of furniture and household goods which have gone to the cleaners. (That does not include the kind of cleaners we go to here). It deals with

laundry and dry goods cleaners and storage people who store furniture in the summer and things like that. The whole object of the Bill, which is an exact copy of the Bill which is in existence in other Provinces, is to provide that after a certain length of time, which is two years, the goods may be sold under certain circumstances or given away to charity. If they are sold it provides for disposal of the proceeds. I don't think there can be any question as to the principle of the Bill, and I would therefore request the second reading.

MR. HIGGINS: This covers cleaners and laundry, Sir?

MR. CURTIS: Yes.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move the further orders of the day stand deferred and that the House at its rising do adjourn until tomorrow at 3:00 of the clock.

In doing so, Mr. Speaker, I learned here this afternoon that Wednesday, St. George's Day, is a whole holiday. I think it would be proper if we adjourned for that day. We do it for the other national holidays, St. Patrick's Day, Burns Day and we might as well be impartial about it.

MR. HIGGINS: And Regatta day?

MR. SMALLWOOD: Yes.

House adjourned until tomorrow, April 22, at 3.00 of the clock.

TUESDAY, April 22, 1952.

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

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, in view of the steadily improving economic conditions in the country, the Government has decided that able-bodied assistance will be discontinued as of June 15. It is expected that persons who might be affected will use every effort to secure employment and that there will be no unnecessary distress as a result of this arrangement.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

None.

Answers to Questions

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I have referred the question to the Minister of Municipal Affairs because when the Buy Newfoundland Campaign was concluded the Department of Finance asked the Department of Supply to repossess all the equipment which was used in the Campaign.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I have a reply here to a question from Mr. Baxter, the Chairman of the three loan boards and he says in a covering letter:

"You will please find enclosed the statement of the loans made or approved by the different loan boards submitted in accordance with a telephone request. Included in the amounts which were approved are a few apparently which for different reasons have not been finalized and

you will agree it may not be ethical to disclose until we know definitely in each case that the loan has been finalized."

Loans made or approved March 31, 1952:

E. Chapter	\$ 1,000	
Laurentius	12,000	
J. H. Mitchell	1,000	
Boone	2,000	
Guardian Associates	50,000	\$66,000
<hr/>		
<i>Bank Guarantee</i>		
Bayhead Lumber Co. 10,000		77,000
<i>Approved but not Finalized</i>		
Loans	7,500	84,500
<hr/>		

Orders of the Day

Committee of the Whole:

(1) "An Act Respecting Unclaimed Articles of Clothing and Household Goods."

(2) "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries Limited."

(3) "An Act Respecting Provincial Parks."

(4) "An Act to Amend the Regulations of Mines Act, 1951."

(1) Read by clerk—

Clauses 1 through 4, Clause 5:

5.—(1) Upon the expiration of the thirty-day period mentioned in sub-section (1) of Section 3, the person with whom the article is deposited may dispose of it

(a) by giving it to a charitable organization or by giving it to any organization in order that it may be used for charitable purposes; or

(b) by selling it, by auction or private sale.

(2) Upon a sale under paragraph (b) of sub-section (1) the person with whom the article is deposited

(a) may out of the proceeds of the sale pay to himself the agreed or reasonable charges owing to him, together with the cost and expenses, including the cost of advertising, of the sale; and

(b) shall, within thirty days after the sale, pay the amount of the proceeds remaining, if any, after payment to himself under paragraph (a) to the owner of the article sold or to the Minister of Finance.

(3) The Minister of Finance shall, upon an order being made by a judge of the Supreme Court, pay the amount received by him under paragraph (b) of sub-section (2) to the person named in the order.

(4) Every person who disposes of articles under this section shall maintain a record of the articles disposed of and the persons or organizations to whom they are disposed.

MR. HOLLETT: Mr. Chairman, with reference to section five, do I understand this section gives a Chairman for instance, or a place where you get stuff dry cleaned, authority after thirty days to give away the article so left with him to be cleaned, or sell or dispose of by auction or private sale? If so, what happens to the proceeds? Does that come in there? That gives authority to sell it without any further ado. To me it seems there could be some difficulty on that. I leave a coat at the dry cleaners and go back in 31 days—

MR. SMALLWOOD: No, that is not what is in the Bill, I think it is

two years. Thirty days after expiration of that period.

MR. HOLLETT: In that case I agree they should have sold it long before.

Clauses 6 through 8 read and carried.

Committee passed the Bill without amendments.

"An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries, Limited:"

MR. CHAIRMAN: This Bill was read and approved as far as clause (5).

MR. FOGWILL: On clause (5), Mr. Chairman, I did ask the Honourable Minister a couple of days ago whether or not the amount set out here allocated to the building of the premises for the hardboard plant if they built it and brought it into the Country in a prefabricated state, whether or not it would be paid in dollars. I understand the answer was yes?

MR. SMALLWOOD: My impression is that the payment for the building would be permitted to be made in dollars out of the Province, if they could save a minimum of \$70,000 on the cost of the building. I think there is a reference further back as to what they are permitted; in Clause (4) (b) the sum of \$60,000 is to be paid as license or patent fee immediately upon arrival in St. John's of all the machinery except as provided for in clause (5). This in the only sum to be transferred abroad from the total Government loan, but in clause (5) should the company be able to reduce the cost of the building at least \$70,000, the Government

will lend or cause to be lent to the company the necessary sum payable for the prefabricated building making this part of the loan available to the company immediately upon the arrival of the prefabricated building in St. John's. It is certainly my impression that if the company finds it can save a minimum of \$70,000 by prefabricating the building abroad and bringing it here we would give them the money, permit the export of that much money out of the Province from the Government loan. But the total Government loan would be reduced in that case by \$70,000.

MR. FOGWILL: May I ask the Honourable Minister what would be the estimated amount of money which would go to Europe in respect to the prefabricated building in case the building was imported in that state?

MR. SMALLWOOD: One hundred thousand dollars would go out of the Province.

MR. FOGWILL: Now, I would like to ask further, what would be the duty rate on the prefabricated building coming in to the Island. Are you taking that into consideration?

MR. SMALLWOOD: That has been taken into account, what the rate is I don't recall.

MR. FOGWILL: There are various rates under the Customs Act of Canada, and my understanding is that the rate for prefabricated buildings of metal and wood is 20%. So I very much doubt, Mr. Speaker, whether or not, if the building was built in Europe and then brought to Newfoundland and then constructed here by local labour any saving could be arrived at. I really object to the principle here, because if the building was prefabricated in Europe and

then crated and freighted to Newfoundland and trucked to the site of the factory the savings envisaged here in this section would be nil or if there were some small savings it would not help in any way and our local labour would be deprived of that amount of work. I would like to have some more information on this section of the prefabricated building, Mr. Chairman, and I think in the committee here, it is proper to direct the questions to the Minister and ask him to give some more detailed information on this section.

MR. SMALLWOOD: Mr. Chairman, the honourable gentleman has no more doubt than I have about the probability of saving \$70,000.

MR. FOGWILL: It may cost more.

MR. SMALLWOOD: But the whole point is: if they don't save \$70,000 it does not arise and there is nothing to worry about but only in the case of saving a minimum of \$70,000 has that clause any effect.

MR. FOGWILL: The question arises if they do as contemplated, bring in the building in a prefabricated state and it costs more, the fact that they are building it in Europe means our local labour are losing that amount of wages.

MR. SMALLWOOD: But if they bring it in and it costs more, this does not arise, the loan is fixed at a maximum in the agreement. If the building is prefabricated in Europe and brought here and costs more than \$170,000 there is no skin off our teeth.

MR. FOGWILL: Who will lose?

MR. SMALLWOOD: The company will lose, local labour also. The company will have gotten a building costing more than it need have done be-

cause they want to get one costing less. This clause is in the agreement. It does not arise at all unless after they buy the building in Europe and pay the cost of transportation, the ocean freight, the ocean insurance, loading, the Canadian duty, transportation to the site and the construction of the building. They say they will still save \$70,000 and unless all that happens this clause has no effect. If it has, it is because they have saved \$70,000. Now, that is worth saving and it reduces the Government loan by that. That is why we agreed to it. I frankly do not believe they can accomplish that. I will believe it when I see it.

MR. FOGWILL: If the Honourable Minister does not believe it, if they cannot accomplish the figures outlined in Clause (5) they should not allow it because the loss will be incurred by local labour if the building is brought in to the site to be bolted together, the work entailed therein would be much less, whereas if local labour were employed to build the factory, local tradesmen here would get a considerable amount of work. But in this case, and as agreed by the Premier himself, he does not believe they can make the saving so that the only loss will be made by the working people, carpenters and plumbers employed on that building. That is the point. The duty rate also on it would be, I think, ten percent for both metal and wood, I believe. I don't think there is any sales tax involved. This is the point I want to make, that our local labour will lose, the Government won't lose, the only ones who actually lose would be the wage earners in so far as local labour is concerned.

MR. SMALLWOOD: The fact that the honourable gentleman and I

agree in doubting that will happen is not sufficient, I say, to suggest to the company, you shall not have the chance to save that \$70,000. I am personally very doubtful that they can in fact do all that and when the building is finished have saved \$70,000 compared with what they would have spent if they got a local contractor. I personally doubt it and doubted it when we negotiated but was I to allow my personal doubts or any member of the House to allow his personal doubts to cause him to prevent that company from trying to save \$70,000 on their own outlay? They have to pay it back and it saves the Government \$70,000 in the amount of the loan to the company. They have to be allowed to try and if they don't do it the whole clause just collapses. It is not compulsory, they are not obliged to prefabricate the building and bring it here, they are merely allowed to do it if it saves a minimum of \$70,000.

MR. HOLLETT: Mr. Chairman, I must agree with my colleague, the honourable member for St. John's East.

MR. SMALLWOOD: That is surprising.

MR. HOLLETT: I don't know whether it should be surprising, but surprising or not, I agree with him. I agree also, and I am not so sure he agrees with me that this clause here is just a clause put in to hoodwink, nothing more nor less, to hoodwink. Everybody knows by looking at the clause that it is definitely the intention of the company to build these buildings, prefabricate them in Europe. That is as plain as the nose on anybody's face. That is nonsense, about if they can save \$70,000 and the Government will pay them, that is all

nonsense. It is really indicated. The agreement is they are going to prefabricate it there and import it at the expense of the Newfoundland labourer and lumbermen, and why they should contemplate allowing this company to do that I don't know. I don't think the Government should be asking the House of Assembly to pass a Bill of that nature whereby this Government will loan a bunch of men in Europe five hundred thousand dollars and then allow them to build the building of wood in Europe, import it into Newfoundland and have it put up here. We have plenty of wood here, plenty of carpenters and I think it is tragic that the Government should contemplate doing a thing like that. Then if you look at the section: "Should the company be able to reduce the cost of the building by at least \$70,000." Who here is going to be able to tell exactly what these prefabricated buildings are going to cost in Europe, I say there is nobody in this country—

MR. SMALLWOOD: Not in Europe but what they cost landed here and assembled.

MR. HOLLETT: They can put what cost they like on them over there. How are you going to know what it cost to prefabricate them in Europe?

MR. SMALLWOOD: The cost is fixed here at \$170,000.

MR. HOLLETT: The cost is not fixed at all. That does not mean fixed. Who calculated it?

MR. SMALLWOOD: The tenders or contractors.

MR. HOLLETT: I maintain New Technique and can anybody deny that, and I maintain New Technique

had a lot to do with a lot of these industries, and I maintain will make quite a profit out of these and therein I say there is a nigger in the woodpile. I think the Government would be well advised, Mr. Chairman, to get around that clause one way or another. We are not against the principle of this Bill in general. We have already stated that we do think that if this company can do the things which they say they will, and we saw the other day beautiful samples of pressboard and there maybe something in that, yet I think if they are going to do it they can do it without our trying to save a few paltry dollars at the expense of the Newfoundland lumbermen. It is nothing but a pure and simple ruse to try and hoodwink the people who might eventually look at this Bill. The idea of a clause stating "The cost of the necessary buildings have been calculated at \$170,000. The Company contemplates importing into Newfoundland prefabricated buildings if substantial savings can be effected in this way. Should the Company be able to reduce the cost of the buildings by at least seventy thousand dollars the Government will lend or cause to be lent to the Company the necessary sums payable for the prefabricated buildings, making this part of the loan available to the Company immediately upon the arrival of the prefabricated buildings in St. John's."

In other words the Government will pay for this. What happens of course is they will establish a credit in Europe, build the prefabricated building and ship it over and the Government pay Newfoundland dollars and they will immediately ship the Newfoundland dollars back to Germany.

MR. SMALLWOOD: Switzerland,

MR. HOLLETT: I presume it is Switzerland. How are we to know it is Switzerland or not?

MR. SMALLWOOD: We are telling you so.

MR. HOLLETT: I put it to the Government it would be much wiser and I see no reason why we should allow this company, or any other company for that matter, to build wooden structures in Europe or anywhere else in the world and have them imported into Newfoundland and have them erected. I do hope they will be able to get the co-operation of the various labour organizations in this country to get these things landed here and erected. I know if I were a labour man I would be very much against erecting wooden buildings put together in Europe or Switzerland or any other place.

MR. SMALLWOOD: It has already been done dozens of times, prefabricated and shipped in by the Government of Canada.

MR. FOGWILL: Yes, from Canada, we did not pay customs duty on them of 20%.

MR. SMALLWOOD: What has that got to do with it, with the labour?

MR. CHAIRMAN: Order, the honourable member for St. John's West has the floor.

MR. HOLLETT: Thank you, Mr. Chairman. I can't say I am horrified because of course past Governments could do an awful lot before horrifying me but I am astonished to think so of our Government who profess and, I believe, are inclined to help out the working man in every possible way, and I pat them on the back for it, we are all anxious to do that. But I am astonished to think that they

would allow a clause like that to creep into this agreement. I do not know who formulated the section of the Bill but I am astonished that the Government would allow that to go in there. I suggest very strongly to the Government that they would endeavour to amend that in some way whereby these buildings can be built here in Newfoundland by our own local people and not put together by this Swiss or German or by the Latvians or whatnot in Europe and then shipped over here to be put up by our Newfoundland labour. I don't believe it is going to work, Mr. Chairman; it is not going to work. I put it to you, and I strongly urge the Government to make some amendment to this particular section.

MR. P. J. CASHIN (Leader of the Opposition): Mr. Chairman, I agree with my colleagues in connection with that amount of money being shipped out of the country for prefabricated buildings. It means in all there is to be \$130,000 of this money shipped to Germany.

MR. SMALLWOOD: It is not going to Germany.

MR. CASHIN: Where is it going?

MR. SMALLWOOD: It goes to Switzerland where the factory would be made and the license fee goes to Lichtenstein and that is not Germany, I am sure the people over there don't think so.

MR. HOLLETT: Where is the wood coming from?

MR. SMALLWOOD: I don't know.

MR. FOGWILL: The Black Forest.

MR. CASHIN: Sub-section (b) it goes out to pay for the patent fee and now another \$70,000 in section (5)

goes out for the purpose of paying for a prefabricated building, that is \$130,000 of five hundred thousand dollars would go out of Newfoundland. Now, when we were guaranteeing loans to these various companies our idea had been that these people brought out equipment and machinery valued at so much and receive dollar for dollar here in Newfoundland to enable them to build their buildings and to provide working capital. Now, we discover that these people in Europe evidently have not the necessary money to pay for their prefabricated buildings nor pay for the patent and now want Canadian dollars and so they come to the Government and say, we feel that these prefabricated buildings will save us some money and so we want to be allowed a particular amount of money, which they tell us will save \$70,000 which we don't know or never will know. Then the patent fees have to be paid for this company who has not a dollar to its name as far as dollars are concerned and they come to us to provide the money to buy the patent over in Europe, in all \$130,000 of this amount would be going out of Canada, and as pointed out by my colleague from St. John's East, considerable labour will be lost to the people of Newfoundland, for what I don't know. The idea of these industries is to give labour and here is the situation, they are taking it away. There is nothing here to indicate they will save any money. The Premier says, if it does not cost less then it is not going to be brought in here. Who established how much less it is to cost?

MR. SMALLWOOD: It is quite simple.

MR. CASHIN: It may be for the Honourable Premier but not for me and I am not particularly stupid. But

here is the position, tomorrow these people come and say to you: "This is to cost us \$70,000," and they go ahead and order material to come out and when it arrives you put up the money. Assuming it does not cost less what is going to happen then? Are you going to ship it back again? That is nonsense to me. However it is the Government that is to blame if anything happens and this is the first Bill they have brought in here with respect to these European Industries that indicated that we are not alone putting up dollar for dollar for them to establish industry here but are now buying the equipment. Because paying patents and for prefabricated buildings in Europe was not the original idea of the Government when they started last year and up to now the same thing has applied. If these people cannot find the necessary money to pay for their equipment over there they should not come here to ask us to buy it.

MR. FOGWILL: Mr. Chairman, the clause says, should the company be able to reduce the cost of the buildings by at least \$70,000. Now, there is a duty rate and this leaves the total cost on arrival at \$120,000.

MR. SMALLWOOD: No.

MR. FOGWILL: What would be the position?

MR. SMALLWOOD: If the honourable gentleman will allow me, that is not the position, they must save the \$70,000.

MR. FOGWILL: They can't do it.

MR. SMALLWOOD: I am inclined to agree, I don't think it will happen.

MR. FOGWILL: Cut it out.

MR. SMALLWOOD: They must save \$70,000 inclusive of duty and all compared with \$170,000 they will have to pay if they get locally. If they can't do it the thing does not arise at all.

MR. CASHIN: Have they got a figure on it now? That \$170,000, that is a tender? I am talking now about the prefabricated buildings.

MR. SMALLWOOD: No. That they have to go back to do.

MR. CASHIN: Why not hold this clause until such time as they get the figures?

MR. SMALLWOOD: What has that got to do with it?

MR. CASHIN: Why not wait until the building is here?

MR. SMALLWOOD: This agreement was made on the 11th of March while they were still here.

MR. CASHIN: And it is now the 22nd of April. Are they not able to supply to the Government now the cost of these prefabricated buildings, CIF, St. John's?

MR. SMALLWOOD: I don't know but assuming they had been able to do it, was there any particular reason for them doing it from their standpoint or the Government's?

MR. CASHIN: Once this thing is through here we are going to have trouble.

HON. P. J. LEWIS (Minister without Portfolio): Mr. Chairman, I would like to say a word on the Bill. I have more than a passing interest in it because it happens to be in the district which I have the honour to represent with my friend on the opposite side of the House.

As I see it, it is much talk about nothing. The actual position is that there is a ceiling, if you like to put it that way, on the cost of the building which this company would have to incur if they built these buildings in Newfoundland and that figure is \$175,000. This clause provides that, if that company can save \$70,000, and I question whether it can, but if they can do it and save \$70,000 reducing the cost by that amount, they have the privilege of buying the building outside. As to talk of prefabricated buildings we all know what happened here during the war. The buildings built in Newfoundland for the bases were brought in as prefabricated or the material that went into them to construct them, was imported from the Mainland, millions of feet of lumber so that even if they were constructed here you would have to bring in material in the first place and as for the labour, the difference between putting up the prefabricated buildings and constructing the buildings out of raw material is not very much. As far as I am concerned the main thing is to get the industry established which they propose to put up and the initial cost of construction does not matter as much as getting the industry to provide employment, permanent employment. And God knows the people of Harbour Main need it.

MR. HOLLETT: The honourable member has touched the nail right on the head, the initial cost he said, I don't know exactly what he means but it matters very little what this building is going to cost as long as industry is established. I believe that is what he meant to say. If that is so, then I say that if there is any benefit it should come to the people of this country, Harbour Main-Bell

Island if you prefer it, loses labour, also carpenters up there and all over Newfoundland who would like to have a job and can stand it just as well as the Germans, Swiss or anybody else and I see no reason why the Government should try to assist this German Industry in order to save a few dollars at the expense of the Newfoundland people and we know very well they can't save \$70,000, they can't save \$60,000. What kind of a name is it giving our builders here in Newfoundland and people who provide the lumber for construction of these factory buildings for these small industries, \$100,000 in Germany to construct it and ship it over here and pay the duty and freight and still save \$70,000.

MR. SMALLWOOD: Switzerland.

MR. HOLLETT: The Honourable the Premier still insists it is Switzerland.

MR. SMALLWOOD: I know it is.

MR. HOLLETT: Well, we will take the Premier's word for it. The only evidence as far as the Bill is concerned is that the promoter of the company, Gustav Karl Weis, represents a group of German Industrialists, as well as Rudolf Hanhart an industrialist of Disennenhofen, Switzerland. There is one man from Switzerland anyway and they negotiated with the Government for the construction and operation of a factory for the manufacture of hardboard and other finished and partly finished products—Well I don't want to repeat myself too often and too much, Mr. Chairman, but this has been allowed to creep in here and I would like it to be deleted. It has no value there even if the company can bring prefabricated buildings, some say they can't, and I contend they are going to

bring it in anyway in spite of anything in this Act and I still contend every dollar they get under this agreement goes back to Germany in dollars. I don't see any reason why—it will only grate on the nerves of every Newfoundlander who takes time to think about it and at the present time there is a lot of unemployment in this country. Most of the people have jobs but there are still a number who have not got a job and I for one in this House of Assembly would object to the idea, therefore, I would like to move, Mr. Chairman, that this section five be deleted. It does not effect the Bill one way or the other, as far as I can see.

MR. CHAIRMAN: The amendment is not in order. The clause will not be put and the honourable member can vote against it rather than say it should be deleted, voting against it has the same purpose.

MR. HOLLETT: I am not anxious to vote against the whole Bill.

MR. FOGWILL: Mr. Chairman, I don't want to belabour this point at all, nevertheless, I got to agree with my honourable colleague here that we have a considerable amount of men still out of work and already in the minds of many people leaving their ordinary vocation this coming spring, namely these engaged in the fisheries. Most of them can do carpenter work and could get a job and perhaps a month or more of work in this building whereas if it is brought in prefabricated it is only a matter of weeks bolting it together and I might say it is a pity that the old class, that is men which we have had in abundance in Newfoundland are dying out. I would like in passing to say only last week we have had men leaving St. John's for Goose Bay, masons and

bricklayers and I would say that as far as masons are concerned Newfoundland is one of the last places where the true mason is left and very few of them are left here today. We should try and see that our local tradesmen get all the work they can in building these industries, not only the operation of them but the building of these industries. We have many people today and I know that honourable members opposite and those on this side have numerous people coming day after day of all trades and professions and everything else, carpenters, bricklayers and masons and labourers and all the rest, coming looking for employment and here is a case where the Government agrees those people brought in here can save \$70,000 which is impossible, they can't save it and the building will probably cost \$170,000 or more. They can't save the money and it seems ridiculous to me, Mr. Chairman, that clause should be there to deprive the workmen of two or three months work. I don't see why there should be any such thing in here it is not necessary. The machinery and the equipment and all will be installed this year, December 31, that is a long ways away.

MR. SMALLWOOD: That is the maximum. Mr. Chairman, the stand that the Opposition are taking in this matter is to me inexplicable and to say the least highly inconsistent. They have all agreed now, all three, that the company cannot save that \$70,000, I take that to be the case. They all agree that cannot be done. I agree too but I am referring now to the honourable gentleman opposite. On that we all agree, that it is highly unlikely they can save \$70,000. Now, the difference between the Opposition and this side is this: They want to

strike out the clause because they don't believe it can be saved.

MR. HOLLETT: No, no.

MR. SMALLWOOD: Yes. Actually on the one hand they don't think it can be done and on the other hand they complain that Switzerland gets the labour instead of Newfoundlanders. You can't have it both ways. The Swiss do not get the labour, the building will not be prefabricated unless the \$70,000 is saved, which they agree can't be saved. Therefore they can't be prefabricated, they can be built locally, therefore there will be no loss of labour.

MR. FOGWILL: Can you assure us they can be built locally?

MR. SMALLWOOD: I don't believe it can be done, therefore, then it will be built locally and there will be no loss of labour.

MR. HOLLETT: You should insist on it being built locally.

MR. SMALLWOOD: Yes, but not at the expense of an extra \$70,000. Maybe the honourable gentleman has private information.

MR. HOLLETT: Maybe.

MR. SMALLWOOD: Maybe those two men are not one a Swiss and one a German, maybe they are both agents of Stalin, maybe from Communist China, I don't know. Maybe the honourable gentleman has a private source of information and will tell us who those people are, who are they, what are they, what do we know but the whole thing might be just a communist plot.

MR. FOGWILL: Mr. Chairman, to a point of order: I think we should keep to the point of clause (5) and not talk on communist plots. There

is no talk of a communist plot or Mr. Stalin or anything else on this side and they should keep to the point as we have been kept to it.

MR. SMALLWOOD: Mr. Chairman, when these two men came to Newfoundland a few weeks ago to negotiate the agreement with the Government they naturally looked around to see what their operating cost would be, what their taxation would be, what it would cost to purchase their raw material here in Newfoundland and also they had to look into the cost of construction of their factory. This they did and they were quite startled to discover what the building costs were in Newfoundland and no wonder, no wonder. Building costs are from fifty to one hundred percent higher in St. John's than in Halifax. Wages in Halifax are considerably higher than here in St. John's. Whose fault is that, labour or the trade unions? Whose fault is it that building costs are so high in this Province? Whose fault is it?

MR. HOLLETT: Don't ask us, tell us.

MR. SMALLWOOD: I have my opinion as to whose fault it is. It is not the fault of the trade unions and the workers. It is not their fault. But it is a scandalous thing what building costs amount to here in this Province, a scandalous thing in my opinion. So these men found out, and they were quite startled. They were borrowing money from the Government which they have to repay, which they have to work hard to repay, they got to sweat to repay it and it will take them ten years, or whatever it is, to repay it. They have to produce a lot of wood to sell and make a profit and they have to make a lot of profits and out of that they

have to pay back five hundred thousand dollars which is a lot of money, a lot of profits, represents a lot of production, a lot of hard work. Naturally they would like to keep building costs down somewhat. What did they do? First they inquired around quietly wherever they could get the information as to what the building costs amounted to in Newfoundland. Then they called for tenders. They negotiated with various construction, building firms and the two lowest tenders they got were first, \$200,000 and the second, \$175,000; a difference of \$25,000 in the two lowest tenders. I won't say what the higher ones were. I will say this that it was two German building concerns who gave the two lowest rates, German firms established in Newfoundland. Our local construction firms quoted much higher than that. They said; "no"—If you will allow us we will put it there for one hundred thousand dollars." We told them frankly that we did not believe they could do it. They then asked, "If they could do it would we let them" to which we replied, by all means if it will save you \$70,000 and the Government \$70,000.

Now, let us have a look at this labour angle—One of the things killing Newfoundland today is the high cost of building. It is killing this Province and it is just as well to face up to it. It applies in factories, it applies in shops, in housing. The cost of housing today has become scandalously high, away out of reach of the ordinary man altogether. Where is the cause? Is the worker getting too much? No—The worker is getting considerably less than in Sydney and Halifax. It is not the worker's fault. Why is housing costing so much? Why has a company recently placed orders for prefabricated houses

to come from Toronto? They just got them the other day. Just a matter of a few months ago Mr. Claude Noonan came over to my house to tell me all about it.

MR. FOGWILL: Why is it so high?

MR. SMALLWOOD: I am not going to express my opinion but it is not the high wages as they are much higher in Halifax and housing there is much lower in cost, a factory or a house built in Halifax is cheaper, can be built for a lower cost than it can be built here in St. John's and yet wages are thirty and forty percent higher. It is not the fault of labour. Now, don't ask me where the fault is. To be quite honest I don't know, I suspect but I don't know. This I do know, there is a man in this Chamber here today whose father builds dozens of homes in the city of St. John's at a substantial profit, makes a substantial profit on each individual house and yet sells the houses three, four and five thousand less than other builders. Yet I know what profit he makes. Now, that may be a hint.

MR. FOGWILL: You are going to have a lot of enquiries about the cheap houses.

MR. SMALLWOOD: Perhaps—It is costing this Government lots to put up small hospitals, schools, nurses' homes, houses. It is costing this Government plenty. Far from considering the difference in amount of wages to be paid out to slap the buildings together prefabricated on the one hand and taking the board and putting them together on the other hand, far from considering what my honourable colleague called an inferior matter, it would be far more desirable to get to the bottom and the reason for the uneconomic cost of build-

ing in Newfoundland. That was why last year, I was so keen personally on making a loan to a German construction company here to introduce modern continental methods of construction and building to see if they could help. Now, there is another example, if these people can in fact, and I doubt it, but if they can construct a factory in Switzerland, crate it, ship it to say Hamburg, pay the ocean freight across the Atlantic, the ocean insurance across the Atlantic Ocean, the Canadian duty, pay the shipping to the site plus the cost of assembling the factory and save \$70,000 on \$175,000, that would be something and we need to know it. Never mind the few paltry dollars lost on the difference in labour in Newfoundland between building it here and in Europe, the difference in labour is trifling, piffling, just piffling compared with this great question as to why construction is costing so much in Newfoundland.

MR. FOGWILL: Buy Newfoundland Products.

MR. SMALLWOOD: It is a shock to every man who comes to this Province and discovers what it costs to live here, what it costs to build here, to operate here. It is a shock. And one of the greatest causes of that shock is the cost of construction which is not, I repeat, the fault of the workers because if they are getting \$1.20 or so an hour and for the same work in Halifax they are getting \$1.40, \$1.50 and \$1.60 then it is obviously and clearly not the fault of the workers.

MR. FOGWILL: The Government has not done anything about it in the last three years.

MR. SMALLWOOD: That is just cheap politics when discussing a mat-

ter of great importance to the people of this Province as we are at this moment and if my honourable friends think that will get them any votes they are welcome to the votes five years from now.

This is too good to be true but there is no harm in having it in there. I hope they do it, I hope they show up someone and put a factory here at \$100,000 cost which would cost \$175,000 locally. I hope they can do it and show up someone and I hope Harvey and Company by the same token will bring in some prefabricated houses. They are bringing in one and assembling it to see exactly what it cost. I can tell you now it costs \$3,600 in Toronto and cost five hundred to bring in and it will cost five hundred for labour of assembling it which is \$4,600, they tell us. Then when you add the plumbing and wiring that house will cost three to four thousand dollars less. Now, what is best for Newfoundland? To bring in a thousand prefabricated houses or to build a hundred? What is best for Newfoundland? From the standpoint of meeting the housing needs and the standpoint of giving labour, or which will bring most labour, a thousand prefabricated houses to be brought in and assembled and the electricity and plumbing added to them at, say, five hundred dollars a house, or to build a hundred houses outright, from the standpoint of labour and from the standpoint of housing? Can there be any doubt about it. This paragraph is a very significant one, drop it—I should say not.

MR. HOLLETT: Mr. Chairman, I am much impressed, I would say, at the very fiery statement of the Honourable the Premier. It is an important subject we are on and I don't see why we should get hot under the

collar about it at all but I still cannot understand how Germans, or Swiss, or anybody else in Europe, Canada or Timbucktoo can import lumber, from the Seigheim Concession if you like, and then build houses and take them down or at least build prefabricated houses, pay the duty, ship it over here, have it erected and save \$70,000 on \$170,000. Why it cannot be done. I think the Premier admitted to that.

MR. SMALLWOOD: I hope it can be.

MR. HOLLETT: The Premier has made some accusations directed at nobody and accusations directed at nobody are of absolutely no value whatsoever and are better not made. He says the cost of labour does not enter into the picture as far as housing and building is concerned. Is it the high price our lumber men are getting for their lumber? Where is it? Was it that which put up the cost of building in this country, surely we are not going to allow prefabricated buildings to come in from Germany in order to find out, surely this Government could find out some other way. They promised to reduce the high cost of living and building is a high cost. Surely we don't have to go to Germany to find out why the cost of building is so much in this country. It is all very well to bring in a few prefabricated buildings during the war period when we did not have the necessary labour to erect housing. The Americans brought them in on the American Bases because there was not sufficient labour here and the buildings had to be put up in a rush. But now we are back to more or less normal times and I fail to see why any buildings whatsoever to be put up in this country should not be built with our own timber, and as a matter of

fact, if we have cement, let us put them up with cement from Corner Brook and not allow the Germans to bring in concrete blocks when we have a cement mill here in operation. It is just as logical and reasonable as to allow these, Germans and Swiss, to bring in prefabricated buildings to be landed in St. John's, freighted across to the District of Harbour Main-Bell Island and erected. I think it is absolutely silly and the very idea of that clause being there, in my mind, shows a nigger in the woodpile somewhere. I repeat there is somebody in New Technique behind it and I ask if some of these men are not interested in these buildings coming here. I am very much opposed to it, Mr. Chairman. Since there does not seem to be any way to get it out I want to stand on record that I think it is a wrong approach to the development of our natural resources. I know people today who have lumber and cannot sell it. And I know people who today even were looking to me wanting to find out whether I knew where they could get a job, yes a job, a man who is a carpenter looking for a job. What am I going to tell him? No more jobs for carpenters, buildings are to be brought in from Switzerland and probably erected by some of the new machinery in the machinery plant or something? I think, Mr. Chairman, we ought to go very carefully about this. I am not going to say anything more on the matter as I have probably said too much already but I still want to go on record as being definitely opposed to bringing in wooden buildings to be erected in Newfoundland at the expense of Newfoundland labour.

MR. CASHIN: Mr. Chairman, just a word, it is going to be passed

whether I like it or not. But I would like to point out here again that when these people came here from Europe, Switzerland or Germany or wherever they came from and made inquiries with respect to building costs and found out our costs were high, five or six weeks ago and asked the Government to allow them to bring in prefabricated buildings to save \$70,000 on the deal, the Government agreed with them. Nevertheless, according to the Premier, it was too good to be true, something like the Seigheim deal of a year or so ago, too good to be true. They have gone back and surely they should know by now how much it will cost to construct these buildings in Europe, ship them through Hamburg or wherever they will ship them from, freight across the Atlantic, discharge at the Furness wharf and carry them out to Topsail or Donovans or wherever they are going. They should know by now how much these will cost and if they do not cost less by \$70,000 than the amount outlined here, then it is unnecessary to have that clause in the Act altogether.

Now, with respect to the high cost of living in Newfoundland. The Premier went all out a few minutes ago intimating someone is making a huge profit on the construction of homes in Newfoundland and our local contractors when tendering on these buildings were away higher than the German firms. That may or may not be true but the Premier seemed to indicate to me that the labourer is not getting as much as in Sydney or in Halifax. Are we to take it he blames our labouring men, I am not trying to make politics, but what is it? Are the labouring class of people used in construction work too slow on the job, lazy, as they called Hollett a few

months ago? Is that what is wrong? Now, the next thing I will be accused of saying they are too lazy to work. Is it the contractor who is making more profit than he should be, the lumberman who produces lumber to go into them charging too high a price, how is it costing? Our labour is 20% or 30% cheaper in Newfoundland than it is on the Mainland. Is our timber 25% or 30% higher than it is on the Mainland? What is it? There is something screwy. Are the contractors taking on the jobs incompetent and not able to do the jobs properly? I think it is only a couple of years ago when a Mainland outfit building two hospitals in Corner Brook, gave the estimate of what it would be and went two millions over what they originally planned it would cost, and I remember the Premier very well, Mr. Chairman, right here denounce that outfit who built that structure over in Corner Brook.

Once again I want to point out that we are shipping this money out of Newfoundland. If the people from Europe who come over here want to buy their material over in Europe that is their business but let them not come here to borrow the money, let them use their own money in Europe to buy it. Why are we finding dollars for them? They are going to use those dollars some other way, here is what happens, this is the fly in the ointment, the nigger in the woodpile, they want dollars, we are to be their goat to give them the dollars. As I pointed out already when making these deals we have definitely stated and told them, all right bring in your machinery valued at so much, your equipment, and we will put up dollar for dollar. Now, we not alone do that but they bring it in from Europe

and we help them to buy it from themselves.

Incidentally, Mr. Chairman, who drafted this Bill, did the Justice Department or did this company have a special legal assistant to do it? The Attorney General did it in conjunction with this company and they had their solicitors.

MR. SMALLWOOD: No, they dealt with us. I draw attention to the fact that no time limit is placed on this clause, the only time limit in the Bill is in some other clause dealing with the agreement as a whole that the machinery and equipment must be there by a certain date. But in this clause there is no time limit. Why, therefore, should we be worried?

MR. HOLLETT: They can invest it wherever they like, they can invest it for \$70,000.

MR. SMALLWOOD: If they can get it for that so much the better, if they can bring it in so much the better.

They are back in Switzerland now and probably by now have these prefabricated structures, if so they will figure, the freight, the duty, the local labour of assembling the thing and perhaps they will decide to build it locally, or they may prefabricate it and ship it here. Why should we worry? They don't prefabricate unless they save the \$70,000.

MR. CASHIN: It is going right away from our policy here.

MR. SMALLWOOD: To some degree, obviously, admittedly so but in the interest of reducing the loan the Government must make by an amount of \$70,000 which they have to pay back. They said they would save \$75,000 and I was the one who said

let us make it \$70,000. Now, they will or they won't. If they don't this clause has no application and if they do they save \$70,000 and the Government saves \$70,000. If it is possible, I doubt very much that it is possible to build a factory 200 ft. long, 70 ft. or 80 ft. wide in Switzerland and ship it to the seacoast somewhere on the coast of Europe, pay ocean freight across the ocean, the duty, the insurance, the cartage and assemble it ready for occupation and save \$70,000.

MR. HOLLETT: We have to lose the labour.

MR. SMALLWOOD: That is piffling.

MR. HOLLETT: Two years ago the Government were going to build a road with picks and shovels to give labour.

MR. SMALLWOOD: Two years ago the world was in a different position including Newfoundland. Today, definitely the amount is actually piffling and trifling.

MR. FOGWILL: The policy is not piffling.

MR. SMALLWOOD: The policy is far from it. If they can build them in Europe or if Harvey and Company can bring in a thousand prefabricated houses and save two, three and four thousand dollars a house.

MR. FOGWILL: They won't save it.

MR. SMALLWOOD: We will see. Possibly the honourable gentleman is right. I know what Claude Noonan told me, he is the man who planned it. If they can bring them in here and save three or four thousand dollars on a house, would the honourable gentleman stop that?

MR. HOLLETT: I asked the Honourable Premier if tenders were asked for, Mr. Chairman, could we have those tenders tabled?

MR. SMALLWOOD: Certainly not, we did not ask for them, the owners asked.

MR. HOLLETT: Were they advertised?

MR. SMALLWOOD: No, they were not public buildings but private buildings to be constructed by private contractors.

Clause carried.

MR. FOGWILL: In clause 6 and clause 4, if I may be permitted to refer to it, Mr. Chairman, I understand that under this agreement they are making this pressboard and that a considerable amount of glue will be used as given in the calculating set out by the Director of Economic Development. I don't know where they are to put the glue factory. If they can find St. John's East they may put it down there perhaps on the back of Canada House, anyway it is not too important. I would like to point out to the Committee that the cost of customs duty is calculated by the Director of Economic Development to amount to just over one thousand dollars a month. I think, Mr. Chairman, that the use of glue such as is used in this proposed factory is to be in a large amount, they could possibly put the glue factory in St. John's East or West or whatever district they wish to put it, but I would like to point out that the glue will cost, on the calculated duty on 10% roughly over a thousand dollars a month. Since these calculations have been made, the customs duty of Canada has been somewhat changed, and glue has come under some of these changes. I would

like to ask if there is any change in the Customs Tariff of Canada which would affect the cost of this article and if there is any change has the Government taken that into account. Mr. Abbott a few days did make some changes and one particular thing was plastic powder glues which I think they are to use in this plant. Therefore perhaps, Mr. Chairman, they could put the glue factory in St. John's East if the customs duty is so high, it would be an asset to the community to have a glue plant in St. John's East.

MR. SMALLWOOD: Certainly if the duty has gone up it would afford a greater protection for glue manufacturers in Canada and that should help to get a glue factory in St. John's East. I noticed in the schedule referred to some things are up and some are down.

MR. FOGWILL: Mostly up.

MR. HOLLETT: In clause 7, why not use shall instead of may. Would the Government consent to that?

MR. SMALLWOOD: This is the form in which, I think, all the agreements are put, that the Government may take a first mortgage on the assets. It does not say shall. But I assure you the Government are taking the mortgage.

MR. FOGWILL: Mr. Chairman, I notice in the calculations set down, machinery and installation \$400,996, there are three Automatic Clippers costing \$23,157 per item and another large item a hydraulic press at \$67,500 and an automatic loader, \$48,750, etc. Now, what is the cost, does it include the installation of the machinery? I think, Mr. Chairman, the Committee would like an explanation of that. What is the cost of the installation of

the machinery there must be some labour and it would be quite considerable particularly in the case of this machinery costing so much.

MR. SMALLWOOD: Mr. Chairman, the estimates given by the Director of Economic Development are not to be taken as final and conclusive. They are exactly what they are purported to be, estimates. What matters is the agreement made.

MR. FOGWILL: It may be that the Director of Economic Development who is being paid, I understand, \$25,000 a year, but from what I understand and read in the folder given to each member of this House he calculated the cost of various plants which came under his guidance and calculated it to a very fine degree, that is evidenced in these folders submitted to members of this House. So the question I put to the Honourable the Premier in respect to the cost of machinery \$400,900 is that the factory cost of the machinery? Now, these calculated costs may or may not be just estimates, nevertheless, from what I can read and see from the Director of Economic Development on other plants like the cement, birch, and gypsum plants, he estimated cost to a very fine degree, to a fraction of a

cent per bag of cement for labour and so on. So that I would assume he has these costs calculated down to a fraction too and I would like to ask the Honourable Minister if the cost here is to install the machinery?

MR. SMALLWOOD: No it is not,

MR. FOGWILL: Well where are you going to get it? The machinery cost over \$400,000, where is the installation to come from?

MR. SMALLWOOD: When the honourable gentleman asks the question would he tell me what he means by "Where are you going to get it?" What does he mean by "you," does he mean the Government or the company? They get the dollars the Government lends them and they spend out of that obviously—

MR. FOGWILL: They can't do it out of this. The company can't spend any more money than what is set out in the calculations and in my opinion, the calculation of the Director of Economic Development, the calculations on which the Government is basing the Bill to agree to have the hardboard plant built the machinery is \$400,966, no amount for installation, nor for the labour of installation.

SCHEDULE "A"

<i>Machine</i>	<i>Number of Machines</i>	<i>\$</i>
1. Automatic chipper (Zerspaner) @ \$23,157	3	\$ 69,471
2. Pneumatic conveyor I (Pneumatischer Spanetransport) ...	1	6,750
3. Dual-Belt Xilos I (Zwillingsbandsilo)	1	17,250
4. Pressure sieve I (Wuchtsieb I)	1	4,875
5. Automatic belt dryer (Bandtrockner)	1	43,875
6. Pressure sieve II (Wuchtsieb II)	1	4,500
7. Pneumatic conveyor II (Pneumatischer Spanetransport II)	1	6,000
8. Dual-Belt Xilos II (Zwillingshandsilo II)	1	17,250
9. Automatic scales (Gefasswage)	1	3,000
10. Mixer (Mischer) @ \$10,125	2	20,250
11. Glue preparer (Leimaufbereitungsanlage)	1	10,250
12. Swing-slider (Schwingschurre)	1	5,400
13. Rolling conveyor I (Rollenbahn I)	1	3,300
14. Rolling conveyor balance (Rollenbahnwage)	1	3,225
15. Condenser press (Verdichtungspressse)	1	10,500
16. Automatic loader (Beschickungsanlage)	1	48,750
17. Hydraulic press (Hydraulische Presse)	1	67,500
18. Rolling conveyor II (Rollenbahn II)	1	6,750
11. Lifting table (Hubtisch)	1	2,850
20. Form-saw (Besauwsage)	1	15,750
21. 3 cylinder grinder (3 Cylinder Schleifmaschine)	1	24,750
22. Compressor (Kompressorenanlage)	1	18,750
		\$400,996

Now, Mr. Chairman, the machinery itself is costing \$400,996 the exact amount which the Government are going to lend them or cause to be lent by their guarantee or otherwise and there is a matter now of the machinery installation. Where are they going to get the money. It is not included in these calculations. I believe the Government has decided to go ahead and grant the money for this plant and there is no amount for installation. It is going to cost more and the calculations are wrong like many others.

MR. HOLLETT: In Section 4, sub-clause (a): Who values the machinery?

MR. SMALLWOOD: I do.

MR. FOGWILL: Oh my!

MR. SMALLWOOD: The Minister of Economic Development.

MR. HOLLETT: He gets somebody else to do it surely? That is what I am asking, who does he get?

MR. SMALLWOOD: I cannot tell you that by name.

MR. HOLLETT: A whole lot depends on whom the Government gets.

MR. SMALLWOOD: Of course I don't know. I may say that I must satisfy myself and satisfy the Government at the same time that the values are there but the steps I take are those

which must in my opinion be able to will satisfy myself and the Government and eventually the House. I can't say right now how it is to be done. In the case of the three plants in existence we engaged a firm which was a famous firm. What particular firm will be engaged to appraise the value of this machinery I don't know at the moment.

MR. CASHIN: I am glad now the Premier brought that up about this firm valuing these particular plants. I would like to draw the attention of the committee to the fact these plants were contracted for \$3,000,000 and cost \$4,000,000 another 40% and in the calculations the other one was estimated to cost something over \$2,000,000 and it cost a little over \$3,000,000.

MR. SMALLWOOD: Both these statements are inaccurate.

MR. CASHIN: There are the figures of this firm, Coverdale and Collipitts. I am using their figures. Take for instance the first one here, the North Star Cement Company, it says here:

During our recent visit, in connection with Mr. Leja we developed a figure of \$4,312,485 for the completed capital cost of the Cement Plant, and believe this figure to be ample and to cover all known commitments and contingencies.

The original contract with MIAG covered the design, engineering and building of the cement plant itself, including the structural steel and all items of processing equipment, and was signed on August 7, 1950. This contract called for the payment to MIAG of \$1,763,000, United States dollars. At this time it was estimated that the complete plant would cost

approximately \$3,000,000, the difference representing items to be provided by the Government, including land, site preparation, roads foundations and masonry work, pier, railroad sidings, office, laboratory and other supporting facilities, plus import duties and sales tax on materials and equipment supplied by MIAG, and the costs of developing the quarries and the transportation equipment for the quarrying operation.

MR. CASHIN: This plant cost \$1,000,000 more than estimated.

MR. SMALLWOOD: Read it.

MR. CASHIN: As a matter of fact there is a dispute on now with the people who built it for over half a million dollars.

MR. SMALLWOOD: There is no such thing.

MR. CASHIN: There is nothing written about why the cement plant went on the blink the first day of operation and a piece of equipment—

MR. CHAIRMAN: I think the committee has wandered afield.

MR. CASHIN: There is no provision in the calculations for the installation of that machinery and we wonder, as my colleague asked here, who is to value it and we are told the Premier or some one of these characters. How do they value it?

MR. HOLLETT: Do I understand from the Honourable the Premier he will examine the machinery landed for the various plants before the loans were made to the Company?

MR. SMALLWOOD: No.

MR. HOLLETT: That is the very point on which I based my question under this sub-section (a) The sum

of \$400,000 to be advanced as and when requested by the company for purposes to be approved by the Minister of Economic Development (which purposes shall be consistent with the terms of this Agreement) after arrival in St. John's of the machinery or parts thereof against receipt by the Government of the necessary invoices therefore a list of the said items of machinery with factory costs being set out in Schedule "A" to this Agreement. Loans by the Government under this sub-section (a) shall at no time exceed the value of machinery landed in Newfoundland.

I take it the machinery must be valued when it arrives in Newfoundland before the Government can advance a loan. I asked a question as to who examines the machinery when it arrives before the Government makes a loan. They had Coverdale and Collpits last time but who is to do it this time? They were not in the country last time when it came in. I take it the Government are not compelled legally to pay over any money to this company until an appraisal.

MR. SMALLWOOD: Until the Government are satisfied that the value is there and that the money the Government advances is no more than the value of the machinery.

MR. HOLLETT: I am asking you who values it?

MR. SMALLWOOD: If I say something, if I could be certain it would not be reported in the newspapers. It would not be in Newfoundland's interest to be published and I don't believe any Newfoundland newspaper or radio will publish it. I made arrangements with the Government of Canada re the appraisal for valuation for duty purposes. The House will

understand what I mean by that. That is a very important point. Nevertheless with that arrangement made the Government of Canada cannot change the rate of duty, that is the law, but the Government of Canada or the Minister of National Revenue has certain authority, not to change the rate of duty, but to accept certain figures on the valuation.

MR. CASHIN: False invoices?

MR. SMALLWOOD: No, not that. Why does the honourable gentleman—I am not forgetting that the honourable gentleman once sat here at a private, secret session and then went and broadcast the stuff on the air. I probably better not say any more.

MR. FOGWILL: On the point of the appraisal of machinery. I don't know much about machinery but here is just one item, an Air Compressor for instance. Could the committee be given some detailed information as to the size, what is the pressing capacity of this press, how large, what is the weight of it. Then the committee would know what they are talking about. We have no idea now what we are talking about. It conveys nothing to me. I have seen and operated hydraulic presses, I know a little about them, what they do but what does it mean, what does it compress? It could be worth only \$2,000, and that is the information the committee needs.

MR. SMALLWOOD: If the honourable member will consider the size of the panels to be made he will know at once that a hydraulic press makes panels three feet by twelve or four by six or seven or ten.

MR. FOGWILL: Make them larger and cut them?

MR. SMALLWOOD: That would be the case in 8 x 6 or 10 x 12. That is a large hydraulic press and it is doubtful if there is one in Newfoundland today as large as that or anything like it, an extremely big press. In the birch plant one press in there is 4 x 8 and it is to be more than twice the size of that so that will give you an idea of the magnitude. But I say, quite frankly, we don't know and cannot give the description of each individual piece of machinery. We will see it when it arrives and have advice and know what it costs.

MR. FOGWILL: That conveys nothing.

MR. SMALLWOOD: We will have engineers to—

MR. HOLLETT: There is another paragraph I would like to refer to, No. 13: The Government will use its best endeavour to ensure adequate supply of wood and wood waste to the Company for operations. I wonder what we are getting ourselves in for there.

MR. SMALLWOOD: That might involve the Government asking the House to give a grant of five square miles of timber land to the company in question. "We will use our best endeavours." Yes.

MR. HOLLETT: And if we don't give them that grant what happens?

MR. SMALLWOOD: We will use our best endeavours to get them their supply and that might be one means of doing it.

MR. HOLLETT: If you don't the contract is broken and they don't have to pay back any money.

MR. SMALLWOOD: Well we are, God knows, using our best endeavour.

MR. HOLLETT: Now, I would like to ask why all the machinery is put down as from Germany? The prefabricated buildings are coming from Switzerland, could we not get the machinery from there, they are pretty good at watches.

The Committee sat and reports having passed the Bill without amendment.

Ordered read a third time on to-morrow.

Committee of the Whole:

"An Act Respecting Provincial Parks."

MR. FOGWILL: Under Section 8, the Government may expropriate land in the same manner as the Minister of Economic Development.

MR. SMALLWOOD: The feature of that is that where it is in the public interest the Minister may take the land in question and subsequently set up a board and have the amount of compensation determined after the land had been taken. The first step is to take the land. It has to be in the public interest of course, then the machinery goes into motion and the amount of compensation is set.

MR. HOLLETT: If I understand rightly the Minister has the right to set the amount of compensation under this Act. Has the Minister that right established under this clause and if so is there any appeal from the amount payable which he so sets. Will the Minister explain that?

MR. SMALLWOOD: We are looking up the Act.

The Committee passed the Act with the exception of Clause 8 of the Act which has been allowed to stand.

Committee of the Whole:

"An Act to Amend the Regulations of Mines Act, 1951."

Passed without amendments.

MR. COURAGE: The Committee will now revert to the "Act Respecting Provincial Parks," Clause 8.

MR. SMALLWOOD: The powers described in Clause 8 are those contained in the Provincial Act. The Clauses dealing with that point are these: "Whenever the Lieutenant-Governor in Council deems it necessary to acquire any lands within the province as a provincial park or part thereof and the Minister and the owner of such lands cannot agree upon the amount of compensation to be paid to such owner, the amount to be paid to such owner with whom agreement cannot be reached shall be ascertained by a board of assessors which shall consist of three persons, one of whom shall be the chairman who shall be appointed by the Minister and the other two of whom shall be appointed, one by the owner and the other by agreement between the Chairman and the person appointed by the owner. If the Chairman and the person appointed by the owner are unable to agree upon the appointment of a third assessor the Supreme Court or a Judge thereof may appoint the third assessor. The decision of any two of the assessors so appointed shall be final." If the owner of the land refuses the settlement, the Minister may subject to the approval of the Lieutenant-Governor in Council appropriate the land in accordance with Section 10. "Every person who fails to comply with any provision of this Act or the regulations is guilty of an offence and liable on summary conviction to a penalty of not more than one hundred dollars."

MR. HOLLETT: I thank the Minister for going to so much trouble to get the information. I wanted to express a point on that matter of assessing the amount of compensation. As the Premier has just read there the Minister appoints one assessor then there are two others of whom the Minister appoints one, and the party to whom the land belongs the other. Which indicates if the Minister appoints two under the best of circumstances, two out of three which to my way of looking at it does not seem the right way. The Minister can come in on the land now if he wants part of it for a provincial park and say: We want to offer you \$10,000 or whatnot. The owner refuses the offer and so the Minister appoints the two assessors and the owner appoints one and they sit down and huddle together to see what is the correct amount two assessors appointed by the Minister and one by the man who owns the property and from the decision there is no appeal whatsoever. I don't think that is the proper way to assess compensation for the taking away of a man's property. That is the reason I raised the point. I have heard it argued out before while sitting outside here and now I am inside the bar and would like to raise the point again. It does not sound reasonable to me to get a fair assessment if two men are appointed by the Minister whoever the Minister might be and only one by the man from whom the land is taken. In all probability if you use the Act you will have to take huge amounts of land and in all probability will have to take hundreds of thousands of acres from somebody like the AND Co. or Bowaters or any individual and the Minister has the right to appoint two assessors and the owner of the land only one and from their

decision no appeal is permitted whatsoever. I put it to the House it does not look exactly the right way to arrange compensation.

MR. SMALLWOOD: The same method exactly is adopted by other legislation passed by this Government and its predecessors and this principle had been established in Newfoundland before we came into office.

MR. HOLLETT: Do you think it is right? Do you like it?

MR. SMALLWOOD: When it is in the public interest I think it is right, yes. With regard to this particular Act the Government is extremely unlikely to go in for an expropriation policy for Government parks. It is extremely unlikely. There is one to be set up in Big Falls in the Humber Valley where Bowaters offered the land for one dollar or some nominal figure. There is no difficulty there. The Government intends to make a decent little park of that for visitors and tourists and Newfoundlanders and try and conserve one of the most remarkable spots in the whole world. There are not very many spots in the world quite so attractive from the sportsman's point of view as Big Falls on the Upper Humber. I saw it last year myself for the first time and it is quite astonishing. I have no doubt everyone here has seen, as I have seen, the motion pictures of the salmon jumping at Big Falls but only when you go and see them jumping do you realize what an altogether astonishing place it is. I don't anticipate any difficulty there may be one or two others, but we will try in every instance to put them on Crown Lands or if owned privately by one of the paper companies or any other individual—We have never had any dif-

ficulty with paper companies by getting them free or for a nominal sum. But the main thing now is the Federal Parks. The Federal Government places a Federal Park, at least one, in every Province of Canada and they spend all the money necessary to make a park of it, building roads through it and building cabins and other recreational centres, they maintain staffs in them, but the one thing they don't do is to provide the land. They expect the Province to provide the land and deliver title to that land to the Government of Canada so that the Government of Canada actually owns the land in every Federal Park and they get that land from the Province. Now, if the Province owns as Crown Land in the right of the Province to begin with, so much the better. The particular place we have in mind is not fixed at all but we have in mind an area in Bonavista Bay, roughly speaking, bounded on the South by the Railway, on the East by Clode Sound, on the West by Alexander Bay and North by a line drawn very roughly from Alexander Bay to Clode Sound. Now, most of that great portion is Crown Land, some of it is company land, that is Bowaters and AND. It is, I think, nearly all AND Company's but there are some smaller individuals. Some of it recently reverted to the Crown under legislation passed here last year on the 31st, December. All we want is to prevent our being held up and honourable gentlemen sitting on that side of the House would perhaps be surprised if they sat on this side and ran into cases where they must try to acquire land. What happens. Immediately it is known the Government wants land up goes the price 300%, if we even begin to think about it and to five and six times its real value. There is an interesting case

on the highway going out to Topsail, I think it is called Brown's Corner. There is a case of a selfish individual, narrow-minded, narrow-visioned, as narrow as a razor backed pig who because the public wanted his rocky corner which was useless to God or man, just held up the public of Newfoundland for a fantastic price for that piece of land. We can at the moment step in but we are wondering if we should leave it there as Brown's Corner or exercise our rights under existing legislation for the public and take it. We have not decided yet. But Brown's Corner is a good example of what happens when greed takes possession of a man and he tries to make a grab out of the Government, tries to make a haul, tries to fleece the public, when a man's greed overcomes him and he begins to drool at the mouth at the thought of getting some money from the public for a piece of land the public needs. Brown's Corner is a magnificent example of the need of legislation like this.

MR. HOLLETT: Mr. Chairman, I cannot agree with the Honourable the Premier, however selfish the owner of Brown's Corner may be. I am getting at the principle of the thing where one man, the Minister, appoints two men. Obviously they are going to favour the Minister, and the other man who owns the land has only to appoint one of the three who sit down together and obviously nine times out of ten they will overrule him and a man will have to take exactly what the Minister had determined in the first instance. There should be some appeal from their decision to the Supreme Court or something like that.

MR. HIGGINS: There are too many appeals going around now to the Supreme Court.

MR. HOLLETT: There is one on at the moment. There should be some right to appeal by the individual who owns the land. I think the Premier will agree the principle is sound, it is not right that one man should have the right to set the price on a piece of land and having set it there has no appeal whatsoever. He should be able to appeal to some higher authority such as the Supreme Court. The only reason I spoke again, Mr. Chairman, I did not want the issue which I had raised side-stepped.

HON. E. S. SPENCER (Minister of Public Works): With reference to this question of assessors raised by the honourable member to which he has been addressing himself, he has assumed that the appointment according to his statement, is made by the Minister concerned, jeopardizing as it were the rights of the citizen whose property may be expropriated. I would like to cite a case for the honourable member's benefit and members generally who may not know just what happens. We have a case in point on the Portugal Cove Road just this past year where the Department of Public Works acquired certain land for the public services, to widen actually the public road. Certain agreements were made by these people some of these individuals coming to my office and I had actually awarded certain payments and agreement more or less was reached with them when, to my surprise, I was notified a little later that afternoon that these names had already been submitted, or the names of the particular individuals had already been submitted to the board of assessors we had appointed to the owners of the property, who needless to say appointed the third party. I withdrew the arrangement I had made with one of the owners in that

particular case. The assessors met, dealt with the matter in question, and gave an award to this particular owner and several others just a little more than three hundred percent of what the amount that we in the Department of Public Works actually arranged for. That is just to show the honourable member that he is not right in this. I felt that I should cite that particular case. It is an absolute fact on record in our office where a couple of people owned land and we had to arrange expropriation procedures and which were not arranged mutually and two of them, gentlemen I know very, very well indeed, were in my office several times and we had to pay these particular gentlemen 300% of the amount which I, as the responsible Minister of the Department had arranged with that private gentleman and to which he had agreed. I merely give that case to show that cases of award to the average owner in expropriation proceedings do not suffer as the honourable gentleman seems to indicate by his remarks.

MR. HOLLETT: I am glad the honourable member cited the case. It just goes to show what I said before right here, the Government itself appointed two men and gave 300% more than the Minister himself had privately arranged.

MR. SPENCER: I was apparently wrong.

MR. HOLLETT: No, the Minister is always right. The Crown is always right. Mr. Chairman, it just shows I am right. The Minister should have the right there to appeal to a higher authority and I submit the Supreme Court would probably have reduced the amount which these three assessors granted the man in this instance. They

obviously paid too much. It is as unfair for the Minister as it is for the individual not to have a right to appeal. That is why I say the principle is wrong there. There must be a right to appeal in all cases to get justice.

MR. SMALLWOOD: Mr. Chairman, I would be prepared to move an amendment, to bring in a new clause to conform with the Act of which the Honourable Minister of Public Works just spoke, probably the law clerk could prepare an amendment along that line. But I don't like the idea of it being thrown into court, but probably it does sound a little high-handed for the Government in every instance to appoint two assessors without any further reference to the owner, two out of three, although it may be necessary.

MR. FOGWILL: I would suggest to the Honourable the Premier and to the Committee that the amendment would provide that assessing of the property concerned as outlined in the Act would be done by a board of arbitrators. I think that would be the fairest way in respect to Provincial Parks as it is not the same as if we were acquiring lands for some industry or hydro-development.

MR. SMALLWOOD: There is not the urgency.

MR. FOGWILL: Well, as far as parks are concerned the individual would have a better opportunity to plead his own cause if there were a board of arbitrators instead of assessors.

MR. SMALLWOOD: There is not the urgency, admittedly, for acquiring lands for provincial parks as for lands for industry. Time is nearly always the essence in the case of industry but it is not so in the case of parks.

MR. FOGWILL: In that case it would give the owner of the land a chance to make a special plea on the value of the land as he sees it.

MR. SMALLWOOD: The clerk will look it up and have a draft prepared for us. We might let that clause stand, report progress and ask leave to sit again.

MR. CHAIRMAN: Committee of the Whole reports having passed the Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries, Limited," without amendment. Ordered to be read a third time on tomorrow.

A Bill, "An Act Respecting Provincial Parks," have made progress and asks leave to sit again tomorrow—Ordered sit again tomorrow.

A Bill, "An Act Respecting Unclaimed Articles of Clothing and Household Good," without amendment. Ordered to be read a third time on tomorrow.

A Bill, "An Act to Amend the Regulations of Mines Act, 1951," without amendment. Ordered to be read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move that the remaining orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow, Thursday at 3:00 of the clock. That gives us the opportunity to observe tomorrow as St. George's Day, a public holiday which is, I think a custom of the House for many years past. I may say it is our hope to bring down the budget on Wednesday of next week. The estimates are still in the hands of the printers and are promised for Tuesday, but to make sure, there may be

a slip, and to make sure we will call it Wednesday. Though I don't give formal notice, I do say we hope to have the budget and estimates brought down on Wednesday next.

House adjourned.

THURSDAY, April 24, 1952.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

HON. P. J. LEWIS (Minister without Portfolio): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend and Consolidate the Law Relating to the Sale of Securities."

MR. COURAGE: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Maritime Hospital Association Re-Incorporation Act, 1949." Leave has already been asked for by petition.

MR. SPEAKER: This petition already presented, will now be referred to a Committee on Standing Orders.

MR. P. J. CASHIN (Leader of the Opposition): Question No. 67, Order Paper, April 22.

Answer:

MR. SMALLWOOD:

The following is a list of the various items returned to the Government from the Offices occupied by the "Buy Newfoundland Products Campaign" in the Gaiety Amusement Centre, includ-

ing desks, office equipment, typewriters and other equipment used in the Campaign during 1950-51 and 1951-52 :

- 3 Typewriters.
- 1 Adding Machine.
- 1 Book Case.
- 3 Desks.
- 4 Chairs, Straight Back.
- 1 Coat Tree.
- 2 Filing Cabinets.
- 1 Talking Movie Machine.
- 6 Films (for machine).
- 1 37" x 50" Screen.
- 1 Sign Cutting Machine.
- 1 Hammer.
- 3 Louvres.
- 3 Spot Light Holders.
- 6 Coloured Lenses.
- 3 150 Watt Floodlights.
- 1 Stapling Machine.

Orders of the Day

Adjourned debate.

MR. BROWN Mr. Speaker, when on opening day, I moved that a Committee of this House be appointed to draft an Address in Reply to the Speech from the Throne, I had absolutely no intention of speaking to the Debate on the Address in Reply. But, as the Provincial Representative for the Constituency of Bonavista South, I feel it my duty to comment briefly on the verbal attack which was directed at the Hon. F. Gordon Bradley, Q.C., Secretary of State and Federal Representative for the dual riding of Bonavista-Twillingate, by the Hon. Leader of the Opposition.

The charges to which I refer were voiced by the Hon. Leader of the Opposition in the course of a lengthy address in which he criticized the Speech from the Throne, and his statement with respect to the Honourable Minister, was accorded full pub-

licity by radio commentators and press correspondents across the entire Dominion.

Now, Sir, I have no particular desire to cross swords with the Hon. Leader of the Opposition. The honourable member held a seat in this Chamber before I was born. But I, like my colleagues of this side of the House, and thousands outside the walls of the building, feel as though such an attack was unjust and certainly not warranted.

The Honourable Mr. Bradley occupied a seat in this very Chamber for many years, and during his term in public life, he proved a very worthy representative of the people who elected him to office. As the Secretary of State and a Minister of Her Majesty's Crown, Mr. Bradley has attained the highest Federal Office ever to be occupied by a native born Newfoundlander, and Newfoundlanders as a whole, feel very proud of his success.

In direct contrast to the charges made by my friend, the Honourable Leader of the Opposition, I wish to go on record as saying that Mr. Bradley is a loyal British Subject, and I defy any honourable member on the floor of this House to prove otherwise. In fairness, however, to the Honourable Leader of the Opposition, I will say he is not an individual who would deliberately take advantage of his position to insult or injure a Minister of Her Majesty's Crown, and I feel equally confident that his charges were voiced during the heat of the debate.

Thank you, Sir.

MR. SPEAKER Question is: That Address in Reply be adopted.

I shall inform the House when His Honour the Lieutenant-Governor will

be pleased to accept the Address in Reply.

Third readings :

A Bill, "An Act Respecting Unclaimed Articles of Clothing and Household Goods." Bill ordered passed and title be as on the Order Paper.

A Bill, "An Act to Approve and Give Statutory Effect to An Agreement between the Government and Atlantic Hardboard Industries, Limited." Bill ordered passed and title be as on the Order Paper.

A Bill, "An Act to Amend the Regulations of Mines Act, 1951." Bill ordered passed and title be as on the Order Paper.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, the Address in Reply having been adopted, I now move that the honourable member for Fortune and Hermitage Bay do take the Chair of this House as Deputy Speaker for the remainder of this General Assembly.

Seconded by the Honourable Leader of the Opposition.

Second Readings :

A Bill, "An Act to Amend the Town of Carbonear Act, 1948."

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, the town of Carbonear was incorporated by a special Act. In the town of Carbonear they imposed the poll tax and recently a Bill was circulated to provide for assessment of property in Municipalities. In the town of Carbonear, there was a water company which did assess property for the purpose of taxation and now the town of Carbonear has requested that they be incorporated under the provisions of the Local Government Act, 1949, and proposes to do away with the poll tax and substitute therefor, the property tax.

Actually, the position is this; under this special Act, there were two types of taxation in Carbonear, but presently when this Act is amended and they are brought under the Local Government Act of 1949, there will be but one type of assessment in Carbonear, namely, assessment of property and the poll tax will have been done away with.

That is the principle of the Bill, Mr. Speaker, to bring the town of Carbonear under the Local Government Act, 1949, and to repeal the special Act under which they were incorporated. I move the second reading of this Bill.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

A Bill, "An Act to Amend the Town of Harbour Grace Act, 1945."

MR. FORSEY: The same position as in the town of Carbonear also obtained in the town of Harbour Grace, namely, they had a water company which imposed property tax and also a poll tax. They were incorporated by special Act. It is proposed now by the town of Harbour Grace, under the Local Government Act of 1949 to do away with the poll tax and substitute one type of taxation only, the taxation of assessment of property. I move the second reading of this Bill.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

A Bill, "An Act to Amend the Rural District of Placentia Act, 1945."

MR. FORSEY: Mr. Speaker, the principle of this Bill is identically the same as for the town of Carbonear, Harbour Grace, and I move the second reading.

Bill read a second time, ordered re-

ferred to a Committee of the Whole on tomorrow.

ordered referred to a Committee of the Whole on tomorrow.

A Bill, "An Act to Provide for the Establishment and Administration of Community Councils."

MR. FORSEY: Mr. Speaker, this Bill provides for setting up what will, in effect, be modified town councils suitable for communities with populations of 750 or over, but fairly small where the administration of town councils is greater than necessary and costs too large a proportion of local taxation. At the present time, Mr. Speaker, there are some 650 local road committees at present providing the municipalities maintain their own roads, but there are no means whereby such places can provide for public wells or street lighting or protection against fire, and as a result many of the small communities are requesting to be incorporated under the Local Government Act, 1949. But we feel these communities are too small to be incorporated under the Local Government Act, so this particular Bill provides for the setting up of community councils consisting of three members elected at a public meeting and thereby doing away with the necessity and expense of an election. Once it is constituted, a committee operates in a similar manner to the old New England town meeting which did so much to promote responsibility in the New England States. This town meeting which will be held every year and the councillors elected at that meeting will submit a programme of proposed works and taxes for the consideration of the whole community. The budget of the community is thus passed by the citizens as a whole rather by any council and decisions and practical matters in connection with the com-

munity will be reached in the same manner. In fact, the whole body of voters in any particular community will conduct the election to the council consisting of three members and decisions of the committee will meet with popular approval more perhaps than if made by a council which had been elected.

This annual meeting will be held every year, Mr. Speaker, and members will be elected at each annual meeting and one member will be dropped at the end of each year in order of seniority and there will be one new member elected at each annual meeting thereafter in order to replace the member who had resigned that particular year. The taxation that this particular type of council may impose is restricted to two, namely; the business and the community services fee, which might be termed a poll tax, which is limited to a maximum of \$2.00. Councils have power to make regulations with respect to the services for which the community undertook organization such as for the purpose of roads, fire protection or perhaps for the purpose of digging community wells.

There is nothing contentious about this piece of legislation, Mr. Speaker, it merely provides intermediate steps between local roads committees and town councils as presently constituted, and I move the second reading.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

A Bill, "An Act Further to Amend the Rent Restrictions Act, 1949."

MR. FORSEY: Mr. Speaker, this particular Bill provides that when a certificate of great hardship is issued to any particular person by the court, that person in whose favour the certi-

tificate is issued shall not sell, lease, or otherwise dispose of the dwelling in respect of which the certificate is issued for the period of one year, and any person who does sell, lease, or dispose of the dwelling, who has obtained that dwelling under a certificate of great hardship by the court, will be guilty of an offense. I think, Mr. Speaker, I mentioned both principles involved in this particular Bill, and I move the second reading.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker, could we go into Committee of the Whole on items 5 through 12. I don't think it is possible to get through all of them, but as may as possible.

Committee of the Whole:

"An Act Respecting Provincial Parks."

MR. SMALLWOOD: I think the whole of the Bill was adopted with the exception of one clause giving the Minister authority to take lands for the purpose of provincial parks and arranging the method of payment. We undertook to bring in an amendment to that particular clause, No. 8. I move the substitution of this clause: "When the Lieutenant-Governor in Council deems it necessary to acquire any land within the Province as a Provincial Park, or part thereof, and the Minister and owner of such lands cannot agree upon the amount of compensation to be paid to such owner, or the amount to be paid to such owner with whom agreement cannot be reached, it shall be ascertained by a board of assessors consisting of three persons, one the Chairman appointed by the Minister and the other two appointed, one by the owner and the other by agreement of the person and the assessor appointed

by the Minister. If the Chairman and the person appointed by the owner are unable to agree upon the third assessor the Supreme Court, or a Judge thereof, may appoint the third assessor and the decision of the assessors so appointed shall be final."

Clause as amended carried. The Committee passed the Bill with some amendments.

A Bill, "An Act Further to Amend No. 41 of 1938 entitled, "An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company Limited."

MR. SMALLWOOD: We might read this particular one as it is quite an important Bill.

Read by Clerk: 1 read, 2 read:

1. This Act may be cited as 'The Labrador Mining and Exploration Company Limited (Amendment) Act, 1952.

2. Clause 3 of the said Agreement, as enacted by the said Act No. 47 of 1944, is deleted and the following substituted therefor:

"3. Subject to the provisions of Clause 52 hereof, the term of this Agreement shall be from the date hereof to the 31st, day of December, 1963, unless previously terminated as hereinafter provided."

MR. CASHIN: Just before that clause is passed: In second reading the other day, we had some talk in respect to the fact that if we approached the company regarding a request to give us back certain concessions, it would hinder them in their financial markets. I would like to point out, Mr. Speaker, the Government ought to know that all these financial

arrangements are already made. They have already raised two hundred million dollars and this thing coming in here now is granting them further time. I have no objections to further time, I think it is a good company with good people behind it, Timmins and big steel corporations in the United States, but I have strong convictions about the water-power.

MR. SMALLWOOD: Mr. Chairman, to a point of order—I don't want to be ungracious, but I think the honourable gentleman is clearly out of order, and I am sorry to have to do this, I would like to hear what the honourable gentleman has to say, it is clearly out of order and if we consent to this now we will have to go on being out of order.

MR. CASHIN: We never are in order here, Mr. Chairman. I have not seen this House in order since it opened, and don't expect to until it closes.

Clauses 2 and 3 read and carried. Clause 4 read:

4. Clause 19 of the said Agreement, as amended by the Acts No. 15 of 1941 and No. 47 of 1944, is further amended.

(a) by striking out the words and figures "calendar year 1953" and substituting therefor the words and figures "calendar year 1963;" and

(b) by deleting the words "and not exceeding two thousand square miles in all" and substituting therefor the words "and not exceeding one thousand square miles in all."

MR. HOLLETT: Mr. Chairman, I wonder if I would be in order in moving an amendment to Clause 4: Instead of calendar year 1963 substitute therefor calendar year 1954. If

it is in order I would like to make that amendment.

MR. CHAIRMAN: I think that could be taken as an amendment.

Amendment put by the Chairman.

MR. SMALLWOOD: Mr. Chairman, I just wonder if that amendment is in order. The principle of the Bill is that the middle step in the whole process be eliminated and that it is necessary to reduce it to one thousand square miles by 1963 be enforced, but that the necessity to reduce to two thousand square miles by 1953 be eliminated and that the reduction take place by stages consisting of three thousand square miles in the present year and twelve hundred square miles in each subsequent year to 1963. Now that is the principle of the Bill and to amend clause 4 (a) by substituting the year 1954 for the year 1963 is to contradict completely the principle of the Bill which has been adopted. On the other hand, I must admit in all fairness that unless an honourable member could have moved an amendment at second reading, unless he could have done so, the only opportunity he would have, would be in Committee of the Whole. The question is, would he be in his rights to move that amendment at second reading when the principle was being adopted? Surely that amendment strikes at the heart of the principle of the Bill which was adopted at second reading. Did the honourable gentleman have the opportunity to make this amendment in second reading, but if he could not have the opportunity there, then any member clearly ought to have the opportunity at some stage in the debate on this Bill to move the amendment. I am still a little doubtful that the amendment is in order.

MR. HOLLETT: Could we have that clause in the Act to which this amendment applies read?

Clause 19 of the Act of 1944 or Clause 9 of the Agreement. "Provided that all the Acts imposed upon the company under this Agreement have been discharged up to that date, the company shall be entitled at any time and from time to time up to the end of the calendar year 1945 to select from the area . . . (Clause 9 of the Agreement). This Agreement was amended further in 1944 as follows: "Clause 19 of the said Agreement as amended by said Act of 1941 is hereby amended by striking out the words and figures "calendar year 1945" and substituting therefor, the words and figures "calendar year 1953."

MR. HOLLETT: Now I take it, it is proposed to strike out the words and figures "calendar year 1953." I may say that I spoke about this the other day when the Bill was in second reading, as the Premier well knows. I think we all agree that those people are doing a good job. On the other hand, remember they had gotten some concessions away back in 1936 and remember also that they are going to derive considerable profit and that they have had all those years to make the necessary investigation with regard to minerals. They have discovered iron ore which, according to the Honourable Leader of the Opposition, was known to have been there for many years prior to the time they took over this concession.

HON. E. S. SPENCER (Minister of Public Works): Some iron ore may have been known, but not what they discovered.

MR. HOLLETT: They knew there was some very fine high grade ore there, and they undoubtedly made a

lot of investigations and proved up sufficient ore to spend \$150,000, and I give them all credit and praise, but they have not so far had time to discover any other kind of minerals. Now, we are getting five percent of the gross profits, and I think most of us will agree that probably will amount to very little for the Province of Newfoundland for years to come. We all know there is hardly ever any profit made from iron mines, but the steel companies do make the profits and we cannot get any share of that, so that the likelihood is that the Province of Newfoundland is not likely to derive very much revenue from that agreement. On the other hand in that huge territory there may be large quantities of other different kinds of ores, and there are many other ores which are much more valuable from the point of view of dollars and cents than iron ore and God knows what ore may be discovered there, and I think if we take this very easily therefore, from year to year, we are not depriving the Labrador Mining Corporation of any chance to investigate. We are voting this year for instance to allow them until 1954 to do certain things under the Act, and if they prove themselves worthy of the trust the Government puts in them and survey certain areas, there is no reason in the world why this House next year would not give them another year and so on. Why should we give them ten years without any questions asked whatsoever? I think it is a dangerous procedure. After all, this Government is the caretaker of the public domain. We have all criticized, particularly members on the other side of the House, the Commission of Government, and other Governments in times past for gambling away, throwing away, giving away our public domain, and in this particular in-

stance, we know the Commission of Government in 1938 gave this company the right to explore as they so willed and desired an area comprised of twenty thousand square miles which eventually they would be able to get a lease on for one thousand square miles and so far, you have given them up to the end of this year. Now, they want you to give them until the end of 1963. You thereby would be cutting out all other prospectors, surveyors and big companies interested in minerals of all sorts, and I think it should be on a year to year basis to induce some manner of competition with regards to that territory. I was myself down there many years ago, not in that territory, but in the Labrador, Hamilton Inlet, I believe it was around the 1st of October and it was bleak then. It is a bleak territory particularly in certain areas, on the other hand it is in bleak territory that minerals likely to be valuable are found. I am not sure whether this amendment is in order or not, but I would like for the Government to consider it well, before they give them a full ten years. I would like to see the Government take advice from expert advisers before they do it. It means nothing to us as individuals probably, but may mean a lot to the future of this country. I make this amendment purely and simply to bring it to the notice of the Government so that they may, if they see fit, discuss the matter or get some expert advice and opinions on the matter anyway.

MR. COURAGE: The Chair is rather put on the spot. In some Bills it is quite easy to see the principle but on certain other Bills it is sometimes very difficult to see the principle of the Bill. I have looked it over while the honourable member was speaking, and the principle is, of

course, that the time be extended. There is no doubt about that, but it seems to me the amendment may be received. The honourable member intends that the time should be extended to 1954 and from year to year. I think in the light of that, we can receive the amendment, whether it passes or not, or course, is another matter.

MR. SMALLWOOD: On the other hand, Mr. Chairman, might not the honourable member have moved that amendment on second reading. Surely an amendment can be moved at second reading?

MR. HOLLETT: I made an effort to move an amendment which would have included that at second reading, but was denied the privilege of moving that.

MR. CASHIN: Mr. Chairman, I second that amendment by my colleague and would like to have a few words on it. If I am in order, one of the things I want to point out is this: The other day when discussing this Bill, I referred to water-power, and we were told that if we turned that Bill down, it would hurt the company financially. The Premier, I think, stated that they have to go into the market to get money for this development. We know in this House they have already raised in the vicinity of two hundred million dollars. I don't know if they have to raise further money or get concessions, or not, but I do know they have already raised two hundred million dollars as everybody knows and every financial paper in North America has reported that the steel companies and so forth advanced that money. I don't see the necessity of ten years extension for the purpose of raising further money at the present time at any rate and

the point raised by my colleague if an amendment is made giving it from year to year for as many years as they want, if the House gives it to them okay.

MR. HOLLETT: I would like to say, Mr. Chairman, that the Premier in his remarks on second reading the other day, said something to the effect that we should not dare to, at any rate it had been hinted here in this House that it is more than we dare do and we would be ostracized by public financiers throughout the world, people who have a financial interest in this country, ostracized if we spoke against this Bill. Now, I must say I am not speaking against the principle, but in the interest of making the company tow the line as far as Newfoundland is concerned. We know that iron ore belt lies across the boundary which so far has not been delineated, and I feel we should hold a sort of whip hand, a whip hand, we should hold something that would keep somebody in check. If we are going to say, yes, go ahead take it for another ten years according to the Act and make the necessary surveys, I think we are sort of relinquishing the brake altogether on this company. I sort of recall something that happened in the Province of New Brunswick a few years ago in connection with a couple of paper mills. I just forget the facts but I believe there was an Agreement something similar to this with some big paper company in the Province of Quebec where a similar extension of time was asked and it was argued by the paper company that unless they got an extension of time, the Province of New Brunswick would be deprived of two more paper mills. At any rate, they did not get the extension and the paper mills were put up all right, they found the money

all right. And I feel that we need not worry so much about being criticized by the big financiers of the financial world in the case of anything we might say aimed at this Bill, and this big company who managed to raise one hundred and fifty million dollars. They are not in this because of any benefit they hope will come to Newfoundland but are in it to make money, and I think every member on the opposite side realizes that. My blessing to them—I hope they will make a lot, and our one regret is that we are not going to make a big lot out of it, and mind you, if I may be permitted to refer back to what the Premier said the other day, something along the line that; if we started to drive a hard bargain with those companies, what would people think of us? I submit, Mr. Chairman, that it is our job to drive a hard bargain, and I don't think we ought to worry very much about what anybody thinks. If we hurt the feelings of these various companies, as I pointed out before, I am only anxious to preserve that which we have given them now until the end of 1953, and that will give time in the next twelve months to know if it is in the best interest of Newfoundland, to know if we should go slow on this thing instead of giving them a full ten years. Now, if it is so in the expert's opinion, which the Government can easily find out, that it is satisfactory to extend it for ten years, very well. But, as I said, I made the amendment merely to raise the point and see what the Government has to say on the matter.

MR. SMALLWOOD: Mr. Chairman, I think the whole thing is out of order, but I have the same right to be out of order as any other honourable member. We are all out of order debating the principle of the

Bill on third reading as they did in the old days when the rules did not exist, or if they did, were not carried out. There is nothing now to prevent any member from discussing the principle of this Bill all over again under Your Honour's ruling. Incidentally, my understanding of parliamentary rules is, that no reference can be made to statements made earlier in the debate and when the honourable member answered statements made by me here earlier it was out of order. But as this Committee is out of order I assume that I can be equally out of order and equally in order to reply to their comments. That is what happens when we don't observe parliamentary rules, it becomes a shambles. That is why I am personally so concerned about carrying out parliamentary procedure, otherwise, if a thing is not settled in second reading, why not on third reading and why not bring the Bill back again for first reading? We have behind us a thousand years of parliamentary debate and a thousand years of parliamentary experience when we observe the rule that it is discussed once, and in carrying out the rules we carry out what has been established in a thousand years and it is very silly—

MR. HOLLETT: Mr. Chairman, to a point of order—I made the amendment that certain words be substituted for others.

MR. CHAIRMAN: The Chair gave a ruling on that.

MR. SMALLWOOD: Now, I never said that company has to go out and look for finances. I never said that. I said they had done their financing on the basis of certain arrangements with this Government. They made their arrangements on a certain basis and for us to change that basis now

whoever made those arrangements, that would be a foul attack upon the good name of Newfoundland, no people in the world would ever trust us again. A Government makes an arrangement with a company, and that company on the basis of that Government goes out and makes financial arrangements, then to be confronted by changes made unilaterally. It is obviously a foul thing to do.

MR. HIGGINS: Would the Premier tell us when this new arrangement was made, I refer to the 1944 Act, the arrangement was made then, if I understand correctly, the company acting on the good faith of these people dealing with these companies made certain arrangements and did so on a definite understanding—

MR. SMALLWOOD: The understanding of the legislation.

MR. HIGGINS: That did not run to 1963.

MR. SMALLWOOD: The taxation went way beyond. That is what I was referring to in the debate on second reading, and I was replying to the suggestion of some member of the Opposition that we ought to change that basis of taxation from five percent to so much a ton. That was apropos of that point made by the Honourable Leader of the Opposition and his colleague immediately on his left, in reply to their contention that the basis of taxation should be changed, that I made the statement that they had gone out and made their financial arrangements. Now, I am told that I stated that they had to go out and make their financial arrangements and, in fact, as they were made, we could go ahead and change the Act. All of which arises from the fact we are completely out of order

here this afternoon, in my opinion. However, I am not the Speaker, nor the Chairman, and I have to abide by the decision of the Chair, which I must do.

Now, there was one point made here this afternoon on this Clause 4 (a), that instead of giving the company until 1963 to reduce their holdings to one thousand square miles, in stages of three thousand this year and twelve thousand each subsequent year, we should make it just a year-to-year agreement. That is the point to which I must reply: Without meaning any offence whatsoever personally, that argument is nonsense, just nonsense. You don't do business in that way with a great company. On a year to year basis what plans can they make? They have four months, a maximum of five months, out of twelve when they can prospect in Labrador, in the heart of that great hinterland where it snows every month of the year, snows in July and in August.

MR. HOLLETT: They have already had sixteen years.

MR. SMALLWOOD: They have had to concentrate, and wisely so, to prove the necessary amount of ore to justify the railway. Now, they want the remaining ten years to go out and prospect, with a generous expenditure of money, for other base metals on the remaining area, and they can only spend a maximum of five months a year prospecting in Labrador where it snows every month of the year including the month of August. We were there in August and there had been a snowfall the day before of three feet, in August. It snows in June, July, and August and every month of the year.

MR. HOLLETT: They can tell us they grow cabbage and stuff.

MR. SMALLWOOD: That is in the Lake Melville area. They do grow cabbage in the Lake Melville area, but what has that to do with hundreds of miles away? You have only to go there to see it. Lake Melville is one of the gardens of the New World, but this is a barren waste, at the height of a great plateau of forty thousand square miles, a vast, bleak, barren God-forsaken plateau where it snows every month of the year without exception and almost every week of the year, and where they can prospect for minerals for a maximum of five months, and we are going to say to them: "If you want to prospect on these thousands of square miles we will deal with you year by year." How can they plan ahead? We gave a concession to another company for forty thousand square miles in Labrador, much further north, American Metals. We gave it to them for one year and one year only because before coming to us to make an agreement they want to take a preliminary look at it. So we gave them the concession and tied it up for a period of one year only. But here is a company that has been in there for years already and has spent several millions of dollars on one section, and now want to go out with the same engineers and prospectors and prospect the remainder of the area. Are we to say to them, "We want to deal with you year by year and put you on your merit." To say that to them is ridiculous. They ask us to postpone any reduction to 1963. But we are reducing it this year by three thousand square miles and each succeeding year by twelve hundred square miles. They are not doing it willingly, but it is not giving Newfoundland a bad name as it would now if we said: "No, we will deal with you year by year, put you on your good behaviour." As though to

tell the world we did not trust them, that we did not appreciate the millions of dollars this company spent—two dollars a pound for air freight.

MR. HOLLETT: What did we get out of it?

MR. SMALLWOOD: Nothing yet. Does the honourable gentleman expect we ought to have gotten something while they were spending millions of their own money to prove up tonnage? Of course we got nothing and it will be two or three years yet before we get anything, when they are producing iron ore and shipping it out. Up to now there has not been one ton produced except in the diamond drill cores. What has the Treasury gotten out of it? What has Newfoundland got? It has attracted the attention of mining men all over North America to this Province because it is known to be a part of this Province. That is what Newfoundland got. We got American Smelting and American Lead Zinc and others interested in the mineral possibilities of Newfoundland. That is what we have gotten out of this great development in Labrador. Are we now going to say to this great company that we won't make a long term deal with them, that they have not proven to be trustworthy? Have not proven to be vigorous, have not proven to be dependable?

MR. HOLLETT: Who said that?

MR. SMALLWOOD: That is in effect what we would be saying if we said we would deal with them from year to year. We have not dealt with Buchans in that way, nor with Dosco, nor the AND, nor Bowaters, nor Frofishers Limited, nor Falconbridge, in that way. You don't get anywhere in that way. If we are going to deal with great companies in that fashion

we won't get anywhere. If we are going to deal with them on a year to year basis, the House knows it, the honourable member knows it just as well as I do, and the honourable gentleman on the opposite side who is a lawyer knows it better than I do. He has dealt with companies, big companies, and he knows that what I am saying is right, and the Honourable the Leader of the Opposition knows I am right. Suppose the Commission of Government had dealt with them in 1938 on a year to year basis, would that company spend seven million or however many millions they spent to prospect and survey the remaining mileage of this concession on a year to year basis, which they plan spending there now in 1952? What will they plan this year to spend and in 1953, and in 1954, and 1955? These things have to be planned several years ahead.

MR. HOLLETT: As much as it would take to survey twelve hundred square miles, that is all they are going to do anyway.

MR. SMALLWOOD: That does not follow. When you know you have twelve hundred miles to do for twelve years then you have to make plans in advance and if we say to them now, we will deal with you from year to year, why every mining company in North America would be disgusted with us and say we are erratic, undependable, we can't deal with them, they are not to be relied on. It would give Newfoundland a very bad name just when she is beginning to get these great American and Canadian mining companies to take an active interest in mineral possibilities. It would be a foul blow struck at Newfoundland—a foul blow.

MR. HOLLETT: Mr. Chairman,

I am sorry the Premier seems to have taken this to heart so much. I would not like to give Newfoundland a bad name. Still I insist I am right in voicing the case for caution in this matter. If he does not like one year, let us make it three. I will point out the Commission gave three years in the first concession in 1938 and in my opinion there is not much difference between one, three or ten years as the case may be, as long as it is proved the principle is good, but I don't think it is right and I won't have anybody point the finger of ridicule and scorn at me because I make a suggestion and I don't intend to accept that ridicule.

Amendment put and lost. Clause carried.

Clause 4, 5 read.

MR. HOLLETT: Before you go on, Mr. Chairman, I would like an explanation of that.

MR. SMALLWOOD: Yes, that is in Clause 22 of the Act of 1938—The Government shall upon such application forthwith grant to the Company, etc.

Now, the position is this: They have been given twenty thousand square miles and in 1953 are to have it reduced to two thousand square miles and by 1963 to one thousand, and on this one thousand is to be given the lease or license on which they pay five cents an acre.

MR. HOLLETT: For ten years?

MR. SMALLWOOD: No. The explanation is this, there are two kinds of license contemplated by this agreement, one for ten years which gave the right to prospect and survey and then if during that ten years period they select any particular area

this company applies for an option on that and takes a forty years license in which event the company becomes entitled to fifty years time under both sections. It starts off with the ten years to select one area, they first prospect and survey and then by selecting part of that area get forty years license on it, which means fifty years including the ten years they had been deeded under this agreement.

Carried.

7, 8, 9 read and carried.

The Committee passed the Bill without amendments.

Committee of the Whole, a Bill, "An Act to Amend the Old Age Assistance Act, 1951." Passed without amendments.

"An Act to Amend the Blind Persons' Allowance Act, 1951." Passed without amendments.

"An Act to Incorporate the Botwood Water Corporation."

Clauses 1 through 17 read.

MR. HOLLETT: You are giving this Corporation the power to take possession of and control Crown Lands.

MR. LEWIS: It is merely for the prevention of pollution of water.

MR. HOLLETT: I know, but should it not be "granted" rather than take possession there. There is no limit to what they can take, that might be a considerable area of Crown Lands, I just raised the point.

MR. SPENCER: I appreciate the point made by the honourable gentleman. As a matter of fact, when the proof of this Bill was presented to me for checking over, that happened

to be one of the clauses I went back to the office in connection with. As everyone knows the purpose of the clause is to protect the watershed with a view to avoid pollution in as far as possible. In this particular case here I cited that the watershed leading into Peter's Pond extends quite some distance up the valley, perhaps altogether ten miles and I pointed out I did not think it would be necessary to acquire the watershed all along that particular valley and of course the draftees agreed. But I merely pointed out this was a serious practice. Now, as far as we are concerned, we have no objection to any wording which might be more suitable there.

HON. DR. H. L. POTTLE (Minister of Public Welfare): It is already taken care of in Clause 17, so that there is no danger whatsoever, and I think that will satisfy the point.

MR. HOLLETT: Yes, thank you very much.

The Committee passed the Bill without amendments.

A Bill, "An Act to Amend the Public Records Act, 1951." Passed without amendments.

A Bill, "An Act to Amend the Parsons Pond Oil Land Vesting Act, 1951."

MR. SMALLWOOD: In the third line of clause 2, Mr. Chairman, insert the words "Words and Figures" after the word "words" so that it would read "words and figures" and the same in line 4 of the clause.

Passed with some amendment.

A Bill, "An Act Respecting an Election in Labrador in the Present Year."

MR. HOLLETT: Mr. Chairman, I am not quite clear on clause 5: I wonder if the Honourable Minister will tell me why the words "general law," I take it the Election Act of 1913 applies though I must admit at the present time there is a considerable difference of opinion. Why not the Election Act of 1913? That is the only Act we know of. There may be another law made tomorrow or next day by the Supreme Court or something touching the Elections Act, but it would still be the Elections Act, 1913, even if amendments were made.

MR. LEWIS: It would be the Election Act plus any other law.

MR. HOLLETT: Is there any other Act relating to Elections apart from the 1913 Act?

MR. LEWIS: It applies to members as well as elections.

MR. CASHIN: Why not cut out the word "General"?

MR. SMALLWOOD: There may be a reason for that, why not let it stand for the present?

Committee made progress, rose and asked leave to sit again.

Committee of the Whole have considered the matters to them referred and have passed the following Acts:

A Bill, "An Act Further to Amend No. 41 of 1938 entitled 'An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company, Limited.'" Without amendment, ordered read a third time on tomorrow.

"An Act to Amend the Old Age Assistance Act, 1951"—without amendments, ordered read a third time on tomorrow.

"An Act to Amend the Blind Persons' Allowance Act, 1951"—without amendments. Ordered read a third time on tomorrow.

"An Act to Amend the Botwood Water Corporation"—without amendments, ordered read a third time on tomorrow.

"An Act to Amend the Parsons Pond Oil Vesting Act, 1951"—with some amendments—ordered read a third time on tomorrow.

The Committee sat and reports progress on a Bill, "An Act Respecting an Election in Labrador in the present year," has made progress and asks leave to sit again tomorrow—ordered sit again tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move the remaining orders of the day do stand deferred, and that the House at its rising do adjourn until tomorrow. In moving the adjournment, Mr. Speaker, I would like to make a very brief statement by way of explanation. Last night in an address to a public dinner I made a statement which caused—

MR. HOLLETT: Mr. Speaker, to a point of order, I wish to ask a question. Is it in order for an honourable member to refer to a statement made last night at a public function, or any night at a public function here in this House? May I have a ruling on that? We have all made statements. I made one before a body the other day, but surely I can't come in here and make an explanation of it.

MR. SPEAKER: The honourable member has not gone far enough for me to know the position. Is it a ministerial statement?

MR. SMALLWOOD: Mr. Speaker,

this is a statement of considerable public interest.

I think the House would be interested to hear it, and I am quite sure the public would. Last night I made the statement in public that the Government were very glad that they did not have to pay out of the Treasury the cost of educating the Catholic youth of Newfoundland. I meant such as we would have to do if there were no teaching brothers and teaching sisters. I think my meaning was clear to this extent at least that the Christian Brothers and Teaching Sisters have each made a contribution to the education of Catholic youth far over and above the cost to the Treasury and that if the Christian Brothers and Teaching Sisters were not here, not functioning, it would cost the Treasury of Newfoundland a lot more. Now, the explanation I wish to make is this, that the same statement practically could be made of the other denominations. If the Church of England or the United Church or the Salvation Army operating schools in Newfoundland were not there doing the job they are doing, it would cost the Treasury of Newfoundland a great deal of money which is not now met by the Treasury. In short, the explanation I wish to make is that the statement I made about the Christian Brothers and Teaching Sisters is a statement that can apply to other denominations who also conduct schools. I fear the impression may be left in some minds that Catholic Education is not costing the Government anything, which other denominations would not look upon in a kindly light and there is another impression which I have forgotten.

MR. HIGGINS: Possibly that there is no Catholic Allowance.

MR. SMALLWOOD: The impression that Catholic Education is costing the Government nothing, whereas in fact Catholic Education gets exactly the same public grants from the Treasury as any other denomination and what I said applies also to other denominations. If we did not have the denominations today doing what they are to maintain schools in Newfoundland it would be a pretty greivous Bill on the Newfoundland Treasury.

I move the adjournment of the House until tomorrow, Friday at 3:00 of the clock.

The House adjourned in the usual manner.

FRIDAY, April 25, 1952.

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

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

None.

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I have here the answer to Question No. 67 which refers to returned items from the Office of "Buy Newfoundland Campaign." I may say all the items were returned with the exception of a couple of lenses costing around 46c. and eight films presently at various movie houses throughout the country. Tabled—

The following is a list of the various items returned to the Government from the Offices occupied by the "Buy Newfoundland Products Campaign" in the Gaiety Amusement Centre, including desks, office equipment, typewriters and other equipment used in the Campaign during 1950-51 and 1951-52:

- 3 Typewriters.
- 1 Adding Machine.
- 1 Book Case.
- 3 Desks.
- 4 Chair, Straight Back.
- 1 Coat Tree.
- 2 Filing Cabinets.
- 1 Talking Movie Machine.
- 6 Films (for machine).
- 1 37" x 50" Screen.
- 1 Sign Cutting Machine.
- 1 Hammer.
- 3 Louvres.
- 3 Spot Light Holders.
- 6 Coloured Lenses.
- 3 150 Watt Floodlights.
- 1 Stapling Machine.

MR. P. J. CASHIN (Leader of the Opposition): Mr. Speaker, I give notice of questions on tomorrow.

MR. HOLLETT: Mr. Speaker, I did not get any reply to Question No. 65.

HON. J. R. SMALLWOOD (Prime Minister): A letter has gone out requesting the information and as soon as it arrives I will table it.

Orders of the Day

Third readings:

A Bill, "An Act Respecting Provincial Parks."

"An Act Further to Amend No. 41 of 1938" entitled, "An Act for the Confirmation of an Agreement be-

tween the Government and Labrador Mining and Exploration Company, Limited."

A Bill, "An Act to Amend the Old Age Assistance Act, 1951."

A Bill, "An Act to Amend the Blind Persons' Act, 1951."

A Bill, "An Act to Incorporate the Botwood Water Corporation."

A Bill, "An Act to Amend the Public Records Act, 1951."

A Bill, "An Act to Amend the Parsons Pond Oil Lands Vesting Act, 1951."

First reading :

Honourable the Attorney General (Acting) asks leave to introduce a Bill, "An Act to Amend and Consolidate the Law Relating to the Sale of Securities." Read a first time, ordered a second time on tomorrow.

Committee of the Whole :

A Bill, "An Act Respecting Elections in Labrador in the Present Year :"

MR. CHAIRMAN: This Bill was passed except for clause 5.

HON. L. R. CURTIS (Attorney General): I think if we delete the word "General" it will be all right.

Bill passed with some amendment.

A Bill, "An Act Further to Amend the Town of Carbonear Act, 1948 :"

Clauses 1 through 8 read and passed.

MR. HOLLETT: What percentage of the taxation is assessed?

MR. FORSEY: I don't remember off-hand but the same rate is presently in operation in Carbonear under the Water Company. There is no change in the amount.

Passed without amendment.

Committee of the Whole :

Bill, "An Act to Amend the Town of Harbour Grace Act, 1945 :"

Passed without amendment.

Committee of the Whole :

Bill, "An Act to Amend the Rural District of Placentia Act, 1945 :"

Passed without amendment.

Committee of the Whole :

Bill, "An Act to Provide for the Establishment and Administration of Community Councils :"

MR. HOLLETT: In Clause 5, every voter is entitled to attend meetings and vote on every question—What is the relationship? If every voter is not to be taxed what right have they to attend the committee and vote? I should think that should be every taxpayer.

MR. FORSEY: Every voter will be taxed. That is provided for in the Act, it is a poll tax, and business tax.

MR. HOLLETT: In Clause 24, sub-section (4) twenty-five taxpayers constitute a quorum—And any area, I presume that has not twenty-five taxpayers in the area could not be organized?

MR. FORSEY: They would not organize then.

MR. HOLLETT: There is no provision against it.

MR. FORSEY: It is not proposed in the next five or six years to have any small communities like that. Take a place like Lawn, they applied for a Town Council and a community of that size would like to have a council.

MR. HOLLETT: It says any area in the Province may organize.

MR. FORSEY: We might have people from very small areas asking to be organized.

MR. HOLLETT: Have you the right to refuse them in the Act.

MR. FORSEY: Oh yes.

MR. HOLLETT: There is nothing in the Act to show it. Should you have it there or should you not? It says in accordance with the provisions, but it depends upon the will of the Minister, does it not? I am just trying to find a clause giving the Minister discretionary powers as to whether or not he will allow them to become organized. In Clause 25 (4) twenty-five taxpayers constitute a quorum. I take it that is the only place, and there is to be at least twenty-five voters before you grant them the right. I am looking for it and don't see it any other place.

MR. FORSEY: Mr. Chairman, under Section 6, sub-section (2).

MR. HOLLETT: Where is the authority there—Where is the right to turn them down if they want to go ahead with the organization? I am just as anxious for a clause in the Act to give the Minister the necessary authority to say no—that is all.

MR. FORSEY: In clause 7.

MR. HOLLETT: Oh yes, that will cover it.

MR. HOLLETT: Clause 28, the council may in any year borrow for community expenses an amount not to exceed \$1,000, and it goes on to say that the Minister must authorize that. What is the purpose? If the Community Council can go borrow a

thousand dollars why should the Minister veto it or give the authority.

MR. FORSEY: Because the banks will not pay it unless guaranteed by the Government.

MR. HOLLETT: Suppose they can borrow without any guarantee?

MR. FORSEY: The Town Councils can't do it so that a community council hardly can.

MR. HOLLETT: I can visualize a number of men going to somebody with money and saying: "Lend us a thousand dollars and we will make such an improvement."

MR. SMALLWOOD: Mr. Chairman, surely we should not make any bones about it, quite frankly this House sets up authority to communities to organize these councils and are we then prepared to let them borrow without any check on them by the Minister?

MR. HOLLETT: If the Minister is under no obligation why not let them borrow?

MR. SMALLWOOD: The Minister is under an obligation to protect the general public of Newfoundland. He administers the Act and in administering the Act in respect of borrowing by any council surely he ought to have the right of supervising and control and a final veto on borrowing. I don't think there is much room for doubt on that.

MR. FORSEY: I would like to say a word on both these clauses, 31 and 32. In clause 31, I would like to draw the committee's attention in the fourth line to the words "all persons owning property." That clearly would include churches and schools. Now, it certainly was not the intention of the Government in drafting

this Bill and presenting it to the House and now to the Committee to have churches and schools taxed nor that these community councils should have the right to tax churches and schools. Yet as it is worded it appears that might be possible except when the council by a unanimous vote provided otherwise. To impose taxes on churches and schools would be highly undesirable and not what the Bill is intended to do and that being so I would ask that these two clauses be allowed to stand so that the necessary amendment may be prepared in the Office of the Attorney General to guard against any such possibility.

MR. CHAIRMAN: Clauses 31 and 32 stand. Moved the Committee report progress and ask leave to sit again tomorrow.

Committee of the Whole:

"An Act Further to Amend the Rent Restrictions Act, 1943:"

Passed without amendment.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have:

Passed a Bill, "An Act Respecting an Election in Labrador in the Present Year," with some amendment. Ordered read a third time on tomorrow.

Passed a Bill, "An Act to Amend the Town of Carbonear Act, 1948," without amendments. Ordered read a third time on tomorrow.

Passed a Bill, "An Act to Amend the Town of Harbour Grace Act, 1945," without amendments. Ordered read a third time on tomorrow.

Passed a Bill, "An Act to Amend the Rural District of Placentia Act,

1945," without amendments. Ordered read a third time on tomorrow.

A Bill, "An Act to Provide for the Establishment and Administration of Community Councils—made progress and asks leave to sit again. Ordered sit again tomorrow.

Passed a Bill, "An Act to Amend the Rent Restriction Act," without amendment. Ordered read a third time on tomorrow.

HON. P. J. LEWIS (Minister without Portfolio): Mr. Speaker, I wonder if I would be permitted to give notice of introduction of a Bill at this stage. The reason for the lateness of the motion is that the Bill has just been distributed.

Permission granted.

The Honourable the Acting Attorney General gives notice he will on tomorrow ask leave to introduce a Bill, "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

MR. SMALLWOOD: Mr. Speaker, I move that the House at its rising do adjourn until tomorrow, Monday, at 3:00 of the clock.

MONDAY, April 28, 1952.

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

Order:

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, in connection with my visit to New York I have the following statement to make:

"As you know one of the basic and fundamental policies of this Government is the utilization of its manpower, in other words, to find employment for the many hundreds of our people who, at many times, and indeed in some instances at all times, find themselves without employment. It is because of this fact and together with other circumstances that this Government has embarked on its programme of economic development in order to offset this uneconomic waste and to provide employment for those who would otherwise, through unfortunate circumstances, become a care on the Government.

Process of Development

"While we are in the process of developing our resources whereby we may use up great numbers of our available manpower we do know that at the present we have considerable unemployment especially in the unskilled classes or, in other words, common labour. We do know also that at the present time there are many construction jobs for defence and other purposes being done and it therefore becomes apparent that the Government of Newfoundland should do all in its power to obtain such work for those who are unemployed.

Dominion-Wide

"This situation is not only a provincial one but is Dominion-wide and because of the extensiveness of the projected programme it became necessary to set up a Joint United States-Canada Advisory Committee on Manpower whereby the situation could be thoroughly reviewed. This Committee consists of representatives of all Contractors working on these various jobs, members of the National Employment Service, representatives of the Domin-

ion Department of Labour and of the Atlantic District United States Corps of Engineers who are basically responsible for the whole project.

Cannot Name Places

"I may state here that because of defence reasons and for security purposes I cannot name the places where projects are being carried on but because the programmes were behind schedule the United States Corps of Engineers thought it necessary to bring in some 7,800 Air Force Personnel to assist the contractors in carrying out their various programmes, not in actual construction work but in the unloading and storing of large quantities of construction materials and equipment.

Government Protest

"This Government felt that whilst we had every desire to help and cooperate with the United States Government and to assist in every way possible in the various Defence Programmes we did not feel that it was necessary to bring in such large numbers of personnel for this particular kind of work in view of the fact that we had so many unemployed, many of whom were capable of doing this job.

"We therefore protested most vigorously and stated that we could supply men for such positions. It must be remembered however that this Corps of workers would be military personnel and by International agreement could not be prevented from coming in to work on such projects. However we did insist that the number was too great and were successful in reducing this to some extent but not as much as we would wish and because we were not satisfied I was sent by the Premier to New York to make

representation to the parties concerned for further reduction of importations of such personnel in order to give employment to those who are available locally and are capable of doing this work.

Reduced

"I may say that I have been assured that although I cannot give the actual figures as yet I can say that they will be reduced by more than half and furthermore that all available local stevedores will be engaged whenever and wherever possible.

No Order Given

"It also came to our notice that certain contractors were ordered not to employ Newfoundland personnel. This is, I am glad to say, an error and no such order was given. The United States Corps of Engineers did give a Directive to one of the contractors that they should not engage Newfoundland personnel as there may not be enough help available for contractors engaged in projects in the immediate area. However, I have the understanding that Newfoundlanders will be engaged by all contractors when the job progresses to the point where additional help is required, and I can foresee as the summer advances and as the various projects advance a great demand for our labour so much so that I feel that we will have no difficulties in this respect whatever.

Review Situation

"Arrangements are in progress to review the situation not only with regard to the help available but to the wages being paid, the conditions of employment and overtime payments. This will be done under the direction of the Federal Department of Labour

in collaboration with my Department and it is also expected that the Chief Administrative Assistant of the Corps of Engineers will visit here in the near future when the whole position will be gone into in detail. This with the survey by the Canadian Department of Labour and with various other matters to be clarified will, in my opinion, make for better understandings, more employment, better wages and improved conditions of employment.

Meet May 19th

"It is proposed that this Joint Committee will meet again on May 19th and I have been invited to attend when it is hoped our various findings will be made effective. In the meantime by the intervention of this Government through the Premier a position that may have been a great disadvantage has been reversed.

"Great credit is due Mr. M. M. Maclean, Assistant Deputy Minister of Labour for Canada, who is also Chairman of the Joint United States-Canada Advisory Committee on Manpower together with the officials of the United States Corps of Engineers who received my representations and who, I am sure, have given serious consideration to them.

"After the meeting which will be held on May 19th I will be able to give a fuller and more detailed statement of the whole matter. I would like at this point to express my great appreciation of the kindnesses and the measure of goodwill shown me by the United States Corps of Engineers and by other Government officials with whom I held meetings. I consider that the meetings that we have held have been a success in every way and that my mission will be of lasting good to the Province and to our Newfoundland workers."

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Local Government Act, 1949, and a Bill, "An Act to Amend the Act 26 Vic. Cap. 5 entitled, "An Act to Incorporate the Harbour Grace Water Company," and a Bill, "An Act Further to Amend the Act 47 Vic. Cap. 6 entitled, "An Act to Incorporate the Carbonear Water Company."

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Loan and Guarantee Act, 1951."

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Memorial University Act, 1949."

Answers to Questions

MR. SPEAKER: Question No. 68.

MR. SMALLWOOD: Mr. Speaker, the Government were not approached by the Management of any of the Radio Broadcasting Stations in St. John's to use their efforts to have Radio Station VOUS abandon its broadcasts outside the American Base in St. John's, and took no steps with regard to this matter.

MR. SPEAKER: Question No. 69:

MR. SMALLWOOD: Mr. Speaker, in connection with Question No. 69, it would not be in the public interest to answer the question. I may say that no law firm was engaged to do any lobbying, it was engaged but it is definitely not in the public interest to give any more information than that mere fact.

Orders of the Day

Third readings:

"An Act Respecting Election in Labrador in the Present Year," read a third time, ordered passed and title be as on the Order Paper.

"An Act to Amend the Town of Carbonear Act, 1948"—read a third time, ordered passed and title be as on the Order Paper.

"An Act to Amend the Town of Harbour Grace Act, 1945"—ordered passed and title be as on the Order Paper.

"An Act to Amend the Rural District of Placentia Act, 1945"—read a third time, ordered passed and title be as on the Order Paper.

"An Act to Amend the Rent Restrictions Act, 1943," ordered passed and title be as on the Order Paper.

Second readings:

A Bill, "An Act to Amend and Consolidate the Law Relating to the Sale of Securities:—"

HON. P. J. LEWIS (Minister without Portfolio): Mr. Speaker, this Bill is to amend the Act passed on May 15, 1951. That Act was brought into force by proclamation and was almost identical with the Act in effect in Nova Scotia and certain Provinces of Canada at that time.

The Act itself has only been invoked once.

Now that Newfoundland has become a Province of Canada and because certain activity is expected in the security market it has been deemed wise and proper to bring our legislation up to date and with that object in mind the Act is being recast and brought into line with amendments made in recent years in the Province of Nova Scotia. It is rather comprehensive in its scope and consists of five parts. It deals with regulations of brokers and salesmen and is with very minor changes the same as part one of the present Act. Part two of the Bill is new and deals with registration of securities and requires filing of registration statement signed by the security issuer.

Part three deals with investigation and action by the Attorney General and is with certain minor changes the same as part two of the present Act.

Part four deals with regulations of trading and is almost similar to part three of the present Act.

Part five deals with Audits, Accounts, and Information being filed in relation thereto.

Part six with general provisions: Therein the Lieutenant Governor in Council selects a panel of auditors all of whom at any time may be required to audit the reports of accounts of any person or company. It also contains general provisions which may be inter-related with part five.

The object of the legislation is to control more rigidly the sale of securities and to vest additional powers in the authorities to see that the public is protected against exploitation in any respect. The Act

or any part thereof to be brought into force by proclamation of His Honour the Lieutenant Governor in Council. I move the second reading.

MR. P. J. CASHIN (Leader of the Opposition): Mr. Speaker, we have just received this Bill and I would suggest to the Honourable the Attorney General that we defer the debate until tomorrow so that we may have a chance to look at it. It is an important piece of legislation, I think, and we would like to have a look over it before discussing it. I know that the greater portion may be discussed in Committee but I suggest that we have until tomorrow anyway to look over it.

Second reading deferred until tomorrow. Moved by the Honourable Leader of the Opposition, seconded by the Honourable the Acting Attorney General.

First reading:

Honourable the Acting Attorney General asks leave to introduce a Bill, "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and the Shipbuilding (Bounties) Amendment Act, 1947:"

Read a first time, ordered read a second time on tomorrow.

MR. SPEAKER: I might say in connection with item No. 13, this is not a private members day but the petition Bill however has been referred to the proper committee.

A Bill, "An Act to Provide for the Establishment and Administration of Community Councils:"

Progress was made and leave was granted to sit again today. I shall now leave the Chair.

Committee of the Whole :

MR. SMALLWOOD : Mr. Chairman, I think we passed this Bill in Committee of the Whole yesterday but left open clauses 31 and 32 for possible amendment. Actually, I think that perhaps clause 32 requires no amendment but we propose to insert an amendment in clause 31, an addition to it. To add a section making what is there now sub-section (1) and adding as sub-section (2) the words : "Provisions of sub-section one does not apply in respect of property used for religious or educational purposes." I move that amendment. Mr. Chairman, I am not too sure this amendment is necessary but it is a case of making doubly sure. Here in this Province we have never taxed schools or churches, school or church property and it appears that in this clause 31 it might be possible for such property to be taxed although the clause deals actually only with water rates. Now if a community council is operating in one of these small settlements and that council should somehow manage to get a water and sewer system—there will not be many who will manage it obviously as these are settlements too small for town councils and capable only of community councils very similar to the Old New England Town Meetings—There will be very few capable of getting a water system but there might be one or two make it and we want to make it absolutely clear as a matter of principle that we don't hold in this Province with taxation of church or school property. This amendment as suggested may in fact be unnecessary but to establish the principle in this Bill we have suggested this amendment.

MR. HOLLETT : The Honourable the Premier stated he was not quite

sure it was necessary to make that amendment, and I feel quite sure it is not because the only tax applicable under this Act would be poll tax and tax on businesses. Now, how are you going to tax churches or schools under the provisions of a poll tax? I don't know if I were correct in assuming that there is no other tax which can be applied except the poll tax and a tax on business people. Therefore, I fail to see the necessity for the Premier's amendment. There must be some suggestion in the mind of the Premier that there is to be a property tax or else he would not have made that amendment. If I am correct in my assumption that there is only to be a poll tax I don't see any reason for this amendment. Could I have some information from the Honourable the Premier as to whether or not there is to be only a poll tax and a taxation on business before we put the motion?

MR. SMALLWOOD : Mr. Chairman, this clause does not deal with taxation. It deals with water rates, sewer rates, the charging of fees or rates for the supplying of water or services, there is a question as to whether it is actually taxation : I will read the clause :

Clause 31 : "The Council of any Community authorized under the provisions of this Act to operate a water or sewer system has the power to impose upon and sue for and collect from all persons owning property served by the Community water or sewer system, such water or sewer rates as may be approved by the Minister." And clause 32 provides that the Committee by unanimous vote, that is the point, it must be unanimous vote, may remit or exempt this or that person or organization from

the operation of the clause. Now by adding this amendment we are making doubly sure. It is rather the establishment of the principle I am concerned with in this amendment. I began by saying I had considerable doubt as to whether or not this is necessary. It cannot do any harm and it does establish the principle.

Carried.

The Committee sat and reports having passed the Bill with some amendments. Ordered read a third time on tomorrow.

MR. SMALLWOOD: I think the House would not mind if I pointed out that we have present with us here today a very distinguished visitor in the person of Sir Alexander Clutterbuck, the High Commissioner of the United Kingdom to Canada who has completed his tour of duty in Canada and is, I understand, returning to the United Kingdom and from there is going to the Commonwealth of Australia where he is United Kingdom Commissioner. He is not making his first visit to Newfoundland as he was Secretary of a very famous Royal Commission that occupied the attention of Newfoundland here a number of years ago and for a good many years after the Royal Commission Report was issued he was not a person of great popularity with many Newfoundlanders because of the fact that he had been the Secretary of that very famous Royal Commission. Newfoundlanders, however, learned in the course of time to place the blame, if that is the word, for the Royal Commission Report where it rightly belonged and that was not at the door of Sir Alexander Clutterbuck.

Since Newfoundland has become a Province of Canada he has been a very

warm friend of this Government and of this Province at Ottawa and at no time neglected or refused to assist this Province in any way that lay in his power in the United Kingdom and in Ottawa. I am sure the House is happy to see him interested enough in us to pay us a visit before leaving Canada to make his way off to far away Australia.

Mr. Speaker, I move all remaining orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow, Tuesday, at 3.00 of the clock. I can say now quite definitely that the Budget will be brought down here on Wednesday afternoon. The Minister of Finance is quite busy with it as is also the Cabinet and we would appreciate the rest of the day off. Perhaps as a matter of fact we need not meet tomorrow as there is very little work and it would be better to adjourn until Wednesday at 3:00 of the clock, and I so move.

House adjourned until Wednesday, at 3:00 of the clock.

WEDNESDAY, April 30, 1952.

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

Presenting Petitions

MR. MORGAN: Mr. Speaker, I beg leave to present a petition signed by twenty-six engineers, members of the Engineering Institute of Canada, and Junior members of the Institute of Engineers of Canada. Mr. Speaker, I move this petition be tabled and referred to a committee on private bills.

MR. SPEAKER: This petition and the Bill forthwith referred to Committee on Standing Orders to see that the Rules of the House are complied with.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Guarantee the Bonds of the Newfoundland and Labrador Corporation."

Orders of the Day

Honourable the Minister of Finance to move the House into Committee on Supply and Honourable Minister of Finance to move the House into Committee on Ways and Means.

HON. G. J. POWER (Minister of Finance): I move the House will tomorrow dissolve into Committee to consider Supply for Her Majesty and Ways and Means to be Granted to Her Majesty.

MR. POWER: Mr. Speaker, I beg to inform you I have a message from the Lieutenant-Governor.

Budget Speech read by Mr. Power.

BUDGET SPEECH

Mr. Speaker:

I beg leave to move that this House do now resolve itself into a Committee of the Whole to consider of ways and means for raising the Supply to be granted to Her Majesty.

Mr. Speaker:

It is with mixed feelings that I rise today to introduce the motion that Supply be granted to Her Majesty the Queen. It is difficult, after a period of some fifty years, to adjust oneself to the use of the words "Her Majesty" in substitution for those words which became so well used during the period involved, but it is with a feeling of profound regret, mixed with a feeling of pride and of hope for the future, that I use the changed phraseology. In the days of Elizabeth the First, this Island home of ours became the foundation stone of the Overseas Empire: today, for the first time in our history, we are requested to consider the Grant of Supply to Elizabeth II. It is perhaps not without significance that the reign of the first Elizabeth opened a chapter of long, arduous struggles against both nature and man on the part of the infant colony; the advent to the Throne of the second Elizabeth is, in the historical sense, virtually coincidental with the opening of our history as part of the mighty Dominion of Canada and we are convinced that the progress to be made by this new Province under the more favourable circumstances will be startling.

Mr. Speaker: I propose, in this first budget speech of mine, to adhere to the pattern established during the past two years by my colleague and leader, the Honourable the Premier; that is to say, I propose to give in very brief outline the results of the financial activities of the Government during the financial year 1951-52, to follow with a review of the economic possibilities of 1952-53, and then to open the Budget for the current year.

Financial Year 1951-52

The books of the Province for the year 1951-52 have not yet been closed, so that the quoted figures must be re-

garded as close approximations only. As you will be aware, the Province's books remain open, for certain purposes, up to and including the 30th day of April in each year, and the figures which I will now place before this House are not yet final, in that transactions will continue for another day or two, and further, it is to be understood that the figures are subject to final audit. They will, without doubt, vary slightly from the figures which will appear in due course in the Public Accounts of the Province.

The House will be pleased to learn that on a straight cash basis (difference between actual receipts and ex-

penditure) on current account, we ended the year with a surplus of current revenue over expenditure of \$1,929,200. If, from this surplus, we deduct the balance of outstanding commitments of record on the books of the Province, representing liabilities incurred but unpaid at the time of preparation of these figures, amounting to \$581,700, we are left in the very happy position of having available, for application against Surplus Account Expenditure, a net surplus of current revenue over current expenditure of \$1,347,500. The figures in comparison with those shown in the Estimates which passed this House about a year ago, are as follows:

	Estimated	Actual	Increase	Decrease
Current Revenue	\$30,694,300	\$31,105,282	\$410,982	\$
Expenditure, including recorded outstanding commitments	29,981,400	29,757,812	.....	223,588
	<u>\$ 712,900</u>	<u>\$1,347,470</u>	<u>\$634,570</u>	<u>\$</u>

This pleasant financial out-turn of our past year's operations as a Government is all the more impressive when we remember that during that year it became necessary to increase expenditure considerably by raising the take-home pay of civil servants and teachers by an amount of about \$600,000 in the year. The surplus of revenue over expenditure would, but for this necessary increase, have been about \$1,900,000. It is a graphic indication of the phenomenal prosperity of the Province during the past year.

It goes without saying that the actual receipts by Departments show a number of variations which, generally speaking, cancel out—the excesses aggregated \$1,820,800 while the under receipts amounted to \$1,409,900. The

net difference of about \$411,000 being entirely due to the very welcome buoyancy of the revenue of Finance Department. Finance revenue, originally estimated at twenty and a half million actually resulted in collections amounting to twenty one million four hundred odd thousand—a betterment by \$879,600; this improvement may be said to be due wholly to the yield from the Social Security Assessment (\$3,160,000 against \$2,250,000).

As in the case of the revenue, the expenditure out-turn (including outstanding commitments) reveals a number of variations in comparison with the original estimates for the year. Excesses totalled, in all \$940,000 of which the most significant are to be found under Public Works (\$567,000

largely on roads account), Education (\$133,000 net cost of teachers' cost of living bonus), and the Executive Council (\$92,000—due to the General Election). The excesses were offset by under-expenditures amounting to \$1,163,000, of which the most weighty are under Public Welfare (\$719,500 due to the assumption by Canada of the cost of Old Age Pensions), Natural Resources (\$236,400 due in the main to the decision not to have an open beaver season in 1951-52) and the Attorney General (\$155,100) due to a lowering of expenditure levels generally across the entire gamut of services provided for under this Vote).

Revenue and Expenditure as charges against Pre-Union Surplus amounted to \$2,110,700 and \$16,937,000 compared with \$2,957,000 and \$14,765,200 respectively in the original estimates; that is to say, revenue fell short of anticipations by \$846,300 and outgoings exceeded the originally planned expenditure by \$2,171,800.

On the revenue side, the most noteworthy variations were under Public Works (\$447,500), Economic Development (\$147,300) and Provincial Affairs (\$120,700).

On the expenditure side the main increase was \$4.4 million under Economic Development due to the acceleration in our programme of encouraging the establishment of new industries, as to which this House has been informed. This heavy excess was offset in part by decreases amounting in all to \$2.2 millions of dollars due to a combination of retarding roads and

building programmes, and overestimates in respect of such items as the slum clearance programme, etc.

The impact of the 1951-52 operations upon our pre-Union Financial Surplus Account will be dealt with in a later section of this address.

Mr. Speaker, the sweeping increase in our people's prosperity is nothing short of astonishing. We all thought that the prosperity we enjoyed during the late war was quite remarkable, and so indeed it was; but it fell far short of what we see in Newfoundland today. Last year was the most prosperous in all our history, for our people pocketed nearly twenty-four million dollars more than they had in the year before. The signs of this enormous prosperity are to be seen on almost every side of our life. The people are better dressed; they are better housed. The shops are doing more business than ever known. Popular causes appealing to the public for subscriptions are receiving record-breaking amounts. The number of automobiles and other motor vehicles is growing rapidly. The amount of freight moving on the railway and by steamship and coastal boat and truck is far ahead of all earlier levels. The value of the life insurance bought by the people has risen rapidly, and bank savings deposits have gained also.

But if last year saw great gains over the year before, the present year will see even greater gains over last year. My estimate of the money that will go into our people's pockets during the present year is as follows:

Source	Amount	
	1951	1952
Mining	\$9,000,000	\$9,800,000
Paper, Pulp, Wood	28,100,000	34,500,000
Construction, general	5,000,000	7,000,000
Road Work	2,000,000	2,000,000
Transportation	12,000,000	12,500,000
Manufacturing	5,200,000	7,000,000
Communications	1,600,000	1,800,000
Stevedoring	2,400,000	2,600,000
Defence	16,000,000	20,000,000
Shop and Office	9,500,000	10,000,000
Newfoundland Government	8,781,000	9,700,000
Canadian Government	9,800,000	10,500,000
Miscellaneous :		
(Municipal, druggers, private hospitals, broadcasting, shipbuilding, etc.)....	4,390,000	6,000,000
Fisheries	11,000,000	12,000,000
Dividends, Insurance, etc.	2,500,000	3,000,000
Family Allowances	10,500,000	10,800,000
Old Age Pensions	5,000,000	7,000,000
Veterans	2,800,000	2,800,000
Unemployment Insurance	2,000,000	1,800,000
Old Age Assistance	—	1,800,000
Mothers' and Dependents' Allowances....	2,500,000	2,500,000
Totals	<u>\$150,071,000</u>	<u>\$175,100,000</u>

This means that, with a hundred and seventy-five million dollars going into the pockets of our people this year, they will pocket twenty-five million dollars more than they did last year or nearly fifty million dollars more than they did the year before last; no wonder we have the prosperity that we see amongst our people today! This total sum of money will revolve to constitute a total turnover in trade this year of well over quarter of a billion dollars, a truly magnificent figure indeed.

Of the items that make up this total of \$175,000,000, some ninety million dollars are provided by mining, pulp, paper and wood, transportation and communication, the Canadian

Government, Family Allowances, Old Age Pensions and Veterans' Allowances. All of these are quite likely to increase next year, and the year after, to totals of ninety-five or a hundred million dollars; and unless a world recession takes place the present trend should carry the grand total figure for next year to something approaching two hundred million dollars. The immediate future seems bright indeed for Newfoundland.

And now, before giving you the detailed figures of my estimated revenue and expenditure for the year upon which we have just entered, there are two or three points which it is necessary to make clear to the House.

On the revenue side, as is generally known, the picture is very much determined by the amounts payable to us by the Government of Canada. By far the greater part of our total revenue comes to us from Ottawa, and the smaller part from local sources through taxation and other means. The Ottawa sources fall mainly under three headings: the statutory grants and subsidies; the special Transitional Grant provided to assist us to adjust ourselves to the status of a Province of Canada; and the payments made to us under the Tax Rental Agreement with the Government of Canada. There are no noteworthy changes in the statutory grants and subsidies, except for a slight increase arising from the increase in our population.

There is a very noteworthy change in the Transitional Grant. The Terms of Union provide for the payment to us of \$6½ million a year for the first three years of union. Thereafter the amount is to diminish by \$850,000 a year. The present being the fourth year of union, there will be a reduction of \$850,000 in our payment under this heading from Ottawa.

It is, however, in the Tax Rental payments that the greatest changes have taken, and will take, place. The Tax Rental Agreement came to an end at the 31st of March past, and an entirely new Agreement is now in effect. We have not as yet actually signed the new Agreement, but we have notified Ottawa of our intention so to do. The new Agreement is a considerable improvement, from our standpoint, over the last one. There will be very large increases in the payments to us under it. Furthermore the payment to us each year will be based, not upon the average of the computations of the three years preceding, as in the old Agreement, but

rather upon these of the one year preceding. So long as Canada's economy continues to show the past and present remarkable acceleration, this will be reflected immediately in the amount of the payment to us each year.

I said a moment ago that in this fourth year of union our Transitional Grant diminishes this year by \$850,000. It will diminish another \$850,000 next year, and still another \$850,000 in each year, and so on. But the other side of the shield is that as the Transitional Grant goes down, the Tax Rental payments go up, and go up more rapidly than the former goes down. For example, the increase in Tax Rental payments for this present year alone is enough to compensate for the decrease in the Transitional Grant this year, next year and the year after. Assuming that we receive next year no less Tax Rental payment than we will this present year, that will compensate for the decrease in Transitional Grant for several years more. The position appears to be very healthy from our standpoint.

There is one other point that I should explain about the new Tax Rental Agreement. In the old agreement we were paid in arrear, and in the first year we received only three payments. In the new agreement we shall receive four payments each year, commencing in the first year. In this present year we receive the final payment under the old agreement. This sizable amount, which of course is non-recurring revenue, swells the present year's revenue correspondingly.

Having made these necessary explanations, I turn to my forecasts for the present financial year. The estimates of Revenue and Expenditure, which I now table, are exhibited in a

form rather different from that of previous years. They are now clearly divided to show revenues and expenditures on current or ordinary account, and Capital or Surplus Account figures are kept quite separate, as they should be.

The figures are as follows :

Total revenue	\$34,848,300
Total expenditure	28,503,400
<hr/>	
Total surplus	\$6,344,900

EXPENDITURE

The expenditure on Current Account estimates contain provisions, under virtually all heads of expenditure, to meet the costs of adjustments, from September 1951, of the cost of living bonus payable to civil servants, members of the Constabulary, the Fire Department and the Penitentiary, as well as the additional cost arising from the re-introduction of the cost of living bonus payable to teachers. The burden in respect of teachers is estimated at \$510,000 for the full year. The Civil Service cost of living bonus provisions in the Estimates for 1951-52 aggregated \$730,000, while those for 1952-53 aggregate \$1,266,000. The increase on this account is thus \$536,000 for the full year or, if that of the teachers is added, an overall increase of \$1,046,000.

Despite this increase, however, the current expenditure estimates, as I have already said, aggregate \$28,503,400 or a net decrease, on comparison with the original estimates for 1951-52, of \$1,469,900.

This net decrease is attributed almost in its entirety to the change in the method of paying Old Age Pensions to persons of seventy years and

over which, with effect from the 1st of January, 1952, has been assumed by the Government of Canada.

I do not propose to deal with all heads of expenditure but will restrict myself to a review of the departments where major changes are exhibited.

Finance

With an estimate of \$1,118,100, the Department of Finance reveals a net increase of some \$116,000 over the approved estimates for 1951-52. This is due, in the main, to three factors : an increase by \$91,600 in the non-effective vote (cost of pensions other than pensions of teachers), the provision of \$90,700 for the acquisition of the shares in the Harbour Grace and Carbonear Water Companies and an increase by some \$16,000 in cost of living bonus provisions. These, together with some comparatively minor increases, aggregate something more than \$218,000 and are offset by certain decreases, the most significant of which is that of the grant-in-aid of \$100,000 for the St. John's Municipal Council which has been dropped in 1952-53. This was a special grant which was continued for two years and which, in the opinion of this Government, may now properly be discontinued in view of the Council's improved financial position.

Education

The Department of Education estimate of \$5,631,900 shows a net increase of \$801,400. This is, of course, made up of a number of items including provision for a new Curriculum service to which the Department attaches a high degree of importance. The major portion of the increase is directly attributable to the decision to reintroduce a cost of living bonus for

teachers estimated at \$510,000, to which I have already made reference, together with an increase of \$242,000 which we have decided to pay as an increase in teachers' salaries. This latter provision is designed, generally speaking, to make possible an increase of the order of \$100 a year each in the salaries paid to this most admirable section of the community. The increase will have effect from the 1st of September, 1952, and the provision is in respect of the period September to March, or seven months; the cost, for a full year, of this adjustment will be of the order of \$420,000.

Attorney General

With a total estimate of \$1,547,100, the Department of the Attorney General shows a comparatively small increase of \$25,000 but this provides for an increase by ten per cent that we have decided to make in the salaries of the Constabulary, Fire Department and Wardens of the Penitentiary at an estimated increased cost, in the first year of application, of \$45,900.

Mines and Resources

The Department of Mines and Resources' total estimate is \$1,485,000 or an increase of \$284,700 over last year. Increases aggregating \$210,300 have been made in the provisions for the Mines Division to defray the costs of a considerably accelerated programme designed to supply data for further exploration and development of the mineral wealth which we are convinced is lying dormant within the boundaries of this Province. Provision is also made at an estimated cost of \$15,000 for the survey and acquisition of certain parcels of privately owned land in the area designated as the site of the proposed Provincial National Park. When surveyed, the area will

be passed over to the Government of Canada for subsequent development and management, the full costs of which will be defrayed from the funds of the Government.

Public Works

The Department of Public Works, with a total estimate of \$4,006,600 under Current Account, or an increase by \$301,900 over that of the previous year, also contains a provision of \$130,000 for an upward adjustment we have decided to make in the prevailing rates of pay for seasonally employed roads employees. The increase involves an average upward revision of five cents an hour in the pay of these employees. In addition to this increase, the ordinary annual provision for the maintenance of roads has had to be increased by \$145,000 to meet the costs of our expanding system of highways.

Health

Last year's estimate for the Department of Health totals \$6,202,400 in comparison with \$5,605,500 for the previous year. The increase of \$596,900 is due to a number of factors including expenditure for the staffing and operation of the expanded Hospital for Mental and Nervous Diseases and of three new Cottage Hospitals and Nursing Stations, the increased costs of provisions etc., required for the operation of the public institutions coming under the control of this Department and the adjustment of civil servants' cost of living bonus which, for this largest employer of all Government Departments (with a personnel provision of some 2,100 in comparison with 2,000 for the previous year), is estimated to cost \$589,200 in 1952-53 as compared with \$314,000 in

1951-52. It will be seen that, of the overall increase by \$596,000 in this year's costs, no less than \$275,000 is due to the cost of living bonus increase.

Public Welfare

The Department of Public Welfare costs for 1952-53 are estimated at \$6,321,800 or a decrease of \$4,066,700 to which I have already made passing reference. The provision of \$5,600,000 for the payment of Old Age Pensions to persons of seventy years of age and over, vanishes in 1952-53 but this reduction is offset in part by provision for the first time of an amount, estimated at \$1,900,000, required to pay assistance benefits to persons in the age group of sixty-five to seventy. This new service, as the House is aware, is a divided financial responsibility, the Government of Canada bearing fifty per centum of the annual cost.

The cost of Dependents' and Mothers' Allowances is set at \$2,400,000 or some \$350,000 lower than in 1951-52. This reduction is due, in the main, to transfers to the Old Age Assistance (65-70 group) payroll.

The net aggregate of reductions so effected is \$4,050,000 in comparison with the total reduction of \$4,066,700 under this Head of Expenditure.

Municipal Affairs

The estimate for Municipal Affairs and Supply is \$691,200 or \$245,800 in excess of that for 1951-52. This increase is due, in the main, to the transfer of \$200,000 of special assistance grants to Local Councils, made in the form of outright grants as distinct from loans, from Surplus or Capital Account to Current Account.

Fisheries and Co-operatives

The Department of Fisheries and Co-operatives, with an estimate of \$486,600, shows an increase of \$133,500 over last year's estimate. This increase is due entirely to the transfer of the provision of \$180,000 for Shipbuilding Bounties from Capital or Surplus Account to Current Account where it properly belongs since the outgoings constitute an annual recurring charge of a nature which cannot properly be designated as Capital Expenditure although it could, in the two previous years, be regarded as expenditure for the development of resources and as such properly chargeable against the Two-thirds Surplus Account expenditure.

Economic Development

The Current Account estimate for the Department of Economic Development stands at a total of \$151,300 which is an increase by \$83,700 over last year. Here again, a block of expenditure, previously charged against Capital or Surplus Account, has been transferred to Current Account as will become apparent in the detailed examination of the Estimates as a preliminary to the Grant of Supply.

This brief review disposes of Current Account Expenditure which aggregates, as I have already said, \$28,503,400.

REVENUE

How is this expenditure to be covered? Let us now turn to the Estimates of Current Revenue which total \$34,848,300, or a net increase of \$4,154,000 over the original estimates of the previous year.

I propose to review the Revenue estimates in rising order of variations.

To begin with, decreases amounting in all to \$3,354,300 are exhibited under two Heads—\$148,800 under Provincial Affairs due to the transfer of Housing revenue to the Department of Municipal Affairs and Supply, and \$3,205,500 under Public Welfare. This large decrease is due to a reduction, in a net sum of \$3,216,500, in grants by the Dominion Government in respect of that Authority's contributions towards the costs of pensions for persons of 65 years of age and over, a topic to which I have already made reference.

Six Heads reveal increases in amounts ranging from \$700 to \$58,300 or an aggregate of \$152,700.

Three Heads, Public Works, Municipal Affairs and Supply and Board of Liquor Control, reveal increases of \$153,400, \$264,400 and \$300,000 respectively.

The increase under Public Works is due, as to \$126,000 to Roads revenue—in the main, to a betterment by \$110,000 in the anticipated yield from licences for motor vehicles. The increase under Municipal Affairs and Supply is due to Housing Association interest payments at a higher level, and that of the Board of Liquor Control to increased profits on trading operations including commission on the sale of beer.

The major increase in anticipated receipts during the present year is under the Department of Finance which, with an estimated total of \$27,191,900 shows an increase of \$6,637,800 over the original estimate of the previous year.

Of this increase by \$6.6 million, \$3,683,800 is to be found under the description "Dominion of Canada" Statutory Subsidies (which are de-

ductible from payments under the Tax Rental Agreement) reveal a small increase of \$29,100 due to changes in the Population Grant and payments under the Tax Rental Agreement proper are shown at \$10,674,900 which, together with \$1,569,100 under Statutory Subsidies, give an aggregate of \$12,244,000, the latest estimate of the 1952-53 yield from this source as compiled by the Dominion Government. In addition, there is an estimated receipt of \$61,000, being one-half of the Dominion tax on certain Provincially domiciled public utility companies, and of \$2,030,300 being refund of the hold-back under the terms of the Tax Rental Agreement which has just expired.

The amount of \$12,244,000 has been calculated on the basis that we shall enter upon a new agreement with the Government at Ottawa but that, instead of taking a three-year average of the gross national product, we shall take a one-year basis as the method of calculating the payments due to us.

The Transitional Grant at \$5,650,000 reveals the first of the continuing reductions under this item.

As to other Finance revenue, the yield from the gasoline tax at \$1,700,000 is up by \$350,000 over last year; interest on Exchequer balances at \$288,700 is down by \$211,300 owing to the reduction of the balance on deposit at Ottawa; sales tax on Fire Insurance premiums at \$125,000, or \$65,000 more than last year, reflects current trends of which last year's \$60,000 was an underestimate.

Apart from the increase in payments by the Canadian Government, referred to a moment ago, the major increase under Finance revenue is \$2,750,000 under the Social Security Assessment Tax.

It will be recalled that the exemption of food stuffs from the ambit of the governing Act was effected, not by Statute, but by Regulation. This exemption was granted because the Government felt that, at the time, the full benefits of the programmes of social assistance had not had impact upon the general populace—a position which it is felt has now rectified itself. Bearing this in mind, together with the fact that this Province is traditionally opposed to certain forms of taxation (e.g. direct land tax and direct taxation for the support of schools) common in the other Provinces, the Government have now decided that the exemption of food stuffs for human consumption can no longer be justified and we have decided that, as from a current date, the continued exemption of such items from the ambit of the Act should no longer be permitted.

The House will doubtless wish to have a clear picture of Capital Ac-

count revenue and expenditure, not for the present year alone, but for the whole period from the date of Union to the end of the present financial year, which ends March 31st, next year. I am happy and not a little proud to give this account.

We commenced our career as a Province of Canada on March 31st, 1949, with an accumulated cash surplus of around forty-and-a-quarter million dollars. The exact amount was \$40,283,147. Since that date we have added some amounts to the total, and of course we have withdrawn from it as well. The withdrawals, as might be expected, greatly exceeded the additions, for it was these withdrawals that financed extensions and improvements to the public services, and paid the costs of our drive for economic development. As was done in the budget speech last year, I propose to project the description to the end of the current financial year.

We began with a cash surplus of		\$40,283,147
To this we have added the following amounts :		
By revision	\$ 949,522	
By recoveries from the non-cash surplus :		
1950-51	\$1,798,358	
1951-52	854,053	
1952-53	220,800	2,873,211
		<hr/>
By surplus earned on Current Account :		
1950-51	\$ 649,490	
1951-52	1,347,470	
1952-53	6,344,900	8,341,860
		<hr/>
By sale of 3 industrial plants, 1952-53	9,200,000	21,364,593
		<hr/>
Making a total revenue, including the original amount, for the four years of		\$61,647,740

From this grand total that we will have received to the fourth year of Union, we will have withdrawn and expended the following amounts :

1949-50 Current Account deficit	\$ 3,735,875	
Economic development and extensions to the public services	5,632,373	
1950-51 Liquidation of pre-Union liabilities	195,006	
Economic development and extensions to the public services	9,856,141	
1951-52 Liquidation of pre-Union liabilities	2,546	
Economic development and extensions to the public services	15,566,241	
1952-53 Liquidation of pre-Union liabilities	5,500	
Economic development and extensions to the public services.....	11,130,100	\$46,123,782
		<hr/>

Leaving, at the end of the four years, a total Surplus or Capital
Account balance of

\$15,523,958

Of this sum, the amount of \$10,898,400 representing one-third of the pre-Union Surplus will be on deposit with the Government of Canada at our credit (an amount of \$10,850,000 is actually in Ottawa at this moment) drawing interest annually at the rate of 2½%. This one-third of the original Surplus as defined by the Terms of Union, is available to us on current account for the maintenance and improvement of the public services. It would appear that to make withdrawals from this reserve we must first incur a deficit on current account, and as our policy is to have current account surpluses rather than deficits this amount will be allowed by us to remain on deposit with Ottawa. The remainder of this balance, amounting to \$4,625,558, may be spent by us, under the Terms of Union and with the authority of the Legislature, on any capital account purpose.

Before passing on, there is one point to which I desire to direct particular attention, and that is that of the grand total of \$61½ million of capital account revenue to the end of this present financial year, this Government itself will have created a total of about \$17½ million by means of current account surpluses and the sale of the three new industrial plants.

Taking this into account, therefore, we find the position for the four years to be this: the grand total revenue on capital or surplus account available to us will have been about \$61½ million, about \$17½ of which we will have created ourselves. By "we" I mean the present Government.

I am sure the House would like to have a break-down of the grand total capital expenditure for the four years. It amounts to a total (or will by the end of the present financial year) of \$42,2 million. Here is how it will have been spent:

Invested in Economic Development:

Loans to three Development Loan Boards	\$	820,034	
Invested in the shares of the Nfld. and Labrador Corporation Limited		900,000	
Invested in the shares of the Nfld. Asbestos Company		75,000	
Loans to Industrial Companies to establish branch factories in Newfoundland		6,350,000	
Establishment of wholly owned Government enterprises		8,097,811	
Surveys and Investigations		663,094	\$16,905,939

Spent to Extend Public Services:

Roads and Bridges	12,715,752	
Construction and Equipment of Hospitals and Institutions	6,194,032	
Construction and Equipment of Schools	2,385,663	
Construction and Equipment of other Public Buildings	463,362	
Housing and Slum Clearance	1,046,612	
Assistance Grants to Local Councils	635,615	
Loans to Housing Associations, Local Councils etc.	585,273	24,026,309

Other Capital Expenditure

Total Capital Expenditure

\$42,184,855

It will thus be seen that of the grand total capital expenditure for the four years, the amount spent for the extension of the public services was about \$24,026,300, or at the rate of about \$6,00,000 a year. This is on a per capita basis the smallest amount spent for such purposes by any Province of Canada, and represents admirable restraint when the urgency of this Province's need for such extensions is borne in mind. I suggest to the House that credit is

due the Government, and indeed to the Province, for devoting such a large proportion of the total capital account expenditure to economic development. If that is not sound financing I should like to know the meaning of the term.

For the present financial year, net Capital Account Expenditure (included in the above table) will be as follows:

Invested in Economic Development:

Loan to Industrial Development Loan Board	\$ 75,400	
Loans to Industrial Companies to establish branch factories in Newfoundland	4,853,200	
Establishment of wholly owned Government Enterprises	30,000	
Surveys and Investigations	20,000	\$ 4,978,600
		<hr/>

Spent to Extend Public Services:

Roads and Bridges	3,280,000	
Construction and Equipment of Hospitals and Institutions	780,000	
Construction and Equipment of Schools	1,100,000	
Construction and Equipment of other Public Buildings	124,400	
Housing and Slum Clearance	635,000	
Assistance Grants to Local Councils	50,000	5,969,400
		<hr/>

Other Capital Expenditure..... 182,100

Total\$11,130,100

The cardinal principle that the present Government have followed, from the day they first took office, is that of economic development. My predecessors in my present office have, in their budget speeches, laid great stress on this principle; and it is with particular personal pleasure that I add my voice to theirs. I have from the start been a strong supporter of the Premier's drive for economic development. I have agreed completely with his contention that any government in Newfoundland these times that did not devote itself heart, mind and soul to that great cause would be acting traitorously to Newfoundland. I know

that I speak for all my colleagues in the Government when I say that we have all been inspired by his tireless and able leadership, his ceaseless effort to bring about the development of this Province, his single-minded concentration on the expansion of existing industries and the creation of new ones. He has travelled tens of thousands of miles in Canada, the United States, Great Britain and continental Europe to establish personal contact with industrialists and to capture their interest for the natural resources of Newfoundland and Labrador. It is only now that the fruits of his efforts are beginning to appear, and it is a very

encouraging fact that in the present year a round dozen of the largest mining companies of the world are taking an active and practical interest in our mineral resources. The Premier has thrown himself into this drive for economic development with that same unselfish spending of himself that was the main cause of his success in making Newfoundland a Province of Canada, and we who know him very well are confident that he will be as successful in this drive as he was in that earlier one. I believe that the people of Newfoundland have that same faith in him. He created a Province of Canada. He will not be satisfied until he has made that Province one of the most progressive, and most prosperous in Canada. We, who are his colleagues and supporters in this House, share his views and ambitions for Newfoundland, and will continue to work with him and beside him for the full realization of this great objective.

When the full story of the Premier's accomplishments comes to be told, it may well be said that the greatest of them was the formation of the Newfoundland and Labrador Corporation. Nothing was ever more warranted than the Government's decision to build the cement mill, the gypsum plaster-board mill, and the birch veneer, plywood and flooring mill; but it is an unfortunate fact that from the moment the decision to build was announced it was twisted and distorted by political opposition and partisan criticism. Any ordinary mechanical or operational mischance in one of these three mills was advertised widely by political opponents of the Government that built them, and exaggerated beyond all semblance to reality. One could almost believe that a complete failure of these enterprises would be welcomed in cer-

tain quarters. So it would be in any enterprises started by the Government, and it was partly for this reason that the decision was taken to set up the Newfoundland and Labrador Corporation, so that economic development might be removed from the realm of politics.

At their last meeting the directors of the Corporation decided to purchase these three mills from the Government at cost, and to request the Government to guarantee a bond issue of ten million dollars that the Corporation would sell for the purpose of acquiring the funds with which to buy the plants. The Government have agreed to give the guarantee, and the House will shortly be asked to authorize the agreement. The Corporation have made the necessary arrangements with bond underwriters for the sale of the bonds, and the sale of the three plants by the Government should take place in the immediate future.

The Newfoundland and Labrador Corporation is to be the Government's economic arm, through which we will more and more seek to realize our ambitions to industrialize Newfoundland. We are deeply grateful to the three distinguished Newfoundland industrialists who have consented to become Directors. Mr. H. M. S. Lewin, C.B.E., Vice President and General Manager of Bowater's Newfoundland Pulp and Paper Mills; Mr. Eric A. Bowring, C.B.E., President of the great Newfoundland firm of Bowring Brothers, Ltd.; and Mr. Chesley A. Pippy, one of Newfoundland's most successful business leaders, are giving freely of their time and experience in the hope of advancing a sound policy of economic development of this Province's resources. From without the Province the Corporation has the valuable services, as directors, of Col. Harold

S. Griffin, D.S.O., of the Wood, Gundy Company, and Mr. George M. Mackintosh, a Vice President of Harriman, Ripley and Company, and of Mr. Lytleton B. P. Gould, both of New York City.

Newfoundland has had rare good luck in securing the interest of Sir William S. Stephenson. Sir William has accepted the position of chairman of the Board of Directors, and as such he has deliberately thrown in his lot with Newfoundland. He has, during the past year or more, made an intensive study of all the data in existence showing the natural resources of Newfoundland and Labrador, and this study has convinced him that these resources are worthy the attention of even the greatest mining and other industrial concerns. He is closely acquainted with many important industrialists on both sides of the Atlantic, and already he has succeeded in interesting many of them in the economic possibilities to be found here.

The Corporation's programme is to make agreements with different private concerns for the exploration and development of our resources, and itself to undertake certain explorations leading to development. This Legislature has ceded control over a very large slice of Newfoundland and Labrador to the Corporation, and it is the Government's policy to hand over to the Corporation active responsibility for many other areas.

We have high hopes that our policy of economic development will see more rapid and sounder realization through this unique organization which combines public and private capital and skill in a degree not perhaps to be found elsewhere in North America today.

Mr. Speaker, I come now to what

I regard as the very essence of the Government's financial policy. We have given long, careful and serious consideration to this policy, and we are quite convinced that not only is it sound, but the only sound policy that any Government could adopt in Newfoundland in the present times and circumstances.

I think it will be agreed by the House that Newfoundland's two great needs are development of her economic resources and development of her social and public services. That we need more miles of road, more hospital beds, more school facilities, who can doubt? That we need more industries, more jobs and more earning-power for our people is a self-evident fact, so self-evident that it scarcely needs to be stated.

In the past three years we have done something along these lines. We have built and rebuilt roads, built hospitals, built and rebuilt schools. We have helped Town Councils to organize, and we have helped them to improve their local public services. We have helped the City Council of St. John's. We have not done all that needed doing, but at least we have done something.

We have done much to bring about economic development, but here again much more needs to be done. We must push ahead with our policy of surveying, measuring, mapping and blueprinting our natural resources, of helping existing industries to expand, and of assisting new industries to become established.

All that we have done has been done out of the accumulated cash surplus, with some help from the earned surpluses on current account during the past two years. It was indeed fortunate that we had the accumulated

cash surplus, and prudent that we added to it by means of current account surpluses in two of our three years. Had we not had these surplus funds for extension of our public services, and for economic development, we should have been faced by two possible courses of action: either to borrow the money for those purposes, or to abandon all hope of undertaking such things.

As we of the Government considered the future, as we faced this present year in particular, we were faced by the same two courses of action: to abandon all further improvement of the public services, and to abandon all further economic development, on the one hand or, on the other hand, to borrow the funds for such purposes. We decided as a Government that it was unthinkable that we should abandon public service and economic development, and we decided that it was equally unthinkable that we should borrow.

There was a third course open to us, and that was to earn our own cash surplus, year by year on current account. That is to say, we could adopt the policy of collecting from the people each year, in current account revenue, more than was actually needed for current account, expenditure. We could employ the resulting current account surplus each year to finance capital account development.

That is the policy we adopted, and that is the policy which forms the keynote of this budget speech.

No better time could be chosen to establish and carry out such a policy, for as I have already shown there is in our Province today, and there gives promise of being next year, such prosperity as we have never dreamed of in the past. Our policy is one of legis-

lating so as to take from the people of this Province, not only the money we need to carry on the ordinary affairs of the Province, but some additional funds to enable us to undertake, or rather to continue, improvements in the public services and economic development as well. It is this, or go out and borrow. Borrowing is how other Provinces of Canada, and States of the American Union, finance their development; but this Government's policy is to avoid to the last possible hour the adoption of the policy of public borrowing. We have today what is by far the lowest public debt, both absolute and per capita, in all of Canada, and we are determined to keep it that way.

We are budgetting for a surplus on current account this year of over six million dollars. We shall take this amount, together with the \$9.2 millions we shall receive for the sale of our industrial plants, and spend virtually all of the \$15½ million on economic and public service development. If our expectations for next year are realized, we shall again be able to avoid borrowing and finance our development out of current account surplus. This is a financial and budget policy which will remain sound just as long as there is an expanding economy in North America. I do not say that we shall carry this present policy over even into the financial year which follows the present one, for it is obvious that we shall have to take careful and constant notice of the trends and developments in the world about us. This much I do say: that we shall not readily or light-heartedly adopt the policy of adding to our funded public debt.

And now before concluding I should like very briefly to give a broad out-

line of Newfoundland's financial position:

1. The people are enjoying the greatest degree of prosperity in all their history.

2. Newfoundland (and Labrador) are experiencing the greatest economic development in all their history.

3. We are witnessing the greatest expansion and improvement of our public services ever seen.

4. The public finances of Newfoundland were never so soundly based as now.

5. During the past year we reduced our Public Debt by \$1,200,000.

6. We have virtually no public debt. It amounts to less than \$10 per head of population, compared with the next lowest (\$82) and the highest (\$300) per head in Canada.

7. We have just ended our financial year with a cash surplus of \$1,347,000, as compared with a surplus of \$649,500 in the year before.

8. We have budgeted for a surplus of \$6,344,900 for the present financial year.

9. We are able to spend \$11,130,100 this year on capital account for economic development and the improvement of our public services.

10. When this new financial year comes to an end we shall still have \$15.5 million in our cash surplus.

It is doubtful whether any other Province of Canada, except Alberta, is able today to boast of a sounder financial position.

And now in conclusion I reaffirm this Government's faith in the future of Newfoundland. We have highly

important and highly valuable natural resources. We have a hardy and industrious people. By sound public financing, and an energetic policy of encouraging private enterprise to come to Newfoundland and Labrador, we shall succeed in bringing about such economic development as we have never dreamed of before. All we ask from this House, and from the people in general, is that they share our faith in Newfoundland's future and support us in every sound effort to make Newfoundland enduringly prosperous.

MR. SMALLWOOD: Mr. Speaker, I move the adjournment of the debate. I move that all further orders of the day do stand deferred. I move the House at its rising do adjourn until tomorrow, Thursday, at 3:00 of the clock.

THURSDAY, May 1, 1952.

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

Presenting Petitions

MR. BROWN: Mr. Speaker, I beg leave to present a petition on behalf of the voters of Portland, Bonavista South, signed by 69 residents praying that a road be constructed from Charlottetown to Portland North. I would point out that from December to January of each year and again from late March until May they are completely isolated owing to ice conditions. Their only means of travel is by a long overland route to the railway midway between Port Blandford and Terra Nova and from there to Port Blandford. There is already a possibility that the road will be

constructed from Charlottetown to Port Blandford covering a distance of forty miles. The residents contend that along this route there are great agricultural possibilities plus valuable birch forests which could be profitably marketed if such a road were to be constructed. They also state the road would induce new settlers from more isolated localities.

I strongly support this petition, Sir, and move it be tabled and referred to the Department concerned.

Presenting Reports of Standing and Select Committees

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, the Standing Committee on Municipal Affairs having viewed the Bill, "An Act to Amend the St. John's Municipal Act, 1921"

and Acts in Amendment thereof, and report the rules have been complied with and its present aim has been approved.

Bill read a first time, ordered read a second time tomorrow.

Giving Notice of Motions and Questions

Notice of Motions :

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Authorize the Execution on Behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada."

Notice of Questions :

Mr. Cashin gives notice of questions.

Orders of the Day

Committee of the Whole on Supply :

Page 22.

101 PUBLIC DEBT INTEREST :

01 Trustee Stock :

3½%, 1952, £302,731-18-1.

Interest £10,596 (a) 31,800 32,085

02. War Loan :

3¾%, 1940-65, \$1,500,000 56,250 56,250 56,250

03. Victory Loans :

3¼%, 1952-57, \$1,500,000 48,750 48,750 48,750

3%, 1943-58, \$2,000,000 60,000 60,000 60,000

Total: Subhead 101 165,000 196,800 197,085

MR. P. J. CASHIN (Leader of the Opposition): In connection with this Trustee Stock, I noticed in a review of the budget this was paid off this year and the budget would indicate that amount was paid off from either revenue or surplus. There was, if I remember, a substantial fund there some time ago. I have asked a ques-

tion to which I have not had a proper reply as to how much sinking fund was there and how much to make up the balance of what would pay off the balance.

HON. G. J. POWER (Minister of Finance): Mr. Speaker that amount

was paid off by revenue received against surplus account.

MR. CASHIN: There was a sinking fund against that amount in London that has been there for some time, as a matter of fact has been building up since 1934.

MR. POWER: That was paid off

by an amount contained in the sinking fund plus \$10,000.

MR. CASHIN: In other words what the Government found this year out of the budget was just \$10,000 to pay off the balance.

Carried,

102 SINKING FUNDS:

02. War Loan, 1940; contribution 2¾%.....	41,300	41,250	41,250
02. Victory Loan, 1942; contribution 2%.....	30,000	30,000	30,000
03. Victory Loan, 1943; contribution 2%.....	40,000	40,000	40,000

Total: Subhead 102	111,300	111,250	111,250
--------------------------	---------	---------	---------

MR. CASHIN: In connection with the Sinking Funds are all those war savings certificates redeemed?

MR. POWER: No, they have not been redeemed.

MR. CASHIN: Well there is nothing in here for War Saving Certificates then I can see. Can the Minister give us any idea of the standing of that account at the present time: What are the outstanding certificates, what is the total, how much has been paid off altogether?

MR. POWER: At the end of March next they will be all paid off. The principal—

MR. CASHIN: The principal is redeemed and all now remaining is \$20,000, is that correct?

MR. POWER: Yes. At the end of March next it will be \$20,000.

Carried.

104. STATUTORY SALARIES:

17,400	16,650	16,450
--------	--------	--------

MR. CASHIN: There is \$17,400 with details on page 86?

MR. POWER: Mr. Allen was not on the scale last year when the estimates were made up, this year he is.

LEGISLATIVE:

201 SESSIONAL:

01. Allowances	67,200	63,800	64,642
02. Expenses:			
01. Travelling and Expense Allowances to twenty-eight members (\$1,000).....	28,000	28,000	27,000
02. Office	1,500	1,500	1,136
03. Books and Binding (Revote)	300	500	189
04. Printing Hansards and Journals (Three Sessions: Revote of \$12,700).....	25,000	16,200	.....

Total: Subhead 201	122,000	110,000	92,967
--------------------------	---------	---------	--------

MR. SMALLWOOD: Mr. Chairman, I move that on page 86—first item remain as is, and that second item be rounded to \$500, fifth line; \$42,000 be changed to \$56,000. Now, Mr. Chairman that change to \$56,000 means that the Members of the House of Assembly, regardless of party, regardless of what side of the House they be on, regardless of anything, all members of the House would receive \$500 a year more towards their expenses as members. That will bring the total take home pay of members to \$3,000 a year. They receive \$2,500 of which \$1,500 is salary and as it was always known sessional indemnity, not a salary. It is supposed to indemnify members of the House for their time and work in the House as members of the House. The other \$1,000 is for their expenses which they incur, which they would not incur were they not members of the House, postage, telegrams, board and lodgings whilst they are visiting their district and the hundred and one things that members of the House have to meet and pay which they never have to pay if they were not members. Every member of this House knows he is out of pocket and seriously so on that one thousand a year, and it is for that reason that the amount be increased to five hundred dollars a year. That would, as I say, make the carry-home pay of Members of the House of Assembly \$3,000 a year of which \$1,500 would be sessional pay and \$1,500 would be for expense account—No—One thousand expenses and \$2,000 sessional pay, and that one thousand would be tax free. Now this means that Members of the House of Assembly, if this passes, will have the same salary, take home pay, as unskilled labour in Grand Falls, Corner Brook. My honourable friend from Bell Island tells me what it runs to a year, about \$3,000 without overtime

in Corner Brook and Grand Falls and I think Buchans is about the same for unskilled labour. In other words, I feel the Members of the House of Assembly are worthy of about the same pay, if not more, but certainly the same as unskilled labour obtaining in the industrial centres. Now, it may be said that is high pay for three or four months whilst the House is open, but any Member of the House of Assembly who is a member only whilst the House is open does not stay a member very long, but he is a member 12 months a year, night and day.

The other small increases are in Mr. Speaker's Official Entertainment Allowance from \$400 to \$500. Mr. Speaker is the first commoner of the land and is called upon to do certain official entertainment on behalf of the House of Assembly and \$400 a year is found to be quite inadequate.

Now, the Clerk of the House is raised to \$2,500 a year from \$2,000. I don't remember what the Clerk used to get in the old days, the late Mr. Harry Mott and the Assistant P. K. Devine but I do know that there is an enormous amount of work to be done today by the Clerk of the House and the Assistant, especially the Clerk compared with the amount that had to be done in the old days, because the amount of legislation passed through this Chamber this year is enormously greater than the amount in earlier years. We pass more legislation in one session than used to be passed in a whole term of a Government lasting four years. All of that has to pass through the hands of Mr. Clerk. As far as the attendants, messengers, pages, door-keepers are concerned I think that instead of raising these we might compensate them with some bonus at the end of the session.

MR. POWER: If we propose to pay a bonus we will have to make provisions for it.

MR. SMALLWOOD: That is so. Frankly I have not thought enough about it to know the amount by which we might increase it. I don't know, frankly, what they get individually.

MR. CASHIN: Make it \$500.

MR. SMALLWOOD: In that case you have to balance it out. Now, you have the Attendant on Mr. Speaker \$400—raise that also to \$500, make them all the same. Attendant on Mr. Speaker becomes \$500 and messengers, etc., becomes \$2,500. Pages—I don't know about the pages most of the others are married men.

MR. CASHIN: The pages hope to get married one day, seeing we are so very generous.

MR. SMALLWOOD: I don't know if we should encourage them so much to get married by paying them more money like that. That item becomes \$1,000 instead of \$700. Who gets the \$375? We could raise that to \$500 and pay it out of extra assistance raising the extra assistance by \$125.

MR. CHAIRMAN: We have not been in the habit of passing the totals. That is left to Finance after the alterations.

HON. L. R. CURTIS (Attorney General): I think the practice is to have so much passed reported each day.

MR. HOLLETT: I was going to ask you, Mr. Chairman, about the printing of Hansard and Journals. That has been there since 1949, the vote for it. I have yet to see a Hansard in the House or out of it. I see

this year \$25,000 has been voted. Have you any idea as to what progress has been made?

MR. SMALLWOOD: I may say I am personally most acutely dissatisfied with the "Evening Telegram Job Printing Department" for the inexcusable slowness with printing the Hansard. I think it is scandalous and disgraceful and insulting to this House of Assembly, a paper which puts itself up with a holier than thou attitude, that presumes to be almost next to God Almighty in its comments on the affairs of this House and yet which same newspaper, when this House asks them to do the printing, insults us by refusing to deliver the job. They have that down there now it seems to me for years and we can't get it out of them. It is the last job they will get from this House of Assembly. I am glad the honourable member asked that.

MR. FOGWILL: I am rather surprised at the Premier's rather strong outburst against the "Evening Telegram."

MR. SMALLWOOD: That is not an outburst. If the honourable member wants an outburst he will really hear something.

MR. FOGWILL: In any case now that the Premier has displayed quite a lot of dissatisfaction with the printing which I believe is now in the hands of the "Evening Telegram," we must realize that their order was placed with these people and there are other printing firms in the town too, the "Daily News" and the "Guardian Press," if the Hansard is not being printed satisfactorily or quickly enough the order could be taken away because there is no satisfaction from these people and placed in the hands of some other printing

people for instance, the "Daily News" or the "Guardian Press" or "Trade Printers" as the case may be.

MR. SMALLWOOD: Except that you can't take a whole year's work partly in print and partly not from one printing firm and give it to a new office, it would drive the cost up away out of all reach.

MR. FOGWILL: It should be put on contract.

MR. SMALLWOOD: It was, that is how we were able to vote the amount.

MR. FOGWILL: Well, there should be a time limit.

MR. SMALLWOOD: We did not think they would let us down like that, it must be seven, eight or nine months since we have had a proof. They have had the job now and apparently will take their time doing it in between whiles, this great organ of public opinion to the public of Newfoundland.

MR. HOLLETT: That is no outburst at all from the Premier. That does not answer the question which I directed toward the Honourable Minister of Finance: Are we going to get Hansard or are we not? If so how soon. I notice Hansard arriving from Ottawa the House of Commons there. I had one today dated 25 April or 26, I think. It is printed daily. This Government is in the House since 1949 and I have yet to see one. The money is voted year after year. I am not going to blame the Honourable Minister of Finance who has only been there a short time but I would appreciate being given some assurance that the Hansard will be forthcoming.

MR. POWER: I could not give a

date on it, seeing the length of time they have had it up there now, goodness knows how long, if the honourable member desires I will try to hasten it.

MR. CASHIN: The whole thing is this: First we were short of reporters in the House, practically impossible to get them. Here in the old days there were five and six and we had Hansard practically every day, every member had a typewritten copy put on his desk for checking and so forth. Today we can't get that, we have not got the reporters and can't get them, they are just not around today. In those days every young lawyer reported in this House, I think the Honourable Minister of Justice reported here one time and they all came here. Today you can't get that type of people any more, they don't learn shorthand any more and you can't get the Hansard every day, it is impossible. In Ottawa they have about ten reporters taking it down and it is printed next morning, but we are years now without one.

MR. SMALLWOOD: They have their own printing office.

MR. CASHIN: We ought to have one down here because the Guardian Press is guaranteed by the Government and surely we ought to put some business there to pay us for the loan they got.

MR. HOLLETT: Another thing strikes me: I know the Honourable the Premier was angry a moment ago. We all get angry sometimes even though we ought not but we ought not to say no paper is not to get another order from this House. I quite appreciate the anger and ire of the Premier, I would like for him, not to take anything back, but would like

for him to admit that it is not the final attitude of this House.

MR. SMALLWOOD: Not the final attitude of this House—I will now tell the honourable member and glad to emphasize it, the Evening Telegram gets no more printing from this Government, none, they have had their last one. It is a wonder to goodness they send the Order Paper the same day as it is needed. We are waiting two years on that Hansard, it is scandalous, they call themselves printers, call themselves businessmen, when all they are good for is a good short knife and don't turn your back on them.

MR. FOGWILL: To clear the record: I understand now the Honourable Premier has put all the blame

on the people printing Hansard and that none of the blame at all is put upon people who are employed here in the House to do the reporting?

MR. SMALLWOOD: That is quite so, yes. There is no difficulty except in the first session putting Hansard down on paper, no difficulty at all, but the difficulty is in getting it printed for two years. It is lying down there still waiting.

MR. FOGWILL: The reason why I raised that point is that I believe the actual reporting is much the more difficult job to do than the actual printing which is only a copy of the reports, as it were.

Carried.

202 MISCELLANEOUS:

01. Oil Painting Portraits of Speakers of House of Assembly			6,228
02. Painting Portraits of Prime Ministers.....		3,300	.....
03. Commonwealth Parliamentary Association	800	800	1,550
			<hr/>
Total: Subhead 202	800	4,100	7,778

MR. CASHIN: The Commonwealth Parliamentary Association: Is that a yearly grant?

MR. POWER: Yearly dues to that association.

301 LIEUTENANT-GOVERNOR'S ESTABLISHMENT:

01. Salaries	15,500	14,100	13,069
02. Expenses:			
01. Travelling	1,000	1,000	695
02. Office	1,300	1,490	631
03. Automobile	800	500	461
05. Wages, Messing and Uniforms, Domestic Staff	9,600	9,600	10,342
			<hr/>
	12,700	12,590	12,129
			<hr/>
Total: Subhead 301	28,200	26,600	26,098

MR. SMALLWOOD : I have one or two changes which I would propose to the Committee : If we would just for the moment by-pass salaries and take 301-02-01 Travelling : That is to be dropped—Office remains the same—Automobile remains the same, Wages Messing and Uniforms, Domestic Staff \$9,600 to become \$11,600.

MR. HOLLETT : How is the increase distributed?

MR. SMALLWOOD : Really, I don't know, it is for the Governor's domestic staff within the Government House Building. It is quite a large staff and it is becoming increasingly difficult for the Governor to retain the staff without increasing the wages of the domestics and other parts of his domestic staff. To off-set the increases

His Honour asked us that the travelling be dropped, a vote of \$800. There is another item here, 301-01 Salaries, details on page 86 : Increased by the sum of \$230. That is also for an increase of \$110 a year to the keepers of Government House Grounds over the present estimate of \$1,680, an increase of \$110 a year to the keeper of Government House Grounds and \$120 a year to the Assistant. Mr. Speaker, the recommendations in this memorandum have already been embodied in the estimates apparently because here it says at \$1,580.

MR. CASHIN : Last year it was only \$1,320.

MR. SMALLWOOD : Perhaps we might let that item stand until it is cleared up.

302 PREMIER'S OFFICE

01. Salaries	16,800	16,130	14,457
02. Expenses :			
01. Travelling	1,500	1,500	1,414
02. Office	2,000	2,070	2,413
		<u>3,570</u>	<u>3,827</u>
Total : Subhead 302	20,300	19,700	18,284

Carried.

303 EXECUTIVE COUNCIL OFFICE :

01. Salaries	4,500	4,360	2,795
02. Expenses :			
03. Allowances to Messenger, Provincial Affairs for special services	200	200	200
Total : Subhead 303	4,700	4,560	2,995

MR. SMALLWOOD: What happened to 302?

MR. CHAIRMAN: It was carried.

MR. SMALLWOOD: A vote of confidence in me.

MR. CASHIN: Allowance to Clerk of the Council, who is that?

MR. POWER: Miss Stella Meaney.

MR. SMALLWOOD: She does all the confidential papers for the Cabinet. I mean she types them.

MR. CASHIN: In Provincial Affairs there is another girl there is there not, Miss Meaney?

MR. SMALLWOOD: The same thing applies to the Deputy Minister of Provincial Affairs, Mr. Carew, clerk of the Council while Deputy Minister of Provincial Affairs, as Clerk of the Council he gets additional salary.

MR. CASHIN: That only started last year.

MR. SMALLWOOD: She got the additional salary last year.

MR. CASHIN: That is her total salary?

MR. POWER: Yes.

301. THE NEWFOUNDLAND ELECTION ACT 12,000 5,140

MR. SMALLWOOD: For by-elections or proposed by-elections.

MR. HOLLETT: Why by-elections?

MR. SMALLWOOD: There is one set for Labrador.

MR. HOLLETT: Just one by-election?

MR. SMALLWOOD: There is one there and there is always the possibility of a by-election. The honourable member might care to resign in St. John's West and test it, the public opinion again, and that would mean a by-election.

MR. CASHIN: That would not be a bad idea. There was a fellow resigned some time ago.

MR. HOLLETT: I was wondering if you were going to revise the election act—revise that before going to Ferryland.

MR. SMALLWOOD: I would not think so. We might revise some of the returning officers.

MR. CHAIRMAN: 301 through 304 carried, with the exception of 301.

401 DEPARTMENT OF FINANCE:

401 MINISTER'S OFFICE:

01. Salaries	9,660	9,510	8,346
02. Expenses:			
01. Travelling	500	500	1,530
02. Office	140	190	48
	<hr/>	<hr/>	<hr/>
	640	690	1,578
	<hr/>	<hr/>	<hr/>
Total: Subhead 401	10,300	10,200	9,924

MR. POWER: In all cases running through the estimates there is a vote there for Office covering postage and the like. Carried.

402 GENERAL OFFICE:

01. Salaries	38,340	36,800	27,356
02. Expenses :			
01. Travelling	2,000	2,000	1,884
02. Office	1,660	1,500	1,976
	3,660	3,500	3,860
Total: Subhead 402	42,000	40,300	31,216

MR. CASHIN: Who is the Accountant at the present time?

MR. POWER: Mr. F. A. Hickey.

MR. CASHIN: He gets more than \$2,500 a year does he? That man has been there a long time and I see he is only there now on a sufferance salary. It is set at \$2,500 and he is just in for \$3,200. Is he not able to do his job or what is the explanation for that?

MR. POWER: It followed on re-organization. The post was held to be worth Grade II only but Mr. Hickey was retained on a personal basis at \$3,200.

MR. CASHIN: What are his duties now, what does he do?

MR. POWER: He is the principal junior.

MR. CASHIN: He was Accountant at one time and is reduced now I take it because you don't consider him competent. Is that the idea?

MR. POWER: That is not the case.

MR. CASHIN: Why reduce him if he is competent to do the job?

MR. POWER: The salary for the post has been reduced.

MR. CASHIN: Is this the position: Someone else is put in the job as Accountant?

MR. POWER: Mr. Bearns is Accountant.

MR. CASHIN: Is he in some other Department? To me there is a lot of changes going on there. Here is the position, Mr. Chairman, the man was there as Accountant in my time, that is a long time ago, twenty-five years and this man Hickey whom I know very well took over from Mr. Renouf when he retired in the early 30's. I know he is competent, I recommended him for that position by Mr. Brownrigg and prior to that in the Commission of Public Works and I know he was Accountant for some time and in recent years he has evidently been demoted for some reason. He is either competent or incompetent, one or the other, if competent he would get promoted and if incompetent demoted and if someone has been brought in and put over his head and by the Grace of God or someone else allow him \$3,200 a year personal. I don't think that is fair and that is

probably happening in some other Departments as well, as we go through, some old Accountants getting kicked out.

MR. HOLLETT: I agree with everything the Honourable Leader of the Opposition has said. In the Finance Department there is just one Accountant there and only one, on a personal basis of salary at \$3,200. With all due respects to the Finance Department, if they are going after Accountants they should be good and of course should command a better salary, not only one, but a couple of more, I think it would be well to look into that matter, Mr. Chairman.

MR. SMALLWOOD: If I may be permitted, Mr. Chairman, to say what the Minister of Finance could not very well say with impunity, I would say the Department of Finance in the Government of Newfoundland is an outstanding credit to this Province and this Government amongst the Provincial Departments of Finance across Canada, outstanding for its efficiency and its integrity. The system that has been installed there of central accounting, commitment control is outstanding amongst the Provinces of Canada. It is of course to the credit of Peat, Marwick and Mitchell and Company who installed it and I think to the credit of this Province that asked them to install it and have since carried it out. The firm of Peat, Marwick and Mitchell go

from time to time to check on the system, it is not infallible.

MR. CASHIN: That is quite evident.

MR. SMALLWOOD: Is any system ever devised by man infallible? But it is incomparably better than it ever was in all its history and we are very proud of it.

MR. HOLLETT: How do you know that?

MR. SMALLWOOD: How do I know about so many things that I know? It would take the whole afternoon to tell all that I know, in fact, I could not finish then. With regard to Mr. Hickey, he is not demoted but the position which he had has been graded down and all that follows is this: If Mr. Hickey retires a grade two clerk will go into that position.

MR. HOLLETT: I still maintain you need good Accountants in the Finance Department and I am casting no disparagement on the official of the Finance Department, I am only talking on account of the Buy Newfoundland Campaign. I saw one bill for \$6,500, cut by Finance down to \$3,000 or something like that, I maintain that Mr. Hickey or whoever is doing the accounting should get proper pay.

MR. POWER: Under 409 there is a Chief Accountant, Assistant Accountant and the rest of them all working in that Department.

Carried.

403 AUDITOR GENERAL'S DEPARTMENT:

01. Salaries	60,700	55,590	48,677
02. Expenses:			
01. Travelling	4,000	4,000	3,190
02. Office	100	110	37
	<u>4,100</u>	<u>4,100</u>	<u>3,227</u>
Total: Subhead 403	<u>64,800</u>	<u>59,700</u>	<u>51,904</u>

MR. HOLLETT: The Cost of Living Bonus has gone up from the last estimates.

MR. POWER: In the last estimates, it was underestimated last year, and there has been two increased due to the up-grading of the Cost of Living Bonus.

MR. CASHIN: Auditor General's salary, that comes in under 104, Consolidated Fund. The Deputy Auditor General goes to \$4,700. Now the Auditor General is really head of the Department and I notice all the other Deputies have been graded up. I don't know who the Deputy Auditor General is, I have not the foggiest idea but if the other Deputies are entitled to get \$4,400 a year and ultimately the Auditor General himself, as a matter of fact, gets more money

than the Ministers; and his grade has not been scaled up at all, there is no change in that.

MR. HOLLETT: Would the Finance Minister recommend a change there for the Deputy Auditor General? The Deputy Ministers are going up to \$6,000 and I think it is only fair.

MR. POWER: The position in question is actually not a Deputy Minister's position, it is the Deputy Auditor General.

MR. HOLLETT: I know, but he has to be assistant to the Auditor General.

MR. POWER: That position there is on the same scale as Assistant Deputy Ministers.

Carried.

405 SOCIAL SECURITY ASSESSMENT:

01. Salaries	71,400	60,500	11,818
02. Expenses			
01. Travelling	5,000	5,000	606
02. Office	3,000	2,000	1,925
03. Equipment, Rentals, etc.	8,000	8,000	7,766
04. Standard Forms	1,500	1,500	1,744
	<hr/>	<hr/>	<hr/>
	17,500	16,500	10,297
	<hr/>	<hr/>	<hr/>
Total: Subhead 405	88,900	77,000	22,115

MR. CASHIN: In front of that heading there is Railway Pensions. There is a lot of difficulty and discontentment amongst the railway employees with respect to pensions and I understand many of the railway people are trying to get the matter settled with the Federal Government, with Ottawa, I am not quite familiar with it but my colleague here is one of the railway men himself. I would like to know if anything transpired

since last Fall, it is too bad to be making an election issue out of this thing and that is what happened last Fall, the Government when looking for votes were going to do everything to get their pensions and the other side were doing the same thing. Now, how are you going to transform all those promises into action by having the matter properly adjusted, I don't know what has happened since? I do know that the railway employees went to

the Premier and the Premier took the matter up with Ottawa, I don't know what happened since and would like to hear it.

MR. SMALLWOOD: We have the matter in hand, taking advice legal and otherwise, we certainly have the matter not only in hand but very much at heart.

MR. CASHIN: That is poor consolation.

MR. SMALLWOOD: I agree but what more can we do than to have it very much at heart and in hand.

MR. CASHIN: That should have been straightened out at the time of union when terms were being negotiated and it was left out, that is the trouble.

MR. HOLLETT: I wonder if the Premier would be prepared to make a statement with regard to pension rights of railway men. From looking at the terms of union I feel they definitely, should suffer no loss of pension rights. I wonder if the Premier or the Finance Minister is prepared to make any statement on it.

MR. POWER: I happen to be unfamiliar with this, I think most of it took place before I came to the Department of Finance.

MR. SMALLWOOD: I have nothing to say except to repeat we have it very much at heart and very much in hand.

MR. CASHIN: You have not heard anything?

MR. SMALLWOOD: Not lately, we are working on it and are fairly anxious and determined to do what lies in our power to do. There is an injustice being done certain railway men, I am quite certain of that. I

have been working on this thing for two and a half years, my first letter to the Secretary of State was dated July 1950 and I have been at it off and on ever since and am still at it and hoping to win out.

MR. FOGWILL: In respect to 404-04 Railway Pensions and 404-01 Civil Servants' Pension, when may we expect that? The maximum payment for pensions may be reached insofar as payments are concerned to be made by the Provincial Government, because I understand there are quite a number of those employed in the Civil Service who have gone over to the Civil Service of Canada and we should expect that soon the total amount would be a diminishing amount. Instead of that we find an increase for this year. The same thing happened here in Railway Pensions. In respect to Civil Servants' Pensions that matter is steadily being cleared up by the Lieutenant-Governor in Council and the Government of Canada and regulations are made whereby that will be cleared up entirely, but on Railway Pensions the thing is still now today as it was in 1949.

Carried.

405. SOCIAL SECURITY ASSESSMENT:

MR. CASHIN: \$88,900, that is because of the collection of taxes I think which will be nearer six million next year. Do the Government think, Mr. Chairman, of putting on a taxation on other commodities? If they are to stick on a couple of more millions as indicated in the budget, it seems to me it will cost more to collect it?

MR. POWER: In the administration of the Department it will not cost any more to collect it.

MR. CASHIN: It is going to be an awful lot more work, it is bound to be, it is only common sense to say that.

MR. HOLLETT: Chief Auditor-Inspector \$3,000.—Is that one to inspect the work of the other two, is that it? Would that be on account of collecting taxes on food, is that the reason why you have an extra auditor more than last year. You have three auditors here now, is that because of the increased work due to the tax on food?

MR. POWER: No, last year it was found impossible to fill these positions and some of them will be filled as time goes on. In fact the vote is up there by \$1,600 from last year but it only means that posts that were not filled before are being filled, posts that existed.

MR. HOLLETT: There were no votes for these posts last year.

MR. POWER: Yes, the auditing side has been extended at the expense of some of the other posts.

MR. FOGWILL: On the section of social security, I understand the Department makes allowances to licensed vendors of retail goods to collect the tax, what amount is allowed to these people who collect or these people licensed to sell goods to collect this taxation, what amount is paid them and where is it provided for?

MR. POWER: Speaking from memory, 3% and that is deductible from the taxation.

MR. CASHIN: That means if John Brown in the bottom of Placentia Bay collects \$20 he sends it in and takes off 3% for himself.

MR. SMALLWOOD: It was provided for in the Act we passed here.

MR. FOGWILL: Mr. Chairman, the section dealing with that is 11 (2) which says: "The Minister may pay the vendor for such services an amount as prescribed in the regulations." If they are paid for collecting this taxation should not that expenditure then be deducted by the vendor themselves?

MR. POWER: It is not an expenditure, the money is deducted before the returns are sent to the Department of Finance.

MR. FOGWILL: In other words on next year's estimated collection under these headings the vendors would collect somewhere in the amount of \$150,000 for collecting this tax for the Department.

MR. SMALLWOOD: That is not in addition to what the public pays, that comes out of what the public pays and the shopkeepers withhold that amount, all the shopkeepers put together withhold that amount of what they collect from the public in sending the returns to the Minister.

MR. FOGWILL: To get the point clear, I did not say the public paid that amount, I know they did not, but I want to make my point clear, they are paid by the Government for collecting the tax, it is paid from that.

MR. CASHIN: The shopkeeper takes it off. He does not take a chance of sending it in because under that Act it says: the Minister may pay the vendors for their services. Well, the Minister does not pay it at all; he takes it himself. "That the Ministry may pay." He does not pay, the fellow takes his share therefrom, so that the Act is not applicable here at all in a way.

MR. HOLLETT: What system is put up by the Department of Finance

to collect from all those storekeepers throughout the country?

MR. POWER: On page 88 you will see there are sixteen inspectors.

MR. HOLLETT: To visit four or five thousand stores throughout the country, or more.

MR. POWER: The Department hopes that number will be sufficient but if need will add to it.

MR. HOLLETT: In other words, if it is found necessary they will increase the number and they will have to visit all these stores.

MR. FOGWILL: On that point again—Can the Honourable Minister assure the Committee that in his opinion all the money collected by licensed vendors in connection with social security assessment is turned in or would the position be that there would be any withheld, some of the odd cents which may amount to a large sum in the run of the year. What say your inspectors you have employed to look into all the vendors?

MR. POWER: The Department is of the opinion that a little of that kind of thing is happening.

MR. HOLLETT: Just a little?

MR. POWER: Yes.

MR. HOLLETT: In view of that I would suggest you might look into increasing the travelling inspectors for that particular section. It was \$5,000 last year and is still \$5,000.

MR. FOGWILL: On that point again, the Minister has agreed that there is probably a little now, Mr. Chairman, could I ask the Minister to enlarge on what he means by a little, in respect to five millions, a little may be only 2%, or 3%, or 4%,

and it might be two hundred thousand dollars, I don't know.

MR. POWER: The honourable member would not expect me to set a figure, I don't know any more than he.

MR. FOGWILL: The Honourable Minister in the position which he holds should have some idea of what amount.

MR. POWER: The Minister of Finance would be a genius if he could answer that.

MR. HOLLETT: Is it the practice at the present time for the Department to send an inspector to every store in the country to check?

MR. POWER: No, when the Department is satisfied that the proper returns are being made that store is not checked up too much, but where there is a suspicion that an amount is being withheld the inspector is put on the job.

MR. HOLLETT: I take it there are very few inspectors travelling in this country. I don't think very many of our storekeepers are short changing the Department, therefore you are going to trust the storekeepers again and it is an eye opener for me to find that this Government is trusting the storekeepers. I think the Government is slipping, Mr. Chairman, also the Premier if he is trusting the storekeepers throughout all this country.

MR. POWER: I may say that during the past year since this Act has been passed, it has been a year for getting the thing going properly, and from now on there will be a closer check all over the country.

MR. HOLLETT: Has there been any prosecutions?

MR. POWER: No, we have not any yet. It is not a case of trusting the storekeepers but it is a case of getting the whole show going properly. Any taxation like that in the beginning is bound to be abused in certain cases. No matter how strict you make it there is bound to be a certain amount of abuse. There has not been too much.

MR. FOGWILL: I know it is very difficult for the Honourable Minister to answer this but I am curious.—Is there any breakdown of the amount collected, say in the larger centres like St. John's and Grand Falls, Corner Brook or Harbour Grace and these places where most of these people have cash registers to compute the taxation, have you made periodic inspections to see if there are any defaults in the collection of the taxation. Is there any breakdown in the large centres of population?

MR. POWER: The country is divided into six or seven zones and that is the only provision there is.

MR. FOGWILL: Zones?

MR. POWER: Zones or areas, and to each of these zones an inspector is assigned. There are six inspectors and six zones.

MR. FOGWILL: Would the Honourable Minister now, if he is prepared to do so, tell the Committee how the zones are set out? What are the boundaries of the zones?

MR. POWER: I can give you that definitely but not off-hand.

MR. FOGWILL: Is the information available, if so could the Honourable Minister bring it in tomorrow?

MR. HOLLETT: May I ask if it is the intention in the near future to

impose the taxation on all foods as sold to stores?

MR. POWER: I think that decision rests with the Cabinet Ministers. That will be a decision taken by the Executive Council.

MR. HOLLETT: I take it from the Budget Speech yesterday that the Government had decided.

MR. POWER: They have decided to apply it to food items but I don't think it said in the speech that there would be no exemptions. I am not sure if it will be or not, but the Government did not say there would be no exemptions but that food items would be taxed.

MR. CHAIRMAN: I might say that the discussion now taking place might more properly be discussed in Committee on Ways and Means.

MR. HOLLETT: Mr. Chairman, if I may, I would refer to the statement that there would be five million dollars collected on social security. I would take it that when the Government made that assessment they had some idea of the quantity of goods that are to be taxed.

MR. CHAIRMAN: I would remind the honourable member that I don't think that is in item 405 which we are discussing.

MR. FOGWILL: The only thing about it, my honourable colleague did ask a question, I think, before it was ruled out, and if the Minister himself cared to answer, I think it would be all right.

MR. CHAIRMAN: With all due deference to the honourable member and thanks for instructing the Chair, I shall let the Minister, reply to the question asked by the honourable member.

MR. FOGWILL: Is the Minister prepared to answer the question?

MR. POWER: What exactly is the question?

MR. HOLLETT: The question is—Is it the intention of the Government to tax all foods which we eat, and if so, is it to apply to the whole country?

MR. POWER: It would apply to the whole country.

MR. HOLLETT: I would further ask what time is it likely to come into effect? I would not expect to know

that but I want to know as five million dollars is estimated for revenue from this Department, I expect you have decided to tax all foods.

MR. POWER: Let me put it this way: Say, for instance, that tomorrow the Government decided to tax all food items and the day after decides to exempt some, it is done by regulations and from time to time may be changed. I don't know. I could not foresee the future.

Carried.

406. MISCELLANEOUS:

02. Savings Campaign	13,500	14,500	10,389
03. Management Expenses, Public Debt	1,500	3,000	648
10. Revision of Accounting Procedures, Fees and Expenses	2,000	5,000	23,001
11 St. John's Municipal Council Grant-in-Aid		100,000	100,000
12. Property Loss Reserve Fund	25,000	25,000	15,000
16. Fee Financial Adviser	1,000		
17. Workmen's Compensation	2,000		
18. Water Company Acquisition	90,700		
Total: Subhead 406		135,700	149,038

MR. POWER: 406-11. There is no vote for that. There was a vote for \$100,000 last year.

MR. HOLLETT: I take it the Government are satisfied that the St. John's Municipal Council are now in a position to financially look after themselves. I notice there was an advance last year and the year before. They needed some assistance from the Government on account of the change over from the old system to that of Union with Canada. The City of St. John's was hard hit, there is no question about that. Everybody who lived here prior to and since Confederation

must know it is difficult for the Municipal Council to finance various operations which it is supposed to perform and to that end the Government, therefore made an allocation or grant of \$100,000 to assist them. I am wondering what steps have been taken by the Government to ascertain if no hardship is created on the Council, therefore on the people of St. John's by this taking away of \$100,000 grant. Was there some inquiry made or were there any members of the Municipal Council in conversation with the Government and was it agreed they could well afford to do without that?

MR. POWER: It was obvious from the fact the Municipal Council's financial position had improved considerably and this grant was never intended to be a continous grant, but was more or less a transitional grant. I would like to point out the Government is still assisting the St. John's Municipal Council. The Fire Department and Police Department are borne by the Provincial Government which is different altogether then in the other Mainland towns of Canada where local town councils support the Police and Fire Departments. So that the money spent by the Government for police and fire protection are certainly assistance to the St. John's Municipal Council.

MR. HOLLETT: What particular part of the Municipal Council was this supposed to assist?

MR. POWER: The \$100,000 was general assistance in so far as I know, a grant-in-aid.

MR. CASHIN: In connection with this particular item, prior to Union with Canada, St. John's received for years an amount of seventy or a hundred thousand in duty on coal and when we went into Union with Canada there was no duty on coal, the Provincial Government does not collect duty on coal and in order to reimburse the Council what they did lose through Union with Canada, \$70,000 or \$100,000 duty on coal brought into the city of St. John's, the idea was that they would get this particular grant.

HON. E. S. SPENCER (Minister of Public Works): Where did this idea come from?

MR. CASHIN: It was there before you and I ever thought of coming into this House.

MR. SPENCER: Not specific.

MR. CASHIN: That was one of the arguments the Municipal Council put forward at that time, because of the \$100,000 loss of revenue every year they should be reimbursed. And at that time they did not pay the police or—

MR. SPENCER: As far as the Government is concerned there was no specific arrangement, that is what I mean.

MR. CASHIN: I pointed out that in former years the Municipal Council received duty collected on coal coming into the city of St. John's and now that is gone.

MR. CURTIS: Do they get a tax on oil instead of it?

MR. CASHIN: Who collects that?

MR. CURTIS: They collect it directly from the Oil Companies, and the Oil Companies collect it from the consumers.

MR. CASHIN: There is nothing on coal. I agree fuel oil is taking the place of a considerable quantity of coal but there is still a large quantity of coal coming in, on which ordinarily, prior to union, they would receive a dollar a ton.

MR. CURTIS: A dollar on hard, fifty cents on soft.

MR. CASHIN: But it worked out to roughly a dollar a ton and that is gone now and the council is not so wonderfully well off financially as we are led to believe. Furthermore, in connection with that, I think the Finance Minister should table the financial report of the Municipal Council for last year. After all it is not an autonomous body completely and is supposed to report to the Government every year. The report of the Municipal

Council was always tabled here in years gone by and I have not yet seen the statement of the finances of the Municipal Council of St. John's. I must say that there are a lot of improvements in the city as far as streets are concerned in the last ten or fifteen years and it costs a lot of money to do so. They contributed to the Housing Corporation which in my opinion they will never see again and may as well forget about it, a million dollars and now this hundred thousand dollars is taken away from them by the Government which is an annual grant not a statutory amount, but I feel in the interest of the city some consideration should be given and I would like to know if the Government has discussed this with the Council and have they been told they can reduce that one hundred thousand dollars, does the city say they are now in a good financial condition and do not want it?

MR. POWER: They would hardly say that.

MR. CASHIN: You only assumed it and never told them you would not give it to them either.

MR. FORSEY: Mr. Chairman, the answer is, when the Municipal Council made a request for this special one hundred thousand dollars they made it with the understanding that it was for one year only and in that period they were going to adjust the finances of the city. As a matter of fact the income of the St. John's Municipal Council this year is upwards of fifty percent more than it was last year. In addition to that there may be a compensating factor to the loss of the one hundred thousand dollars this year which possibly could be revealed when the amendment to the Municipal Act is passed.

MR. CASHIN: There is an amendment to come in?

MR. CURTIS: It had first reading today.

MR. FOGWILL: Mr. Chairman, in speaking to the special grant for both of these years I can't seem to find it, where it was put. I understand in the last two years there was a regular grant to the Municipal Council of something around \$35,000.

MR. CURTIS: That is still there in Public Works.

MR. FOGWILL: That is still there, this year the Municipal Council makes a contribution towards the upkeep of the Fire Department, I think.

MR. HOLLETT: I hate it almost to have to say that this looks almost like a penalty clause put in against the Municipal Council of the city of St. John's for not thinking right politically. I take it a lot of people in the city are taking that cutting out of one hundred thousand dollars as a grudge of the so-called Outport Government against the city of St. John's. I deplore that and I think the Government ought to take that matter under advice and discuss it with the Municipal Council. It is a pity, it is going to stir up a lot of animosity outside St. John's and in here in the city of St. John's.

MR. CASHIN: That has been done.

MR. HOLLETT: I am asking that it not be done in this particular instance and I think the Government ought to take the matter under proper advice. I am not charging the Government but it is what the people would think and we are going to have, according to the estimates, a

surplus of six million dollars. Why then take away this amount which is badly needed by the Municipal Council. I know because I am a taxpayer and know that taxation has gone up considerably in the last years in order to bring about this so called adjustment, and I think it is a pretty awkward position for the Government to place itself by agreeing. I want to put myself on record as asking the Government to give some consideration to this matter.

HON. C. H. BALLAM (Minister of Labour): I think my honourable friend is leaving the impression with the public here and with the press that this was done quite recently by Her Majesty's Outport Government. That was done a year ago by consultation here in this Chamber with the City Council when this was granted and they were told it would not be a continuous grant and provisions were made otherwise in connection with the oil tax to offset this amount. It was not done recently but a year ago in consultation with the City Council.

MR. SPENCER: We did not even know we were going to be Her Majesty's Outport Government then.

DR. H. L. POTTLE (Minister of Public Welfare): I rise to support the stand taken by my colleague on this side with regard to the interjections of the honourable member for St. John's West that the cutting out of this amount has something to do with things other than the genuine necessity of the council, other considerations, to wit political. I would repudiate that strongly and the honourable member will find that other votes have been cut as we go through the estimates which would never be thought of as having anything to do

with political considerations and I am sure this one is in this same class. There are additions in these estimates and there are subtractions and this happens to be one of the subtractions from last year. Now, the Council when making up its statement of affairs before the last year's estimates came into being and as a result of trying to put their house in order we considered the best thing to do and gave them a grant and last year repeated again the grant of the previous year. You will find, Sir, if the correspondence were tabled that there existed an understanding that it was an unrecurring grant and now, as my colleague, the Minister of Municipal Affairs and Supply, has said, they have undertaken to review their tax structure and put themselves in a position to take in more revenue and we feel that that amount is not actually necessary. Certainly the Council has not made any overtures this year that it should be repeated and when you think of all this Government and past Governments have done for the Municipality of St. John's in various aspects of public services there is no discredit due the Government, and if this impression is to be left the responsibility is with the member who suggested it.

MR. HOLLETT: I am quite prepared to take the responsibility. It is all very well to get up in righteous indignation and suggest that no such thing has happened, I was warned by some member on the opposite side to get up and repeat it and I told you in the first place that it would be considered a penalty clause on account of the way they voted and I still say it.

MR. SPENCER: Do you share the opinion?

MR. HOLLETT: No, certainly not.

MR. CHAIRMAN: Order.

MR. SPENCER: It is nice that you don't share the opinion.

MR. HOLLETT: The Honourable Minister of Public Works seems to wish to interject something into the statement I am making and if the honourable member wishes, he can speak when I am through and say anything he wishes. I say definitely that this will be taken by an awful lot of people, in view of the things said by honourable members on the opposite side of the House on the matter of what they would do with St. John's, this, that and the other thing, and you can't blame the people if they are given the opportunity to come right across and say, yes this is a penalty clause, we voted the wrong way. I am glad the Honourable Minister for Public Welfare and the Honourable Minister of Labour repudiated it. I don't want any animosity, I myself was born in an outport and I have friends in the outports as well as here in St. John's and I think it is a shame for people to engender animosity between St. John's and the outports and I lay that charge now on the Government on the opposite side of the House.

MR. POWER: I would like to point out this is not the only reduction there. There are more town councils in existence than last year and the special grant to town councils is cut by \$25,000. Therefore it can also be said the Outport Councils are treated proportionately the same as the city of St. John's.

MR. FOGWILL: In respect to the Honourable Minister's remarks just a moment ago to the reduction in the

amount voted for town councils. Is not this a vote to assist in setting up town councils?

MR. POWER: They are special grants.

MR. FOGWILL: But supposed to assist them in setting up. Now in St. John's the thing is entirely different. They do not perform any services for the Government, but St. John's has numerous Government buildings around the city, in fact some of the members are grouching about the fact that they are not close enough together, on every main street in the city serviced with water and garbage collection and I say that is something the Government should respect and take into account when taking away this special grant at this time.

MR. CURTIS: Mr. Chairman, I would like to confirm what my colleagues said in this connection. As a matter of fact if I am right the negotiations between the Government and the Council took place prior to June last year when we passed an amendment to the Municipal Act which authorized them to extend their taxation very considerably, first on oil, put double tax on certain property and treble tax on certain other property to take the place of the \$100,000 now being omitted in accordance with the arrangements made at that time and I think if my honourable friend will look at the estimated revenue and expenditure for the City Council as published on or before the 31st day of December every year there is no such item provided for there. In other words it may be safely said the Council did not ask for this money at this time as they did for the first and second year of union and the reason they asked for the second year was because this Act which gave them ad-

ditional taxation power was not passed until June and consequently they could not be brought into effect until this year. Consequently it was to help them in 1951 to 1952 when they should be entirely self-supporting,

which they now are. I am glad my honourable friend brought up the point and I think it is only fair it should be known that there is no political motive behind this.

Carried.

407. GENERAL CONTINGENCIES :

02. Other	10,000	10,000	5,802
Total Subhead 407	10,000	10,000	5,802

Carried.

409. CENTRAL ACCOUNTING AND PAY DIVISION :

01. Salaries	53,100	42,400	16,174
02. Expenses :			
01. Travelling	50	100	
02. Office	150	200	95

200 300 95

03. Accounting, etc., Machines and

Equipment	12,000	5,000	38,995
-----------------	--------	-------	--------

Total: Subhead 409	65,300	47,700	55,264
--------------------------	--------	--------	--------

MR. CASHIN : Is this the new system of accounting we got over there, Mr. Chairman? It is done more or less by machine now and it is quite obvious from one statement given with respect to the "Buy Newfoundland Campaign," when we come to that part of the debate, the accounting is not so hot as we were lead to believe.

Carried.

MR. CHAIRMAN : Since it is now five to six, is it the intention to meet tonight?

MR. SMALLWOOD : No.

MR. CHAIRMAN : I move the Committee rise and report having passed the items 400 to 409, excluding 401, and ask leave to sit again tomorrow.

Ordered sit again tomorrow.

MR. SMALLWOOD : I move the remaining Orders of the Day stand deferred, Mr. Speaker, and that the House at its rising do adjourn until tomorrow Friday at 3:00 of the clock.

FRIDAY, May 2, 1952.

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

MR. SPEAKER : I have to inform the House, that yesterday afternoon at 2:15 of the clock, accompanied by the Premier, the Leader of the Opposition, and certain other members, I waited on His Honour the Lieutenant-Governor, who was pleased to receive the Address in Reply to the Speech from the Throne.

HON. CHARLES H. BALLAM (Minister of Labour): Mr. Speaker, it has come to our notice that certain firms doing defence work in the Province were of the opinion, or at least telling people that they were forbidden to engage Newfoundland help and they were ordered, or it was a Government regulation that forbade them to give employment to Newfoundlanders. I may say that this is not the case. It is definitely wrong and there has been a mistake made. I think in my statement given to this House on Monday, I mentioned that fact but we have received a copy of a letter from a firm stating this very thing again, that Government regulations would not permit that firm to engage Newfoundland help. I will state here again, and state most emphatically, that there is no such Government regulation either from this Province or from the Government of Canada, or from the United States Government, and neither has a directive been given to any of the firms from the United States Canadian Advisory Board. There was, as I mentioned in my statement on Monday, a directive given to one firm who were hiring and engaging men on the Mainland for a job in the North to engage these people before they came into Newfoundland so that ample help would be left here in the Province for projects which are going up, or are anticipated will go on here.

I wanted to make this statement and furthermore, I will say that this one letter was sent to a person in Newfoundland before I made this visit to the Advisory Board and the point had been raised here and I think the mistake has been corrected as far as all are concerned. I would like to emphasize again, that should any Newfoundlander receive a letter

from any of these firms stating that they are not permitted to engage Newfoundland help, that it is an error and a mistake and no such order or regulation has been given from any Government. If they should have correspondence stating this fact, I would wish that they would forward them to me and I will take the matter up again with the proper authorities.

MR. P. J. CASHIN (Leader of the Opposition): Where did that stuff emanate?

MR. BALLAM: It came from the Firm of Drake Merritt in Moncton, New Brunswick. I may say that we had copies of similar letters sent to Newfoundlanders before my visit to this Advisory Committee Meeting, and the matter was taken up there and clarified. This letter happened to be addressed nearly a month before I attended that Convention, so that I am sure the matter has been cleared up, but for the benefit of all concerned I want it to be known that there is no such regulation as far as this Government, or any Government is concerned.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I beg to report that the standing committee of the House on Miscellaneous Private Bills has examined the petition of the Maritime Hospital Association Reincorporation Act, 1949, the Act No. 56 of 1949. The Committee has found that the Rules of the House with respect to such petitions have been complied with.

MR. SPEAKER: This Bill would normally now receive first reading. However, it is not private members' day. Does the Government consent to have this Bill read?

HON. J. R. SMALLWOOD (Prime Minister): Yes.

Bill read a first time, ordered read a second time on tomorrow.

Notice of Motion

MR. SMALLWOOD: I would like to give Notice of Motion before Your Honour calls the Orders of the Day.

I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Mining Tax Act, 1950."

Notice of Question

MR. SPEAKER: Question No. 70?

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I beg to table the answer to No. 70, and I would like to inform the Honourable Leader of the Opposition that I have not tabled a copy of the 1952 Tax Agreement because it is not yet signed and therefore is not yet available.

I. Outturn of Vote of 1951-52

(Compared with original Estimates)

Current Revenue	Original \$	Outturn \$	+ or (-) \$
Finance	20,554,100	21,433,776	879,676
Provincial Affairs	149,100	207,053	57,953
Education	367,100	351,213	(15,887)
Attorney General	101,300	110,325	9,025
Natural Resources	1,067,400	742,899	(324,501)
Public Works	576,200	807,212	231,012
Health	1,281,000	1,154,182	(126,818)
Public Welfare	4,346,100	3,403,408	(942,692)
Liquor Control	2,200,100	2,820,060	619,960
Supply	4,900	10,039	5,139
Fisheries & Co-operatives	36,800	50,826	14,026
Economic Development	200	1,852	1,652
Labour	10,000	12,437	2,437
	<u>\$30,694,300</u>	<u>\$31,105,282</u>	<u>\$410,982</u>

2.

Current Expenditures 1951-52

	Original	Outturn Including Commits.	+	-
Consolidated Fund	\$ 324,700	336,728	12,028	.....
Legislative	114,100	123,455	9,355	.....
Executive	56,000	147,912	91,912	.....
Finance	1,001,900	1,089,136	87,236	.....
Provincial Affairs	70,500	57,964		12,554
Education	4,830,500	4,963,610	133,110	.....
Attorney General	1,522,100	1,366,999		155,101
Natural Resources	1,208,400	972,004		236,396
Public Works	3,704,700	4,271,961	567,261	.....
Health	5,605,500	5,585,362		20,138
Public Welfare	10,388,500	9,668,999		719,501
Liquor Control	209,000	206,755		2,245
Supply	445,400	462,573	17,173	.....
Fisheries & Co-op.	353,100	352,773		327
Economic Develop.	67,600	89,722	22,122	.....
Labour	79,400	61,877		17,523
	<u>29,981,400</u>	<u>29,757,812</u>	<u>940,197</u>	<u>1,163,785</u>

3. (a) Total revenue received for the fiscal year 1951-52 under the Tax Rental Agreement :

Subsidies	\$1,569,132.80
Tax Rental	7,732,740.22
Public Utilities	61,844.00
	<u>\$9,363,717.02</u>

(b) Amount still payable in respect of 1951-52: \$2,030,300 (approx.) which will be paid after April, 1952, and will therefore be credited as 1952-53 revenue; it will not be credited as 1951-52 revenue.

4. (a) Tax Rental Agreement to 31.3.52 : herewith.

4. (b) Tax Rental Agreement (new): not signed, so not available.

5.	Original	Outturn	+	-
	\$	\$	\$	\$
Consolidated Fund	\$ 250,000	111,549	.....	138,451
Finance	165,500	7,145	.....	158,355
Provincial Affairs	607,400	148,351	.....	459,049
Education	623,000	526,915	.....	96,085
Attorney General		494	494	
Natural Resources	174,300	133,517	.....	40,783
Public Works	6,972,700	5,896,916	.....	1,075,784
Health	428,700	415,857	.....	12,843
Supply	275,000	224,779	.....	50,221
Fisheries & Co-ops.	280,000	189,441	.....	90,559
Economic Development	4,860,500	9,262,038	4,401,538	
Labour	120,000	20,000	.....	100,000
	<u>14,757,100</u>	<u>16,937,002</u>	<u>4,402,032</u>	<u>2,222,130</u>

6. Money remaining at the credit of the Treasury.

(a) on 31.3.52	\$3,057,034.57
(b) on 30.4.52	\$2,737,399.03

Orders of the Day

First readings:

Honourable the Premier to ask leave to introduce a Bill, "An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement Between the Government of Newfoundland and the Government of Canada."

Bill read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Guarantee the Bonds of the Newfoundland Labrador Corporation." Bill read a first time, ordered read a second time tomorrow.

First reading of Bill, "An Act to Amend the Loan and Guarantee Act, 1950." Bill read a first time, ordered read a second time on tomorrow.

First reading of Bill, "An Act Further to Amend the Act 26 Vic. Cap 5, entitled 'An Act to Incorporate the Harbour Grace Water Company'."

Bill read a first time, ordered read a second time on tomorrow.

First reading of Bill, "An Act to Amend the Act 47 Vic. Cap. 5 entitled 'An Act to Incorporate the Carbonear Water Company.'"

Bill read a first time, ordered read a second time on tomorrow.

First reading of Bill, "An Act Further to Amend the Local Government Act," Bill read a first time, ordered read a second time on tomorrow.

First reading of Bill, "An Act to Amend the Memorial University Act, 1949." Bill read a first time, ordered read a second time on tomorrow.

Third reading of Bill, "An Act to Provide for the Establishment and Administration of Community Councils." Bill read a third time, ordered passed and title be as on the Order Paper,

Committee of Supply :

MR. SMALLWOOD : Mr. Speaker, I move that we revert to Item No. 301, which we left standing—Lieutenant-Governor's Establishment.

301-01—comes out.

-02—unchanged.

-03—unchanged.

-05—Changed from \$9,600 to \$11,600.

Total \$28,200 changed to \$29,200.

Carried.

DEPARTMENT OF PROVINCIAL AFFAIRS :

501. MINISTER'S OFFICE :

01. Salaries	\$9,510	\$9,360	\$9,300
02. Expenses :			
01. Travelling	490	440	32
02. Office	100	300	67
	590	740	99
Total : Subhead 501	10,100	10,100	9,399

MR. POWER : Mr. Chairman, if I could be excused, the honourable member for St. John's East, inquired yesterday about the system used for collection of the Social Security Assessment. I told him that the Province was divided into six counties, with one inspector for each county. I inquired as to the boundaries of these counties and if he cares to see the map now, I will pass it over to him. It is the only map in existence, so if the gentleman will be so kind as to pass it back to me when he has seen it—

MR. CASHIN : Mr. Chairman, before we go on, I would like to ask the Honourable Minister of Finance, I know, Mr. Chairman, it is out of order, but I did not get the answers until after we passed the answer time in the first reading of the Bills, and could not get an opportunity to ask questions which I would like to ask in reply to questions asked yesterday in respect to money registered in the Treasury also to money remaining at the Bank of Montreal to the credit of the Treasury.

MR. POWER : I would prefer to have the honourable gentleman give me notice on that question.

MR. CASHIN : I gave you notice and the answer is not clear.

MR. POWER : Does the honourable member wish to have it clarified with another question?

MR. CASHIN : The question is perfectly clear—what amount remains at the Bank of Montreal. It is on the Order Paper of today now.

MR. SMALLWOOD : The answer has been given.

MR. CASHIN : The answer is not correct.

MR. CHAIRMAN : Probably that point might be raised tomorrow during question period.

MR. CASHIN : It is misleading and not correct.

MR. SMALLWOOD : If the honourable member makes that accusation, he will pay the dire penalty for it, I warn him now. I warn him.

MR. CHAIRMAN: Order. —

MR. CASHIN: I will reply to the Honourable the Premier and state that I say it is not correct.

MR. SMALLWOOD: Mr. Chairman, point of order.—I move that the Committee rise and we have the Speaker back in the Chair, and we will have a show-down to see who is the bully.

MR. CHAIRMAN: The Honourable the Premier asks that the Committee rise, to what purpose?

MR. SMALLWOOD: Rise, report progress and ask leave to sit again.

MR. COURAGE: Mr. Speaker, the Committee on Supply have considered the matter to them referred, have made some progress and ask leave to sit again. Ordered sit again presently.

MR. SMALLWOOD: Mr. Speaker, on that Report of the Chairman of the Committee, I would like to report to Your Honour while the Committee sat the honourable gentleman, the Leader of the Opposition made the categorical statement that a reply given today by a Minister of the Crown was wrong and misleading. I drew that statement of his on a point of order to the Chairman's attention whereupon the honourable gentleman repeated it and now I ask Your Honour to consider that repeated statement by the Honourable Leader of the Opposition that an answer given by a Minister of the Crown was wrong and misleading and I ask Your Honour to give the Minister and the Government all the protection against that kind of thing that is possible to be given.

MR. CASHIN: Mr. Speaker, I said that answer was wrong, was misleading and I still maintain it. Now, here is the question I put, then I will give the answer, and if the Government or

any member of the Government or any member of the House can say I am wrong I will walk out of here. The question I put was No. 70 (6): Table a statement showing what amount of money remains to the credit of the Treasury in the Bank of Montreal at St. John's, as at March 31st, 1952, as well as a statement showing what amount of money was to the credit of the Treasury in the Bank of Montreal at St. John's on April 30th, 1952.

The answer is this: "Money remaining at the credit of the Treasury" (does not say in the Bank of Montreal or any other Bank and therefore is not correct and it is misleading). Is that money in the Bank of Montreal or it is not?

MR. SMALLWOOD: That is the statement Your Honour—"Incorrect and Misleading."

MR. CASHIN: I say that statement is not a correct answer to the question I put. It does not say in the Bank of Montreal or anywhere else.

MR. SMALLWOOD: Now, Mr. Speaker, to that point of order, that statement repeated again here now in Your Honour's presence as it was in Committee of the Whole that the answer of the Honourable Minister was incorrect and misleading. I ask Your Honour to order the honourable gentleman to withdraw that statement.

MR. SPEAKER: The Chair can only do what it is compelled to do by Parliamentary Procedure and the Rules of the House. First, the whole thing is entirely out of order as no answers to questions may be discussed, in fact no questions may be asked nor answered after the Order Paper is entered upon. The Orders of the Day had been entered upon and several items transacted and this question should not come up at all.

Point number 2: It is not a ruling of this Chair, it is an established Parliamentary fact that a statement made by a Minister in his capacity is deemed to be made upon his honour and therefore, cannot be questioned. If any honourable member feels that an answer or statement given by a Minister of the Crown is not correct, he is not to assume or insinuate in the words that an answer is deliberately incorrect or misleading. He could with all parliamentary decorum suggest to the Honourable Minister that he might be mistaken and ask him if he would care to recheck the figures. It is therefore out of order to apply the terms, incorrect and misleading and it is unparliamentary.

MR. CASHIN: Mr. Speaker, I did not question the figures, I said "the reply was incorrect and the reply was misleading." Now, Sir, that is the truth, and when I asked the Minister, he asked me to redirect the question. The question is there and I wanted to know what money was in the Bank of Montreal on the 30th of April, and the answer does not tell me where it is. Now what is wrong with answering a question properly?

MR. SPEAKER: The Chair is not concerned with answers to questions, whether they are correct or incorrect. The only point at issue is what may have been said or what may not have been said and remain within the bounds of parliamentary procedure. It is laid down that a statement made by a Minister is presumed to be made upon his honour and therefore cannot be questioned in that manner. If the honourable member, I might speak personally and say, if the Honourable Leader of the Opposition should now make the statement that the reply given by the Honourable Minister of Finance was not the one expected, and

would the Honourable Minister make further study of the figures, all right but should not say the answer is incorrect and misleading.

MR. CASHIN: Well, Mr. Speaker, I draw the attention of the House to the fact, it is evident that the Minister did not study my question properly and consequently has given me an improper answer.

MR. SPEAKER: That is not the issue, that might very well be, but that is not the issue.

MR. SMALLWOOD: To a point of order, Mr. Speaker, I ask Your Honour to ask the Honourable Leader of the Opposition to withdraw that statement.

MR. SPEAKER: It is not necessary to reiterate that, I have already explained the situation and have attempted to show the Honourable Leader of the Opposition why these remarks ought not to be made.

It has nothing to do with the correctness of the answer or otherwise. If the honourable member was not satisfied with the answer given, he is not to say the answer is incorrect and misleading and I can do no other only that he must withdraw that statement to the Minister of Finance and reword it in language acceptable from a parliamentary viewpoint. That is all that is at stake. No honourable member can say of another honourable member that his statement is incorrect and misleading.

MR. CASHIN: Mr. Speaker, with all due respects, and I bow to your ruling, I got to bow to your ruling or walk out of this House, or be thrown out, but I would like to point out —

MR. SMALLWOOD: To a point of order, Mr. Speaker, is the honour-

able gentleman permitted to debate and argue when your Honour laid down the ruling, Your Honour could also ask the House to support it.

MR. SPEAKER: I am well aware of that, but I want to give the honourable member every opportunity to follow the rules, and not be accused of being over-harsh or hasty.

MR. CASHIN: Thank you very much indeed, Mr. Speaker. The Honourable the Premier has evidently taken over the House.

MR. SPEAKER: Confine your remarks to the Chair.

MR. CASHIN: Don't you be instructing the Speaker either.

MR. SMALLWOOD: I will keep you in order.

MR. CASHIN: You were never in order in your life. Give your answers honestly and properly.

MR. SPEAKER: Order.

MR. CASHIN: Let it be honest.

MR. POWER: Mr. Speaker, may I say that any questions asked me were answered honestly as far as I am concerned, and as far as the Department of Finance is concerned.

MR. SPEAKER: Let me explain again, it does not matter if answers are flagrantly untrue, the only point at issue is that certain expressions may not be used in the House, if an honourable member has asked a question (I am repeating this for the fourth time I believe) and in his opinion the answer is not correct he is nevertheless not entitled to say the answer is not correct and that the answer is misleading. He may politely redirect the question or ask the Honourable Minister concerned to give the matter fur-

ther attention, if he is not quite satisfied with the answer. The only thing at stake is not the answer to the question, but that the Honourable Leader of the Opposition ought not to have said these words and should withdraw them.

MR. CASHIN: I abide by your ruling, Mr. Speaker, and I have abided by your ruling, I am withdrawing, but I would like to point out —

MR. SPEAKER: It must not be qualified.

MR. CASHIN: I would ask the Honourable Minister, the question in my opinion has not been properly considered, and I would ask him to consider it again.

MR. SPEAKER: Not at this time, but at question time. I said in the beginning that the whole thing was out of order and ought not to be discussed.

MR. SMALLWOOD: Don't interrupt the Speaker.

MR. CASHIN: You interrupted the Speaker.

MR. SMALLWOOD: Ignorant clown.

MR. CASHIN: I demand that the Premier —

MR. SPEAKER: I am afraid the Honourable the Premier is out of order.

MR. SMALLWOOD: I retract, Mr. Speaker, I am unparliamentary.

MR. SPEAKER: I am prepared to overlook both honourable gentlemen, it is in the heat of argument and the House is prepared to accept the Honourable Leader of the Opposition's withdrawal.

MR. CASHIN: I withdraw, Mr. Speaker, what do you want me to do? Get down on my knees or something. They should answer questions properly.

MR. SPEAKER: Let me conclude. The Honourable Leader of the Opposition has withdrawn the statement against the Honourable Minister of Finance.

MR. CASHIN: In the first place, I did not direct a charge against the Honourable Minister, I said that in my opinion the thing was misleading and I am entitled to my opinion.

MR. SPEAKER: I took it the honourable member had withdrawn the remark, but we are back from where we started from, there is nothing left but to ask the honourable members—

MR. CASHIN: I have already withdrawn.

MR. SPEAKER: But you have cancelled the withdrawal.

MR. CASHIN: No, I have not, and I will withdraw again.

MR. SPEAKER: Does the honourable member withdraw the remark that the answer is incorrect and misleading? Very well, I am satisfied but is the House satisfied? Next order —

Committee of Supply:

501: MINISTER'S OFFICE:

MR. CASHIN: Mr. Chairman, in connection with this Department of Provincial Affairs, outside of the Deputy Minister and a few clerks in that Department it functions for nothing. There is no such thing as an administrative office here. The Deputy Minister for Provincial Affairs looks after the Minutes of Councils and is secre-

tary to the Government and he is paid for that, but as far as the office of Provincial Affairs is concerned today, it is entirely unnecessary, there is no such thing, there is no job the Minister can do, not like the Ministers of the Crown in other respects, Finance, Education, Economic Development, Health and Welfare. The job in other words, is entirely unnecessary at the present time, and I hold that it should be wiped out altogether and abolished. Therefore, Mr. Chairman, I move that \$7,000 salary be wiped out.

MR. SMALLWOOD: Mr. Chairman, the motion, I hold, is out of order.

MR. CHAIRMAN: The scale of the salary could be reduced.

MR. CASHIN: Well, I move the salary of \$7,000 on page 88 under the Department of Provincial Affairs be reduced to one dollar on the grounds that it is unnecessary.

MR. CHAIRMAN: The motion is that the words "seven thousand" be deleted and the words "one dollar" be substituted in their place.

MR. HOLLETT: Mr. Chairman, before you put the motion, whilst I personally have no desire to deprive any person of \$7,000 or even \$1.00 which is to be left there, I do question the advisability of having so many Departments of Government. I know this is a matter which probably we can't decide here at this moment. This is one of the twelve of these Departments, I believe in other Provincial Governments in Canada the number of Departments are considerably less than we have here and the indications are from the Budget Speech and from the condition of our finances as shown by the estimates, particularly when we have taxed the

bread and butter to go into people's stomachs, would point to the fact that we are a bit over-staffed as far as the Departments are concerned. I say, therefore, with all due respect to the necessary Departments, we are particularly with regard to this Department over-staffed, we have too many Departments, we are spending too much on over-head, as one old politician said, we are placing the trapping of an elephant on the back of a cat, on the back of Newfoundland—if he said we were doing that, it would be more suitable. I have nothing against anybody in this particular Department or anyone else, but I think the Government might very well give consideration to the reduction of the number of Departments we have. As I have pointed out now, we are taxing our people for what they eat, if we are to depend upon the remarks made by the Honourable Minister of Finance, and I have no doubt he must think there is need to tax the people's stomachs otherwise he would not do it, would not dare to do it, nor would any Government do it, tax the food we eat and I take it that taxation coming from that item in the estimates will help to pay the \$7,000 here set out for the administration of a Department which we deem non-essential, unimportant and could well be stricken out. I do think that there are other Departments of the Government where these employees could be taken care of, but I do not think there is any necessity for a Department of Provincial Affairs, I would like to ask, Mr. Chairman, if any of the other nine Provinces, have they a Department of Provincial Affairs?

MR. SMALLWOOD: They have all of them without exception.

MR. HOLLETT: I see, well they have not got as many Departments as

we have. Will the Honourable the Premier tell me how many Departments there are in the Province of New Brunswick.

MR. SMALLWOOD: I may say that there is a difference in the number of Departments of this Government and in other Provinces of Canada just as there are many other differences between this Province and other Provinces of Canada. For example, in this Province the Government buys everything on tender and so has a Department of Supply, no other Province has a Department of Supply, the Committee can draw its own conclusions from that. We have this Department of Provincial Affairs and it has existed in Newfoundland almost since the beginning of Responsible Government more than a hundred years ago, and we in this Government intend to continue this Department and we will vote the motion down.

MR. HOLLETT: I have no doubt you will vote it down, but I have lived in this country all my life, and was aware of no such Department of Provincial Affairs in this country for many, many years and as far as I remember the Department of Provincial Affairs is a recent innovation. We have five million dollars estimated to be collected from bread and butter and from what we eat and here we are over-staffed with twelve or thirteen Departments whereas in other Provinces of Canada, particularly in the Province of New Brunswick, there, I believe, they have five or six Departments, and here where we have just about half the population we have twelve Departments, and I do really think, as a matter of fact, some of our Departments are almost double what they might be—we have two Deputy Ministers in a couple of them.

I think the Provincial Department's officials could very well be transferred to, say the Department of Municipal Affairs and Supply, or something like that. I agree that would be one very good way to wipe out this Department and so save the Government some of the money they would have to spend there otherwise.

MR. FOGWILL: I support the suggestions of my two honourable colleagues. I do know that although this Department is a small spending Department nevertheless the total wages are \$9,510 and expenditure is \$62,800 and this Department including the Minister and the Deputy Minister is costing \$32,000 for the purpose of spending \$18,000 and it seems very silly, and I think the Department is entirely superfluous.

MR. SMALLWOOD: That is just about the most unsound argument I ever heard, the importance of a Department defined by the amount of money they spend. This Department expends altogether, he says, a certain amount of money, \$60,000 or something of that order, their salaries are so much, therefore he argues a Government has a Department costing \$40,000 in salaries while spending \$20,000. If he means that seriously, he is welcome to it.

MR. HOLLETT: The only big item I see in the Department is the expenditure under "Government Bulletin" \$12,800, which undoubtedly in my mind is nothing more or less than a propaganda sheet.

MR. SMALLWOOD: To a point of order, Mr. Chairman—I ask the honourable member to withdraw that statement. And I know what a point of order is, and now my point of

order is that the honourable gentleman is out of order, and I ask that he withdraw that statement at once.

MR. CHAIRMAN: I think the Chair interrupted the honourable gentleman and called him to order at the time. The honourable gentleman was definitely out of order on two points, (1) he was discussing an item before we came to it and (2) thereby to say something which seemed to be out of order. I did not quite catch what he said because I interrupted.

MR. HOLLETT: What I did say, Mr. Chairman, was this: In relation to the expenditure of \$12,800, one of the biggest items of expenditure, which I considered nothing more or less than a propaganda sheet for the Liberal Party. If that was out of order, I withdraw it Mr. Chairman.

MR. CHAIRMAN: I think if we keep to the point under discussion which is that the Minister of Provincial Affairs be reduced to \$1.00. I would like the Committee to confine themselves to that.

MR. SMALLWOOD: To a point of order, Mr. Chairman. If the honourable members of this House keep trying your Honour by making statements and withdrawing them and then making them again and withdrawing them, I will have to consider what action members of this House will move to stop that, because there are ways of doing it.

MR. HOLLETT: Mr. Chairman, I think the Premier will try all the ways he likes to force his will on this House, if he wants to get anywhere with it.

MR. CHAIRMAN: This discussion is all out of order. Please let us settle down and discuss the affairs of

the country and stick to the point in hand, which is the Minister of Provincial Affairs salary, that it be reduced to one dollar. That is the question and I shall rule everything else out of order. Should this item carry?
Amendment lost.

502. GENERAL OFFICE :

01. Salaries	21,560	19,622	18,412
<hr/>			
02. Expenses :			
01. Travelling	540	500	378
02. Office	1,500	2,478	2,058
	<hr/>	<hr/>	<hr/>
	2,040	2,978	2,436
	<hr/>		
Total : Subhead 502	23,600	22,600	20,848
	<hr/>		

MR. HOLLETT : May I ask what the item "travelling" appears here for? Is that the total amount, or is it that the officials of the Departments have travelling to do or just a total amount they may have?

DR. POTTLE : The Committee will note that the account in 1951-52 is \$378 and I expect the amount—

MR. CHAIRMAN : Order—It is very seldom I have to call the Honourable Minister to order.

DR. POTTLE : I would suggest it was to round out the total.

Carried.

503. PUBLIC RELATIONS ;

01. Salaries	4,880	4,528	4,302
<hr/>			
02. Expenses :			
02. Office	120	172	444
	<hr/>		
03. Government Bulletin	12,800	12,840	10,874
	<hr/>		
Total : Subhead 503	17,800	17,540	15,620
	<hr/>		

MR. HIGGINS: Mr. Chairman, Public Relations Officer? Now, I have nothing against the gentleman, whoever he may be, but what justification is there today for a public relations officer, insofar as this Government is concerned? I say quite frankly that I don't think this Government is badly treated by the press, and I think any accomplishments of the Government are given full publicity and I question whether they need a public relations officer or not. We don't have to sell ourselves to anybody, the Lord knows this country is well enough known all over the world now, we are praised as business people with a good prospect, a good change, and I, Sir, move that the salary be wiped out, the office be wiped out as there is no necessity for it.

MR. SMALLWOOD: That is a perfectly good motion to come from a member of the Tory St. John's East, but that is not a good motion to come from a member elected by any outport in Newfoundland. The Tory "Evening Telegram" and the Tory "Daily News" both have limited circulation within the city of St. John's. The Telegram prints, I think, eight or nine thousand copies a day and the Daily News six or seven thousand copies a day.

MR. HIGGINS: To a point of order. Is the Premier right in referring to this great organization of public opinion as the Tory Telegram, they have never so claimed.

MR. SMALLWOOD: No, they don't claim it, but I say the "Tory Telegram."

MR. CHAIRMAN: As long as it relates to nobody in the House, I cannot rule on it.

MR. SMALLWOOD: The honourable gentleman has not a good point.

MR. HIGGINS: I knew I had not.

MR. SMALLWOOD: I repeat the "Tory Telegram" and the "Tory Daily News" have between them a certain limited circulation in the City of St. John's, most of it bluff. Outside the city and amongst the teeming thousands of hardy outport Newfoundlanders their circulation is not one in ten thousand of our people. So that the honourable gentleman from St. John's East is quite in order as a member for St. John's East in wishing to confine printed information in newspapers to some of his own constituents and some of St. John's West, but he is very much out of order when he would deny the tens of thousands of people outside St. John's the opportunity they have now to get a bit of news in the printed form from the Government Bulletin. I may say, incidentally, the Government Bulletin is edited by a "Tory" and printed by a "Tory" firm, and as far as this Government is concerned, not a member of the Government even sees the thing until it is published. I have myself yet to see the Government Bulletin. As a matter of fact, I have only seen half a dozen in the last three years and never until after they are printed. Mr. McNeily, the Editor of that paper, is, I believe, a "Tory" and anti-Confederate. Mr. McNeily came to me three or four days after I became Premier some three or more years ago, and visited me at my office, and said: "I am at your disposal in connection with the "Government Bulletin, is there anything you want in it?" I said: "My dear friend, you have been editing the "Government Bulletin" for years before we came into office, you go right on editing it, I am not interfering and if you have any doubts, forget it." We are not vindictive in this Government, we don't fire the

"Tories" in the Civil Service, who knifed us in the back at the time. We have not fired any of them from office and Mr. McNeily has a one hundred percent free hand in the printing of this paper. I have heard it described in the last year as "Liberal Party Propaganda"—it is edited by a "Tory" and printed by a "Tory" firm.

MR. HOLLETT: Point of order, I stated I did not refer to it.

MR. CHAIRMAN: I think it might more properly not be said.

MR. SMALLWOOD: It might be better left unsaid, but I don't think it is out of order. Now, you have in Newfoundland some thirteen hundred places where people live along thousands of miles of coastline, tens of thousands of people who have never laid eyes on the "Evening Telegram" in all their lives, the "Tory Telegram" and have never laid their eyes on the "Tory Daily News", and do see the Government Bulletin, edited by a "Tory" and printed by a "Tory" firm, I say there are tens of thousands, practically 150,000 of our people in Newfoundland who get that Government Bulletin and who read it, and not in the city of St. John's where there are two "Tory" papers coming out usually six times a week, and we would cut that out, stop one chance apart from the Family Fireside for probably 150,000 of our people in the small and isolated places who now have this bit of printed news. I don't think the honourable member really meant that motion. I believe that though he is a St. John's East man and a member in this House for the old district of St. John's East, yet I believe all his instincts are fair. I believe that of him. I don't believe he would be so small as actually to deprive tens of thousands

of Newfoundlanders less fortunate than he, and I, are in the matter of picking up the bit of news, to deprive them of the one chance they have today, deprive the people of the outports the chance of getting the Government Bulletin, I would appeal to him on the grounds that the paper itself is edited by a "Tory" and printed by a "Tory" firm. If he insists we could remove it from the "Tory" firm and look around and try to find somewhere in St. John's or outside a printing firm not "Tory" but "Liberal" or "Independent," that would do us, "Independent" and get them to print it.

MR. HIGGINS: Mr. Chairman, every time I ask a question, the Premier gets up and gets the tiger by the tail. I honestly was not concerned that it may be an excellent publication, the question I asked was the question of public relations. As public relations the Bulletin may be very admirable. As the Premier said, it does not enter into our scheme of things in the city, and I have no objections to the Bulletin being circulated. But I do question, and I am not gunning for anybody's job that the idea of public relations officer for this Government today is a little absurd. I would not object to anybody under a different guise, but to call him public relations officer is absolutely nonsense. Our public relations was never better. Everybody in the world knows about Newfoundland. Now, if he is to be editor of the paper, put him down as editor, and not as public relations officer when we don't need one.

MR. SMALLWOOD: His only duties are as editor. Change the title if you like, but don't wipe out the paper.

MR. HIGGINS: I have no animosity against your paper.

MR. SMALLWOOD: I am glad you are not against the continuation of the paper. That is the first suggestion from the honourable gentleman, and we are very happy to accede to it. We will call him "Editor", he is al-

ready one, but his title is shown as public relations officer. I move that be stricken out, Mr. Chairman, and that we call the post editor.

Carried.

504. MUSEUM: Carried.

505. HOUSING:

01. Salaries	5,360	
03. Grants, etc.:		
01. Ex-Servicemen's Housing	6,250	
Total: Subhead 505	5,360	6,250

506.—Miscellaneous. I would like to point out that in 506-03 there is a request there to change the amount to \$300.

MR. CASHIN: Is there anyone at the moment engaged in the preparation of the War History. I do know that there was some money voted in the days of Responsible Government for having a war history and it would cost more than \$300 a year to get it done. I don't know if anyone is engaged to compile the war history of the second world war, the part Newfoundland played in it or not.

MR. SMALLWOOD: There is nobody engaged, Mr. Chairman, but perhaps it is the thought to engage someone and put in a token vote. In fact, Mr. Chairman, that vote is actually required to pay a Bill, I understand. The amendment is that the war history vote now become \$300.

that \$300 is just to pay a Bill. Do I understand that there was money spent on a war history of the first world war or the second world war, or that the matter has been abandoned?

MR. SMALLWOOD: That is a job done by Professor A. M. Fraser of the University who was commissioned by the Commission of Government to prepare some documentary record of the war as it effected Newfoundland, I think less a record of the servicemen than the effect of the war upon Newfoundland itself. Professor Fraser was engaged to do that work and I assume this three hundred dollars is to make final arrangements either to him or in connection with the work for which he was engaged because I believe Professor Fraser completed the work a couple of years ago.

MR. HOLLETT: Do I understand

Carried.

DEPARTMENT OF EDUCATION :

601. MINISTER'S OFFICE : Carried.
 602. GENERAL OFFICE : Carried.
 603. ACCOUNTING OFFICE : Carried.
 604. SCHOOL SUPPLIES : Carried.

606. LIBRARY SERVICES :

01. Salaries	3,880	3,760	3,760
<hr/>			
03. Miscellaneous :			
01. Grant to Gosling Memorial Library	42,220	41,220	36,200
02. Travelling Library	5,100	10,100	10,300
03. Regional Libraries	53,700	58,900	40,000
	<hr/>	<hr/>	<hr/>
	101,020	110,200	86,500
	<hr/>	<hr/>	<hr/>
Total : Subhead 606	104,900	113,960	90,260
	<hr/>	<hr/>	<hr/>

HON. S. J. HEFFERTON (Minister of Education): Mr. Chairman, this matter came up in Cabinet a few days ago. Last year it was cut back from \$10,300 to \$10,000, Travelling Library. A few days ago we made a provision for \$6,850 which we added there. Just put the total down as the year before. Travelling Library becomes \$10,000 and Regional Libraries the amount is changed to \$57,100.

Carried.

607. CORRESPONDENCE COURSES : Carried.
 608. TRAINING OF TEACHERS : Carried.
 609. TEACHERS' PENSIONS, ETC. : Carried.
 610. SCHOLARSHIPS : Carried.
 611. VOCATIONAL TRAINING : Carried.
 612. HANDICRAFTS : Carried.

613. ADULT EDUCATION :

01. Salaries	59,100	53,600	27,186
<hr/>			
02. Expenses :			
01. Travelling	4,000	5,300	2,528
02. Office	200	200	151
	<hr/>	<hr/>	<hr/>
	4,200	5,500	2,679
	<hr/>	<hr/>	<hr/>
03. Equipment and General Supplies	500	1,000	688
	<hr/>	<hr/>	<hr/>
04. Training and Conference Expenses	1,500	1,500	353
	<hr/>	<hr/>	<hr/>
Total : Subhead 613	65,300	61,600	30,906
	<hr/>	<hr/>	<hr/>

MR. HOLLETT: Mr. Chairman, looking at the salaries there on page 91, I note the directors' scale there \$2,900-100-3,600 and before that Director of Vocational Training \$4,000, I am wondering if the Government has given some consideration to the difference between the two salaries.

DR. POTTLE: One is a man, the other a lady.

MR. HOLLETT: Should not the salary depend more or less on qualifications and the amount of work being done by the Director in charge. I don't know much about the Adult Education or Audio-Visual Education but I feel that Adult Education is needed badly in this country and it needs a first class director. I wish to compliment the education department on the work done along these lines and other lines as well and I am quite sure whoever is in charge of this Adult Education should receive proper compensation for the work which is absolutely essential if the Department of Education is to do efficient work. A few more words about teachers' salaries, I will have a few more to say later, but it seems to me the salary scale for the Adult Education Director is not sufficiently high in comparison with other specific positions whether it is a woman or a man. I don't think we in this House should make much discrimination as to the sex.

MR. HEFFERTON: Mr. Chairman, on this particular point might I remind the honourable member who has just sat down that this matter was under discussion at various times and in accordance with civil service regulations, lady employees get eighty percent of the salary for men throughout the various services and the maximum goes nearer 90 percent. As to consideration for particular qualifica-

tions I have no quarrel there, but I do consider there are others in my Department just as qualified, with as important positions and their salaries do not even come near to the particular one here.

MR. HOLLETT: I think therefore, it is the duty of everyone here in the House to try and bring these people up to the proposed salary which their intend to get one?

If it is a matter of raising salaries of others in order to raise the salary of the Director of Adult Education, are we to have a big surplus again next year? Then let us raise the teachers' and directors' salaries in our own country, rather than expend it perhaps in other ways which I won't mention at the moment. I really think in this particular instance if it means raising one or two salaries in the Department of Education it would be a good incentive to all officials in that Department as well as teachers. I suggest it be given consideration, Mr. Speaker.

MR. FOGWILL: I was going to direct a question to the Honourable Minister in respect to a new vote here under 611: Allowance to United Kingdom Instructor \$810. Have you such an instructor at present or do you intend to get one?

MR. HEFFERTON: I might say we have already passed that, Mr. Chairman, I may say it is a man who has been there for five or six years, just a continuation of the arrangement.

MR. SMALLWOOD: I would like to make one short comment on the remarks of the honourable member for St. John's West when he suggested we raise the salary of the staff of the Department of Education. We have budgeted for over six million dollars

surplus, so on the basis of these six millions for the present year we should use that to raise the scale of salaries of the people on the staff of the Department of Education rather than spend it in other ways, the other ways we are spending it, creating a textile mill in St. John's West and creating another industry in Harbour Grace and another in Harbour Main and to create other industries in other districts. That is how we are spending the surplus also to build roads for outports and build schools around the Island and build hospitals and nursing stations around the Island. Does he seriously suggest that we use up the surplus to raise the salaries of the staff of the Department of Education and not use it to build these public services and for these new industries, does he seriously suggest that?

MR. HOLLETT: Mr. Chairman, quite seriously I suggest that some of this money be extended to worthy teachers, worthy directors in the various departments rather than distributed to foreign industries. Let us serve our homeland first. I am all in accordance with industry in this country as far as possible, but what in the name of sense is the use of industrializing our Island if we are going to keep our teachers and directors and various civil servants in this country on starvation wages? I realize this Government has done something to raise the standard of salaries for civil servants and has done something with regard to teachers, but they have not done enough yet. If the Honourable Premier wishes to take issue on that subject, I say, yes, serve first things first and endeavour to bring the salaries of those people who, by the way, spent in many instances long years in the service of this country to a higher figure. Let us spend some of the

surplus to bring about the raising of the standard of living of these people rather than on doubtful industries; doubtful I say, and mean it in a good many industries.

MR. SMALLWOOD: The honourable members said to take first things first. That is exactly what the Government is doing, putting first things first. What is first? Industry to pay the civil servants, pay the members of this House of Assembly sessional indemnity and pay all the expenses of the Government. That is what the Government is spending the surplus on and that is putting first things first. It is exactly what we are doing.

MR. HOLLETT: I submit that is not putting first things first, we must take care of individuals before talking about bringing in a big new industry. We have three hundred and some odd thousand individuals in this country and we will have a surplus, for instance, this year and are budgeting for a surplus next year, for which we are taxing the very food that our people eat. These teachers in the outports will have to eat and we are taxing their food to build a surplus, as the Premier has just given in an answer, to build textile mills and machine plants engineered by a few Germans brought in by Dr. Valdmanis. I say first things first, and if you like to argue on that let us argue on it by all means.

I am talking about the Director, here in this case of Adult Education. If the Director is well qualified that salary there of \$2,900 to \$3,600 is not sufficient for the Director of Adult Education in this country. This country is a vast country in many senses of the word, our people are scattered around our coastline, as the Premier said a moment ago, and the Director

of Adult Education needs to know this country, the people and the different characteristics of the people in different areas. I submit the Director of Adult Education must be a person with not only brains but with lots of ability and should therefore be properly paid. I submit while getting into an argument over new industries or surpluses or anything else the Gov-

ernment would be well advised to give this matter some consideration.

MR. SMALLWOOD: The Government has done that in this instance and the answer is—No.

MR. HOLLETT: Fine.

Carried.

614. GRANTS:

Denominational School Services:

01. Salaries of Teachers	3,097,000	2,855,000	2,687,441
03. Cost of Living Bonus	510,000	.....	.....
04. Maintenance, Repairs and Supplies for Schools	275,000	265,000	248,609
06. Contingencies	9,000	15,000	9,401
07. Industrial Education for City Schools	7,500	7,500	7,219
08. Colleges	210,000	200,000	192,253
09. Erection and Equipment of School Buildings	10,000	10,000	9,625
	<hr/>	<hr/>	<hr/>
	4,118,500	3,352,500	3,154,548

MR. HEFFERTON: Mr. Chairman, there are two corrections to be made in this section. Minutes of Council confirmed a few days ago that teachers' salaries will be increased \$10 a month starting from September 1st, \$120 per year. The total cost for twelve months of that increase on the basis of 2,600 teachers is roughly \$380,000. So that the amount \$3,097,000 now becomes \$3,935,000.

MR. HOLLETT: Mr. Chairman, it is probably futile to raise the matter again, but is there any amendment which has to do with teachers' salaries? I repeat what I have said before that if we are going to have a surplus on current account next year of \$6,337,000 or something around there, I think the Government would be well advised

to increase the teachers' salaries all through the country by more than \$10 per month. That is a very small increase for teachers' salaries when we realize the cost of living which this Government will be shortly attempting to raise again by this iniquitous taxation which they suggest, this filthy taxation I call it, upon food throughout the country, and that taxation will raise the cost of living for these teachers. Now, I have been in touch with at least a good many teachers who have communicated with me, with regard to the salaries they are receiving. We know they are not receiving high salaries in comparison with other Provinces of Canada, not by any means. Somebody published a list the other day showing the basis

of salaries of teachers in the various Provinces of Canada, and I believe it was pointed out there, Newfoundland was somewhere very low down, if not the lowest on the list. Whilst everybody appreciates the \$10 a month raise for teachers, we must also appreciate the fact that \$10 a month is very little for teachers, whether here in St. John's or elsewhere in the country. I suggest if you are going to budget for a surplus on current account of six and one quarter of a million dollars you can very well be a little more generous to the people of this country, and I am not saying this in a political sense at all. I know how hard it is to find money to finance Governments, I don't know very well, but I have a good idea. But I know too, that members on the other side of the House know very well that this Government has had it pretty easy since 1949, an unheard of revenue for instance coming in, and I understand there is an extra million under the new tax agreement, which they did not expect last year they were going to have this year to help swell their surplus; and not content with that, they are taxing food to bring in another two million dollars. Therefore, I say they could very well reconsider this \$10 a month and double or treble it, they can well afford to do it. We would have better satisfied teachers and better taught people and I say that with all due respect to the teachers. We know very well that the teachers are not being properly paid. I know teachers living here in St. John's today, who when they pay their rent have not enough left to take them to a show twice a month. I ask my honourable member how under the present set-up of a surplus of six million dollars, how they can afford to face the teachers, look them square in the face and tell them we

are taxing what they eat next year. We don't mind if you cannot go to the show, pay your board, that is enough for you. That is what you are telling them, and I submit the Government ought to consider a raise. Mind you, I am telling you, you are going to have to consider it before this year is up. Everybody is looking for raises all over the world and every spring we seem to have a break out all over the world looking for increases. Now, the teachers want it just as well as anybody else and the only persons in whose power it is to grant them is the Government and you members on the Opposite side of the House. Mr. Chairman, we are the ones who have been given increases and if you can afford to do that this year, how then, can you look teachers in the face if you say you cannot afford—yes everybody is sympathetic, we on this side are sympathetic towards the teachers, but I submit if you can put up a surplus of \$6,370,000 and grant a miserly \$10 a month increase to the teachers—

MR. SMALLWOOD: Mr. Chairman, I was interested in the honourable gentleman's argument and it was as sound as all his arguments are, every bit of it, sound. He related the \$10 a month, \$120 a year increase in teachers' salaries to the fact that food will not come under the social security assessment so that the increase ought to be more than \$120 a year. If this \$120 a year were absorbed by this 3% social security assessment now applicable or soon to be on food, if it were used to buy food, what would the teachers have to buy? It would be four thousand dollars worth of food on which they would have to pay 3% taxation in order to use up the increase of \$120 a year on good taxation. They would have to buy four

thousand dollars worth of food. Now that is the honourable gentleman's argument.

MR. HOLLETT: That was not my argument. I hope I know what 3% on four thousand dollars is. To a point of order, Mr. Chairman, the Honourable the Premier is misquoting me.

MR. CHAIRMAN: I don't think the Honourable the Premier is misquoting you. I don't think he said that was what the honourable gentleman said. He is just putting his own interpretation on what was said, leading on from it, but I don't think he is actually misquoting the honourable member. He did not say the honourable member said something.

MR. SMALLWOOD: I said that was his argument. That is my interpretation of his argument, I am stating my interpretation of it.

MR. HOLLETT: Don't say it is my interpretation then.

MR. SMALLWOOD: I give mine of the honourable gentleman's argument.

MR. CHAIRMAN: Order—The Honourable the Premier has the floor.

MR. SMALLWOOD: So that is the argument—On the one hand, we give \$120 in increased pay only to take it back by putting a 3% taxation on food for teachers. Which is to argue, in fact, that teachers will be buying four thousand dollars worth of food. Now, Mr. Chairman, there is one further point to be made. That is almost a million dollars increase which this Government will have given, if this item passes, in a year, in less than twelve months, the increase being almost a million dollars in teachers' salaries. Last year they

were increased and this year, and when I say last year, we made that increase last year about the middle of the year, half way through, the first of September we increased teachers' salaries by half a million a year and now we increase it again by almost another half a million. It is still far from enough. But also we are still far short of having enough hospitals, we are still far short of having enough roads, we are still far short of having enough schools, we are still far short of having enough of everything and so the teachers also are still far short of having enough wages, enough salaries. This is the policy of this Government in these times of great prosperity, unprecedented prosperity, unparalleled prosperity in Newfoundland, to budget for a sizable surplus to spend on schools, on hospitals and on roads and on new industries. That is our policy and to use the surplus for that, and at the same time to increase the teachers' scale, the policemen's scale, the firemen's scale, to increase the casual road workers' scale, not as much as they should have, but as much as we can afford. If we are going to build new hospitals, build new schools, build new roads, what will we do? We have to make a choice.

Now, finally, Mr. Chairman, I am going to suggest this to you, it is not raised as a point of order. On any vote any honourable member wishes to suggest, do we then go ahead and discuss the budget and the Government taxation? Are we to have a budget debate on every item here that any honourable member likes to take from the thousands in the book? Is it in order for any member to anticipate the budget debate for which ample time is given and just talk about and make propaganda about taxation on

food in people's bellies and accusing the Government of flinging away money for Germans and to send to Germany, giving it away to Germans living over there and not starting industries in Newfoundland; getting Germans to start industries in Newfoundland to employ Newfoundlanders by giving the money away to Germans? Are we to have that kind of propaganda—and taxing the people's bellies on every item that comes to us? I just ask Your Honour to think that over.

615. AUDIO VISUAL EDUCATION :

Carried.

616. PUBLIC EXAMINATIONS :

Carried.

617. ENCOURAGEMENT OF CULTURAL ACTIVITIES :

\$	\$	\$
2,500	2,500	.....

MR. SMALLWOOD : Mr. Chairman, I would not like to see that item carried without at least a word of commendation to the Honourable Minister of Education, and to all the Ministers of this Government and all the members of this Party for this very fine thing, this small vote of \$2,500 which is 2,500 times more than any other Government ever did anything along this particular line. This vote of \$2,500 is for the encouragement of cultural activities, encouragement of Newfoundlanders to exercise their talents in Art, Literature, Culture, particularly Newfoundland culture. I think it would be a pity if that just passed by without the attention of the Committee being drawn to that very fine item.

MR. HOLLETT : That is just a token amount?

MR. SMALLWOOD : It is not a

token amount, that is an absolute amount.

MR. HOLLETT : Do you propose to engage someone to look after that?

MR. SMALLWOOD : That is to cover the cost of the prizes.

MR. HOLLETT : I see.

Carried.

618. PHYSICAL FITNESS AND RECREATION :

\$	\$	\$
100	.....	.....

MR. CASHIN : What is that?

MR. SMALLWOOD : It is a token vote for physical fitness. If at any time the Department of Education should desire and the Government approve the Department going in with the Government of Canada physical fitness programme, the Government of Canada will match any Government money that the Government here will spend on physical fitness training in the schools. We have not gone in with them but keep the token vote there, so that if at any time in the year, they should so decide they have the vote in token in case we do take up the Canadian Government's offer; we then have legislative authority for it.

MR. CASHIN : Is there any of this going on at the present time?

MR. SMALLWOOD : Not as part of that particular programme.

MR. CASHIN : Is there any physical fitness programme in the schools in St. John's, or anywhere in the country?

MR. HEFFERTON : Quite a bit of physical drill and games which might more properly be called physi-

cal fitness taking place in various parts of the Province, but in this particular programme in conjunction with the Canadian Government, we have not yet made any plans.

MR. HIGGINS: I am rather interested in this particular thing. I understand the Federal Government has some particular fund they make available to youth movements. While it is not strictly in order, would the Honourable Minister tell me if there is any likelihood of any similar fund being taken up, let us say like the football or hockey league, if we have a branch in Portugal Cove and give them something, is there any likelihood of any such fund being inaugurated in this Province? Has that some-

thing to do with the physical fitness programme?

MR. HEFFERTON: I am not quite sure, but can get information dealing with the subject.

MR. HIGGINS: Other than the schools, we have the various athletic associations?

MR. HEFFERTON: It is provided under schools. There are certain others under certain provisions which can get some help. As you know, in another vote, we do give some help provincially to certain youth organizations.

MR. HIGGINS: Things like the boys' clubs and that sort of thing.

MR. HEFFERTON: Yes.

619. CURRICULUM SERVICES:

01. Salaries	4,600	100	.....
<hr/>			
02. Expenses:			
01. Travelling	500		.....
02. Office	500		.....
	1,000		.....
<hr/>			
Total: Subhead 619	5,600	100	.....
<hr/>			
TOTAL: DEPARTMENT OF EDUCATION	5,631,900	4,830,500	4,238,688
<hr/>			

MR. HOLLETT: I wonder if the Honourable Minister would tell us just what curriculum services is? I notice the salaries are not very high there.

MR. HEFFERTON: I did intend when we went into Committee on Ways and Means to deal more fully with such matters. Briefly the position is this: Since 1894 we have had a Council of Higher Education and

pupils examinations. In 1949, the C.H.E. Department was wiped out and public examinations wherein the examinations as such were definitely under the Department at this time, an advisory committee on public examinations dealt with the mechanics of setting exams and so on, and at the same time we envisaged another committee to deal with all the items of curriculum. One of the other Pro-

vinces did the same thing some sixteen or seventeen years ago, and we have made this provision or salary allowance for the setting up of a director of curriculum services with such services as advisory bodies which will not be paid and whose work will go on from year to year which is something we cannot do in a day.

MR. HOLLETT: That is the reason why I asked, I think that will be a very important service in the Department of Education, and, therefore, I suggest you can't get a very competent man or woman for \$2,800 today. Therefore, I asked if that is a real vote or just a token, is that the amount for which you expect to engage a supervisor of curriculum? I would suggest a considerable increase there.

MR. HEFFERTON: I appreciate the point made by the honourable member for St. John's West, but here again, we have to be governed by certain other Departments and certain other divisions in our own Department, for instance, the supervisor of public exams, and the Audio-Visual Supervisor who is on the same scale and this man would come in the same category and would have to do much the same thing.

MR. HOLLETT: I still reiterate all these supervisors should be scaled upward as regard to salary. If we expect to get anywhere with an educational programme, I repeat, Mr. Chairman, and I am not saying this with any political idea whatsoever, none whatsoever.

MR. SMALLWOOD: I agree.

MR. HOLLETT: The Premier doubts it.

MR. SMALLWOOD: I don't, I accept, I believe it.

MR. HOLLETT: He loves an argument, loves to take a dart at me, but it does not hurt me a bit, just amuses me. I do say it is not for a political purpose, I have no political ambitions whatsoever now, whatever I did have a few months ago. If it is in order.

MR. COURAGE: It is quite out of order.

MR. HOLLETT: I am quite sure the Minister of Education must agree that these figures are not high enough. If we are going to have a supervisor to advise the Government as to just what public exams should be in our schools, you are not going to get a suitable person for \$2,800 unless you find some philanthropist ready to do it. I really think the Government would be well advised to up these heads of the various divisions of the Department of Education.

MR. SMALLWOOD: Would the honourable gentleman also suggest it be done throughout the whole of the civil service or have one set of salaries for the Department of Education higher than for the other departments, or does he not realize that an upward revision of salaries in the Department of Education involves necessarily an inevitable corresponding upward revision throughout the entire civil service, and did he stop and find out what it would cost?

MR. HOLLETT: Yes.

MR. SMALLWOOD: Would he be kind enough to tell me what it would cost? I would prefer the honourable gentleman to give his estimate. First he said he had it figured, now if he would favour us with his figures, he has gone into the matter and has estimated it, now he ought to tell us what

his findings are, and I will give him the actual facts.

MR. HOLLETT: I would not be quite sure, but I am almost certain there would not be more than ten directors or supervisors in the Government departments and I am quite sure that if you raised them nearly up to par with the assistant Deputy Ministers, you would be doing something which would not cost very much.

MR. SMALLWOOD: That is as much as I thought. That is the kind of examination the honourable gentleman has given the matter. You have now some thirty-five hundred civil servants—that is exactly what the honourable gentleman is talking about, civil servants.

MR. HOLLETT: I did not say thirty-five hundred supervisors or directors.

MR. SMALLWOOD: But civil servants and there are a whole series of salaries running throughout the whole of the civil service which is presently costing several million dollars a year for civil servants and you can't obviously, surely the honourable gentleman is not suggesting that we just pick out the supervisors and directors and raise their salaries and certainly not bring them close up to the scale of Deputy Ministers; the minute we do that, we have to raise the Deputy Ministers and the merry-go-round is commenced. This system introduced by the Commission of Government is one of the good things the Commission did, one of many, they scaled the civil service, they set up a salary scale and civil service rules and these we have to follow or scrap them. If you start putting up these salaries except in accordance with the scale, the next thing it will cost a cool mil-

lion dollars. You say: "All right you got the surplus of six million dollars, pay it out of the six millions"—and build that much less roads and hospitals and schools and industries. But what about next year? Suppose there is no surplus next year, or only three millions? Do we just take back that increase? Suppose there is no surplus at all next year, but a deficit, do we begin cutting the civil servants? We can't play ducks and drakes that way with the civil service salaries, we have to stick to a policy and not start running around. The Government as a matter of fact has the wage earners welfare at heart. We all have personal friends in the civil service personnel, and would like to see our personal friends getting a break, but they can't get it unless the increase is widespread and general, that is the way to do it. We can't go picking out a few and raising their salaries.

MR. HOLLETT: The Premier must have of course, misunderstood me in my remarks, I had no intention of recommending any general increase but on that particular point on which I was speaking, I have already suggested that teachers should be raised but that was voted against, but I am suggesting here, that if you expect to get supervisors of curriculum which is the most important thing in the making of a man or a woman from the boy or girl and greatly depends upon the curriculum set down you cannot expect to hire a first-rate supervisor of curriculum for \$2,800.

MR. HEFFERTON: Plus \$570.

MR. HOLLETT: The cost of living which is taxed 3%. If you expect to get first-class supervisors for \$2,800 I think you are going to be disappointed.

HON. L. R. CURTIS (Attorney General): Just before we leave education, I notice the total figure there for this year, \$5,631,900 is an increase this year of \$801,400 and if we look up the teachers' salaries, it is reflected in that vote. Last year we voted for teachers \$2,800,000 and this year we are voting \$3,300,000. In other

words, the Committee this year is voting on account of teachers' salaries 25% more than the amount voted this time last year, which I think is a very substantial increase.

MR. HOLLETT: They can still carry it home.

MR. CHAIRMAN: Order. Carried.

DEPARTMENT OF ATTORNEY GENERAL:

701. MINISTER'S OFFICE: Carried.

702. GENERAL OFFICE: Carried.

703. SUPREME COURT:

01. Salaries	37,400	34,300	33,416
02. Expenses:			
02. Office	1,021	1,021	929
03. Circuit Court	5,000	6,000	3,483
	6,021	7,021	4,412
03. Contribution to Pension, Law Librarian	379	379	378
Total: Subhead 703	43,800	41,700	38,206

MR. CASHIN: Wipe that out. Why should we vote for that?
Carried.

704. ST. JOHN'S MAGISTRATE'S COURT:

01. Salaries	12,800	10,900	9,435
02. Expenses:			
02. Office	300	250	302
Total: Subhead 704	13,100	11,150	9,737

MR. HIGGINS: Mr. Chairman, on 704 I notice that the District Magistrates' salaries in 1951-52 was \$3,900 and has now gone up to \$4,500. The thought that occurred to me is this: I am not quite sure if this is the proper time to bring it up or not, but last

year there was a new court created, the Family Court, and the vote for the judge of that court in the estimates this year (we have not come to it yet) is \$4,650. If the judge of the other court is worth \$4,650, I think we should raise this man up to the

same status. He is a lawyer of some twenty years standing, a very competent man and I don't think in the whole civil service there is a more conscientious or hard-working man.

DR. POTTLE: The point raised I think is one of very fair comment. The disparity arises because the judge of the family court was placed on the scale a few months before the District Magistrate, just enough to put him in to another fiscal year.

MR. HIGGINS: As I have said, I have no grudge against the judge of the Family Court, I happen to know the particular individual and he is a fine man, but the salary of the Magistrate of the St. John's Court, no matter when he started, should be comparable even this year. He is doing a tremendous amount of work, and that the Attorney General can certify.

MR. SMALLWOOD: We appreciate that. They are both on the same scale but one came on it a year earlier

than the other. What the honourable gentleman said, nevertheless, is a hundred percent true. I don't think we have to make a decision as to who has the more onerous duties, that is not important but the judge of the St. John's Court has the more onerous job, there is no doubt about that.

MR. HIGGINS: And there is nobody more faithful in the whole service.

MR. CURTIS: I agree absolutely with what my honourable friend says, and I might ask that this vote might stand for a moment. I would be prepared at the moment to make this exactly the same, but I think it should be a little higher.

MR. CASHIN: Mr. Chairman, I understand Magistrate O'Neill has upward of twenty years in the legal profession and that the other gentleman appointed to the Family Court is only recently a lawyer—

704.—Stand.

705. MAGISTRATES: Carried.

706. DEEDS AND COMPANIES: Carried.

707. CONSTABULARY:

01. Salaries	459,700	446,400	498,924
02. Expenses:			
01. Travelling	5,000	10,000	13,883
02. Office	4,000	5,000	7,225
	9,000	15,000	21,108
03. Equipment and Supplies:			
01. Arms and Ammunition	300	300	212
02. Compensation to Families of Deceased Constables	1,000	1,000	.....
03. Motor Vehicles, Supplies and Gasoline	25,500	17,500	9,271
04. Uniforms, Accoutrements and Bedding...	25,000	30,000	14,320
05. Purchase and Maintenance of Horses and Harness			2,289
	51,800	48,800	26,042
Total: Subhead 707	520,500	510,200	546,074

MR. CASHIN: Mr. Chairman, in connection with the Chief of Police, formerly housed by the Government. I don't know if his house is being supplied by the Government at the present time or not. He gets a rental allowance I presume?

MR. CURTIS: No, he gets a house.
Carried.

708. ROYAL CANADIAN MOUNTED POLICE: Carried.

MR. CASHIN: Excuse me, Mr. Chairman, on 708—

709. FIRE DEPARTMENT: Carried.

710. H. M. PENITENTIARY AND GAOLS: Carried.

711. MISCELLANEOUS: Carried.

712. CONSOLIDATION OF STATUTES:

01. Fees, Consolidation Committee	5,300		
02. Printing, Binding, etc.	15,000	25,300	300
Total: Subhead 712	20,300	25,300	300

MR. CASHIN: Mr. Chairman, in connection with the Consolidation of Statutes: I take it you have some lawyer engaged at the present time in the compilation of these documents. When do we anticipate the Consolidated Statutes will be finished? I notice we have some money on account.

MR. CURTIS: Yes, Mr. Chairman, the decision to consolidate the statutes was made by the Commission of Government and they appointed three commissioners and one secretary. I happened to be one of the commissioners that was appointed and when I took office I resigned and as the appointments were made on a denominational basis, we had to get a Methodist to replace me and Mr. Dawe was appointed. The remuneration was agreed upon by the Commission of Government on a contractual arrangement and this \$5,300 balance is payable when the work is finished. The \$15,000 is of course for printing.

Carried.

713. TRANSPORTATION:

01. Royal Commission			9,828
02. Maritime Board of Trade	6,000	6,000	6,000
03. Board of Transport	20,000	10,000	.....
Total: Subhead 713	26,000	16,000	15,828

MR. CURTIS: With respect to 713-03 Board of Transport, transportation every day assumes greater importance from the point of view of the Government and the Government of Newfoundland had to engage Mr. Gerald Murphy at Montreal as a full time consultant as we have to be represented on the Maritime Board of Trade and every time the Railway asked for a freight rate increase the Maritime Board of Trade engaged a Mainland counsel, and in fact it was only the other day we received a bill from them between two and three thousand dollars for our share of the services of this counsel. I don't think the vote asked for will be more than enough if indeed it will be enough to meet the litigation involved in the freight rates. As my honourable friends know every time the Railway want a freight rate increase they must go before the Board of Transport Commissioner and at the same time,

that means we must engage counsel to act for us, and if the matter is one which can be dealt with on the level of the Atlantic Provinces as a whole they get together and agree upon the counsel. For instance, the last 5% and 12% increase, French and Smith, Halifax, were engaged as counsel not only for us, but for all the Maritime Provinces and it was much easier and cheaper for us all to be represented by one counsel. There may be cases where there is a different interest and in that case, we engage our own counsel. But transportation is daily becoming a more vital item in the economy of Newfoundland and for that reason we are asking for this vote. I would like to report to the House that on my recent visit to Montreal I followed up some representations which had been made by the Board of Trade, actually by the Government supplemented by the Board of Trade and lately by myself as Attorney Gen-

eral acting under this heading of transportation and talked over with the Canadian Officials the question of our telephone rates. I am very hopeful that within a very short time, we will have a very welcome announcement to make to the people of Newfoundland on that question. You will realize, I do want the House to understand I am not dealing with local telephone rates but entirely with rates from here to the Mainland by radio. The Commission of Government gave a franchise to Canadian Marconi Company and rates were put into effect twice as high as they should have been and there was a 25 year contract. It has been a very difficult matter to get clear of that contract and get the rates put in at a comparable rate with those being paid in other Provinces. I am hoping very shortly, as a result of my latest visit when I met the General Manager and President of Canadian Overseas Telephone Corporation Limited, who will be visiting Newfoundland and while he is here, I hope he may be able to announce that our negotiations have reached a very successful conclusion.

MR. CASHIN: You say we have a solicitor on the Mainland—Is he engaged all the time?

MR. CURTIS: Yes, but not a counsel, a Transportation Expert, Gerald Murphy.

MR. CASHIN: What is his rate of pay?

MR. CURTIS: \$6,000.

Carried.

MR. CHAIRMAN: I might say at this point that members on both sides of the House are guilty, the Chair does not recognize views expressed by a member who does not rise in his

seat. Members who speak in their seats as far as the Chair is concerned are merely making a noise and it is out of order.

714. CIVIL DEFENCE:

10,000	25,000
--------	--------	-------

MR. CURTIS: In connection with that vote of \$10,000 for Civil Defence, that is not exactly a token vote. The House will remember that we have just appointed Group Captain Grandy to be our Civil Defence Officer. Captain Grandy is being paid at the rate of \$5,000 a year. The other \$5,000 will be for miscellaneous projects. I might say last year the vote for this work was \$25,000 but I think the entire amount was a drop balance. We did not spend any of it, and it is fortunate that we did not, because at a recent Civil Defence conference, arrangements were made whereby the Federal Government would join us on a fifty-fifty basis on any projects we arranged, and with this, approved any money we spent last year, we would have spent on a hundred percent basis, whereas any money in the future will only be on a fifty-fifty basis, we hope, and in fact, expect they will pay half our Civil Defence officer's yearly salary. The amount voted by the Federal Government to Newfoundland is \$32,000. In other words, if we spent thirty thousand on an approved project they will match it with \$30,000 or any amount. We do not have to spend the full \$32,000, but they only match up to that amount. I don't see at the moment that we will need during the present year to take advantage of that expenditure but Captain Grandy is at the present time in Ottawa—he remained over after the conference there. He is also visiting Halifax and it is hoped that when Captain Grandy comes back, we will find out what

expenditure is really necessary under this sub-head.

Now, Mr. Chairman, we may have to ask that the item on salaries to the Constabulary and Firemen and Penitentiary, though they have been passed by the House, we might have to ask to refer back to them because I do not think the items mentioned here reflect the increases referred to in the Budget Speech. We might pass it for the present, and on the understanding we may have to ask to come back to them and increase them.

MR. CASHIN: What about the District Magistrates?

MR. CHAIRMAN: That one was allowed to stand.

Carried.

DEPARTMENT OF MINES AND RESOURCES:

801. MINISTER'S OFFICE—Carried.

802. GENERAL OFFICE—Carried.

MR. SMALLWOOD: I think, Mr. Chairman, it might be beneficial to the House if I gave a very brief resume of this Department. Let me say quite frankly that the estimates as they appear here in this book are in some respects quite unrealistic and do not represent in fact the expenditures likely to be made in the current year by the Department, and the reason is this: The estimates as they appear were prepared by the Department many months ago, as was done for all Departments and were sent to the printers for printing and when the draft copies of the printed estimates came to the Cabinet for review I was not in a position to inform the Cabinet of the changes I proposed to make, with the consent of the Cabinet and subsequently the concurrence of

the House of Assembly. I therefore asked the Cabinet to permit the estimates to stand as they were printed. I propose now to ask the Committee in very general terms to do the same thing. That is to say, the Committee will make such changes as they see fit to do but in general to pass the estimates of the Department. By all this I mean a readjustment of the Department is a thing long overdue, is now in the process of being formulated but is not yet ready. Much greater emphasis is being laid on mines and mining development, geological prospecting and the like. We hope to have a reorganization of forestry now as a Province, and before we became a Province we were a country, a separate British country and were lamentably backward in our forestry policy as the Department of Natural Resources really had no forestry policy, just had not got one at all but a makeshift and something has got to be done about it.

Now, in the other Division, in the Accounting Office and in 805 Agriculture, 806 Land Development, and 808 Crown Lands and Surveys, there has got to be changes, got to be reorganization. Quite frankly, I don't know at this time just what they will be. I do think that there may be an overall reduction in the total voted for the Department, \$1,485,000, of practically one half million dollars. I will not guarantee, but I somehow doubt that it will run that high, although on the one hand, mining has gone up by reorganization, by the transfer of civil servants in the Department from one division to another, mainly from various divisions into mining and by other similar transfers. We hope that the increase in the mining section will be counterbalanced by consequent decreases in the other divisions.

Now, with that explanation, perhaps the Committee will be prepared to take them item by item.

MR. HOLLETT: Could you put in token votes to take care of any new expenditures?

MR. SMALLWOOD: I think the new expenditures are in Mines and Resources. The Committee will see that the estimates under Mines have gone from \$189,300 last year to \$339,600 for this year, comprising new personnel, but some of that personnel as I have said consist of personnel presently employed by the Department in other divisions who will be transferred to the mines section of the Department. Some of it is consequent upon the increase in the actual field work. For example, field survey is up from \$80,000 to \$130,000 and the Diamond Drilling has gone from \$70,000 to \$150,000 and there is a vote of \$50,000 for geophysical surveys. That accounts for a large portion of the increase in the vote for the whole Department and especially for the Mines sections.

DR. POTTLE: I would just make a general comment here—The Committee ought to take into account something which, on the face of it, is not so obvious, that is that the cost of living bonus has gone up in every section and is a considerable amount in a large Department.

MR. SMALLWOOD: That is the new cost of living bonus given last year.

MR. CASHIN: How much did that amount to?

MR. SMALLWOOD: Half a million a year.

MR. CASHIN: What was the percentage increase in the cost of living

bonus? I am afraid I don't recall that.

DR. POTTLE: I believe it was something like \$30 a month, was it not?

801. MINISTER'S OFFICE—Carried.

802. GENERAL OFFICE.

MR. HOLLETT: Has the Government ever thought of cutting out the cost of living bonus and increasing the salaries?

MR. SMALLWOOD: The answer is obvious. If the honourable gentleman will allow me (I don't think either one of us is in order now) I made a general explanation and from that point the Committee is supposed to take it vote by vote. When you want to increase the take home pay of civil servants, you have two ways, either one of which will accomplish the purpose but with different results. The increase in the actual rate of pay as distinct from the cost of living bonus affects at once the pensions right, the pension rates to which the civil servants become entitled. Secondly, we can always hope that some day throughout North America and throughout the world, the cost of living will come down. I don't know if we ought to hope that, because when the cost of living is very low, there are many people starving and unemployed. When the cost of living is high, it seems to be most prosperous in the world. That seems to be one of the great economic anomalies of the world so that certainly farmers and fishermen hate to hear of a low cost of living and for fishermen and farmers prosperity is based on the cost of living in the world because they constitute so large a part of it. Now, what we have done is to increase the cost of living bonus which does

not affect the pension rights, the rates of pensions to which civil servants would become entitled because if ever the cost of living falls, the cost of living bonus given in accordance would fall. Now, there have been cases where we have incorporated the cost of living bonus into the basic salary, in the case of teachers we incorporated it into the total basic salary which itself was just too low. I think we have also done it in the case of the police and the firemen, who get a living allowance apart from the cost of living, a house or board allowance and marriage allowance and they should have that incorporated in their basic salary, but generally speaking, when we increase the pay of civil servants, we do it by increasing the cost of living bonus. I think that is the explanation.

MR. HOLLETT: I realize that is of course the reason why. When a person gets a cost of living bonus, it helps him to exist. Take the case of any man this year who gets a cost of living bonus of \$400, as the case may be, it is to be expected that next year upon retirement, he will get exactly that amount of money as he would this year. I do not think it is possible at the moment for you to do it, but I was speaking generally, it is about time you decided to incorporate the cost of living bonus into the salaries of most civil servants so that on retirement they would benefit thereby by being assured a good pension. I know and the honourable gentlemen on the other side know these people are pretty hard put to live on the pensions they are getting from the civil service.

MR. CURTIS: Don't the pensioners get the cost of living bonus too?

MR. SMALLWOOD: They did not get the last increase in the cost of

living, but do get the cost of living bonus.

MR. HOLLETT: Their pension is based on their basic salary.

MR. SMALLWOOD: But on retirement are given the cost of living bonus as such on to their pension except that the last increase in the cost of living bonus was not passed on to pensioners.

MR. HOLLETT: I have been told by retired civil servants that they are being hard put to it, they are deprived of that cost of living bonus they got in the service and don't get now.

MR. SMALLWOOD: In addition to their pensions they get a pensioner's cost of living bonus, not what they get as civil servants, but as pensioners, over and above their pensions based on the pension.

802.—Carried.

803. ACCOUNTING OFFICE: Carried.

804. FORESTRY:

MR. CASHIN: Mr. Chairman, forestry has jumped from \$150,900 to \$159,700. Forester from \$4,000 to \$6,000, could we have an explanation of that?

MR. SMALLWOOD: There is no one occupying the position. What we are hoping to do is get someone as a forester with a salary rate of a person who occupied a position of a head of a division, a sort of director. We cannot get a first class director for the salary that would be paid him unless he drew the same rate as a director, therefore, we have decided that we will have to pay the salary rate of a director but it will be on a contractual basis, in other words, he will be

retained on a contract for three, four or five years on a fixed contractual basis as established with no pensionable rights. It is the only basis on which we find we can get a competent man with the necessary experience to be director of forestry.

MR. HOLLETT: Was it the immediate urgency of forestry?

MR. SMALLWOOD: To put in a forestry policy and carry it out, something we never had in Newfoundland, but there has been nearly half a million dollars spent on a nursery at Salmonier. Men were hired to plant seeds and bed them and then plant them and send them out to other people to plant them and have gone to the expense of getting expensive steel fences or otherwise and have hired men to watch there to keep the goats and cows and ponies and people off the places where these seedlings were planted. In the last fifteen years since the Commission of Government established that nursery we have spent upward of half a million dollars, and I don't think there is any doubt about it whatsoever that it is money down the drain. Now, I think we ought to have spent that half million dollars in that period of time but not in that same way, so it is my hope to be able to persuade the Government to drop that tree nursery and get a real forestry policy; if we want to forest or reforest the barren places in Newfoundland let us do it by aircraft, let us plant in one year what it would take four and thousands of dollars to do it by the old methods. It is a question of whether we are trying to find jobs for people or to get forests, if it is the latter, the method is to use the latest technique and plant the trees by aircraft as is done in other parts of the world, or do it by hand going out like Charlie

Chaplin in his famous picture. When the picture opened up there is a vast field with Charlie in the foreground and his finger going down in the earth and then up in a place about a thousand acres big, and he is planting that great field by putting his finger in a hole, putting a seed in, tapping it down, making another hole—that gives work, gives labour but is not how new forests are planted.

MR. HOLLETT: Have you got to wait until the Memorial University gets that chair established by Dr. Seigheim?

MR. SMALLWOOD: No.

MR. CASHIN: Inspector of Fire Patrol last year was \$2,300 and this year \$1,900, you must have fired that fellow?

MR. SMALLWOOD: The inspector went out.

MR. CASHIN: He was the inspector?

MR. SMALLWOOD: He has gone and we had to get a new one to start at the beginning of the scale. There is a salary scale, rising by so much a year and if an employee goes out or is pensioned the new man who replaces him has to start at the beginning of the scale and has to be there a number of years to get up to where the other man was when he went out.

MR. CHAIRMAN: At this point I would remind the Committee it is nearly six o'clock.

MR. SMALLWOOD: Mr. Chairman, I move the Committee rise, report progress and ask leave to sit again tomorrow.

MR. CHAIRMAN: The Committee sat, passed the items from 501 to 804

excluding item 704 and besides this passed 301, allowed to stand yesterday.

MR. CASHIN: Mr. Speaker, before we adjourn, if I may be permitted to table a question?

MR. SPEAKER: Leave is granted.

MR. CASHIN: I give notice I will on tomorrow ask the Minister of Finance to inform the House what amount of money was remaining to the credit of the Newfoundland Treasury in the Bank of Montreal at St. John's on March 31, 1952; also inform the House what amount of money was remaining to the credit of the Newfoundland Treasury in the Bank of Montreal at St. John's on April 30, 1952. This information to be certified as correct when given by the Auditor General, the Comptroller of the Treasury and the Bank of Montreal.

MR. SMALLWOOD: Mr. Speaker, I move the remaining orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow, Monday, at 3:00 of the clock. I would hope, Mr. Speaker, that on Monday my honourable friends opposite will be ready to proceed with the Budget Debate.

MR. CASHIN: You moved the adjournment.

MR. SMALLWOOD: I did that as Leader of the House, not as a member seeking the privilege of being next to speak.

The House adjourned until Monday, May 5, at 3:00 of the clock.

MONDAY, May 5, 1952.

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

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

Answers to Questions:

MR. P. J. CASHIN (Leader of the Opposition): Mr. Speaker—

MR. SPEAKER: Before calling the questions, I would explain that the Chair is not concerned with the type of questions asked nor the type of answers given other than that questions have to comply with parliamentary rules. Therefore it is my duty to say that Question No. 71 is out of order, as it repeats a question already asked in the present session.

Are there any further answers to questions?

MR. HOLLETT: Mr. Speaker, Question No. 65 in connection with Newfoundland Hardwoods?

HON. J. R. SMALLWOOD (Prime Minister): The reply to that question has been sought from the Newfoundland Hardwoods Limited and as soon as it is received it will be tabled here without any delay.

Notice of Questions:

MR. CASHIN: Mr. Speaker, I give notice I will on tomorrow ask the Honourable the Minister of Finance the following question: "To inform the House what amount of money was remaining to the Credit of Newfoundland Treasury in the Bank of Montreal at St. John's on March 31, 1952; also inform the House what amount of Money was remaining to the Credit of the Newfoundland Treasury in the

Bank of Montreal at St. John's on April 30, 1952. This information to be certified as correct when given, by the Auditor General the Comptroller of the Treasury and the Bank of Montreal."

Orders of the Day

MR. SMALLWOOD: Mr. Speaker, I move the House into a Committee of the whole on Supply at this stage of the day's sitting, not with a view to having it gone through. In the normal course we take one Department after another but because it was the understanding in the House that today we would go into Committee on Ways and Means and that is still the intention. But it is for the purpose only of considering the Department of Economic Development, and

that for the reason that there are one or two matters of some urgency with which it would be extremely useful if the Committee would deal. It is mainly on capital account side—the expenditure side of capital account but there are also a couple of items on current account in the same Department, one of which is fairly urgent. Now, except for these rather urgent items I would be quite happy if the Committee of the Whole were to take the Department of Economic Development in the order as it appears in this copy of the printed estimates. But these matters are of some urgency and that is why I ask the House to turn to page 66 of the Department of Economic Development. We might take the whole Department instead of taking it piece-meal and begin at 1501.

Committee of the Whole on Supply:

DEPARTMENT OF ECONOMIC DEVELOPMENT:

1501. MINISTER'S OFFICE:

01. Salaries			
02. Expenses:			
01. Travelling	1,000	1,000	761
02. Office	300	500	176
Total: Subhead 1501	1,300	1,500	937

MR. CASHIN: Mr. Speaker, in connection with this whole, entire Department, I understood that once we had this Newfoundland Labrador Corporation all the economic development of the Province would more or less come under the control of the Newfoundland Labrador Corporation and if that is so what is the necessity of having a Department of Economic Development?

MR. SMALLWOOD: Mr. Chairman, the honourable gentleman has understood quite incorrectly. This has not been and is not and not likely to be the intention to turn all economic development matters over to the Newfoundland Labrador Corporation. There is and there will be an economic development policy on the part of this Government to turn over to this corporation increasingly such matters,

but not at any time in their entirety, and in any case, not in one full sweep. I anticipate the continuing need of this Department for another two or three years and to turn as rapidly as we may over to the corporation the Government's commitments and the Government's liabilities and the Government's revenues in connection with actual industrial enterprises; but the whole business of economic development from the standpoint of propaganda, from the standpoint of organization and approach is a responsibility of the Government through the Department created for that purpose. I would wish that the Committee would draw a clear distinction between the functions of the Department of Economic Development as such and those of the Newfoundland Labrador Corporation. The Newfoundland and Labrador Corporation is a business organization not a Department of the Government; a business organization which it is our hope shall become increasingly and quite rapidly the Government's economic arm, but not a Department of the Government. The Department of the Government remains and should remain possibly for two or three years and perhaps much longer but at least that long because it has a function to perform over and beyond the functions of the Newfoundland Labrador Corporation. In which case pending the time when the Newfoundland Labrador Corporation can in fact assume immediate and direct liability for the commitments made by the Government up to now to certain industries of Euro-

pean origin, it is necessary that some one else should continue or become responsible for these commitments other than the Newfoundland and Labrador Corporation. It is not to be assumed that the Newfoundland and Labrador Corporation which has just recently been formed shall at once take over the responsibilities of the Government towards certain industrial companies of European origin to whom the Government has extended credit. That time we hope will come, but it will not come in the immediate future. Until that time does come the commitments are commitments and responsibility for them must be upon someone and they are borne presently by the Department of Economic Development, for which reason, if for no other and there are other reasons, the Department of Economic Development must continue for another year or two and possibly much longer.

MR. HOLLETT: Did I understand from the remarks of the Honourable the Premier that the Newfoundland and Labrador Corporation will not take over the operations of these various companies such as the cotton textile, the optical, the gypsum and the birch plants?

MR. SMALLWOOD: Not immediately, no.

MR. HOLLETT: Can you advise us the likely date?

MR. SMALLWOOD: No, I cannot.

1501. Carried.

1502. GENERAL OFFICE :

01. Salaries	16,900	12,500	9,536
02. Expenses :			
01. Travelling	800	300	120
02. Office	1,000	1,500	1,373
	1,800	1,800	1,493
Total: Subhead 1502	18,700	14,300	11,029

MR. HOLLETT : Before you carry that, Mr. Chairman, there is a provision for an extra clerk \$2,600—I wonder, in view of the lessening work, is there need for an extra clerk?

MR. SMALLWOOD : There is no lessening of the work but rather greatly increased work and even after the Newfoundland and Labrador Corporation have taken over, the Government will still be responsible for these industries and there will continue to be lots of work in the Department of Economic Development. The Department of Economic Development is always concerned with more than merely these industrial enterprises. There is a case in point at the moment, one for which I am going to ask for the insertion of a vote here when we come to it, the Canadian International Trade Fair at Toronto, that is being handled by the Department of Economic Development, and such matters.

1502. Carried.

1503. TOURIST DEVELOPMENT :

01. Salaries	17,400	5,300	4,707
02. Expenses :			
01. Travelling	800	800	675
02. Office	1,500	1,200	1,775
	2,300	2,000	2,450
03. Publicity and Investigation :			
01. General Publicity	15,000	30,000	9,713
02. Development	15,000		
04. Documentary Film		14,500	5,853
	30,000	44,500	15,566
Total: Subhead 1503	49,700	51,800	22,723

MR. CASHIN: I notice the Director is contractual. I know there was no Director last year and no one in there now, contractual \$10,000 a year?

MR. SMALLWOOD: Yes, the explanation is that, as the Committee is probably well aware, the Government, and I as the head of the Department, have for years been endeavouring to obtain a suitable person to be the Director of Tourist Development for this Province. I made a strong effort to get Mr. Leo Dolan and offered him tentatively, subject of course to the approval of my colleagues in the Cabinet, and of this House, a salary considerably in excess of what he was then getting from the Government of Canada. Unfortunately, we were not successful in getting him. Mr. Dolan, if his health had been better than it is in fact, would have come gladly and I think all Newfoundland would be very pleased with our success in getting Leo Dolan who is unquestionably the greatest leader in the field of tourist development in all of Canada, perhaps in all of North America today. Having failed to get Mr. Dolan, I then made many efforts and I am continuing to this moment to make many efforts to get a suitable man for this position. Up to this moment I have not had any success. I do now assure the Committee that our action in inserting this item in the estimates for this year is to be taken as assurance that we will get a suitable person for the position. I ask the Committee to pass the item in the hope that we will get a suitable man. Now that is why the item itself is contractual, the salary of \$10,000 a fixed rate, a fixed flat amount on a contractual basis, and the reason for that is this; having ascertained the salaries of Tourist Directors across Canada which run up around \$12,000 and \$15,000 a year we

came to the conclusion that we were not going to have any chance of getting a good man for an amount less than \$10,000 a year, indeed we may not be able to get a man at that figure. There can only be one Director of Tourist Development, there can be only one tourist development in Newfoundland and that one will be a success or it will be a failure. It will be a bad blow to our prospects in Newfoundland for a great tourist trade, if at the outset from the very beginning the drive to develop the tourist business is not conducted in exactly the right way and that depends on getting the right person to be the Director of Tourist Development. \$10,000 is not a salary in the civil service but this person will not be a civil servant, he would be engaged on a contractual basis, that is to say for a period of three or four years at a fixed flat salary. In other words he would be engaged by contract rather than as a civil servant coming under the civil servant salary scale. We frankly have no hope at all of getting a suitable person if he is to come under the civil service scale of salaries. Now, as he would be on a contractual basis he would not be an established civil servant nor pensionable, he would not be pensionable nor would he get the cost of living bonus. He would get a flat contractual salary for the period of his contract. That I hope is the explanation the honourable gentleman desires to have.

MR. CASHIN: Thank you very much. I gather now the vote is just being inserted and at the present time the Government has not made any arrangements to fill the position.

MR. SMALLWOOD: That is so.

MR. CASHIN: You have no one in sight at the present time?

MR. SMALLWOOD: I have been negotiating with a retired Colonel of the Canadian Army in Ontario who has had considerable experience, have made inquiries concerning his experience and background and that sort of thing through persons in Ottawa and Toronto familiar with him and it may be that he has the necessary qualifications. I have no knowledge of that at the moment but I am negotiating all the time and have continuous correspondence and am frankly trying to steal away some men from the Provincial Governments, I tried to get the top man of the Government of Ontario, the top man in Tourist Development but without success. Unless we make the position very attractive, any man with the necessary experience and skill is already working and is likely to wish to remain where he is, and furthermore if a man is presently working in such a position and gives up his job to come to Newfoundland, he gives up also his pension rights which he has earned in his present job, he would have to abandon all that, which is another reason why the salary offered must be fairly enticing to get the right man to come down to Newfoundland and take that position. I may say I advertised in the Newfoundland papers to find out if by any chance there was someone in Newfoundland itself, some Newfoundlander, and although there were many dozens of applications received by the Department it was not considered that any one of the applicants had the necessary qualifications although some exceedingly good men did apply, some exceedingly good Newfoundlanders did apply and would be very useful men in other positions but not in the position of Director of Tourist Development.

MR. HOLLETT: I was about to

remark about that before the Premier got up. I can't quite understand why this country of three hundred and fifty thousand people here now for three or four hundred years can't possibly find a man to perform the duties of tourist development in Newfoundland, who has a Newfoundland background, has lived here and his ancestors have lived here. I think that such a man would be the suitable person for a Director of tourism here in this country. I regret that we have apparently in late years to go afield to some foreign country to get a man to direct things. That is another thing which is rather tragic, showing our people up in a bad light, we have a Director of Economic Development from outside, a director of practically everything from outside the boundaries of this country and I yet have to see that any of these imported directors have appeared geniuses. They seem to be pretty good human beings, doing a pretty fair job but I am quite sure we have Newfoundlanders in this country who have these qualifications. I don't care who we get for the Director of Tourist Development in this country and I would say the Government would be well advised to reconsider some of the applications. I was not myself an applicant by the way, but they should reconsider some of them. After all, Newfoundlanders seem to do very well when they leave this country and why not give some Newfoundlander here in this country a chance? We have an awful lot of teachers in this country and I dare say the Minister of Education would be in a position to recommend perhaps some suitable teacher who though he may not be the person possessing everything all at once would definitely have the material in him to make eventually a good director of tourism. I feel

rather badly about this and hope the Government may reconsider hunting abroad for a man to fill this job.

MR. SMALLWOOD: The Government has no intention of appointing anyone's ancestors to be a Director of Tourist Development and it does not matter very much where his ancestors come from. We are looking for the right man and are not appointing an ancestor, they are like potatoes, the best of them are underground and we are appointing a man now who is alive regardless of his ancestors, colour, creed, that is so long as he does not come from the other side of the Iron Curtain, we are willing to appoint a Canadian, an Irishman, a Swede, a German, but not from the other side of the Iron Curtain.

MR. HOLLETT: But not a Newfoundlander.

MR. SMALLWOOD: I say a Canadian.

MR. HOLLETT: Not a Newfoundlander.

MR. SMALLWOOD: That is pretty cheap. Now, the honourable gentleman is being cheap.

MR. HOLLETT: You said that before.

MR. SMALLWOOD: It is pretty hard stuff from a man who fought Confederation, a die-hard, whether you like it or not you are a Canadian and I helped to make you one, I grant I may not be proud of the Canadian you make, and you have to stay a Canadian or get out of Canada.

MR. HOLLETT: I think the Honourable the Premier might direct his charges to the Chair, not to me. He made me nothing and could not make anything of me if he tried. I was

made long before I ever heard of him. I was talking about tourism and was not talking about his ancestors or mine or about anyone's ancestors but it is deplorable to find on the part of the Government emphasis on importing people who were not Newfoundlanders, and good Newfoundlanders (we are still Newfoundlanders also, whether the Honourable the Premier made us Canadians or not. I may tell him we are going to hold onto some of our Newfoundlanders for a while and it would be nice if the Government appointed a Newfoundlander as Director of Tourist Development).

MR. CHAIRMAN: I think the Premier and the honourable member are both slightly off the point now.

MR. SMALLWOOD: I am merely addressing myself, Mr. Chairman, to the point made by the honourable member that we should appoint some one whose ancestors were Newfoundlanders. But I prefer to appoint someone alive and if we can't get a Newfoundlander then a Canadian, if not an American, a Swede, anyone who could do the job. What matters is the job, and we are going to keep our Newfoundlanders here in Newfoundland and not have them go off to other Provinces of Canada and we can do it only by developing Newfoundland, including the tourist trade, so that we want the right man to develop it. Now that is that—Why say anything else.

Carried.

MR. SMALLWOOD: Mr. Chairman, I am afraid we are going a little too fast. I overlooked an item. I got so interested in the tourists there that I overlooked the item I wished to have inserted. If the Committee would revert to 1502 under that head-

ing, office \$1,000, I would like to increase that amount by \$3,500. That is to pay the cost of the motor car and the operation and maintenance of the motor car, so that this amount of \$1,000 becomes \$4,500.

MR. CASHIN: What is that motor car for?

MR. SMALLWOOD: It is for the Department of Economic Development.

MR. CASHIN: Is that the Cadillac?

MR. SMALLWOOD: No, the Cadillac does not belong to any Department of the Government but to the Government in general for what might be called super-duper, distinguished VIPs. For example, the High Commissioner for New Zealand who is due here in a matter of a few days, will be met at the airport in the Cadillac and driven about while here, and other such distinguished visitors such as the one coming here to show how to run the House of Assembly. We would like to impress him, and we will meet him with the Cadillac and have him driven around in it. That Cadillac is used very infrequently and should last for many years. But this car is for the office of the Director General of Economic Development for literally dozens of visitors they have all the time to meet at the airport and take back and forth to

the different plants, etc. That is an exceedingly busy office and must have a car obviously. As a matter of fact they have the car now for some months and this is the vote to cover it.

MR. HOLLETT: Is that Dr. Valdmanis?

MR. SMALLWOOD: It is not Dr. Valdmanis, it is a motor car in the Department of Economic Development in which the Director General is many things, but not the motor car.

MR. HOLLETT: Now, we understand. I did not say the car was Dr. Valdmanis. I thought my astute friend on the other side would understand what I said but this must be one of his off days. I was under the impression that Dr. Valdmanis of whom we hear so much was to be the President or is the President of the Newfoundland Labrador Corporation and why the Department of Economic Development should have to find a Cadillac or, call it a Ford if you like, a car, it may be a truck, but why they have to find a car for the President of the Newfoundland Labrador Corporation, I don't quite understand.

MR. SMALLWOOD: We are not asked to find a car for the President of the Newfoundland Labrador Corporation. It has nothing to do with it.

Carried.

1505. ECONOMIC DEVELOPMENT :

01. Salaries	53,600	18,742
<hr/>		
02. Expenses :		
01. Travelling	10,000	19,308
02. Office	3,000	457
	<hr/>	<hr/>
	13,000	19,765
<hr/>		
03. Investigations :		
01. General, not specifically allocated	10,000	
02. Hydro-electric	5,000	
	<hr/>	<hr/>
	15,000	
<hr/>		
Total: Subhead 1505	81,600	
<hr/>		

MR. GASHIN: Mr. Chairman, Director General of Economic Development, and I am not wondering about Cadillacs at the present time or ancestors but I do say Dr. Valdmanis's salary now that he is President of the Newfoundland Labrador Corporation should be paid by that company and not our Government though they are indirectly paying everything in connection with the Newfoundland Labrador Corporation. That salary of \$25,000 a year is a big salary. Apart from the Bank of Canada and the C.N.R. and Chief Justices of the Supreme Court, there is no civil servant or any individual getting that from any Government including Newfoundland in the Dominion of Canada, none else. I held at the outset when this vote came up last year that \$25,000 was too much money. Now, Dr. Valdmanis has moved and all his activity is concentrated on the Newfoundland Labrador Corporation. I understand he is out of the country now in connection with the affairs of the Newfoundland Labrador Corporation and they should pay his salary and not the Government. I draw that to the at-

ention of the Committee for their consideration.

MR. SMALLWOOD: There is something in what the honourable gentleman says, but not enough to justify the change being made and certainly not enough to justify the change being made yet. I think ultimately Dr. Valdmanis's salary will come entirely from the Newfoundland and Labrador Corporation but presently it is coming entirely from the Newfoundland Government and he receives no salary as President of the Newfoundland and Labrador Corporation, no salary as President of the Atlantic Gypsum Company, Limited, no salary as President of the North Star Cement Company, Limited, his salary is from the Government of Newfoundland. Now as the Corporation grows and gets fully in swing I think that perhaps what we might do is have his salary paid entirely or almost entirely except for one dollar by the Newfoundland and Labrador Corporation and the Government pay him one dollar a year to make him nominally and in fact a public servant of the Govern-

ment of Newfoundland because of the active continuing liaison between the corporation on the one hand and the Government of Newfoundland on the other hand. That is why the Newfoundland and Labrador Corporation has rented from the Government the building fitted up as offices where the occupants are the Newfoundland and Labrador Corporation but in the same building are the employees of the office of the Director of Economic Development of the Government of Newfoundland, they are all in that one building and the only thing I regret —

MR. CASHIN: They have moved out of Canada House?

MR. SMALLWOOD: They were never in Canada House, they were all in this building out here and in the basement. They are now all in the new building and the only regret I have is that the building is not big enough so that I could move in there myself with the Deputy Minister of Economic Development. But presently it does accommodate the staff of the office of the Director General of Economic Development, which is only part of the Department of Economic Development. The main headquarters of the Department are in Canada House. The Minister and the Deputy Minister are in Canada House with clerks and stenographers and the like, but the office of the Director General of Economic Development which office is a branch of the Department of Economic Development is in that building of which I speak.

MR. CASHIN: In connection with the Premier's reply, I gather that later Dr. Valdmanis who is now Director General of Economic Development is going to be taken over by the Newfoundland and Labrador Corporation

and his salary will be paid from there while particular industries for which Dr. Valdmanis is responsible such as the Cement Plant and the Birch Plant (not the Birch Plant so much) but the cement and gypsum plants are being taken over we understand at a later date by the Newfoundland and Labrador Corporation. Now, this afternoon I gather from the few remarks of the Premier they are not to be taken over as yet. I don't know what the trouble may or may not be, but I do maintain that his salary should be paid by the Newfoundland and Labrador Corporation. I realize they have some money, a million dollars to start on and they have the money to pay these salaries and should be responsible for paying them particularly when they are taking over three big industrial developments which have cost ten million dollars and more money is needed to operate them and they still may or may not make a profit. The other industrial development going on here at the present time, guaranteed by the Government, does not need a Director General of Economic Development to look after it. At the moment I hold that should be in the Newfoundland and Labrador Corporation.

MR. SMALLWOOD: I might say that the Newfoundland and Labrador Corporation are as rapidly as possible building up their own staff. They are building up a staff of scientists and economists and there is a gentleman here now from Trinidad, a native of Manchester, England, who has spent the last ten or twelve years in Trinidad doing work quite similar to the work that Dr. Valdmanis is doing here in Newfoundland since he came. Dr. Richards is a chemical engineer who was head of the research department of Shell Oils in Trinidad,

one of the greatest oil companies of the world, with one hundred and fifty research chemists under him. From that he became head of the Trinidad Development Corporation and he was the means of bringing several new industries into Trinidad. Dr. Richards is now here to oversee, I understand, certain of the Newfoundland and Labrador Corporation activities. Others will also come, geologists and mining technicians and the corporation has the benefit of the vast experience in Newfoundland of Mr. George G. Thomas who is Secretary-Treasurer and special adviser on mining. But Mr. Thomas cannot go out in the bush and conduct exploration for the corporation. They can in many cases of course employ companies to do the surveying such as air-borne magnetometer surveys similar to the one being made now in the Mealey Mountains of Labrador. But in other cases it would not be practical to employ a company and would be practical therefore necessary to employ individual geologists and things like that. The corporation is rapidly building up its own staff and some day perhaps may be able to absorb the present staff of the office of the Director of Economic Development. There is merging in view and we obviously cannot rush it.

MR. CASHIN: I was going to ask the Premier if Mr. Thomas and these people are being paid salaries.

MR. SMALLWOOD: Out of order but—actually of course they are being paid salaries.

MR. CASHIN: We will never know what is being paid. It is not in the public interest of course.

MR. SMALLWOOD: My honourable colleague on my left, the Honourable Minister of Public Works

draws my attention to the fact that all the personnel in the office of the Director General of Economic Development are on a contractual basis and not civil servants with established pensions or on civil service salaries but are all contractual beginning with the Director General and the Assistant Director General, research workers, etc., who are all on a contractual basis and I think we should insert the word "contractual" in brackets.

MR. HOLLETT: Are they Canadians?

MR. SMALLWOOD: Yes, all I think with the exception of Dr. Valmanis.

MR. HOLLETT: And the assistant?

MR. SMALLWOOD: I think so, although he was not born in Canada. If that is what the honourable gentleman means we have a million Canadians who were not born in Canada.

MR. CASHIN: We ourselves were not born in Canada.

MR. SMALLWOOD: We here in this House were born in Canada.

MR. CASHIN: We were not.

MR. SMALLWOOD: Yes, we were. Carried.

MR. SMALLWOOD: On 1505, Mr. Chairman, I have a couple of amendments 1505-03 (02 Hydro-Electric \$5,000) should become \$10,000. We don't think we can do very much hydro-electric exploration for five thousand dollars. The whole ten thousand I am informed is committed.

MR. CASHIN: Who is it committed to?

MR. SMALLWOOD: It covers final payment to the Power Corporation of Canada.

MR. CASHIN: That came out of capital last year, I understood we paid the Power Corporation of Canada \$186,000. Now, there is a bill outstanding for \$10,000. In other words it cost roughly \$200,000 to do that job.

MR. SMALLWOOD: By this, yes.

MR. CASHIN: Why is that not taken out of capital account now?

MR. SMALLWOOD: There is a very strong case to be made for putting it under capital expenditure but it is pretty safe and prudent budgeting to put what otherwise might be capital into current while it is rather imprudent to do the reverse and put under capital what ought to come under current.

The other amendment is to add another item 1505-03 (03 Trade Fair \$20,000). I would like to say a word about that: This is the fifth year during which the Government of Canada held the Canadian International Trade Fair under the Department of Trade and Commerce of the Right Honourable C. D. Howe. It began five years ago as a fairly sizable thing but has grown very rapidly ever since and this year it is far and away the biggest it has ever been. Industrialists are coming from all around the world and Newfoundland has been invited to take part in the fair each year since coming into Confederation. Up to this time we have declined to do so on the grounds that we were not ready. This year we have decided to go into the fair on the grounds that we are ready to take part in it and in taking part we have engaged space that will give us the largest booth in the entire fair, 6,000 sq. ft. It is now rapidly becoming quite well known that Newfoundland

has the biggest of all the booths this year in the Canadian International Trade Fair. Now, the arrangement is this: The Government have taken the space and the Government will pay for the space. The Trade Fair will know only the Government of Newfoundland in the matter and deal only with the Government. The Government on the other hand through the great efforts put forth by the Deputy Minister of Economic Development have arranged for a large number of Newfoundland industrial concerns to take part in the fair through the medium of the Newfoundland Government booth, and to share with the Government the cost of the booth. Bowaters and the AND Company have both agreed to go into it and the Buchans Mining Company and Dosco, not Buchans but Dosco Company and the St. Lawrence Company, the Cement Mill, the Gypsum Plant, the Birch Plant, the Machinery Plant at the Octagon, the Tannery at Carbonear, the Textile Mill, although the products they will display will not have been manufactured in Newfoundland because the Textile Mill will not be manufacturing by June, but they will exhibit a product exactly similar to those to be made in the Textile Mill, a harmless deception; and other companies. Buchans are contributing to the cost though not taking part in the Fair, as they have really not much to exhibit; the Standard Manufacturing Company, Bowring Brothers, W. H. Ewing, Gerald S. Doyle for Newfoundland Cod Liver Oil, Northlantic Fisheries are exhibiting Newfoundland fishery products, Atlantic Films are showing local motion pictures. All that will be in the booth and they will all contribute towards the cost of the booth.

MR. CASHIN: The Machinery

Plant, they will bring in stuff from Germany.

MR. SMALLWOOD: No, the Canadian Machinery will do the exhibiting in several booths of their own and have their own separate booths in the Fair exhibiting their own machinery manufactured in Germany in addition to contributing to the cost of the Newfoundland Government's booth at the same Trade Fair. We frankly do not know what will be the net cost to the Treasury, frankly do not know exactly what the booth is going to cost. We are putting there a complete assortment of all the minerals known to exist in Newfoundland, we are having one of our geologists attend the Fair to answer questions and give explanations to mining people and others who may show interest. We are having moving pictures shown there all through the open hours of the Fair with a booth inside the booth where Newfoundland moving pictures will be shown all the time. The Jubilee Guilds are having an exhibit of all their stuff. We have gotten T. Eaton and Company to organize the layout of the booth, to design it, to make the scenery and the contours and background and staging arrangements. T. Eaton and Company are doing that and they have sent their top man down here and he has been in touch with the Government and Newfoundland Exhibitors and have had discussions with them as to exhibiting their goods advantageously. We think that this Newfoundland booth this year will be seen probably by the best part of a million businessmen from Canada, the United States, the United Kingdom, Europe and indeed all over the world. This Newfoundland booth will be the outstanding booth in this great Inter-

national Trade Fair. Therefore I ask to insert the amount of \$20,000.

Carried,

MR. SMALLWOOD: The Committee will remember that in the House here, on page 75 of the estimates we passed a Bill in this House here earlier in the session guaranteeing the bonds of the Newfoundland Asbestos Company in which we are shareholders to the extent of \$75,000. We are guaranteeing their bond in an amount of up to a quarter of a million dollars, principal and interest.

Now, the owner of the company negotiated the sale of these bonds and the rates were so high and the conditions so onerous that when he came back to us we told him, "All right, never mind the bonds, we will go in and ask the House for the authority to advance the quarter of a million in cash." So we wish to add on page 75, 1505-15-17 Asbestos Company \$250,000.

MR. CASHIN: Mr. Chairman, in connection with this amount, if I had known as much when we voted for this asbestos proposition a little while ago, I would have voted against it because I discovered that in St. Lawrence this other company—I am kind of out of order I know—but the same people in this company are in the St. Lawrence Company and if they don't run their outfit in asbestos better than in St. Lawrence by issuing bum cheques then I say they are not very good. I have down stairs at the present time notice of 400 and some odd dollars returned from the bank in St. Lawrence or somewhere, cheques which are awaiting for deposits to be put to the credit of that particular company in spite of the fact that company, I understand, got money

from the Government last year, and they are issuing cheques now that there is no money there for. This is indirectly Government money they are being financed with now and they are coming in here now to try and raise \$250,000 on the credit of this country. They were unable to raise it on the guarantee, that is what happened.

MR. SMALLWOOD: That is not so. I said the rate was too high and the terms too onerous.

MR. CASHIN: I realize that all the bond markets are on the block today, the rates are too high and they are not particularly strong themselves, that might be and if they have bum cheques coming in from an outfit it does not make them particularly strong. It is bad enough individually but when you get a company issuing cheques payable to individuals who present them to the bank and find there is no money to pay them, it is not very nice. Therefore, if I had known as much when this asbestos legislation was going through this House a short while ago, I would have voted against it on these grounds and these alone. As a matter of fact I would point out to the Government now that I can produce those notes a particular party in St. Lawrence got back showing an amount of four hundred and odd dollars which they did not have the necessary funds to pay. That is the same outfit to whom we are going to give \$250,000 in cash now. I say no, not until they satisfy the House that they are able to meet their liabilities in a proper manner. If they are prepared to do the same thing with this \$250,000 as they did with the other I am voting against it, and I suggest we defer this matter until we find out further particulars about the St. Lawrence Company. I

know I am a little out of order in that respect.

HON. L. R. CURTIS (Attorney General): My honourable friend is, and so I think am I in replying. I may say it comes as a complete surprise to us to find out there may be cheques outstanding on the part of this Company. I would like to say that this company at St. Lawrence is in absolute tip-top shape and is negotiating at the present time a sale to the American Government of fluorspar to be delivered within the next ten years to the value of about ten million dollars and I understand further that the American Government is not only prepared to give that order but is prepared to make advances on account of it so that the company can just double its capacity and double the size of its present mill at St. Lawrence which mill I think refines the ore in some way. If there is any cheque outstanding I am sure it can only be due to an oversight. This company is in absolute first class condition, and as I say, Mr. Chairman, just as soon as my honourable friend gives us the information I will certainly check into it. This company is in first class condition negotiating a contract with the American Government over a period of years for very considerable tonnage of fluorspar and I understand the American Government is prepared to make advances on this huge order to enable them to just about double their capacity.

MR. CASHIN: Here it is, Mr. Chairman. The Bank of Nova Scotia, Burin, April 21, cheque of the St. Lawrence Corporation of Newfoundland in your deposit for this date held for collection NSF. \$495.43.

MR. SMALLWOOD: Who signed it?

MR. CASHIN: It is signed by the Manager of the Bank in Burin, O'Brien. Now, as I say, that is the position and I would suggest that we defer that vote until we find out the position. I would not be a party to giving that same outfit money under such circumstances.

MR. SMALLWOOD: To begin with it is not the same outfit.

MR. CASHIN: Mr. Seibert is the same man.

MR. SMALLWOOD: That is the only thing they have in common. Mr. Seibert is the President of each one. The other thing they have in common is that they are both getting financial help from the Newfoundland Government. Now, the next thing I want to say is that I think it is very unfortunate, very regrettable, that the Honourable Leader of the Opposition has done what he just did, I think that is very unfortunate. It would have been much better, in my opinion, if the honourable gentleman has asked Dunn and Bradstreet or any of the banks or commercial rating organization. The Bank of Nova Scotia, it would have been much better if the honourable gentleman had asked the Bank of Nova Scotia for a report on the standing of that company than to come into this public assembly and state that company's cheques were returned NSF. There could be at least a hundred explanations.

MR. CASHIN: I know there could.

MR. SMALLWOOD: And each a good one and neither suggest that that company is short of funds. The fact of the matter is this, that company is flourishing, they are paying out five hundred thousand dollars a year in wages.

MR. CASHIN: I know the company is.

MR. SMALLWOOD: The honourable gentleman knows it but all he says is that they issued a bum cheque, he is not saying, I am the one saying that the company is paying out five hundred thousand dollars a year in wages, that they are paying top union wages, that they are a company that have been a great asset to Placentia Bay and the Burin Peninsula, and there could be a dozen reasons or a hundred reasons why. To begin with, I understand the Bank of Nova Scotia is not their bank, I believe it is the Royal Bank of Canada, perhaps it is a small matter of accounting at the Bank of Nova Scotia, but I understand their bank is the Royal Bank of Canada. Here is a note and I am glad to receive it. The cheque the honourable gentleman refers to is not returned NSF but is being held for collection by the small branch at Burin.

MR. CASHIN: It is marked on that. I read the thing that happens all the time. If I go down tomorrow and give a bum cheque to you, the bank would notify you my cheque is no good NSF and is being held for collection.

MR. SMALLWOOD: It is most deplorable.

MR. CASHIN: I brought this matter up with good intentions and not to do the company any harm but I do know this company got a lot of money from this Government last year or the year before. I do know that, and if they get money from the Government it is our job in here to see that it is properly administered and then we find another company with the same directors in here looking for \$250,000 in cash. They are

unable to negotiate a loan with the Government's guarantee. It is our job to bring it up.

MR. SMALLWOOD: Mr. Chairman, I say it is deplorable.

MR. CASHIN: Say what you like.

MR. SMALLWOOD: I usually do.

MR. CASHIN: So do I.

MR. SMALLWOOD: Not always.

MR. CHAIRMAN: Such remarks are irrelevant to the Chair. At this point I would like to say the Honourable Leader of the Opposition began this reference to the company in St. Lawrence by saying, "It is out of order." The Chair listened because if he were speaking about the same group of people then it was not out of order. On the other hand if he were speaking about two entirely different companies altogether then it was out of order. As the debate progresses the Chair can see that it is out of order but having gone so far the Chair had to allow an explanation. But for the past ten minutes this debate has been out of order.

MR. SMALLWOOD: Mr. Chairman, this company which is now before us in this Committee is a company of which Mr. Walter Seibert is a director, Mr. Charles Hunt, Mr. Fred Emerson, does that sound like a fly-by-night, Mr. Gordon Higgins. It does not sound like a fly-by-night.

MR. CASHIN: Go down and see the companies they incorporated in Newfoundland, brought in here by Seibert to beat the income tax in the United States.

MR. CHAIRMAN: The Honourable the Premier has the floor.

MR. SMALLWOOD: If the Hon-

ourable Leader of the Opposition wishes to describe Mr. Emerson, Mr. Hunt, Mr. Higgins as a bucket shop company he is welcome to do it, that is no bucket shop company and I object to these remarks, it is abominable to destroy the credit of a reputable company, slander and steal its reputation—that is what it is. This bum cheque he talks of, well he is talking through his hat like he does most of the time, talking through his hat, bum cheque, slander anyone and stick the stiletto in him, ruin and blast his reputation.

MR. CASHIN: Mr. Chairman, I rise to a point of order—Whose reputation have I ruined and who have I slandered in this respect? No one, I have just merely drawn the attention of the House to this and it is my job to do it, the fact that a certain cheque when presented to the bank was marked NSF. Then I am supposed to be a slanderer, and people are coming in here looking for a quarter of a million dollars.

MR. CHAIRMAN: The Chair would like to see the debate resumed on the Newfoundland Asbestos Company.

MR. SMALLWOOD: Yes, Mr. Chairman, I was replying to a reference the honourable gentleman made to this very company when I pointed out the shareholders and directors, Mr. Charles E. Hunt, Mr. Gordon F. Higgins, and if the honourable gentleman can look at these names as being connected with a disreputable outfit let him go down and look at the list of companies they have incorporated. This company is made up of reputable Newfoundlanders, reputable citizens, and they did not fail to raise a loan, let that be clearly understood, I never told you any such thing. I

said they could raise the loan but terms were too high and the conditions too onerous. We had some discussions and they were prepared on these terms to raise this loan, but I was the one who said: "No, we will go in and ask the House —"

MR. CASHIN: What were the terms?

MR. SMALLWOOD: It was five and a half percent interest and from the Industrial Development Bank of Canada which I think is insulting to Newfoundland, to this Province. The Industrial Development Bank of Canada, which is a subsidiary of the Government of Canada, to ask five and a half per cent interest on a quarter of a million dollars bond issue, I say it is an insult to this Province. I said, "No, we won't have it." I ordered them to cable that bank at once and tell them we reject your offer, and they did. Now, we said we would finance them with the assent of the House for a quarter of a million dollars, and never did the Government of Newfoundland invest money better than by this amendment.

MR. CASHIN: We hope so.

MR. SMALLWOOD: We know it is a fine mine, a splendid mine which is going to make real money and the shareholders of it are going to do well, and the Newfoundland Government is a shareholder with \$75,000 in convertible, preferred stock which will convert to common stock as soon as it begins to pay greater dividends and make some profit for the Treasury of Newfoundland. Rather than let it be stuck with five and a half percent interest —

MR. CASHIN: What are you going to charge them now?

MR. SMALLWOOD: Probably four and a half percent.

MR. CASHIN: Which will be in the agreement made by the Company with the Government.

MR. SMALLWOOD: Now, we are asking the Committee to invest the money in Newfoundland Natural Resources, raw materials, which at that particular point are extremely rich and plentiful; if that is not a good investment what is? Are we to pay it all out in dole, all out in dependents allowances, all out in widowed mothers' allowances, all out in old age pensions, in education, in roads, in schools, in hospitals? Why not invest some money in our own natural resources, and I say this quarter of a million dollars is a good investment in good Newfoundland Natural Resources.

MR. FOGWILL: Would it be in order to ask the Honourable the Premier the question, how much actual cash this company has invested in this asbestos business in there?

MR. SMALLWOOD: They have something of the order of a hundred thousand dollars.

MR. CASHIN: No, Mr. Chairman. What happened was they took over from another company. They did not pay that other company money but that other company, whoever they were, spent a considerable sum and gave up and now when they took over what these people did, they paid these people money or gave them stock or issued new stock for the property.

MR. SMALLWOOD: I think the honourable gentleman is a little incorrect in that. It was Seibert who got that company to go in and drill and sink pits and the like in 1946 or 1947 and that company spent an amount

somewhere from two to four hundred thousand dollars and wasted most of it.

MR. CASHIN: Who were they?

MR. SMALLWOOD: The Asbestos Corporation of Canada, and the man supposed to be in charge was drunk from the day he landed until the day he left and just poured the money down the sewer.

MR. CASHIN: And a lot of rum down the sewer.

MR. SMALLWOOD: Down the hatch. Now, Seibert has brought an absolutely first class man in Walter Rukeyser.

MR. HOLLETT: I understand we have to borrow money now in order to finance this company?

MR. SMALLWOOD: No, that is not so, we have the cash.

MR. HOLLETT: We have the cash—That is what I would like to know, Mr. Chairman, where is the cash? I submit we have not the cash until we get the \$10,000,000 from the Newfoundland and Labrador Corporation which they are borrowing and handing over to us for our industries. What I would like to ask is what interest do we pay on that ten million dollars out of which I consider we will have to advance a quarter of a million for this asbestos company?

MR. SMALLWOOD: The honourable gentleman is just as wrong as he can be. We don't have to borrow it, we have the cash, ready cash and don't have to pay any interest on it, we have it in cash now in the Treasury at this moment. We don't have to borrow it at all.

MR. CASHIN: It has been borrowed already.

MR. SMALLWOOD: We have it. Carried.

MR. FOGWILL: In connection with 1505-08, I would like to ask the Honourable Minister if in the building being constructed at the Octagon, regular inspection is being made by an engineer employed by the Government in regards to the erection of the building.

MR. SMALLWOOD: I don't know exactly what my honourable friend means by "inspection." I can tell him I personally inspect it every day.

MR. FOGWILL: I mean an expert or qualified inspector of building in connection with the inspection of steel and how it is put together and fastened, if it is done in the proper way.

MR. SMALLWOOD: I would say that we have not made that kind of inspection, but I would say that the building is being put together by highly skilled steel riveters under a foreman, whose name I forget at the moment, from North River, Conception Bay, a great grandson of the late Mrs. Ellen Carroll who died at the age of 116, who is a highly skilled, expert steel rigger. I don't think there is any doubt whatsoever that the steel is being put together as well as any steel is ever put together. It is inspected daily by me.

MR. CASHIN: You don't know anything about it at all.

MR. SMALLWOOD: I may not know more than the honourable gentleman, he knows a lot, maybe.

MR. CASHIN: I know nothing.

MR. SMALLWOOD: I was up on the roof on Saturday, that is more than the honourable gentleman —

MR. CASHIN: I would be afraid to get up on the roof.

MR. FOGWILL: I did not ask for this answer with regard to steel riggers from Harbour Main, I am acquainted with him, I worked with him on the same sort of building as is being built out there. But I did ask it in respect to this building, is it fastened and secured properly? These people are working under orders of the contractor building it. What I ask now is, is the building out there a riveted building? If it is fastened together with rivets properly and the rivets hammered in the proper manner, I say it is then constructed properly, but is it or is it not?

MR. SMALLWOOD: I think it is fastened with bolts and nuts in the main and some welding is done, I see the welders working.

MR. FOGWILL: In respect to the bolts and nuts, is the building to be fastened with rivets to make a substantial and a permanent structure?

MR. SMALLWOOD: My answer is, I don't know and I supplement it with this statement: That company are building themselves a plant, and I have every confidence and no doubt that they will build themselves a magnificent building that will stand any test. They are building for themselves, they are not contractors building it for the owners, they are the owners building through their own construction department and not outsiders or separate contractors, their own construction department building for themselves.

MR. FOGWILL: Mr. Chairman, in that case if they are building for themselves and building it in the manner in which it is being built at the present time, not a rivet, but

fastened together with bolts, I am not suggesting they are fastened with bolts so that it can be easily dismantled, but in any case I do say it should be fastened with rivets as every other building in this country is fastened. I have worked on many of them with some of the people employed there on this. To my knowledge there is not a rivet in it, some small pieces of welding here and there but it is fastened with bolts and any building fastened with bolts is very easily dismantled. I don't want to suggest that it is of a temporary nature but if it is to be permanent it should be fastened with rivets not bolts, any engineer knows that and the Honourable Minister of Public Works knows and should agree that buildings of this sort should be fastened with rivets.

HON. E. S. SPENCER (Minister of Public Works): The honourable member for St. John's East refers to me in this matter. I can only add that if he or any other gentleman in this House has had very much practical experience in steel structure they will have found that both methods he referred to are used. It is quite true that rivets in steel structures probably tend towards the more permanent finished job but it is equally true there are many thousands of steel structures built and fastened together with bolts and never a rivet goes into them. I would like to call my honourable friend's attention to the fact that in Gander, at that great airport which we are proud to call the crossroads of the world, there has been some millions of dollars worth of steel structures erected and it has been my privilege to supervise some of it, and I venture to say there is not a rivet in one of these hangars in Gander today. Probably that is news to the honour-

able member. I have not seen any of them blown down or falling to pieces or anything of that kind. But I will agree with the honourable member that a riveted structure does tend towards a permanent piece of construction but it does not follow in certain types of building that it is absolutely essential that they be riveted. Now, if the honourable member or any other member in this House would refute that I am quite prepared to go on the mat and prove my statement in the matter.

MR. FOGWILL: I am very happy that the Minister of Public Works has at least brought some light on the matter. Nevertheless in reference to buildings at Gander Airport those structures were built in a great hurry but in such structures in Newfoundland like in Grand Falls and Corner Brook and the paper sheds buildings in St. John's and at Port aux Basques all the structures are riveted. And I have myself not seen any building of such a size as the one being built at the Octagon that has not been riveted. That is why I brought the question up here, and I did not want to suggest that if the building is only bolted together it would be a temporary one but I merely stated the fact that the building was fastened with bolts. But there is one thing: I would suggest that the building could be easily dismantled and perhaps that is why it was put together with bolts.

MR. SMALLWOOD: I would not like this matter to pass over for fear the newspapers and the radio present including the honourable member for St. John's West, who writes most of the "Doyle" Bulletin each night —

MR. HOLLETT: Mr. Chairman, I rise to a point of order—I write none

of the Doyle's News and want that statement taken back in this House.

MR. SMALLWOOD: I will take that back but I will now make a new statement: "Most of which is dictated by the honourable gentleman after the House recesses at six o'clock for which I am able to bring evidence."

MR. HOLLETT: Mr. Chairman, I rise to a point of order, that is incorrect and I ask that it be taken back.

MR. SMALLWOOD: I won't take it back and I am prepared to have a select committee take evidence on it.

MR. CHAIRMAN: This is a point the Chair should decide. I don't think the Chair should be asked to decide, it is not slanderous.

MR. HOLLETT: Mr. Chairman, I ask that he take back the statement which I say is incorrect and I think as I have been ordered to accept his statements, he should be asked to accept my statement when I say he is incorrect.

MR. CHAIRMAN: I believe the honourable member is referring to statements made by Cabinet Ministers, such statements are made on honour and must be accepted by any member of the House.

MR. HOLLETT: Is my honour not of as much importance as the Honourable the Premier's?

MR. SMALLWOOD: I am like a penny on edge trying to make up my mind whether to force the issue and have a select committee to take evidence or on the other hand just withdraw my statement.

MR. HOLLETT: Do what you like.

MR. SMALLWOOD: I will withdraw my statement and take other steps. I think I will say while at it that the Doyle's News is on CBN and is the only newscast in all Canada sponsored by a private firm. It therefore behooves this newscast to preserve strict impartiality in reporting the People's House. Now, this I would like to have strict notice taken of by the press gallery. I would like this to be on record. It will be in Hansard some day if we ever get it printed. I would like to have the newspapers take notice that the honourable gentleman made it clear he was not suggesting this plant fastened together with nuts and bolts was later to be dismantled, but he said it again and again that he was not suggesting this to the committee, he would not want anyone here to think or anyone in Newfoundland to think it was all just a big bluff, get this huge plant, fasten it together with nuts and bolts so that we would wake up some morning and find it all taken down, wiped out of the Island. I would like that to be taken clear note of.

MR. CASHIN: Does that take in the whole five million and odd dollars?

MR. SMALLWOOD: My motion is that the whole vote be passed and this specific amount as No. 17, but the whole vote is under debate as we are adopting the whole vote.

MR. CASHIN: In other words we can talk of the whole vote of \$5,100,000. The thing is this: We passed an agreement in this House whereby these people could go out and borrow money on the credit of Newfoundland, a guarantee loan in connection with the machine company, correct me if I am wrong, I think they have already received \$1,200,000 on last year's account and they now want two hun-

dred and seventy-five thousand more. The cotton textile mill, which at the present time is not an economic proposition at all—we passed the Bill in the House six or eight months ago for two million dollars and there has hardly been a sod turned on that place yet, as far as I understand, and we all know that the textile industry not only in Canada but all over the North American Continent, Great Britain is in difficulties and we are now going to spill out two million dollars in cash. Now, that means actual cash. Secondary Industries, there was no vote this year and last year there was a vote for \$25,000.

You will remember, Mr. Chairman, we had quite a controversy over this "Buy Newfoundland Products" campaign and now that vote is being dropped. I am speaking now on the vote as a whole and this vote of \$25,000 last year is not revoted this year but for the year 1951 there was practically \$35,000 or something like that. Yesterday we asked for information with respect to that and eventually got it, and we might as well have the history all about the "Buy Newfoundland Campaign" now or discuss it in the Budget, whichever you like. We are prepared to go ahead, we got all the vouchers which the Government were kind enough to give, vouchers on this \$75,000 roughly expenditure. We got this Mr. Jamieson, the Director, who very kindly came around and gave certain information. I don't know whether we should discuss it now or leave it over for the Budget debate.

HON. DR. H. I. POTTLE (Minister of Public Welfare): Now, it is in this Department.

MR. CASHIN: It is, in a sense. There was a vote there last year which

is cut out this year. \$25,000 was voted last year and nothing is being voted this year and as this vote is dropped, we have a right, and the House has a right to ask a question as to why.

MR. CHAIRMAN: The honourable member—It seems to the Chair that should be on the budget.

MR. CASHIN: That is a ruling now? I don't want to be told in the budget debate when we bring this up that we are out of order, when anything happens—jump up to a point of order—jumping back and forth.

MR. CHAIRMAN: It is quite correct to discuss it if the honourable member wishes.

MR. CASHIN: I would rather leave it to the budget as a whole as I did not bring my notes here this afternoon and my colleagues here would like to speak on it. However, we will leave it out and take care of it in the budget debate later.

Moved the Committee rise and report having passed items 1501 to 1505 inclusive.

Ordered sit again tomorrow.

Second reading of Bill, "An Act to Guarantee the Bonds of the Newfoundland and Labrador Corporation:"

MR. SMALLWOOD: Mr. Speaker, I rise to move second reading of this Bill. This is a Bill which if it passes into law will authorize the Government to guarantee unconditionally the bonds of the Newfoundland and Labrador Corporation up to a maximum of ten million dollars.

By now the House, and indeed the people of Newfoundland, are well aware of the fact that the Government intends to sell to the Newfound-

land and Labrador Corporation the three industrial plants which the Government has built at public expense out of the surplus. We hold that no Government ever did a wiser thing in the circumstances at the time than to decide to build these three plants when they were built. But, as my honourable colleague, the Minister of Finance, so truly said in the budget speech, it is not good for a Government to be engaged in business especially in the business of operating three large industries, and so we have decided to sell these plants and to sell them to the Newfoundland and Labrador Corporation. Now, Sir, the Newfoundland and Labrador Corporation has a subscribed capital of one million dollars, and certainly one million dollars cannot buy these industrial plants that cost over nine million dollars. For that reason the Newfoundland and Labrador Corporation have to raise the money with which to buy these three industrial plants and must do so through the sale of its bonds. The day will doubtlessly come, Mr. Speaker, when the Newfoundland and Labrador Corporation will be able on its own credit and based upon its own resources and its own assets, quite able to float its own bonds or to sell its own shares on the open market without a guarantee of principal and interest by the Newfoundland Government. That day, I have no doubt, will come and the success of the Corporation will place it in a very few years in the front ranks of corporations of its kind, and on its own strength, on its own assets, it will be able to float its own bonds without a guarantee of principal and interest by the Government of Newfoundland. Although I ask the House in passing to note that even the great Ontario Hydro-electric Commission finds it necessary, if not necessary, desirable

to have the unconditional guarantee of the Government of Ontario whenever that Commission floats its own bonds in the Canadian or American financial markets and this very year, a few weeks ago, the Ontario Hydro-electric Commission floated a bond issue of fifty million dollars guaranteed fully, unconditionally, by the Government of Ontario. I might say, in passing, that issue was quite a drag on the market. Similarly, Sir, in other Provinces of Canada; New Brunswick, Quebec, Nova Scotia when the Hydro-electric Commissions, all of which are important money makers, thoroughly solvent, and thoroughly profitable, when they need to raise fresh capital to acquire new assets, fixed assets, they do it by selling their bonds under the guarantee, unconditional guarantee of their respective Governments. So also with the Government of Canada: There are various Crown companies and Crown corporations of a Federal character and these too raise fresh capital by the sale of their bonds just as private corporations do and even these Federal Crown Companies and Corporations in the sale of their bonds are glad to have the unconditional guarantee of principal and interest by the Government of Canada. Without that unconditional Government guarantee there is no doubt whatsoever that these companies, both provincial and federal, would encounter considerable difficulty to say the least in marketing their bonds, even provincial and federal companies that have been outstandingly successful and profitable over a long period of time such as the Ontario Hydro-electric Commission.

I am quite sure that my honourable friend, the Leader of the Opposition, is well aware of the fact that Ontario's

Hydro-electric Bonds are always guaranteed unconditionally by the Government of Ontario, yet that the Ontario Hydro-electric Commission has assets running into thousands of millions of dollars, fixed assets running into thousands of millions of dollars in the form of profitable hydro-electric stations, transmission lines and other like apparatus, a great network of it throughout the Province of Ontario, and so also with hydro-electric commissions in the Province of Quebec.

Well now, Sir, if a Corporation that has been in business over a considerable number of years, possessing very considerable assets of a financial character and showing consistently that year after year for many years it makes a profit, finds it nevertheless necessary to have its bonds guaranteed by the Government, more so in the case of a Crown Corporation such as the Newfoundland and Labrador Corporation which is a brand new company possessing no assets whatever except (1) a million dollars cash capital subscribed, and (2) a concession from the Government of Newfoundland of some twenty-three thousand square miles of territory of this Province containing, we believe, we verily believe very rich and very valuable resources still in the ground undeveloped. Now, these are the only assets of this corporation and in the light of the fact that it is a new corporation with no other assets and without any earning record whatsoever, without any history or earnings, or profits, it becomes absolutely essential that to sell its bonds at terms that are at all advantageous, these bonds must be guaranteed by the Government of the Province.

The Bill contains a preamble which I shall read because it is worded there very carefully, carefully chosen in the

quiet of a law office and they express better than I perhaps could, standing on my feet without notes, the exact purpose of this Bill.

"Whereas Newfoundland and Labrador Corporation Limited proposes to raise a loan in the amount of ten million (\$10,000,000) dollars, United States funds for the purposes in connection with its operations;

And whereas in accordance with Section 17 of the Newfoundland and Labrador Corporation Limited Act, 1951, the Lieutenant-Governor in Council has approved of the raising of the said loan;

And whereas as security for the said loan the Corporation proposes to create and issue a series of debentures to the face value of ten million (\$10,000,000) dollars, repayable at the option of the holder of the debentures in either Canadian or United States funds, and to provide a sinking fund for the redemption of the debentures.

And whereas pursuant to Section 37 of the said Act, the Corporation has requested the Government of Newfoundland to guarantee unconditionally the payment of the principal and interest and premium, if any, of and on the said debentures and the Government of Newfoundland has, subject to the approval of the Legislature, consented to give the said guarantee;"

Now, there are two points only to which I should draw the attention of the House: First of all, repayment at the option of the buyer of the bond in either Canada or the United States funds—With regard to that I may say that is the development in the bond market today. Funds are repayable in either Canadian or United States funds. That gives the bondholder, the man who has bought the bonds

in the first place the option of claiming repayment at the expiration of the term of the loan in either Canadian or American funds. The reason for that, of course, is obvious. With fluctuating exchange, who knows what rate will be on the Canadian dollar versus the American dollar ten years hence? The loan is a twelve year loan. And no one can say how these currencies will compare with each other at the maturing of this bond. For that reason, as in so many other bonds lately placed in Canada, repayment is in either consideration at the option of the owner of the bond.

MR. CASHIN: There is nothing in here about twelve years.

MR. SMALLWOOD: That is in fact the time. I may say the arrangements for the sale were made about two weeks ago and the bonds will be dated the 15th day of May. On the 12th of May they have to be signed and by the 1st of May something else has to happen, and as my honourable friend the Honourable Leader of the Opposition who has been Finance Minister in the past and who has had experience in the floating of direct bond issues on the direct credit of the country floated directly by the Government of Newfoundland, as he so well knows, there is a great deal of red tape attached to the floating of a bond issue.

Now, I don't know if there was as much red tape attached to the floating of bond issues in his day as there is today. Since the Roosevelt Administration in the United States set up a Security Exchange Commission and the enactment of a whole range of legislation in the United States affected and regulated the sale of shares, stocks and bonds, the floating of bond issues today is accompanied by a degree of

red tape quite unheard of, I know, back in the days when he had so much to do, along with other Finance Ministers, in the floating of Newfoundland bonds. So therefore although the debenture issue is dated the 15th of next month the protocol and red tape, et al, require the interval between now and then for meeting certain time-table requirements. Now, by that I do not for a moment suggest that this Bill be dealt with at all hurriedly. I am merely stating the Bill is basic at the moment and the House will of course take all the time it needs for debating the whole matter. I would prefer at the moment not to give the names of the underwriters, one Canadian, one American, very large concerns, not our partners in the Corporation, Harriman-Ripley & Company of New York and Wood Gundy of Canada. They are not interested in this loan, not concerned in this loan, not participating in this loan. It was considered by the Corporation that in Newfoundland's interest it would be better if these companies were not associated with this bond issue, in view of the fact that these two houses are shareholders of the corporation and are represented in the directorate of the corporation. To avoid all appearance of self-interest on their part it was decided that it was far better if the placing of these bonds were arranged through other bond houses and that has been done. The bond issue is to be privately placed. That is to say it will be put on the open market as many bonds are, and sold at par. The issue is to be sold at par and a sinking fund, a twelve year's sinking fund comes into effect after the passing of two years from the issue of the debentures. That is to say two years from the 15th of next month the sinking fund factor comes into effect and as the

issue is a twelve year issue the rate of the sinking fund is at such a rate and such a term as to retire exactly fifty percent of the issue at the conclusion of the twelve year term. That is the sinking fund itself begins two years after the issue and continues to the end of the issue lasting exactly ten years, in short until the period of the life of the bond fifty percent of the bond is retired by sinking fund.

Now, I don't know that there is anything else. The issue is to be the 15th of this month, this present month — this is the 5th and there are not too many days left but ample time, nevertheless, for all the debate the House wishes to give it.

MR. CASHIN: Mr. Speaker, here comes the first loan for which the Government is responsible since we entered union with Canada. There are several points in here which I would like to go into before we go on with the debate. For instance I would like to point out there is nothing, as far as I can see, as to when this loan will be retired. The Premier pointed out twelve years but that is not included here in this Act, there is nothing about twelve years as far as I can see. The Premier has told us twelve years but we will have to incorporate that in the Act. As I remember having charge of Loan Bills going through this House before ever the one turned down in 1931, we always had in our loan Acts at that time the number of years for which the bond issue would be made, but there is none in here. It does not say when it comes due, when it is repayable and it depends upon the number of years in which this bond is issued how much the sinking fund may or may not be.

Now, another thing, Mr. Speaker, there is nothing in here that would appeal to us right off, the Premier has not mentioned anything about it—I don't intend, Mr. Speaker, to conclude my remarks on this, this afternoon, I am going to ask for the usual deferring of this debate until tomorrow afternoon just in case they have any further information to give us, there is nothing in here about how to pay the interest coming due the fifteenth of June next year, whether out of capital or whether—

MR. SMALLWOOD: The Corporation is fully responsible.

MR. CASHIN: I know but it has not the money at the present time except a million dollars in there in shares altogether. They have to take over, they have to operate these plants or sell them to some one else at a profit. They must do so, because the interest on it is \$475,000 a year plus the sinking fund which would be another probably \$50,000 or \$100,000 if retired in 12 years and they are given two years without any sinking fund and ten years to cover half that which is fifty thousand dollars a year they have to find in sinking fund. Also, Mr. Speaker, I would like to point out that the Premier stressed very strongly the Ontario Hydro-electric Commission in floating a loan has the guarantee of the Ontario Government. I know that but the Ontario Hydro-electric Commission has no private interest, and ten percent of the capital of the Newfoundland and Labrador Corporation is owned privately by Wood Gundy of Canada, Harriman Ripley of New York, etc., but there is no private capital in the Ontario Hydro-electric Commission as far as I know, therefore, it is absolutely owned by the Ontario Government but the Newfoundland Government

only owns 90 % of this Corporation. Furthermore, I want to point out when the time arrives that in the recent budget brought down by Mr. Abbott not long ago in the Federal Government we find that new corporation taxes are imposed on Crown Corporations.

MR. SMALLWOOD: Will the honourable gentleman allow me? Now on Provincial Crown Corporations.

MR. CASHIN: I am prepared to take that of course, but the impression was that Crown Corporations were taxed.

MR. SMALLWOOD: Federal.

MR. CASHIN: There are very few Federal Crown Corporations.

MR. SMALLWOOD: There are twenty.

MR. CASHIN: If I remember there are very few Provincial.

MR. SMALLWOOD: All Hydro-electric.

MR. CASHIN: It is not a Crown Corporation at all because ten percent of it is private capital and on any profits made private individuals get ten percent.

MR. SMALLWOOD: Will the honourable gentleman allow me? A Crown Corporation is a Corporation owned by the Government 100%. Below 90% it ceases to be a Crown Corporation but a Corporation as to 90% or more owned by the Government is a Crown Corporation. That is the law.

MR. CASHIN: Then it is 90% or more. Then, if we are a Crown Corporation, we are not liable for profit tax but in my opinion of any profits made by the Corporation 10%

goes outside and would then be taxed as their dividends they bring into their holding company or whatever they may be, they pay their own taxes on that and put it in private earnings as the case may be or a company as the case may be and the company pays corporation tax and the individual pays income tax, we know that, but in the Hydro-electric Corporation of Canada there is no difficulty, it goes into the revenue of Ontario, the whole works, if there is any profits at all they make it, consequently the Hydro-electric Commission of Ontario is not a creature of the Government of Ontario but a solely owned Corporation of the Government. But this is a creature of the Government owned 10% by private capital. Here is the position, Mr. Speaker; in connection with this thing these people are now going out to borrow money, ten million dollars, not on their own credit, they have not got the assets, they have a concession as pointed out by the Honourable the Premier of twenty-three thousand square miles of territory with timber and mining rights and rights of every kind and we anticipate their coming to the Newfoundland Government and seeking legislation to ask for this guarantee of ten million dollars. Why have they to come here and ask for ten million dollars, to purchase three industries developed by the present Provincial Government involving an expenditure of nine and three-quarters of a million dollars, and which, mind you, Mr. Speaker, required, according to Coverdale and Collpitts another million and three-quarters as capital to operate them?

Now, I do not know nor has the Premier told us whether these people are going to sell these and make a profit. I don't know, we have not

been told, nor have we been told they are going to operate them because if they operate them, according to the statement tabled in this House a short while ago they will make a profit of a million and a half dollars a year according to Dr. Valdmanis. He said these two companies the Cement and Gypsum Plants will make a profit of a million and a half dollars a year. Now, if that is so and assuming that these two plants are worth ten million dollars which they are not, but they would require ten million dollars to provide the necessary capital which would be a profit of fifteen percent on invested capital and if any private company or the Newfoundland and Labrador Corporation operated the Cement Plant and the Gypsum Plant they would make a million and a half in profit annually and that million and a half dollars will go 90% to the Government and ten percent to the Wood Gundy Corporation and Harriman-Ripley, or \$150,000 would be paid out to them if these dividends were declared. On this basis they can get back their investment of \$100,000 in the first year plus another fifty thousand. In other words 150% dividends on their investment, in the first year. Now, we are not told if they will operate them or resell them to someone else, but the real fact of the matter is, Mr. Speaker, the Government are short of money and had to sell them and they sold them to the Newfoundland and Labrador Corporation, and without referring to the budget at all, we are told in the budget speech there is \$6,300,000 to be put down as surplus next year or at the end of the present fiscal year. When we get statements showing that here is money actually being borrowed, one would imagine that this whole thing would come right out into the open, what I mean by

that is this: This Corporation which is taking over the Cement and Gypsum Plants must either operate them or sell them. They have to find \$450,000 a year in interest on these bonds, and they have to find after two years fifty thousand dollars more as sinking fund, and let us assume the whole thing is half a million dollars a year. Now, where are the earnings that will pay for that interest guaranteed each year. The Government is guaranteeing it, the Premier has not told us here that the profits of this Corporation will be so large they will be able to pay \$450,000 in interest and provide a sinking fund, that sinking fund and that interest should be in the estimates of expenditure before the Legislation at the present time, because in the foreseeable future at any rate the Newfoundland and Labrador Corporation won't be earning a dollar, not in this year and probably not in many years to come.

MR. SMALLWOOD: They will earn profits and have earnings this present year, on the operation of these three plants. What do you suppose they are taking them over for?

MR. CASHIN: Well, if they are to make profits why sell them?

MR. SMALLWOOD: Who says they are going to sell them? We built them to sell them.

MR. CASHIN: You built them to operate them and you could not sell them.

MR. SMALLWOOD: We did have them sold and had the option cancelled—

MR. CASHIN: To the President of Canada Cement whom you are supposed to negotiate with?

MR. SMALLWOOD: He negotiated with me.

MR. CASHIN: He turned down the proposition. It is a case of whose word to take.

MR. SPEAKER: Will this conversation cease.

MR. CASHIN: Yes, Mr. Speaker. I was discussing the proposition. It has to pay this interest this year and I make the statement now that the Newfoundland and Labrador Corporation won't have money to pay it unless they borrow again. Figure it for yourself, where are they going to make it?

MR. SMALLWOOD: They have a million dollars cash in the Treasury. Supposing they don't make a dollar profit on those two plants, they still have a million dollars cold cash in the Treasury.

MR. CASHIN: I knew that was coming, you are paying your interest out of capital not out of profits the company is to make. Here is the position: The company subscribed capital is a million dollars, nine hundred thousand subscribed by the Government and one hundred thousand by private capital, they buy those plants, they sell them, they borrow money, you—

MR. SPEAKER: I would remind the honourable member to address the Chair and leave out the pronoun "you."

MR. CASHIN: You, the Government.

MR. SPEAKER: No—They, the Government, addressing the Chair.

MR. CASHIN: The Government has sold these plants for \$9,200,000

plus \$450,000 interest that is \$1,650,000. We are told that the loan is going to be sold at par. We have not been informed as to whether bids were called on that loan or not, negotiated privately as far as I understand. Usually in raising a loan particularly like this bids are asked on it. I know, I was identified with a couple and bids were called on them and the highest bidder got the loan. This was negotiated privately by one of the Officers of the Newfoundland and Labrador Corporation, Sir William Stephenson negotiated the loan with some private banker or security company in the United States, I take it, this loan is in the United States of America especially when he asked for payment in U.S. funds. Incidentally, at the present time there is a premium on Canadian funds and the Company will have to absorb the discount whatever it may or may not be in connection with this loan, it is a quarter of one percent or something like that. However, the point is we were discussing a loan for a corporation and we should be informed as to whether or not that corporation is going to make any profit in order to repay that loan and that has not been told us this afternoon.

MR. SMALLWOOD: The honourable gentleman showed that when he quoted from Coverdale and Collpitts, that the plants would make a profit.

MR. CASHIN: I did not quote Coverdale and Collpitts, I quoted Dr. Valdmanis whom they disallowed. They said you have to get a million and three-quarter dollars for these three plants to operate them and therefore they are short of capital right now. Let us assume that you get \$9,200,000. The first year's interest is \$450,000. That is \$9,650,000. You want one and three-quarter mil-

lions to operate them, consequently you are short of money and have to dig into principal. They have not got the money, Mr. Speaker, why not let us be square about that, the Government is short of money and has to float the loan or the Newfoundland Labrador Corporation has to raise the loan through Sir William Stephenson through his contacts and reputation we were told about in the big financial circles of North America, and the Government is unable to go into them and get a loan.

MR. SMALLWOOD: How can you conclude that when we never tried.

MR. CASHIN: Are you sure you did not try?

MR. SMALLWOOD: I am quite sure, no Minister of the Crown ever went to any bank and asked for a loan.

MR. CASHIN: I am prepared to accept the Honourable the Premier's word.

MR. SMALLWOOD: Certainly did not.

MR. CASHIN: May not be for a bond issue but have you received any loans since you have been in office? During the past six months? Has the Government borrowed any money apart from this during the past six months.

MR. SMALLWOOD: Does the honourable member refer to a bank overdraft?

MR. CASHIN: No, I ask if the Government has raised any money temporary or otherwise during the past six months? Answer yes or no.

MR. SMALLWOOD: Yes or no. We have had an overdraft at the

bank temporarily, and in previous years yes, every six months since we have been in office we have had an overdraft in the Bank of Canada, so does every Government in the world, every Government on this earth even the Canadian Government. We ended this year with a surplus of three million and odd dollars but we borrowed through all this past years from the Bank. The honourable gentleman knows that—

MR. CASHIN: I know yes, but other Governments did not have a surplus like you had when you started.

MR. SMALLWOOD: We had ten million in the bank at Ottawa and still had money in the bank here but we also borrowed temporarily from time to time not only in the last six months but ever since we were first in office, every six months, within the last three years, every year within the last three years we have been borrowing money.

MR. CASHIN: You could not do that without a special minute of council. Here is the position, you had \$35,000,000 actual cash apart from Ottawa and you have not overdrawn that even yet. At the present time according to your own figures you have about forty-five thousand dollars in the Bank of Montreal.

MR. SMALLWOOD: How much?

MR. CASHIN: About forty-five thousand. I know you have given the answers to questions I did not get properly the other day.

MR. SPEAKER: The honourable member is getting away from the subject matter—

MR. CASHIN: We have been talking of temporary loans, Mr. Speaker.

MR. SPEAKER: For the last five minutes it has been a private conversation about the budget which is out of order—The honourable member is getting away from the point.

MR. CASHIN: I am pointing out, Mr. Speaker, this Corporation has no money except a million dollars, 90% owned by the Government and 10% by private enterprise and there is no explanation as to whether they are going to earn \$450,000 or if they expect to pay the interest out of capital account. Now, when a company goes into the market to borrow money they float bond issues on their assets. They have a certain amount of paid up capital, as this one has, they issue bonds for whatever monies they may require for certain developments, and this company is evidently going to operate a Cement Plant and a Gypsum Plant and a Birch Plant. Incidentally speaking of the Birch Plant, it is up to that Corporation I take it to iron out the agreement between Chester Dawe and the Government before taking over the plant. I take it this company as a Crown Corporation which has no money at the present time except paid up capital are borrowing ten million dollars or probably \$9,800,000. After they have paid the commission, etc., they will have \$600,000, just enough to pay the first year's interest and the sinking fund if any, but I want to point out that in this Bill there is no specific date for when the bonds will mature. As far as we are concerned in this House it may go on indefinitely. There is nothing in there regarding a sinking fund, nothing whatsoever.

MR. SMALLWOOD: Sure, there is in the third paragraph of the preamble.

MR. CASHIN: There is no date as to when a fellow can buy one of these debentures and nothing here to show they can't next month call on the company and demand payment. That is the position.

Mr. Speaker, would I be asking too much if I were to ask the mover of this Bill to give us until tomorrow afternoon to discuss this?

MR. SMALLWOOD: We are going to sit tonight. We could go on with the budget tonight if you wish and leave this until tomorrow afternoon.

MR. CASHIN: I move the adjournment of the debate, Mr. Speaker, in connection with this.

MR. SMALLWOOD: That is agreeable to us. The debate is adjourned until tomorrow.

MR. SMALLWOOD: I move Your Honour call it six o'clock now with a view to resuming at 8:00 of the clock.

House recessed until 8:00 of the clock.

May 5th, 1952.

NIGHT SESSION

The House resumed at 8:00 of the clock.

Committee on Ways and Means:

MR. SPEAKER: The Honourable Minister of Finance has completed his speech and the adjournment of the debate was moved by the Honourable the Premier in his capacity as Leader of the House and not in connection with being the next to speak.

MR. CASHIN: Mr. Speaker, I would like to get a definite ruling on that: The Honourable the Premier

adjourned the debate, the Minister of Finance I think should have moved the adjournment.

MR. SPEAKER: Not necessarily, any honourable member may move the adjournment, and may speak first when the debate is called or may forego his opportunity at the moment and the first honourable member who catches the eye of Mr. Speaker, may have the floor.

MR. SMALLWOOD: Mr. Speaker, I said distinctly at the time that I moved the adjournment, not for the purpose of being the next speaker, but as Leader of the House.

MR. HOLLETT: Mr. Speaker, I see no reason why we should be short of a speaker this evening. We had such a pleasant afternoon, quiet and serene, I feel we all hope, and I trust at any rate, that it will be quiet and serene for the duration of the day at any rate.

I would like first, Mr. Speaker, to congratulate the Honourable Minister of Finance on this, his first Budget Address, which in my opinion, was well delivered. I have not yet had the opportunity of meeting personally, the Minister of Finance. That is a pleasure I hope to come. I only know him by reputation. I remember reading a good many years ago, I believe, a poem by the Honourable Minister, I believe it was "Bogwood." I will say, Mr. Speaker, that it was indeed a very excellent poem, well written, and I would like to take this opportunity to congratulate the Honourable Minister of Finance for putting on record, that very beautiful poem "Bogwood." I have, of course, had other occasions to meet the Honourable Minister through his writings in the press, for I believe he was at one time, the

author of certain writings known as "The Sacred Cow." I believe I myself, received some very particular mention in the "Sacred Cow." Well, I don't see any reason why I should not also congratulate the Honourable Minister of Finance for his turning out of the "Sacred Cow" but I would not commend the literary value of the "Sacred Cow" at all in the way I would commend his very splendid poem "Bogwood." I hope and sincerely trust the Honourable Minister has not given up the idea of writing more poems on certain aspects of Newfoundland life and scenery as I am quite sure he would do credit not only to himself but to his country.

It is an honour for me, Sir, to be the first speaker on this particular Budget Speech in this House since the coming to the Throne of Her Majesty the Queen, Queen Elizabeth, I was about to say the "Young Queen Bess" but very respectfully, "The Young Elizabeth." We have all heard of the "Good Queen Bess" so can see no reason why we should not refer to her as the "Young Queen Bess." That beautiful princess, Mr. Speaker, who was here in Newfoundland just a few months ago, and to whom I heard the Honourable the Premier give an address of welcome which, in my opinion, was a masterpiece. It was an excellent address made by the Premier on that occasion. I was not present at the ceremony but did listen in and I thought that the Honourable the Premier certainly did excel himself on that most historic occasion. If the Honourable the Premier does nothing else which will put him up on the high wall of history in this country, I am sure that speech always will give him a very lofty niche in the annals of this country. I can only hope, Mr. Speaker, that the Honour-

able the Premier could give us a welcome somewhat similar to that on our coming into this House day after day. I regret, I don't deplore, but I regret that some of us do not get very excellent receptions at the hands of the Honourable the Premier thus far, but who knows what the future might have in store for us.

Yes, I listened with great attention to the Minister of Finance deliver his first budget speech couched in very fine language and delivered in a very excellent tone. But as the Honourable the Finance Minister unfolded his story about the finances of this country, I thought of that great author, I believe he was great, at any rate great in one writing that he did, who wrote something which we all read in our youth, a great author, Lewis Carroll, who wrote that wonderful fairy story, "Alice in Wonderland." As I listened to the Honourable Minister unfold his story about the finances of this country, I pictured poor little Alice as she raced along after the white rabbit with pink eyes and the big gold watch and she followed very carefully this rabbit until he went into a rabbit hole and then downwards, downwards she went until she fell and in falling, she saw lots of things on the walls and lots of corridors and she eventually got to the bottom of this rabbit hole, and I did wonder, Sir, as I heard the Honourable Minister tell the story of our finances, I wondered if he really believed these things which he was saying. Some of them appeared to me, and I give only my own humble opinion, Mr. Speaker, some of the statements made appeared to me to be most contradictory. For instance, "don't tax land, don't tax land" says the Minister. "Don't tax land, our policies are directly opposed to tax-

ation on land," Mr. Speaker, I have read a good bit of Newfoundland history but I have never known any attempt was made to put taxation on land in this country, never, I cannot see how our people are distinctly opposed to taxation on land. "Don't tax land," "Tax food-stuffs," food that is going down into people's stomachs. Then I thought about poor little Alice. You remember when you used to read "Alice in Wonderland," the wonderful things that were said, how contradictory they were. Then somewhere there they appeared to spend \$46,000,000 of a surplus of \$45,000,000 and still have \$15,500,000 left at the end, contradictory that seems to me, Sir. Borrow ten million dollars and call it a surplus. How can you borrow ten million dollars and call it a surplus? To me it is a debt you owe and certainly not a surplus. But the Honourable Minister says, borrow ten million dollars and we have a surplus.

Then the Honourable Minister says we are going to sell the plants which we own, we are going to sell them to ourselves and then we are going to have another ten million dollars to waste, at least to spend on something else, some other bodies like the Sennewald and Seigheim and various others. The more I listened, the more I wondered about Alice and Alice in Wonderland.

Then again on page 35, you will notice the Minister said: "The public finances of Newfoundland were never so soundly based as now." Contradictory surely. What about 1949 and 1950 and 1951—"Never so soundly based as now." In 1949 we had a national debt of four million dollars, a little over and we have over forty million dollars in the surplus, we owed nobody. That was pretty good,

but today what have we? We have \$10,899,000 or something like that in Ottawa, and we have, in my opinion, Mr. Speaker, a national debt, or will have in a few days of upwards of ten million dollars. That is to say we will have borrowed ten million dollars and we will have guaranteed other loans which would approximate almost a similar amount.

Then again the Minister says: "Within the past year we have reduced our national debt by \$1,200,00." I fail to see how the Government did that. There is nothing appearing anywhere in the estimates or in the expenditures. I believe they made a payment of ten thousand dollars which finished up the redemption of the pound sterling loan. We have been paying that, I believe, for something like fifteen or twenty years and the last ten thousand was paid by this Government last year. But that hardly justifies the Minister in saying that during the past year we reduced our country's debt by one million two hundred thousand dollars.

Then again in one breath they say: "It is unthinkable that we should borrow" and in the next breath, Sir, inform the House that they are borrowing ten million two hundred thousand dollars to buy back our industries. They don't say it in exactly those words, but that, Mr. Speaker, is exactly what it means, and I shall have something more to say about that later.

I really believe, Sir, that the author of "Alice in Wonderland" has nothing on our finance Minister, and I would like to put the record straight now, Mr. Speaker, I attach no blame to the Honourable Minister of Finance for anything that happened to finances in the past, because he did not have any

hand in it. He wrote the address and he gave the address, and I am not blaming the Honourable Minister of Finance. He did say, however, that public finances were never so soundly based as now. Let us look at last year's record: Last year the Government spent nearly thirty million dollars on current account and over sixteen, almost seventeen millions on surplus making \$46,000,000 and they collected altogether during the year something over thirty-three million dollars. In other words, they spent more than fourteen million dollars more than they took in, and yet, said the Minister, "our public finances were never so soundly based." I hate to say this, Mr. Speaker, but I fear that the present Government's finances are based on the shifting sands of financial disaster. We have heard that before. We know of a former Minister, who resigned and stated that we were headed for financial ruin. He was a responsible Minister of the Government and took the responsibility for the statement which he made.

Of course, Mr. Speaker, we have listened to many fairy tales during the past three years, and I am afraid that we are getting so accustomed to fairy tales that one about our finances does not make the same impact upon our minds and imaginations as it ought, because a fairy tale about the finances of the country is something which is dangerous and is likely to get the whole country into difficulty and into trouble. Yes, we have heard lots of fairy tales. Remember away back two years ago, away back when the Honourable the Premier made me a Canadian. We were told then that our taxation would be lighter, we would get cheaper flour, we would have cheaper lines and twines for fishermen,

that Canada would buy our fish and dump it if necessary, and we would get good prices, fairy stories, we have had them in galore, Sir. Remember the fairy story, Mr. Speaker, of the high cost of living, how it was going to be reduced, it was going to be very, very low, and as a matter of fact, if the cost of living did not come down the Honourable the Premier intended to resign. I believe, Mr. Speaker, the Honourable the Premier's neck was saved by the fact the cost of living came down for about a month and then started to rise away up. In the light of the statement, Mr. Speaker, that the cost of living would be made to come down or he would give his resignation, in the light of that statement, there is one statement in the budget speech which I cannot understand, and that is the fact that he said: "Therefore, we are about to put a 3% tax on food." If it is the intention of the Government to try and keep taxation down that surely is not the way to go about it, to take the food our people eat, everybody eats food, the poor as well as the rich, the sick as well as the well. Then we have heard the fairy tale about the Rockefeller, IBEC, coming here to Newfoundland making a survey. They did make a survey, the public have not yet received it, but it was made because this country voted a large sum of dollars for that IBEC Report, but nothing came of it. We were told that once that Report was made, the financiers in North America would be coming into this country by boat and plane and every other way, falling over themselves to get at our natural resources.

There is one little fairy tale which is hardly fair to mention and that is the one about the fisheries, the Icelandic Boats. I don't know whether

it is permissible to mention it at this particular time, but if it is I will say that it is one of the worst fairy tales ever told to this House. I remember the story well. I was not sitting in the House at the time, but was outside, but I heard the story of the Icelandic Boats and while we still have the boats we have attached to the boats a little debt, I believe, of four hundred and twenty thousand dollars which we have tacked on to our national debt.

Then there was another fairy story, the Seigheim Deal. I am just referring to some fairy stories heard prior to the budget, the Seigheim Deal, that was a lovely story it sounded too beautiful, we were going to have all sorts of things, a chair in the Memorial University, we were going to have Dr. Seigheim train people, he was to have forest gardens on the Labrador, introduce Lapland Goats and best of all, he was to pay \$5 a cord and put one million dollars into the revenue of this country. Incidentally I believe that Dr. Seigheim still hopes that he might some day come back because in a German Magazine just recently there appeared an article, which would indicate that the learned doctor has some hope of coming back. I have that here, Mr. Speaker, but I just can't lay my hands on it at the moment. Anyway, he is coming back with some seven or eight hundred loggers, and he is supposed to be back here sometime in May. Well, who knows, some fairy tales do come true, he may be back. At any rate, this does say that Dr. Seigheim is coming back here this May, and bringing seven hundred loggers.

I won't refer to the "Buy Newfoundland Products" at this stage except to say, it is not another fairy tale at all, not a fairy tale at all, but a

hard financial fact, seventy odd thousand dollars spent, and spent in my opinion, recklessly without proper watchfulness being taken. I would also say, Mr. Speaker, in my opinion, that the man who spent it was honest, that he did nothing which would get him into any difficulties, I think he acted in good faith, in all the things that he did. I am not laying any blame to him, only to the Finance Department of which the Honourable Minister at the present moment is in charge, and I do believe when he has opportunity to look at these accounts and see how easily the money was paid out, he will agree with me that the money was spent rather recklessly.

Then they have the German Industries, of course no one would call these for the moment fairy tales. They are here and they promise some twenty thousand jobs, and I, for one, do hope that they will materialize and bring us in twenty thousand jobs, or ten thousand jobs I would settle for, Mr. Speaker.

Mr. Speaker, I imagine all eyes in Newfoundland are looking at our national parks we are going to get very shortly, I believe, and looking for the white-tail deer which were to be brought down here about two years ago, I don't know if they have one out there in the park yet.

I have a note here about tourists. I do hope the Honourable the Premier will be able to select somebody, I hope a Newfoundlander, to take care of tourism and collect that \$10,000 slated for the salary.

Then, I suppose, one would hardly call the Dr. Sennewald incident a fairy tale. That would be hardly a fairy tale, that would be almost melodrama. Imagine this poor man to

leave home in Germany, fly across the Atlantic Ocean, to come and meet Gordon Higgins and suddenly find himself confronted at Gauder with a fellow named Braun and instructed on certain things, brought in here to St. John's and then changing his story or at least telling a different story from the one which he said he was going to bring. Dr. Sennewald was instructed by Mr. Braun and consequently we find Dr. Sennewald shortly will be installed in a top story of a building up on LeMarchant Road turning out eyeglass frames in case anyone should need any. Dr. Sennewald, I believe, was to tell us about New Technique, a German organization which has something to do, I believe, with the building of the plants in Corner Brook and also the finding of the machinery with which they are being fitted.

I do hope that the textile mill will not be a fairy tale, nor the titanium on the Labrador, and certainly I hope the Newfoundland and Labrador Corporation will be no fairy tale.

The Newfoundland and Labrador Corporation, Mr. Speaker, to me is a most peculiar corporation. It is supposed to be 90% Government owned. We have some of our Cabinet Ministers directors, and the other 10% private enterprise. They are to be our economic arm, they are the people who are going to borrow the money for us when we want it, apparently the people now going out to borrow ten million dollars to pay us for the three industries, the gypsum, cement and birch plants. That to me is a fairy tale you know, Sir. Here we have the Government spending the ten million dollars buying three new industries.

MR. SMALLWOOD: To a point of order, Mr. Speaker, I don't want to

interrupt the honourable gentleman, but there is a debate pending before the House on a given matter on which all possible opportunity required will be given for debate where it may more properly be debated.

MR. SPEAKER: I was about to remind the honourable gentleman the position is very delicate. There is a debate before the House, and it would not be wise to enter into it at this stage. However, it is impossible to carry on the debate on the budget without referring to it.

MR. CASHIN: Mr. Speaker, I draw the attention of the House to the fact that it is mentioned in the budget speech itself and as such is debatable.

MR. SMALLWOOD: To that point Mr. Speaker—It is mentioned in the budget and this is now the budget speech debate, but that is not sufficient warrant for debating it now when in fact the House has ample opportunity otherwise provided to debate, when in fact there is a Bill before the House for that very purpose.

MR. SPEAKER: I have already said so. Would the honourable member cite the reference to the ten million dollars in the budget speech, I am sorry I have not my copy here.

MR. HOLLETT: I believe it is on page 14, page 19, and page 31, paragraph 1—"At their last meeting the directors of the corporation decided . . ."

MR. SMALLWOOD: Mr. Speaker, to that point there is no doubt whatsoever that the matter of the sale of the industrial plants and the ten million dollar bond issue are matters referred to in the budget speech. There is no doubt about that but my point

is that as debating of these matters is provided for by legislation now on the order paper, which debate actually began earlier in the present sitting and will be resumed in later sittings of this House I question whether it is in order in this debate to debate a matter whose debate is already arranged for on the order paper of the day.

MR. SPEAKER: I don't think it is necessary to debate, both sides of the House will appreciate it is pretty tricky. The budget debate, though wide, is not boundless, the corporation and the anticipated loan are referred to in the budget speech, and therefore, can be rightly referred to in the debate. However, the fact does remain that a Bill referring to it is before the House. Therefore, the point is all I can do is to confine my remarks to, shall we, or shall we not debate it now or reserve that for the debate to which it properly belongs. I don't see how I can rule any other than to leave it to the discretion of the member who appreciates he will have opportunity to debate this.

MR. HOLLETT: Mr. Speaker, I have no desire to break any rule, and if I do unconsciously, I thank you for your ruling.

MR. SPEAKER: The honourable member will appreciate that the Honourable Premier's point of order is just as delicate as the honourable member's own reference to that subject.

MR. HOLLETT: I was about to say, Sir, and if I have not the right I would appreciate it if you would stop me, it almost looks like a fairy tale to me, for the Government who have spent nine or ten million dollars in building three industries to give them away to a corporation which is 90% Government anyway, and then get that corporation to raise a loan of

ten million dollars and pay it back to the Government. It looks so peculiar to me that when I look at that I think I must be Alice in Wonderland. As I remember the story she saw so many things down there in that underground rabbit hole that looked so much like that effort to be made by the Government, I am wondering if perhaps the Honourable the Minister of Finance can almost call himself Alice in Wonderland when he thinks about it. I have no desire to debate the issue, most of the people know about it, everybody knows we are in the hole, everybody knows we had forty-six million dollars and everybody knows that all the cash we really own today is in Ottawa, \$10,-198,000. Whatever is in the Bank down here does not amount to a row of beans. I shall show in a few moments that in my opinion, from the votes of the Finance Minister we had about four thousand five hundred dollars at the end of March on the books of the Finance Minister, to say nothing about the Bank.

I had a note here Sir, about the herring and long-lining and Danish seining and I only put it there to draw attention to the fact that very little if anything appears in the budget speech about the fisheries. As you know, we have a commission working jointly with the Federal Commission on the subject of the fisheries which at the moment is a very, very serious matter for Newfoundland, but I see no estimate in there not even a token amount for any expenditure which may be necessary this year in order—

MR. SMALLWOOD: There is a token vote.

MR. HOLLETT: In that case, only a token vote and I do hope—I

want to express this thought, Mr. Speaker, there are at least twenty thousand fishermen in this country and twenty thousand fishermen or twenty thousand wage earners in any small Province like this, on them I say depends the success or failure of the economy of the whole country, for if the rest of the Island is prosperous and twenty thousand fishermen or any other industry have to be taken care of, it ruins the rest of the country. I shall come to that again later.

Now, let us turn to page 4 of the Budget Speech, which said, "On the expenditure side the main increase was four millions under economic development due to acceleration in our programme of encouraging the establishment of new industries, as to which this House has been informed. This heavy increase was offset in part by decreases amounting in all to millions of dollars due to a combination of retarding roads and building programmes, and overestimates in respect of such items as the slum clearance programme etc."

The point I want to make, Mr. Speaker, \$4.4 millions was spent on economic development on certain industries which we have heard all about and which are not owned by Newfoundlanders, not Canadian, not American \$4.4 millions expended on these and our roads and slum clearance programme reduced in order that they may be implemented. I draw that to your attention, Mr. Speaker, because I think that is tragic. If we are going to sacrifice the building of roads, the construction of the Trans-Canada Highway, slum clearance and the rest in order to introduce industries from Germany or any other European country, or any country for that matter, then I am won-

dering, Mr. Speaker, whether we are travelling along the right road. After all, we are in a free enterprise nation, we are in a free enterprise hemisphere, and I don't see how we can continue handing out money to bring over refugees from Europe to set up plants here in the hope they may succeed without having sound, good, facts upon which to base such hope. We can't at any rate postpone the building of the roads and the clearing of the slums in order to keep the money and pass it over to these people. I do hope these industries will be successful.

MR. SMALLWOOD: It is doubtful though.

MR. HOLLETT: I would say, Mr. Speaker, there is doubt about every industry. Every industry I ever have read about in my short life, has had doubts attached to it at times, and I would say the same about these German industries.

MR. SMALLWOOD: No more doubtful than that?

MR. HOLLETT: A little but I think this is not the place to express that doubt. I am a little doubtful about some of them, and it is just as well to be honest about it. However, I hope they succeed, Mr. Speaker.

Now, we come along to page 5, I see there an estimate of earnings listed. The Honourable Minister of Finance has put down fisheries at \$11,500,000 which he says comes from the fisheries. Now, I respectfully, Mr. Speaker, draw that to the Minister's attention, because I want to quote the figures which only today I had from the Department, the Federal Department of Fisheries with regard to the export value of all our fish, and I will read it now.

MR. SMALLWOOD: For what year?

MR. HOLLETT: 1951 that is last year; salt cod approximately thirteen million dollars, fresh and frozen fish six million dollars, herring nine hundred thousand, salmon one million dollars, lobsters, one quarter of a million dollars, oil (I suppose that is from whale and seal and fish oils, etc.) three million dollars, meals one million dollars.

MR. SMALLWOOD: Obviously, if the honourable gentleman will allow me, I am the one who compiled that table for 1950, the earnings that would go into people's pockets from 1950, the Honourable Minister of Finance compiled the table for 1951 and for 1952. Now, it did not all go into the people's pockets who caught the fish, some went to the people who made barrels and sawed staves, who packed the fish, the longshoremen who put the fish aboard. How much a quintal for that, what was the honourable gentleman's estimate?

MR. HOLLETT: I would estimate at least twenty-two million dollars which went into the pockets of Newfoundland people.

MR. SMALLWOOD: Yes, people not fishermen.

MR. HOLLETT: That is what you have here.

MR. SMALLWOOD: No, that is quite wrong.

MR. HOLLETT: Here is the total estimate of the money that will go into people's pockets in 1952 as compared with 1951.

MR. SMALLWOOD: If the honourable member will allow me, I don't want to interrupt. Take mining, the

figure is for wages in the pockets of the miners and mine workers but the mining industry pays more than that in Newfoundland to Newfoundlanders but that is the figure of what goes into the pockets of miners and mine workers, and the figures for the fisheries is what would go into the pockets of the fishermen. I know the honourable gentleman is anxious to have that information, I know he wants accurate information. The figures for the draggers, the figures for the industry, that is to say fish meal and oil and the like, appear under other headings in the same table. And then again in the draggers, it does not include what is paid for labourers, that figure includes only what the fishermen on the draggers get and not the workers in the fish plants.

MR. HOLLETT: I submit now is the time for another explanation of this, the statement there is what it amounted to and I am taking the figures as read and I doubt if \$11,000,000 for the fishery is right, our fisheries are worth more than that to our country. I went to the Federal Department who keep accurate figures and these figures were given to me and the export value is nearly twenty seven million. The main reason I want to raise the point is this, I want the fisheries raised higher on this list, so that it may be given the proper consideration, not only by the Provincial, but by the Federal Government. If anybody looks at that, and sees the fishery only turned in eleven million dollars last year the Canadian Government will say, why we pay eight millions in family allowances to the people down there, and five millions in old age assistance to the people down there, and five millions for old age pensions. What is their grudge? They have no fishery. That

would be the attitude, and I say it would be much better to put it at \$22,000,000 instead of at \$11,000,000 which I am quite sure is accurate and would be correct if we said from \$20,000,000 to \$22,000,000 from the fisheries went into the pockets of our people.

MR. SMALLWOOD: Fishermen?

MR. HOLLETT: I explained before it is the pockets of our people. Are all the baby bonuses going into the pockets of the fishermen. No, into the pockets of the people. Our fisheries last year were worth double to the economy of the country what was estimated here by the Minister of Fisheries. I submit, those which have been submitted to us in this address are not more accurate than those for the fisheries. I submit there is a fairy tale behind those figures.

MR. POWER: If the honourable gentleman will allow me: The figures that you have given for the fisheries, \$27,000,000 included the whole export value, profits and all. It costs the fishermen something to catch the fish, out of a thousand dollars, it was not all profits, maybe five or six hundred went into the pockets from the export value, therefore, any inaccuracy was not the Minister's.

MR. HOLLETT: There is one thing the gentleman on the other side fails to convince me that I am wrong. There is \$27,000,000 fish exported, if we gave the merchants five million dollars profit —

MR. SMALLWOOD: Not at all. I know the honourable gentleman is anxious to have the facts, and I can help on it and anything I say is not taken off his time. Even the labourers working and the merchants' profits, there are many hundreds of them

in Newfoundland, salt cod fish premises all around Newfoundland and the labour is not included in that figure of eleven million dollars, the costs of the cooerage and packing and the handling and stevedores are not included in that eleven million, the insurance and the local freighting around the coast are not included in that eleven millions, but they are included under other headings in the table.

MR. CASHIN: It is all created by the fishery.

MR. SMALLWOOD: Of course, but you find that twenty thousand fishermen got eleven million dollars last year earnings in their pockets, did you stop to think of that? Twenty-thousand fishermen, eleven million dollars.

MR. HOLLETT: Mr. Speaker, I hope I am not losing time on these interruptions. I may not need it but would draw it to your attention. I am just as anxious to get at the facts.

MR. SPEAKER: At this point, I am going to add three minutes to the honourable member's time. He has roughly given up two minutes and forty-five seconds.

MR. HOLLETT: I realize that is a very good table, but I submit the fisheries should be given their correct place in the nature of things in this country. At any rate on the top of these figures the Honourable Minister says: "The immediate future is bright indeed for Newfoundland." I am very glad to know that. I agree the immediate future is looking very bright, "at the moment the people's prosperity is nothing short of astonishing." I submit, Mr. Speaker, that the present prosperity of our people is by no means astonishing, by no means whatsoever. There is never a

day goes by but I get an interview from various people even from my own district, which I represent, looking for work. There never goes a day but what my colleague, the esteemed Leader of the Opposition, gets eight or ten more from people looking for work.

MR. SMALLWOOD: You ought to come to my office.

MR. HOLLETT: I venture to bet the Honourable the Premier and the member for Placentia West, both of them get many applications for people looking for work.

MR. SMALLWOOD: We all do.

MR. HOLLETT: The prosperity of this country is not so astonishing, it is nothing to be alarmed at, at the moment, and I would point out the present prosperity, Mr. Speaker, can change so quickly, and I hope not, could change the surpluses of the current account to deficits so that it can't keep the Government going. The Government is going through that surplus, it is gone, the surplus which they had to spend is gone, and they know it, and they will have to borrow and they are already borrowing and during this month will borrow some ten million dollars and they need it. The Government at the present time is not so prosperous as the Honourable Minister would have us believe, though the prosperity of our people might be.

The Honourable Minister speaks of the new tax rental agreement. Now I am quite sure that we are all glad that we are to receive extra money in the new tax rental agreement; so far it has not been signed. But I take issue with the Honourable Minister when he says: "Our transitional Grant is diminishing by \$850,000 a year"—

we all know that—"But the other side of the shield is that as the Transitional Grant goes down, the tax rental payments go up, and go up more rapidly than the former goes down." I submit, Mr. Speaker, that there is something astray in that statement and very much astray, I am afraid, because when I looked at the estimates of the Government of Canada in Ottawa for this year, the actual size of last year's 1951-52 payments to Provinces during that year, including Newfoundland, was in respect of the tax rental agreement \$15.9 million.

MR. SMALLWOOD: The transitional grant is not included at all.

MR. HOLLETT: But from the statement from Ottawa last year, \$15.9 millions, I would like to find out how the Honourable Minister makes it \$16.3.

We come on then to page 9 with regard to expenditures. I am not going to say very much about that. It says the Department of Education's estimates show an increase of \$801,400. "This is, of course, made up of a number of items including provision for a new curriculum service to which the Department attaches a high degree of importance." A new curriculum to which is attached a high degree of importance and yet in the interim put in a miserable \$4,600, not enough to pay half a salary to the director. Then we go on to the increase in salaries for teachers, etc. The Government have done something for the teachers but I submit there is much more that must be done, much more they ought to try to do rather than spend the money on doubtful new German industries. I spoke about that yesterday and the day before, and there is no reason why I should go into it again.

MR. SMALLWOOD: Did you say "doubtful"?

MR. HOLLETT: Yes.

MR. SMALLWOOD: I like to hear the honourable member keep saying it.

MR. HOLLETT: It sounds good to you?

MR. SMALLWOOD: Yes, for later on.

MR. HOLLETT: I could say doubtful Icelandic ventures, very doubtful at the start, and I remember back three years and I believe I suggested it might be a bit doubtful to the Honourable Premier, but the Honourable Premier at that time, any more than now, would not listen to me. I would not expect him to. That Icelandic venture was a doubtful industry and there are other members on the other side who thought so and some of them were on the board of directors of the Icelandic boats. I think when we took on that Seigheim thing it was a doubtful industry. I don't know how much money was spent on that.

MR. SMALLWOOD: None.

MR. HOLLETT: There was some. I could quote some dollars spent that might be charged to it.

MR. SMALLWOOD: Not at all, it cost us nothing.

MR. HOLLETT: Mines and Resources: We had a Department of Natural Resources last year, now we call it Mines and Resources, and the Government put in a new Deputy Minister, I don't know if brand new but a new Deputy Minister and another for Resources in spite of the fact they have given away twenty-two thousand square miles of territory of

Newfoundland to the Newfoundland and Labrador Corporation and all on it for the next 99 years, and yet they make a new Deputy Minister of Resources and a new Deputy Minister of Mines and increase the cost of the Department \$284,700.

MR. SMALLWOOD: We still have 154,000 miles to come under that.

MR. HOLLETT: You have given away part of that too.

The Honourable Minister of Public Works will be able to pay this year an average upward revision of five cents an hour to employees. I say, I hope they won't be pleased with that increase because five cents an hour in view of the fact of what they got last year, Mr. Speaker, is a very, very small increase for people who have to keep families, five cents an hour.

I see another item under Fisheries and Co-operatives, the Minister \$100 to purchase shares in some fishery development. I do not know what that refers to, but \$100 is not going to buy many shares, I submit, and is not going to be of much value.

MR. SMALLWOOD: That is a token vote.

MR. HOLLETT: I see.

MR. HOLLETT: The total expenditure for next year is to be \$28,503,400 and revenue \$34,848,400, of that is to come \$5,000,000 from the tax on food mind you, don't forget that, five million dollars from the taxation on food from the Social Security Tax.

MR. POWER: No.

MR. HOLLETT: Well close on \$3,000,000, I would say, from the taxation on food,

MR. SMALLWOOD: Nothing like it.

MR. HOLLETT: Last year there was an estimate for \$2,500,000 and this year you are including food and estimating a revenue of five million dollars. It went over by \$750,000 last year, so I submit it will be over again by food alone this year.

MR. SMALLWOOD: If we do they will be enormously prosperous.

MR. HOLLETT: Three million dollars on a hundred million dollars, that is.

MR. SMALLWOOD: Which means our people will be spending at least two hundred million dollars in order to spend one hundred million on food.

MR. HOLLETT: That is what it is going in as next year.

MR. SMALLWOOD: We are talking about this year.

MR. HOLLETT: I submit we will pay \$3,000,000 if we collect it at all. I somehow hope it is just a feeler put out by the Government. Why do they want to tax the people to get a surplus of six million dollars?

MR. SMALLWOOD: To develop Newfoundland.

MR. HOLLETT: In other words take three million dollars out of the pockets of the people on their food and put it in German industries. At the present moment, you are obligated to the German Industries 4.4 million dollars which you promised last year, which you do not have, which you did not have in March, which you did not have when you went into the election last November.

MR. SPEAKER: I would remind

the honourable member that the use of the personal pronoun almost invariably leads to trouble.

MR. HOLLETT: Mr. Speaker, I will confine my remarks to you, and if I stray from the straight and narrow—

MR. SPEAKER: I will.

MR. HOLLETT: I have no doubt whatsoever about that. \$4.4 million guaranteed to these people last year and at the end of March this country did not have the 4.4 million dollars and now we have to borrow ten million dollars and that 4.4 million dollars has to be collected somehow and it is going to be collected by three percent on the food which we Newfoundlanders eat. I submit that, Mr. Speaker, and I don't believe anybody in this House can deny it.

MR. SMALLWOOD: Yes, we can. We can prove it is wrong.

MR. HOLLETT: You won't be able to prove it, otherwise can any of the honourable gentlemen on the other side of the House tell me why you want to get a surplus next year of \$6,300,000 so badly that you put 3% on everything the people eat in this country.

MR. SMALLWOOD: To develop Newfoundland.

MR. HOLLETT: To develop what?

MR. SMALLWOOD: Industries.

MR. HOLLETT: I want industries. I have told you. But the ones here, where is that list? You have \$4.4 million of them here. Anyway, I might be able to remember them. The textile plant.

MR. SMALLWOOD: In St. John's West.

MR. CASHIN: No matter where it is.

MR. HOLLETT: I hope it is going in St. John's West, I believe some work was started on it there and stopped.

MR. SMALLWOOD: No water and electricity.

MR. HOLLETT: And no money. That is the reason why it stopped be-

cause of the money squandered by the Government in the last few years. I could prove that, Mr. Speaker, on the books of the Treasury and the Finance Department, and I think the Honourable the Minister of Finance will bear me out, in March there could have been no money, there was some in the bank probably, but on the books of the Treasury and in the Finance Department on Harvey Road, none. Here is the proof.

Our Original Surplus 1949	\$40,283,147	
By Revision	949,522	
1950-51 Recovery non-cash surplus	1,798,358	
1951-52 Recovery non-cash surplus	854,053	
Surplus earned 1950-51	649,490	
Surplus earned 1951-52	1,347,470	
		\$45,882,040
Current Account Deficit 1949-50.....	3,735,875	
Economic Development and Extensions to public services, 1949-50	5,632,373	
Liquidation of pre-union liabilities 1950-51	195,006	
Economic Development and extensions to public services 1950-51	9,856,141	
Liquidation on pre-union liabilities 1951-52.....	2,546	
Economic Development and extensions to public services 1951-52	15,566,241	
		\$34,989,182

A total of \$34.9 millions. Now subtract this \$34.9 from \$45,882,040 and you have a difference of \$10,893,858.

The Government states that \$10,898,400 must remain in the Bank at Ottawa. In other words, they were \$4,452 overdrawn on the books of the Finance Department in St. John's on March 31, when we really owed the Ottawa account \$4,452. Now, Sir, yesterday the Honourable Leader of the Opposition received a reply from the Finance Department at the end of March there was \$3,357,000 to the credit of the Treasury.

MR. SMALLWOOD: And that was in the Bank of Montreal.

MR. HOLLETT: Why did you not say so? It might be in the Bank of Montreal, but it was not on the books of the Finance Department. Can anybody deny it? In other words, Mr. Speaker, I submit that on March 31, unfortunately, we were broke.

MR. SMALLWOOD: We had a surplus of \$3.3 millions.

MR. HOLLETT: You did not have it in the Bank. You raised a temporary loan and put it to your credit.

MR. SMALLWOOD: We were broke on March 31st?

MR. CASHIN: On the face of it.

MR. HOLLETT: For the past month or so the Premier has been very cross, particularly with me. I was beginning to think he did not like me, but the whole trouble was that he was worried, and rightly so, over the financial state of the country.

MR. SMALLWOOD: Because we were broke on March 31st?

MR. HOLLETT: There is no question of that in my mind. All right, you have to get \$10,000,000 on loan.

Now, if we go on to page 17 of the estimates there is a little item there to which I would like to draw the attention of the Honourable Minister of Finance: "This one third of the original surplus as defined by the Terms of Union, is available to us on current account for the maintenance and improvement of the public services. It would appear that to make withdrawals from this reserve we must first incur a deficit on current account, and as our policy is to have current account surpluses rather than deficits this amount will be allowed by us to remain on deposit with Ottawa. The remainder of this balance, amounting to \$4,625,558 may be spent by us, under the Terms of Union with the authority of the Legislature, on any capital account purpose."

There is another thing I would like to comment on, how do we get this six million surplus revenue when we add in \$10,000,000 which we borrow.

MR. SMALLWOOD: We are not borrowing it. It is the Corporation.

MR. HOLLETT: Which is 90% Government.

MR. SMALLWOOD: The Corporation borrows it and it comes to the Government as a credit.

MR. HOLLETT: Mr. Speaker, I would tell the Honourable Premier it is to pay for \$4.4 millions of the new industries which he has to finance or they can sue for breach of agreement. I tell you the Government would be in an awful mess if they don't get this and we need it, the Government needs it particularly this year, these German industries need it, they need it right now to carry on and the quicker Sir William Stephenson who is the economic arm of the Government—That reminds me, I almost forgot to say this, I said it one time before. Is it not possible for this Government of ours to do their own work without each member of the Cabinet bringing in high priced experts. I think it is awful, everything set up has to import a new man from somewhere, Latvia, Switzerland, Iceland, or God knows where, to put him in charge and give him a high salary, even the Honourable Minister of Public Works has to bring in four German engineers.

MR. SPENCER: I wish I had four more.

MR. HOLLETT: Now, the kingpin of them all, Sir William Stephenson, and it is rumoured that some members on the other side are not pleased that he is here.

MR. SMALLWOOD: How is that now?

MR. HOLLETT: I think I should be given notice of that question, Mr. Speaker. Then the Minister goes on to say "Taking this into account, therefore, we find the position for the four years to be this: The grand total revenue on capital or surplus account available to us will have been 26½

million, about 17½ of which we will have created ourselves. By "we" I mean the present Government."

Well, now Mr. Speaker, I have tried to figure out how the Minister of Finance created 17½ million dollars. How did he create it? The only way I can see is to borrow ten million dollars, but you would hardly call that created, I suppose tax the people another three million on food, an extra two million on the tax rental, and the other two millions come from, I forget where. I had it in my mind but it is gone. How in the world has he created seventeen and one-half millions. It strikes me as funny and I can't make head nor tail, surely if it is borrowed, we do not create it, you go in debt and that is exactly what this Government has done, Mr. Speaker, they have gone into debt to the extent of ten million dollars and they have hoped to borrow \$10,000,000 and take six millions out of the people's pockets next year in taxation, taken away from the stomachs of the people, then they are creating surpluses. It is a funny way to create it. Then he goes on to say this is sound financing. If anybody on the other side agrees that it is sound to borrow ten million dollars—then to tell us we are borrowing ten million dollars to buy three plants, they have for sale themselves and cannot sell them.

MR. SMALLWOOD: That is not so.

MR. HOLLETT: You did not sell them—they were up for sale.

MR. SMALLWOOD: They were not.

MR. HOLLETT: Well, they are up for sale now, but there are no bids, no offers, except the Newfoundland and Labrador Corporation who are going to take them over if they

can get ten million dollars and pass it over to you in order to finance these people up there in the West End who are waiting for money to start that new industry. If that is sound financing.—

MR. SMALLWOOD: If we are to spend 4.4 millions out of the proceeds of the sale of these three plants, how are we also going to do it by taxing the people's stomachs?

MR. HOLLETT: If you are to finance the German industries by selling the three plants and getting the money and paying the German industries 4.4 million dollars, if you are to pay that out of the proceeds of the sale.

MR. SMALLWOOD: Then how does the honourable gentleman make out we are going to do it by taxing the stomachs of the people. I would like to have that explained to me.

MR. HOLLETT: I don't think there is any need of explaining that.

MR. SMALLWOOD: I don't understand it.

MR. HOLLETT: You are not good on figures.

MR. SMALLWOOD: I know—I am a little dull, too.

MR. HOLLETT: Again I come back to "Alice"—remember she got all worried and said four times five is twelve and four times six is thirteen, oh my, where am I getting? Exactly where the Honourable Minister got at the end of his budget. Mr. Speaker, Alice said: "The multiplication tables don't signify, I suggest the addition tables is what you need."

Then we come to the cardinal principles of this present Government. Here is something I can't make out at all—It goes on to discuss the cardinal

principle of this present Government—"The cardinal principal that the present Government have followed, from the day they first took office, is that of economic development. Then the Minister gives almost two pages to praises of the Premier. I don't blame him for that. He says: "He has travelled tens of thousands of miles in Canada, the United States, Great Britain and Continental Europe to establish personal contact with industrialists and to capture their interest for the natural resources of Newfoundland and Labrador" . . . "The Premier has thrown himself into this drive for economic development with that same unselfish spending of himself that was the main cause of his success in making Newfoundland a Province of Canada," and incidentally, Mr. Speaker, in making me a Canadian. "I believe that the people of Newfoundland have the same faith in him." Have they? They will need it I assure him. "He created a Province of Canada" so he goes on, and finally—

MR. SMALLWOOD: If you would pass that over a little hurriedly, I feel a little modest, shy—

MR. HOLLETT: Then he goes on to say that political opponents of the Government are advertising and distorting the facts and making politics out of the facts of ordinary mechanical operational mischances. And sneering at the Germans. One could almost believe that a complete failure of these enterprises would be welcomed in certain quarters. He does not say what quarters. Are you prepared to say now in what quarters?

MR. SMALLWOOD: I don't believe you could even guess.

MR. HOLLETT: If the honourable gentlemen on the other side

think we are such treacherous Newfoundlanders that we would like to see even these German industries fail, they have the wrong idea of Newfoundlanders. Even though we were made Canadians we are still Newfoundlanders, there are not many of us here on this side of the House, and there are not many Newfoundlanders but are prepared to die at any time for their country, we love it too well and are prepared, as I said to die. If any one gets that idea in mind or even hints that people on this side of the House would like to see some of these industries fail he had better have his head examined, he is not fit to be at large.

He goes on to say then that they are going to get out of business because the people are blaming them, but they are going to keep on. Mr. Speaker, with this idea of economic development. How are they going about it? Well they are not going to borrow, no, that is unheard of, an undreamed of idea. I wish I could find that remark here about borrowing.

MR. SMALLWOOD: "Unthinkable."

MR. HOLLETT: Yes, "unthinkable." "As we of the Government consider the future, as we are faced this present year in particular, we were faced by the same two courses of action; to abandon all further improvement of the public services, and to abandon all further economic development of the public services, on the one hand; or, on the other hand, to borrow the funds for that purpose. We decided as a Government that it was unthinkable that we should abandon public services and economic development, and we decided that it was equally unthinkable that we should borrow." Yet, Mr. Speaker, in

the very next breath he goes on to say how they can borrow ten million dollars.

MR. SMALLWOOD: No, he does not.

MR. HOLLETT: "Newfoundland has had rare good luck in securing the interest of Sir William S. Stephenson." Rare good luck, they say, they have discovered this rare find. I am not sure he is a rare find, shortly, indeed in this present month our national debt will be raised by ten million dollars. In my opinion there is no question about it, by reason of the fact that we have met this rare find, Sir William Stephenson. He may be a fine man, a smart man but his coming has increased our national debt by ten million dollars.

I could go on, Mr. Speaker, discussing other things about this, but I believe I would be treading on a little dangerous ground. The worst thing I see in all this budget is this business of taxation of food. I don't think our people are going to like it, I hope the Government has just thrown it out as a feeler. I tell you I am going to preach against it and I know every member of the Opposition is. I don't believe the Government needs it, Sir, I don't believe they need a surplus of six million dollars so badly they must tax the people's food, the high cost of living does not warrant. Nothing has ever warranted the taxing of food in any country or nation and any country or nation who starts to tax food are on the road down over the hill in my opinion. I think the Government will have to draw in their horns. I hope public opinion will be so great that the Government will have to come to the decision that it is highly unwise to do it. I know they would like to have some more

money next year, and I hope when these young members, who have to go back to their people, I hope they will be told by their constituents not to agree to this taxation on food. I assure them they are going to be told and I am quite sure that the Government ought to hesitate before they would put them in that awkward position.

MR. SMALLWOOD: Tell us to stop building roads, hospitals, schools. That is why I suggest we are going to tax our people, in order to build hospitals.

MR. HOLLETT: I see, that is why we are going to tax our people's food so that they will be sent to hospital, is that right?

MR. SMALLWOOD: To develop Newfoundland.

MR. HOLLETT: If you are going to have a surplus of six millions you don't need to take that money out of the people's pockets.

MR. SMALLWOOD: I wish it were twelve.

MR. HOLLETT: Then you would go right to wing. Mr. Speaker, the trouble is, the Government have been so spendthrift, so used to having a surplus and money to spend wherever they want in any shape or form, they find it difficult to stop.

MR. SMALLWOOD: If we could throw out a hundred million dollars now on roads, schools and hospitals, we certainly would.

MR. CASHIN: To a point of order, Mr. Speaker, I think the Honourable the Premier is interrupting the honourable member for St. John's West all evening.

MR. SPEAKER: Interruptions are out of order and if the honourable member wishes to have them stopped he may appeal to the Chair unless the honourable member wishes to accept the interruptions.

MR. HOLLETT: Mr. Speaker, I asked some questions with regard to Hansard, there is a grant in the estimates now. I was informed that it was not the fault of the Government. We were informed by the Honourable the Premier that it was the fault of the "Evening Telegram." Now, I am going to table the "Evening Telegram" of May 3rd. We have been told here, Sir, and rightly so, that we are bound to accept the replies given to us by the Honourable Ministers of the Government.

MR. SPEAKER: Or statements made by the Honourable Ministers, either.

MR. HOLLETT: I have only been a short time here, but I am beginning to learn to do that, to accept their statements although it sometimes takes time, but I do generally take them as read, and the Honourable Premier gave me his answer and I took it, and I thought; that is really too bad for three years this House has been here with no Hansard, nothing whatever for the people to read, what was said last week, month, or year, nothing whatsoever, and we are told that the whole fault lies with the "Evening Telegram." I will read now a statement made by this paper which is called "A Distortion of Facts."

MR. SPEAKER: Is the honourable member making a complaint?

MR. HOLLETT: I am reading this in order that I may support the Premier if necessary, in any statement which he makes here in this House.

I do not think it is right and proper for any member or anybody outside the House, particularly a paper to come out and contradict this statement.

MR. SPEAKER: That is why I warn the honourable member in his own behalf—"Words may not be heard in quotation" which would not be parliamentary if uttered by a member in the course of his speech. Words unparliamentary to utter are also unparliamentary if heard in quotations unless on a point of privilege.

MR. HOLLETT: Thank you very much, Mr. Speaker. (Reads article from the "Evening Telegram," May 2nd, 1952, as follows):

"Questioned in the House on Thursday regarding the delay in making Hansard available, Premier Smallwood said that the job printing plant of The Telegram to which the work had been entrusted was to blame. Expressing his displeasure over the delay, Mr. Smallwood availed of the occasion to indulge in a violent diatribe against this paper which he accused during the course of his outburst of knifing him in the back.

We wish to say at once and in words that cannot be misunderstood, when occasion arises to criticise the Smallwood Government, it will be a frontal attack. If it should happen that the attack fell upon his rear, why then that could only occur because he was in headlong retreat.

With regard to the delay in the publication of Hansard, the plain facts will expose Premier Smallwood's disregard for the truth."

I do not like what they say there, I can't quote it, they say the date the Telegram was given the job was January, 1951. Now this Government was

ected in 1949 and the date the Telegram was given the job, was January, 1951. But the reason I draw it to the attention of the House is the fact that the Premier made a statement here the other day and here the "Evening Telegram" comes out in flat contradiction of the statement given by the Honourable Premier to this House on Friday. I submit that is really a breach of privilege. I don't like it, I regret it, and I think something should be done about it. If the Honourable the Premier or any honourable member on either side of the House makes a statement which is a statement of fact, I regret that any press, any newspaper, any news bulletin—

MR. SPEAKER: Time is up.

MR. SMALLWOOD: If the honourable member wishes to conclude, I don't think any one wishes to object to another five, ten or fifteen minutes.

MR. HOLLETT: Thank you very much, Mr. Speaker, I appreciate very much the generosity of the House and the Premier and I just want to table that because I think it is unfortunate that any honourable member, particularly the Premier, should be so contradicted in that manner, so bluntly, and I want to draw it to the attention of the House.

MR. SMALLWOOD: Before the honourable gentleman sits down I may say that the last proof I saw of Hansard was sometime last summer, and I never have had one since.

MR. HOLLETT: There is one other matter I wish to refer to, Mr. Speaker, that is the fact that the people in Ferryland District and also the people in Labrador, although they are being taxed today are not represented in this House and I

think taxation without representation is a long outdated policy. I think something should be done with regard to both these districts, and I am wondering what is to happen particularly in the case of Ferryland. It is not now a court issue, the court in this Newfoundland of ours have decided we should have a new election up in Ferryland and I think it is unfortunate that this election is being delayed. These people are not represented here in this House, and I don't think anybody should do anything which would delay their representation here.

MR. SMALLWOOD: Hear, hear.

MR. HOLLETT: I hope that hear, hear, means they will be able to express their personal opinion in no uncertain sense and send us another person here on this side of the House.

MR. SPENCER: You cannot canvass in here you know.

MR. HOLLETT: It is a very good spot to do it.

Once again before I sit down, thank you for listening, especially the members on the other side of the House who have not been too hectic with me, and again I express my congratulations to the Honourable Minister of Finance. I believe the Honourable Minister once he gets into his new job is going to make an excellent Minister of Finance. I admire the way in which he delivered the Budget Speech and I am quite sure when he gets hold of the job he is not going to let any one else do the pulling, but do the pulling himself. Thank you very much, Mr. Speaker.

MR. SPEAKER: I just want to make a slight statement. I was a bit remiss in my duty there when the

honourable member was granted an extension of time, I should have warned the honourable member he is not supposed to introduce any new argument but merely conclude the comments upon which he is speaking. I just say that in case I might forget at some other time.

MR. CASHIN: I move the adjournment of the debate, Mr. Speaker.

MR. SPEAKER: That is a dangerous thing from the Opposition. I take it the motion will be accepted.

MR. SMALLWOOD: I take it the other members of the Opposition wish to speak, and perhaps if no member wishes to indicate now that he wishes to speak next, in the absence of such indication, I, as Leader of the House, might move the adjournment of the debate—just as Leader of the House.

MR. SPEAKER: It would be safer than to have the motion come from the other side.

Debate now adjourned.

Second reading of Bill, "An Act Further to Amend the Public Works Act, 1950."

MR. SPENCER: Mr. Speaker, this amendment is really a very minor matter, and I do not propose to delay the House very long in dealing with it.

Honourable members of the House generally will know that the Department of Public Works has authority, or the Minister of Public Works has authority, where necessary to acquire land for the purpose of public interest by expropriation if it is found necessary. In most cases it is the practice of the Department, in all cases, as a matter of fact, to endeavour to acquire property in what may be termed

an amicable manner, but where such an arrangement cannot be made the Minister has the authority to expropriate. I need not go deeply into that, but it is the case. We find still there are some little points necessary in order to properly deal with certain sections, and it is the intention in this Bill to amend sub-section 2 of section 16 of the Department of Public Works Act, 1950, as amended by numbering the said section (1) and adding thereto the following as sub-section (2) and (3).

Reads section (2) (3).

"(2) When it appears to the Minister that a highway or a portion of a highway is no longer required for the use of the public he may so declare in writing to the Lieutenant-Governor in Council and such writing shall contain a description of the said highway or portion thereof.

(3) After a declaration issued under sub-section (2) the Minister with the approval of the Lieutenant-Governor in Council may sell, lease or otherwise dispose of the said highway or portion thereof, for such consideration and subject to such terms and conditions as the Minister deems meet."

Now, I think that may require a slight elaboration. As the House is aware, certain diversions are made along the various highways and in some cases it has happened that the original piece of land to which that highway belongs to, say John Jones. At one time this portion of the highway went through and cut the man's land in two with a piece here and a piece there, and the purpose of this amendment where no person has in the meantime set up residence on this original piece where it is sub-

divided, the owner of the land, it is no further use to the Crown the Minister may sell, let, or otherwise dispose of the said highway or portion thereof for such consideration and subject to such terms and conditions as the Minister deems meet.

The amendment to section 21 is a very small one. (Reads from the Bill):

"Section 21 of the said Act, as amended by the Department of Public Works (Amendment) Act, 1951, is further amended by striking out that portion of sub-section (1) preceeding paragraph (a) and substituting therefor the following:

"(1) Whenever the Minister deems it necessary to acquire any land or property for the use of Her Majesty in right of Newfoundland or of the public or whenever the Minister is satisfied that land or property is required by a public authority of Canada or Newfoundland as a townsite or as the site of a housing development the Minister may expropriate such land or property in the manner following:"

As the House is well aware in the original Bill where expropriation proceedings take place we did not have that amendment before governing land for town site purposes and at this moment the Federal Government are negotiating with us in the Province to acquire lands for the purpose of townsites, as in Gander. It is the intention then of the Department, the hope of the Government that we may do so and have this authority behind us to do it.

I do not think, Mr. Speaker, there is anything contentious in that. I will leave the matter to the House and have much pleasure in moving second reading.

MR. HIGGINS: Would it be in order, Mr. Speaker, perhaps the Minister could tell me with reference to section 2, the amendment to section 16 which refers to highways or portions of highways no longer required. Has the Minister certain specific sections in mind, or is this just a general thing?

MR. SPENCER: In reply to the honourable gentleman I can say there is no specific section in mind, but we have several cases, I know the honourable member for St. John's East is well aware since he knows the Act far better than I do being a lawyer, is very well aware there are many cases, and can visualize driving along, say Topsail Highway, one or two old diversions there. We are having great difficulty in keeping them properly cleared once they are abandoned, when they become a sort of no-mans-land and people take advantage of it by going in and using them as a dumping ground for old cars, trucks and old tin cans, etc. In such cases where there is nothing to interfere with the rights of these citizens we would prefer to dispose of them to somebody for some particular purpose whereby the possibility of it becoming a nuisance would be avoided. There is no specific section I can call to mind.

Bill read a second time, ordered referred to a Committee of the whole House on tomorrow.

First reading of Bill, "An Act Further to Amend the Mining Tax Act, 1950."

Bill read a first time, ordered read a second time on tomorrow,

Committee of the Whole on Supply—leave was given yesterday for this committee to sit again.

MR. SMALLWOOD: Mr. Chairman, when we finished in Committee of the Whole on Supply last time, we had completed the Department of Mines and Resources up to and including 804 on page 39 of the Estimates, and the next order is 805. Now this vote with one that follows immediately after, 806, constitutes the heart of the agricultural activity of the Department of Mines and Resources. The Committee will note that under the heading of improvement of Standards there is a thousand dollars for agricultural education and five thousand dollars for demonstrations and experiments and nothing for the maintenance of the demonstration farm because of course, that is now owned and operated by the Government of Canada. Eleven thousand dollars goes to Health of Animals including compensation. That is primarily for the T.B. Bovine, T.B. Programme. Standardization of marketing \$7,000, that is for assistance to agricultural marketing bodies. Bonuses for clearing land \$2,000, Land Fertility Schemes \$30,000. Now, that is to pay the cost of the bonus on limestone, agricultural limestone we hope soon to have on the market from the new cement mill at Corner Brook. That mill in addition to making cement will make some twenty-five thousand tons of agricultural limestone per year and the Government of Canada pays a bonus on limestone for agricultural purposes by way of absorbing a large part of the freight and then the Government of Newfoundland subsidizes agricultural limestone also, for which purpose we have that vote. Improvements of Livestock \$15,000, that is a bounty on bulls and rams and the like for the purpose of importing blooded stock for circulation in Newfoundland to raise the standards of our livestock. Agricul-

tural Surveys \$2,000, total vote \$82,500 followed by an amount of \$20,000 under the heading of "Blueberry." Mr. Chairman, the Government are strongly convinced that the humble blueberry which grows in this Province in profusion and with a flavour not excelled anywhere in the world and not equalled in most parts of the world is a natural resource whose modern and up-to-date development can be made to yield quite important sources of income to quite a number of people. That consists primarily of burning over areas to increase the fertility of the blueberries. A programme is now in fact, under way, and has been for the last year, and I think even the year before, but last year especially, and this present new financial year as well, quite a number of new areas on the Avalon Peninsula and on the Burin Peninsula, and on the Bonavista Peninsula are to be burned over with a view to developing a higher and more flourishing blueberry plant. Unfortunately last year the American market, to which most of our blueberries are exported turned out to be unsatisfactory, and the blueberry export trade was not in a good condition, in fact, at this moment, I believe, some of the blueberry exporters still have in their possession fairly sizable quantities of frozen blueberries which they are holding for that moment when the blueberry market in the United States stiffens to make export somewhat more profitable than it was last year, or has indeed been up to the present time.

That is the vote, Mr. Chairman.

MR. HOLLETT: How is it proposed to spend the \$20,000, by hiring somebody to do the burning?

MR. SMALLWOOD: Yes, there are a number of men engaged by the

Department to go out and do it under supervision. We have in Newfoundland several men who have had considerable experience in burning over of country under proper conditions for the promotion of the blueberry industry. Under supervision of such men, other men are employed at that work beginning around now.

MR. HOLLETT: These men are in the Department now?

MR. SMALLWOOD: No, I think not. The overall supervision is conducted by persons in the Department but actual supervision is done by a limited number of men who have had quite a bit of experience and who are taken on in the season and under them larger numbers of men are taken on for seasonal work while the burning is going forward.

Carried.

806. LAND DEVELOPMENT:

01. Salaries	28,200	27,300	24,535
02. Expenses			
01. Travelling	7,000	7,000	4,118
02. Office	700	700	782
	7,700	7,700	4,900
03. Miscellaneous Expenses:			
01. Establishment of and Bonuses to Ex-Servicemen Land Settlers	100		
02. Land Clearing with Tractors and Maintenance of Equipment	90,000	78,000	77,831
04. Construction, Post-War Land Develop- ment Areas	7,500		
06. Land Development Act: Compensation	2,500	5,000	
	100,100	83,000	77,831
Total: Subhead 806	136,000	118,000	107,266

Mr. Chairman, first there is a token vote here of \$100 for the establishment of, and bonuses to, Ex-Servicemen Land Settlers. It is purely a token vote put in to get authority from the Committee to proceed with a programme there the cost of which we frankly do not know, because obviously that will depend upon the number of Ex-Servicemen availing themselves of the opportunity to participate in the programme.

The next item 806, 02, is a large vote for Land Clearing with tractors and maintenance of equipment with which the land clearing is done. Now, we have a programme of which I am quite proud. It began before I was Minister of Natural Resources and it began, I believe, under the ministry of Mr. Russell and was continued under the Acting-Minister, the present honourable Minister of Public Welfare, and then continued under the

temporary ministry of Mr. Arthur Johnson, so that I can't take any credit for it except as a member of the Government. We all considered the matter in Cabinet and agreed it was a splendid scheme. The scheme is this: Reclaiming land from the raw state by clearing land in sizeable quantities in sizeable areas. Now, it is perfectly true the Commission of Government really were the instigators, the ones who introduced the idea of land clearing. But they were not prepared to do it with that kind of pressure which Newfoundland has come to expect from an elected Government, but most particularly this elected Government of the Arthur Johnson type, the Smallwood type, the Power type, and Pottle and Lewis and Spencer, and Ballam and Curtis, men of action, men of energy, dynamic persons who want to push Newfoundland ahead. Now, I will not say that in the Commission of Government there were not such men, but unfortunately for Newfoundland they were in somewhat a minority, besides which they found it difficult to get equipment, well we have got more equipment, more tractors, I think we have eight or nine of them, and I believe last year we cleared new land running into thousands of acres. I, personally, am very interested in it, and on Sunday I took a drive over the Roache's Line where a young man who is related to me by marriage is hewing one of these new farms out of the wilderness. He is not related to me by blood, so I think the Committee would excuse me if I did a little boasting in his behalf. He went in there one year ago and was given a grant of fifty acres, an area we are glad to give anyone in Newfoundland who wishes to go farming seriously, and thirty acres of that has been cleared under this programme. That man, beginning

a year ago on Saturday last, went in there and laid down that thirty acres of forested land, this forest was not heavy but thick scrub and the bulldozers cleared it off and the rocks were taken off and by working from dawn until twilight, or until twelve at night by search light with his own small tractor, picking the rocks off, limed it, fertilized it, seeded it, and took hay off it this present year. That is the programme, we want to step it up. The Committee will notice it was \$78,000.00 last year, and we wish to spend every cent of \$90,000 this year, always in the hope of finding active and energetic Newfoundlanders to try their hand at farming in new country on a fairly sizeable scale and we would like to see a hundred or five hundred Newfoundlanders who would take us up on this land clearing programme, and really go to town building up, not farms for growing crops, we are not trying particularly to encourage people to go in for root crops but rather livestock, sheep, hogs, beef cattle, poultry, chicken, geese, ducks, turkeys, all of which require land and a certain amount of root crops to keep up the fertility of the land and allow for the proper kind of crops and land rotation. I would like it to be known by all young Newfoundlanders today that the Government have ninety thousand dollars which they are prepared to spend this year to help energetic and ambitious young Newfoundlanders who are prepared to work hard and it is tough, grinding work and the man who is not prepared to do it, ought not to go at it, but if he is prepared to work hard the Government will give a grant of fifty acres, will go in and clear thirty acres of it. That is to say the Government will bulldoze the trees off it, then the man himself must take the stones off and the Govern-

ment will pay him so much an acre for that and then the man must lime it, and the Government will help on that, and he must put seed down, and the Government will help on that. Then in addition, the Government will make certain other advances to him. On top of all that, when it comes to stocking his farm with livestock the Government of Canada are prepared to help in a substantial degree, provided the man in question is able and willing to pay down a certain instalment on a long term loan from the Government of Canada. Now, then, I am the Newfoundland champion pig and hog raiser of all time, my like has never been equalled in Newfoundland as a hog raiser, I am accustomed to pigs. If any man in Newfoundland knows pigs, I am the one, the habits, history and all about pigs. I have a more limited experience of goats. I had a couple of goats the Department of Natural Resources were clever enough to foist upon me at one time, while I was living on LeMarchant Road and the City Council was kind enough and soft enough to give me permission to keep these goats on LeMarchant Road pending the time when I would take them in the country. So that I have some experience with goats but not nearly so extensive. But I do honestly believe that in Newfoundland we can and we should raise more livestock.

MR. HOLLETT: Hear, hear.

MR. SMALLWOOD: We are consuming in Newfoundland today two million dozen eggs a year, and that number is going up all the time as our population grows, and as long as this prosperity lasts and increases so will the consumption of eggs increase, but at this point already we are consuming two million dozen eggs a year of which we produce a million dozen

and we import into this Province from other Provinces of Canada, New Brunswick, and Prince Edward Island all of a million dozen eggs a year. Now, I hold that Newfoundland can, and ought to be self supporting in the production of eggs, the production of poultry, the production of geese, ducks and turkeys, the production of hogs. There was a time in Newfoundland when with a population half our present one, our people maintained on this Island four times as many hogs as we do today, beef and cattle. The Honourable member for St. John's East who is sitting at the moment present, was a member, I believe he was chairman, not a member of the agricultural committee of the National Convention, I was not, I believe, a member of that committee, but I recall vividly an occasion on which I sat in at one of the meetings of that committee at which the honourable gentleman's son was a witness. He had, I believe, spent a year or two somewhere in New England, Maine or Vermont on a cattle farm, where they had, he told us, winters every bit as bad as those we have in Newfoundland and just as much snow and sometimes more, and where they had cattle of a breed that could be left out all the year around, and cattle that would nuzzle down through the snow and get at the grass and forage underneath the snow in the dead of winter.

One night last week I was in Clarke's Beach at a dinner, and Mr. George Mackinson sat beside me at that dinner. I asked him how he had done with the cattle that he had imported into Newfoundland from Scotland about a year ago. He got in half a dozen in all, and in all Canada they are the only six of that breed. "Galway" from Scotland. He left these cattle out all this past winter. Now,

admittedly, it was not a very severe winter, which we must say also of the winter before. Nevertheless, he left the cattle out all winter. They calved and the calves thrived and flourished through the whole winter. I can see the possibility that Newfoundland could become self-supporting in poultry, in eggs, in beef, in both fresh and pickled, that would involve, admittedly, a small packing house to be established here. I have been trying to persuade my honourable colleague, the Minister of Health, who has some connection with the packing business on the mainland and here to interest himself in the possibility of establishing a small packing house. Because, let the Committee mark my words, you will never have a real poultry business in Newfoundland, a real livestock, hogs, cattle, sheep, ducks, chicken, turkeys and geese, you will never have them in a flourishing state until you have here what could be in the beginning a small packing house with supervised slaughter chambers and holding chambers so that farmers having cows or sheep or pigs or poultry do not need to go through the torture of trying to slaughter them himself under very unsatisfactory conditions, but have only to telephone or telegraph the packing house who will pick them up and take them there and slaughter and dress them under a Federal Health Inspector as a cash transaction. When that comes, there are not enough live stock now properly to support even a small packing house, but surely, I believe, there will be, and as soon as that packing house comes, you will see the livestock industry forge rapidly ahead in Newfoundland providing we can get enough young, energetic men, Newfoundlanders preferably, and if Newfoundlanders will not do it, I say, if they will not do it, we will have

to bring in farmers. There are some very fine farmers, Dutch and Danish especially, who are magnificent farmers and livestock people, especially the Danes, who make the finest pigs in the world today, the most successful raisers of hogs, but preferably young Newfoundlanders, who will go out in these valleys, the Witch Hazel Valley up in my honourable friend's district, the Roache's Line Valley and others that are straight in from the highway and nearly all of them have roads of some kind or another, particularly a magnificent country up inside the Salmonier Line, on the Burin Peninsula and on the Bonavista Peninsula, and, of course, in St. Barbe's district, which was put here, I am convinced, by the Almighty for a great cattle country. It is just magnificent to travel over, to fly over. You could keep a hundred thousand head of cattle in St. Barbe District, but what is needed is men, the Government can't do it, men must do it, and if they do it, the Government are prepared to help, I hope that announcement will go out amongst our young men who are prepared in limited numbers, at least at the start, to go out and by the hardest of hard work, the hardest work there is, but it is healthy work, it is out in the open air, and I personally, was never so happy as I was when in a pig pound cleaning up, I won't say the word, but the Committee knows what I mean, with a shovel and a deck broom, cleaning up after pigs. If the Committee thinks a pig can't teach human beings anything, they are making a great mistake. You can learn from pigs and hens and cows, as a matter of fact, it is a fine thing for any politician to raise pigs, get down on your knees and weed and thin out turnips or get in a pig pound and it will teach you that no matter how high you rise, you can fall awful

fast, to clean up after pigs and hens knocks a lot of nonsense out of a man and makes him realize that though he may go up tomorrow, the day after that he can come down faster than he went up. That is a wonderful training for politicians, and I submit this advice to every member of this House who has not passed the age of fifty, when he comes to be fifty he cannot work as hard cleaning up after pigs and hens and goats and cows and doing all the hard work of building up and operating a farm.

Carried.

807: RANGER SERVICE:

MR. SMALLWOOD: That is fairly self-evident.

Carried.

808: CROWN LANDS AND SURVEYS.

MR. SMALLWOOD: That is one of the oldest of all the activities of the Newfoundland Government. This vote is up. We have Mr. Burgess and Mr. Titford, two of the ablest Newfoundlanders I know in this Province today, they are a credit to Newfoundland and they are doing a magnificent job at headquarters planning the parties out in the field and then correlating their work and reducing it to maps of Newfoundland, large and small sectional and taking in the entire country. That is basic work which always goes on, no matter what policy the Government has. It is not very controversial and not very debatable.

MR. HOLLETT: That is where Seigheim got the aero photographs?

MR. SMALLWOOD: He never got any. I told the honourable gentleman that before. He may have tried, I

don't know, but he certainly never got any.

809. MINES:

MR. SMALLWOOD: Now, Mr. Chairman, we come to the last of this Department and this is the biggest thing. This is the thing on which the Government pin their hopes to an enormous extent, and I believe the Opposition too, and I believe the people of Newfoundland. It is really quite impressive to see what is happening in connection with mines in Newfoundland. Just think of the great companies that are now actively interested in our mining resources, to tick them off, as far as I can remember; first of all in connection with Labrador you have Hollinger, Consolidated Gold Mines, a very big outfit, then M. A. Hanna and Company whose name, of course, as the Committee knows is famous throughout North America, you have American Republic Steel? You have Youngstown Steel.

MR. CASHIN: All in Labrador.

MR. SMALLWOOD: You have five great companies now actively interested in the Labrador part of Newfoundland. Then you have Falconbridge Nickel, a very famous company part of the Ventures Group, who are establishing a mine this year at Great Gull Lake, have ordered the equipment for the mine and that mine will be operating this year and have discovered at Indian Brook just over from Springdale a mine which has them quite excited, they think they have got there copper, lead, zinc, some gold, and they themselves are deeply impressed by that mine. We discovered it in our magnetometer survey conducted by air and showed up as an anomaly on the map. We are going to have a mine there. Then

along the Tilt Cove Shore, Little Bay, Tilt Cove that whole shore shows up on the magnetometer map in a most exciting fashion and these people are really quite excited over it, are quite confident. Then you have Frobisher, another of the Ventures Group of Mining Companies. Frobisher are in two places, Pilley's Island and the Mealey Mountains of Labrador where titanium is now strongly suspected to exist. Then you have Reynolds Metal, you probably know who they are. J. Reynolds Tobacco Company, who are the great aluminum producers, one of the big three, now Henry J. Kaiser and J. Reynolds Company. To give the Committee some idea of how big, Jock Whitney and his family initially began what is now this company, and after one of the Whitneys, Whitney Pier was named. To show his importance, he gave a gift not long ago to Harvard University, I think of fifty million dollars, a gift to build the library.

MR. HOLLETT: Has he asked for a loan yet?

MR. SMALLWOOD: He has asked for the right to come into Newfoundland and prospect for minerals. Then we have, I wonder if I would be discreet in naming them, perhaps I would. There are two others I would like to name, one British and that one British company has other mining companies wholly owned by that one company throughout most of the world, and finally another, an American Company, that is eleven. There is one more because there are exactly twelve and they are very big companies and we are very proud that we have succeeded in interesting them in Newfoundland through the Newfoundland and Labrador Corporation, some of them, through Dr. Valdmanis and others were interested through an-

other director of the Corporation, Mr. Lyttleton Gould, and I, myself, have interested some, but between us we have succeeded in interesting a number of very important mining companies to come into Newfoundland and take a look at our mineral resources and with the definite intention we don't give title, we don't give any right to more than three years. If they don't develop, out they go, they have no rights beyond three years, then a development license is involved and actual operation if they discover anything worth operating during the three years when they are doing the prospecting. So that this vote on our part is an effort this year to speed up prospecting by the Government.

Now, Mr. Chairman, the Committee may wish to know that if you have these great companies why has the Government got to go and spend money on drilling and prospecting? The answer of course, is this, you can go until you are black in the face to even the mightiest, Andacoda Copper and American Lead, Zinc and Smelting until you are black in the face, and if all you have to say is: why don't you come down to Newfoundland and do some prospecting. They reply, what have you got? We say: all sorts of minerals, we have two big mines—Bell Island and Buchans, and that big iron ore development in Labrador. They say, yes, but companies already have these, what have you got? "Oh we got thousands of square miles." They say, all right, but where are the minerals. You can talk until you are black in the face unless you can give them some geological information and that is our job, the Government's job on its area. On the corporation's areas, it is the corporation's job, but on our areas, it is our job to do enough prospecting to

bring it to a point where we can go to a company and say, here are the reports of our geologists, look them over and if you can include them in your programme this year, go down and spend a hundred thousand dollars and do some detailed drilling and prospecting on that area. We have the responsibility as the Government, to prove up in regard to any area enough to interest the company to come here, otherwise, why should they come to those square miles rather than to some other square miles in North America, in Quebec? Why come to Newfoundland and prospect? Why does a company select a particular province? On the basis of enough geological data to convince them that it is worth their while to go there and spend of their own hard earned cash. That is why I say, get more geologists, get more diamond drills, start a real drive this year and next year and probably the year after and prove up enough data to bring these concerns in. That is what is represented in this vote.

Incidentally, there is just one other point, then I am through. The Committee will note there is no vote for a salt survey. There was last year five thousand dollars but that vote is dropped this year under that heading and included in the diamond drill vote which has been raised from \$70,000 last year to \$150,000 this year. I may say that the salt drilling is now down, I think around a thousand feet, they are going down another thousand feet, they have already passed through an underground lake of very, very briny water. There is salt there somewhere and we are trying to find this salt. Is it for the fisheries, principally for the fisheries? No. Salt has become one of the world's great raw materials for chemicals. If we can

find a sizable body of salt, good quality salt anywhere in Newfoundland, you can bet your bottom boots, it will lead to a chemical industry. CIL have several now, and they are establishing one in Nova Scotia based on their salt to produce chemicals. We are trying hard to find some salt. We may waste the money, but that is to say waste it by drilling and still not find the salt, but it is money I hope spent in a good effort.

MR. HOLLETT: Have we any guarantee this money is not to be spent on any of the territory given to the Newfoundland and Labrador Corporation?

MR. SMALLWOOD: I would not guarantee that, but the bulk is to be spent on territory other than the territory given to the Newfoundland and Labrador Corporation. I will give the committee an example of what I mean:

Last year we began a survey of a diagonal strip of Newfoundland running across the Island from Bonavista Bay to Fortune Bay, not straight north and south, but diagonally and extending, I think over some three thousand square miles. In the course of that survey, which was done in two ways by air photography and on the ground, parties doing a ground magnetometer survey carried along on the ground rather than flown overhead. In Gander Valley they came across two very important minerals last summer, late in the summer, one is asbestos, the uses for which are increasing very rapidly in the world, and the other chromite, which the committee knows is used for hardening steel and is used also for chromium plate on cars and thousands of other articles. These were found by the Government geological parties. We kept them in

there all the fall and winter and all the spring, until a couple of weeks ago when they had to bring the magnetometer in to have it checked and adjusted for another season's work. We certainly propose to keep our own geological parties at work on that find to try and prove tonnage, because remember when the Government spends money on their area the corporation is 90% the Government, anyway, we don't want to change crews, we want the original crews who found the deposits to continue on until they prove if there is a quantity of chromite and asbestos there in the Gander Valley in an area over which my honourable friend the minister of Public Works travelled on foot many a time, but without suspecting as others have done that he was walking over probably very valuable asbestos deposits and deposits of mineral.

MR. HOLLETT: I am not going to say very much, Mr. Chairman, but the Government are more or less going to pay all sorts of expenses for that corporation, who if they make a good thing of anything will take the profits, and strictly private investors in the Corporation will get ten percent of the profits and the Government are just spending money on that area and the Corporation will benefit by that, and when I say the Corporation is 90% Government yet there are 10% who are not Government, but private enterprise or investors and on a big thing such as they may discover they will make all sorts of money of which this Government would benefit nothing whatsoever in taxation, but would go into the Federal income tax and corporation tax, etc.

MR. CURTIS: There is no income tax in connection with a Crown Corporation.

MR. HOLLETT: But on the other hand, I would like to point out it is important we don't act as agents for this huge corporation with twenty-two thousand square miles at their disposal, three new industries given to them for nothing, for which they have not spent a red cent, but they have them now and can make what profits they like out of them. But we have charged this country with ten million dollars for these new industries and the people of this country.

MR. CHAIRMAN: Forgive the interruption, but I think the honourable gentleman is straying from the point under discussion.

MR. HOLLETT: Mr. Chairman, if I stray a little bit, I am sorry. Mr. Chairman, it is quite clear to anybody that the Government has no right to be year after year looking for minerals on areas given to the Newfoundland and Labrador Corporation from which they will make profits and the Government will eventually make none whatsoever.

MR. SMALLWOOD: I do like, I really admire the facility of the honourable gentleman to talk about the Newfoundland and Labrador Corporation. It is most fascinating, or if you prefer, enlightening, a work of art. In the one breath the honourable gentleman can describe this Newfoundland and Labrador Corporation as just the Government and in the next talk about the Newfoundland and Labrador Corporation as though it were a foreign concern.

MR. HOLLETT: It is.

MR. SMALLWOOD: It is both, just as it suits the honourable member for the purpose of debate at the time, one time it is just the Govern-

ment, and another an outside outfit, one time it is the Government, another it is not the Government—I give up. The honourable gentleman can't have it both ways. He should try and make up his mind what he means sometime.

Carried.

810—Carried.

Committee reports progress and asks leave to sit again tomorrow.

805 to 810 inclusive carried.

MR. SMALLWOOD: I move all further orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow, Tuesday, at 3:00 of the clock.

The House adjourned in the usual manner.

— — —
TUESDAY, May 6, 1952.

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

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, the "Evening Telegram" in yesterday's edition, or it may have been the edition of the day before, quite recently at all events, in an editorial invited me to remedy a statement made here in the House some days ago with regard to the circulation of that newspaper. The newspaper in question published figures for which they vouched showing that I was misinformed as to the actual circulation of that newspaper. I accept the "Evening Telegram's" own statement and the statement of the "ABC" on the matter of that paper's circulation, I accept them unreservedly, and I withdraw the statement I made here some days ago with regard

to the circulation of that newspaper. I may say it was some months ago, how many exactly I don't remember, but certainly within the last twelve months I had seen "ABC" figures showing the circulation of three different newspapers published in Newfoundland, and as an old newspaperman it was rather startling even a little disturbing to me to note the very small circulation of the two daily papers published in St. John's. I am very gratified to know from the latest figures that the circulation of one of these papers at least, the "Evening Telegram" has increased. I don't suggest that that of the other daily paper, the "Daily News" has not. I single out the "Evening Telegram" for it is they who published these figures within the past few days. I congratulate them upon the rapid increase in circulation and hail it as another indication of the rapidly expanding prosperity of the Province of Newfoundland today. But quite unreservedly I withdraw my statement. I don't feel that I need at any time to hit below the belt and surely if ever I do it will be in a moment of heat and anger as most men at any rate are likely to do and the more the "Evening Telegram" hits out at me in righteous anger the less I mind it. All I object to is the stillette, I like a man, a scrapper out in the open where you can see where your enemy is. I don't like a man who does not let you know he is your enemy and knives you in the back. Now that the "Evening Telegram" is smack out in the open we know where we are, a "Tory" paper and I can face the "Tory" paper any time. After all we won the referendum without the "Evening Telegram," the first general election without them, the Federal general election without them, and the November general election without them. We can do without both news-

papers. I further congratulate the "Evening Telegram" on the very clever and witty edition on Saturday advertising their job printing department and in other ways it was an interesting edition of the "Evening Telegram" for which I congratulate them, for which I congratulate the staff, if it were bright and witty like that all the time their "ABC" figure would be more encouraging.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motion and Question

Notice of Motion :

MR. SMALLWOOD : Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Crown Lands Mines and Quarries Act, 1951."

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Co-operative Societies Act, 1939."

"An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation."

"An Act to Amend the Town Council Guarantee Act, 1951."

"An Act to Make Provisions for the Raising of Money by Certain Local Authorities."

"An Act to Amend the Slum Clearance Act, 1950."

Answers to Questions

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I am sorry

the information requested in No. 72 is not yet ready.

MR. SMALLWOOD: Question 65 relating to the expenses of the Newfoundland Hardwoods, the accounts of that company are now being audited by the firm of Peat, Marwick and Mitchell, they were audited by the Auditor General some months ago but are now getting the absolutely up-to-date audit by the firm of Peat, Marwick and Mitchell; they have to do only, I believe, the period between when the Auditor General left off at April 30, because the idea is; with the Newfoundland and Labrador Corporation taking over the plants it is necessary to have an inventory.

Orders of the Day

First Readings :

Honourable the Premier asks leave to introduce a Bill, "An Act Further to Amend the Mining Tax Act, 1950." Read a first time, ordered read a second time on tomorrow.

Second Reading :

A Bill "An Act to Provide for the Guarantee by the Government of Newfoundland of a Loan to be raised by the Newfoundland and Labrador Corporation Limited."

MR. P. J. CASHIN (Leader of the Opposition): Mr. Chairman, I think yesterday afternoon I said a few words in connection with this loan, and I pointed out at the time that the Bill does not provide for any maturing date or any particular rate of sinking fund as has been customary in the past. I look upon this as a more or less Government measure, a Government loan, that is raising loans under the direct credit of the country and there is no stipulation here as to

how this money is to be used. Further I would like to point out that this money is payable in U.S. funds.

MR. SMALLWOOD: Both.

MR. CASHIN: It says here in "U.S." funds.

MR. SMALLWOOD: Repayment.

MR. CASHIN: To raise the loan in "U.S." funds. If you raise that money today and transfer it to Newfoundland you will get \$980,000 because the rate of exchange today is two and a quarter premium on Canadian funds. That was the rate of exchange a half hour ago in the bank. But for the large amounts you would probably get it for two percent, therefore it would be \$980,000 for this ten millions which would indicate to me that this money is being raised principally in the United States of America. I don't know, we have not been told how it is being raised, there has been no tenders called for it which is unusual for a Government loan, because it is a Government loan. It is all very well to say it is a loan to the Corporation but it indicates the Government's financial standing, without the Government's guarantee the Corporation could not raise it. Again it is entirely different from the Ontario Hydro-electric Corporation or Commission, because the Ontario Hydro-electric Commission belongs to the Ontario Government and ten percent of this Corporation is private interest.

Now, when the Premier, who incidentally introduced this Bill, and it should have been the Minister of Finance, he did not tell us whether it was in Canadian or American funds. Now, I think, Mr. Speaker, before we go into Committee on this thing at all we should know what it is going

to be. The Bill is wrongly drafted. I don't know who drafted it. Let us look at some of the past loan Acts, in 1930 there was a Loan Act for five million dollars. Certainly, I must agree, Mr. Speaker, that it is unusual for this Government particularly since prior to the advent of Union with Canada, to raise loans except to guarantee them to small companies, therefore they are not properly wised up to the drafting of legislation covering a loan. Now, here is what happens: The Governor in Council has power to raise upon the credit of the country a loan not exceeding five million which sum together with interest thereon not exceeding five percent payable half yearly, the first day of January and July in each year, shall be chargeable upon and repayable out of the funds of the Colony in the manner hereinafter provided, on or before the 30th day of June, One Thousand Nine Hundred and Fifty-five.

That portion of the Act says how long the loan is for, this one does not say how long, it is indefinite. I don't know whether the Government gives the loan and lets them pay back when they like and create a sinking fund of whatever they think fit. We are going to lose money on this loan. Here we have a loan for which today you can only get \$9,800,000 practically five percent at par and the Government is taking \$9,800,000 of it and transgressing it to the Corporation. In the first year there is \$475,000 interest therefore we are to take it, the interest is going to be paid out of the difference between \$9,800,000 because there is no prospectus as to how the company is going to earn that money to pay that interest as well as to establish a sinking fund. Now, I don't intend at this time to refer in any way to

the political aspect, what I am just pointing out is the deficiencies in that Loan Act as I see them this afternoon. There are definite defects, the Government have not agreed that they are defects, as far as I understand they are to pass this Act as is and I can't stop them but it is wrong in principle and wrong everyhow.

Now, how is that loan to be used. The Corporation is to take over these companies and the Government then, I will discuss when I speak on the budget how they are going to use it. Today this money is raised principally for the Government. Now, when Sir William Stephenson made his statement in the press some months ago he indicated, at least I thought, that they were going out to seek a loan for the purpose of taking over these industries and to seek a further loan to meet the commitments which the Government had made in connection with other smaller loans, and I remember speaking at that time on the Speech from the Throne and saying that to do that they would have to raise ten or fifteen million dollars because in the estimates of expenditure today over five million dollars is being voted for these industries, consequently I must take it that the Newfoundland and Labrador Corporation have changed their tune or the Government has changed its tune and they are just going to raise the ten million dollars to buy these industries and pay the interest and sinking fund out of principal because that Corporation has no earning power at the present time. They have a certain amount of assets given to them for 99 years by this House a year or so ago and on the credit of that concession they are unable to raise a nickel and had to come back to this House and get sanction from the House authorizing

the present Government to guarantee the loan for ten million dollars.

I would like to hear some other members of the House apart from the Opposition express their views as to whether I am right or wrong when I sit down in a moment or two. I state that Bill is incorrectly drafted. Now, if you are going to have any Canadian funds then you should insert, in Canadian funds as well as in American funds.

MR. SMALLWOOD: It is inserted, look, read it.

MR. CASHIN: Whereas the Newfoundland and Labrador Corporation Limited proposed to raise a loan in the amount of ten million (\$10,000,000) dollars, United States funds, for purposes in connection with its operations;

And whereas in accordance with Section 17 of the Newfoundland and Labrador Corporation Limited Act, 1951, the Lieutenant-Governor in Council has approved of the raising of the said loan;

And whereas as security for the said loan the Corporation proposes to create and issue a series of debentures to the face value of ten million (\$10,000,000) dollars repayable at the option of the holder of the debentures in either Canadian or United States funds, and to provide a sinking fund for the redemption of the debentures.

And whereas pursuant to Section 37 of the said Act, the Corporation has requested the Government of Newfoundland to guarantee unconditionally the payment of the principal and interest and premium, if any, of and on the said debentures and the Gov-

ernment of Newfoundland has, subject to the approval of the Legislature, consented to give the said guarantee;

Be it therefore enacted by the Lieutenant-Governor and House of Assembly in Legislative Session convened, as follows :

1. This Act may be cited as The Newfoundland and Labrador Corporation Limited (Guarantee) Act, 1952.

2. The Government of Newfoundland hereby guarantees unconditionally the payment of the interest, on the due dates and at the places where the interest is to become payable, at a rate not exceeding four and three-quarters per centum (4¾%) per annum on the loan in the amount of ten million dollars (\$10,000,000), payable as to principal, interest and premium, if any, at the option of the holder of the debentures hereinafter mentioned in either Canadian or United States funds, to be raised by the Newfoundland and Labrador Corporation Limited (hereinafter called "the Corporation"). Just raising it in American funds on which you are losing two hundred thousand dollars.

MR. SMALLWOOD: We are not losing anything. We are not raising it, we are guaranteeing it.

MR. CASHIN: If you are guaranteeing it, that is the responsibility of the Government, that Corporation is a creature of the Government and is raising an American loan to be repaid in Canadian or in American funds, in other words whichever exchange is up at the time, that is the one you will be called upon to repay it in.

MR. SMALLWOOD: That is the way they are all raised now.

MR. CASHIN: Why not put it in

"Canadian or American" to raise it. Because if you raise it in U.S. funds today you will find you will lose ten thousand dollars, go down and ask any banker, ask them, they know more about it than I do. Ask them if you raise ten million dollars in American funds what you will get if brought into Newfoundland. The exchange today is two and a quarter but on large amounts of money it could probably be arranged for two percent and that means \$9,800,000. Now, when you are going to pay it back you pay it in the higher rate of exchange and lose when you repay it because in the twenty-five, I don't know how many years that is going to be why not inject here how many years and how much sinking fund. The Premier indicated twelve years but it is not included in that Bill. It is improperly drafted, whoever gave the instructions for it gave them wrong.

As far as I am concerned, as I said before, it is unnecessary to have to raise this money and it is a reflection on the manner in which the Government is operating our affairs in the past three years when they started with forty-five million dollars and are now going out to borrow ten millions. It amounts to the fact that forty odd millions of dollars are gone, absolutely gone, and out of this ten million you have two hundred thousand you have to pay for a loan and it should be indicated not alone here but also in the Bill, and the Bill is improperly drafted and has to be fixed.

MR. HOLLETT: Mr. Speaker, I rise merely to voice my opinion as being definitely opposed to the principle involved in this Bill. We are here granting a loan of ten million dollars but what have we got as collateral? Every loan the Government have guaranteed to date they have

taken a lien on the property of the company to whom they were granting the loan. They took liens on the property of the companies in connection with all the loans which have been made in connection with the fishing firms, a first mortgage in every case. In this case what did they do? They guaranteed ten million dollars and they take no lien simply because the Corporation has nothing on which to take a lien. They recognize that fact of course, in that they said to this screwy Corporation, if I may be allowed, said to them: "Now look you got nothing there on which we can take any lien but we have three lovely little industries which we built, cement, gypsum and hardwood, we will pass those over to you as a Christmas or Birthday gift and you can mortgage these to us when we grant this loan." Now, if that is not the most unsound financing anybody ever heard of, Mr. Speaker, there is something wrong with me. I grant you I know very little about high finance but I know I have to pay bills when they are incurred and that is about all most of us know here, but when it comes to big money like this, ten million dollars, I don't think very many of us in this House know a big lot about it. But I say if we are going to guarantee ten million dollars for anybody we have to have something to take a mortgage on and this particular company has absolutely nothing except what we have given them, twenty-two thousand square miles, maybe worth something and maybe worth nothing. Heavens knows it has been gone over with a small tooth comb on many occasions and as yet minerals have not been found, let us hope something will be found. But they have this twenty-two million square miles, as I said, on which we have no guarantee that any minerals

are to be found, and nothing else on which to take collateral. The Honourable Premier insists the Government are not borrowing, he has just told the Leader of the Opposition that we are not borrowing. Then, if we are not, it must be the Corporation to whom we are guaranteeing the loan and they have nothing on which to give us a mortgage at all, but simply that they are taking our three industries which we have built and selling them if they can and we will guarantee the bonds. In this case the company says, we will pass you over a share of the money. This, as I said, screwy Corporation set up by the Government, to my mind, Mr. Speaker, if we don't watch very carefully will bring this country to financial ruin. It is all very well to say how proud you are to have a man like Sir William Stephenson. We don't know anything about Sir William Stephenson. It is all very well to say what fine men we have in Mr. Lewin, Mr. Bowring and Mr. Pippy, or Mr. Gould or Mr. Stephenson and all the rest of them. Are these all philanthropists who have come here to help us build a Province? Look at their history and see how much philanthropy is involved in any of these men. And the Premier just blandly tells us here that Sir William Stephenson has renounced all connection with these huge financial concerns which he has built up, as a matter of fact, in the years since he was in the army he founded all his connections and is now coming here to Newfoundland to help us to build up the economy of this country.

First they had Dr. Valdmanis and he was going to outdo himself, the Director of Economic Development who was made President of this Corporation, he was a wonderful man and could pull us right up by the

boot straps with this Corporation. Then they had somebody else made president or something and now they have the one and only Sir William Stephenson as a director who is, they say, negotiating this ten million dollar loan.

Now, we are being asked to guarantee unconditionally ten million dollars as to principal and interest for this Corporation. We know, it is partly evident now, I am not sure but they say it is partly a Crown Corporation or at least partly owned by the Government as to 90% and only ten percent by private investment. I suppose we must take that as read but it seems to me a lot more private people have to do with it than the Government. We have, I believe, the Attorney General and the Honourable the Premier and Dr. Valdmanis as directors on that. I don't know whether they are there by reason of their capacity as Ministers of the Corporation or in there in a private capacity. I don't think the Act definitely says whether they are or not. But I do see something wrong there, I have enough knowledge to see something wrong with the principle of this Bill, and I only rise, Mr. Speaker, to oppose the principle. As the Leader of the Opposition has pointed out it does not conform to any Bill ever passed here with regard to a loan, I oppose it in its entirety.

MR. HIGGINS: Mr. Speaker, I rise to support the stand taken by my colleagues, the Honourable Leader of the Opposition, and the honourable member for St. John's West. But apart from the reasonable argument they have addressed to the Chair, I do say, Sir, that this measure is being rushed through without the Opposition being given, or indeed this House for that matter being given, the op-

portunity to give this legislation the study that it requires. Now, I imagine that it will be said that the Opposition is so beggared of brains they cannot comprehend a simple document so we have to wait for you. But that is not the position. The position is, yesterday a Bill is brought into this House, the Government had studied this Bill, indeed it represented a very important portion of the policy which the Government has announced in the budget. The Government has, we can assume, studied all the implications contained in the commitments covered in those two small pages but, Mr. Speaker, the Opposition has not and I submit the Opposition has not had the time to do it. It is all very fine for people to get up here and say we must get this thing through by the 15th of May, and that this is a matter of vital importance. Mr. Speaker, I say it is an obligation on all the members of this historic House, this side of the House to see that legislation as important as this is considered, I say, Sir, it is not democratic to force the wish of the majority on a minority in this House by not giving the full time to study all the implications of this legislation. I speak, Sir, with full realization that I shall probably be told, that I am a young man either not doing my job as a member or not competent to be here if I can't speak with full knowledge of everything in this Bill. I say, Sir, as a member of this House I am not today prepared to vote for this Bill without having the matter more fully debated. For that reason I oppose this Bill.

MR. FOGWILL: Mr. Speaker, I concur with the views of my colleagues here and I would say this, Mr. Speaker, that we have reached the point now, just about three years

after the present Government came into office which was at the time we did reach that period in our history when we entered into Confederation with Canada, and the present Government was elected on a certain policy, and it was said by many people, Mr. Speaker, that three years after this had come to pass that this Province would be in the position where it would be necessary to borrow. Now, we have reached that point. We have reached the point, Mr. Speaker, where we are now in the position where the Government has to borrow to carry on its policy of Economic Development. This Corporation, Mr. Speaker, being an auxiliary of the Government, owned as to 90% by the Government and any loan raised by this Corporation must of necessity be a direct debt on this Province for which the Province is liable for payment of interest and also the principal, as laid out in the legislation.

MR. SMALLWOOD: A direct obligation?

MR. FOGWILL: To me, Mr. Speaker, it is a direct obligation because of the fact that this Corporation is 90% owned by the Government, so that the obligation of the Government as to repayment of this loan as to principal and interest is a direct charge upon this Province and it is too bad, Mr. Speaker, that we have come to the point now after only three years of union with Canada, whereas many people have been called die-hards and their prophecies may perhaps be now true, we have come to the point where this Province has to borrow. That is all I have to say, Sir.

MR. COURAGE: Mr. Speaker, I did not intend to speak on this Bill but there were one or two remarks

made by members of the Opposition which in my opinion ought to be refuted. In the first place there is no great hurry about this Bill if we are to debate it all the remaining part of this week, I don't think the members on this side of the House would object. As I recollect, and I say this in all fairness to the Premier, in introducing this Bill he stated quite clearly that there was no desire whatsoever to hurry the Bill through, that all the time necessary in debating it would be given. I am certain that if the honourable the junior member for St. John's East had, instead of taking up his time saying he was not given time enough, if he had addressed himself to the Bill and stated he had not had time enough and adjourned the debate on the Bill it would have been accepted and he would have had more time in which to discuss the Bill.

The second point that occurred to me is that members of the Opposition, have great difficulty in making up their minds and present a united opinion as regard this Bill. One member of the Opposition, I think the honourable member for St. John's East said, I don't know the exact words, but he seemed to have some doubt as to whether this Bill was a good Bill because he was not sure whether 90% of the Corporation was owned by the Government or not. Then the honourable member for St. John's East (the senior member) was concerned about the Bill because it was a Government Bill and the borrowing was being done by the Government. Now, it can't be both. It must be one or the other. To my mind, Mr. Speaker, there is no doubt whatsoever that this company is a Provincial Government Company because it is 90% owned by the Government.

The honourable member realizes that it is a Government Corporation and the several men named on the board are not in their private capacity but as representing the Newfoundland Government. I think that we all know that when the Bill went through it is not Government borrowing but the Corporation borrowing.

MR. CASHIN: Exactly, it is a Provincial Corporation.

MR. COURAGE: I would like the honourable member to realize the reason for that. They know it is not a good thing for a Government to carry on business. The Government of Newfoundland can't very well take over and operate these plants.

MR. HOLLETT: They have been doing it for three years.

MR. COURAGE: They have not been doing it for three years. The plants are only now producing.

MR. HOLLETT: If not, who has been running them for three years? Make up your minds.

MR. COURAGE: They have been in the course of construction. We are selling them, listen and learn something. If the Opposition would keep their ears open and their mouths shut they might learn something. Now the position is this, I don't think I am teaching anybody anything, the position is this, the Government has arrived at the point now where they must make up their mind whether they are going to sell these plants or whether they are going to operate them. Well, as I explained before, it is an unusual thing and not desirable for the Government to operate plants, but, at the same time, the Government see that these plants are going to be profitable. Now, then, they

have formed this Newfoundland and Labrador Corporation to carry on with the industrialization of Newfoundland and acquire these plants. If they are profitable then 90% of the profits are going to come back to the Treasury. That is the point involved, that is the main principle. Now, then, this company has to have capital to purchase these plants, therefore, the company is going to borrow the money.

MR. CASHIN: How long are they borrowing for?

MR. COURAGE: The Government is going to guarantee the loan, not as a direct obligation upon the Government but it is a guarantee of a loan and it does not add to the public debt of the country any more than the money the Governments of the past added to the public debt of the country when they guaranteed a loan for Bowaters. That is exactly the point and to my mind it is very similar. Anyone would be able to understand that, even the members of the Opposition.

MR. CASHIN: How long is the loan for? You did not tell us that. You don't know.

MR. JACKMAN: Mr. Speaker, I cannot say anything on this Bill. I cannot say whether I understand it or I don't for the simple reason I have not had a copy of the Bill but I judge that the Bill has something to do with high finance. I might say I am not a bit at all ashamed to confess I know very little about high finance. I am not a bit ashamed to confess because not so long ago I read an article by one of the greatest financiers of the world and he said that only ten men in the whole world understood finance. So that it is pretty hard to expect me to understand. I do certainly happen

to know something about a dollar and something about a debt as I had to borrow on many occasions. At the same time I know I had to put up security to get the loan. But from what I know of it, it appears to me to be a matter of the Government acting in the role of Peter trying to pay Paul, borrow something from yourselves. That is what it looks like. As I said before, I don't understand it but I might be a little more enlightened when I have read the Bill, as so far I have not read it.

MR. SMALLWOOD: Mr. Speaker, I waited quite deliberately to see if all the members of the Opposition wished to speak and until they all had spoken before closing the debate. May I say at the outset that as a public man I am bitterly disappointed by the inferior quality of the Opposition's debating of this Bill.

MR. FOGWILL: What have you got over there?

MR. SMALLWOOD: Any member on this side can debate this Bill with sense, intelligence, any member on this side of the House.

MR. CASHIN: Give them a chance—let them do it.

MR. SPEAKER: No honourable member can reflect upon the ability of any other honourable member of the House.

MR. SMALLWOOD: Quite so, Mr. Speaker. Here is an important Bill brought in in the normal way as all Bills must be brought in. And the Opposition did not occupy even one hour, five of them, they did not occupy twenty minutes each debating this important Bill, not twenty minutes. Then we have one honourable gentleman in the Opposition telling

us we are rushing it. If there is any rushing being done on the Bill the Opposition are doing the rushing because they have not occupied twenty minutes each in debating it. If that is not rushing an important piece of legislation I never saw rushing done on any legislation. If the Opposition had wished to have this Bill debated for twenty-four hours of actual debate they could have done so, they have that parliamentary right. Each member of the Opposition with the exception of the Leader could speak for two hours.

MR. CASHIN: An hour and a half, you changed that rule. 90 minutes it was changed in the rules.

MR. SMALLWOOD: I am sorry to hear it.

MR. SPEAKER: It was changed in Committee of the Whole by two-thirds majority of the House.

MR. SMALLWOOD: That is the answer to that.

MR. CASHIN: Your own crowd.

MR. SMALLWOOD: It was done in Committee of the Whole in the regular, lawful, constitutional session. Mr. Speaker, I know I am out of order, we agreed last year to two hours, that was my understanding, but the Honourable the Speaker now informs me and the whole House that by lawful and constitutional means in Committee of the Whole in this House the amendment was made and it is quite wrong when the honourable gentleman says it was done over here.

MR. SPEAKER: To clear up any misunderstanding: Both sides are out of order so that the Chair might as well step over, too. The original suggestion brought in by Mr. Speaker,

was for forty minutes and the Honourable Premier proposed two hours but the result of the vote was one hour and a half.

MR. CASHIN: I agreed with the Premier on two hours.

MR. SMALLWOOD: I am gratified to know I was the one who proposed the two hours and that the Honourable the Leader of the Opposition agreed with me. Now it appears in Committee of the Whole, the House, not I, not the Leader of the Opposition, not His Honour the Speaker, but this House in Committee of the Whole, amended it to one hour and a half. So that each member of the Opposition with the exception of the Honourable Leader can debate for 90 minutes and then the Leader of the Opposition can speak for an unlimited and indefinite length of time. Instead of which they have not taken an hour between them, not twenty minutes each for this Bill which the Honourable the junior member for St. John's East tells us we are trying to rush through. The honourable member said the Government are trying to rush this Bill through and he himself spoke for about five minutes on a Bill which we are attempting to rush through. I said in introducing the Bill there was no rush nor hurry and the House could take all the time it wanted. But now here is this tyrannical Government, this crowd of dictators, these men confronted by a microscopic opposition and crushing the life out of them, yet when they have the opportunity to debate they won't do it. A Bill went through the other day on second reading and not one syllable was uttered by this fighting Opposition. I would be a better Opposition myself than the five of them rolled into one.

MR. HOLLETT: What a man.

MR. SMALLWOOD: I could show you what an opposition means.

MR. HOLLETT: Always in opposition.

MR. SMALLWOOD: The Opposition is, yes. I hope that disposes of this completely wrong assumption of the honourable member for St. John's East, a completely wrong assumption that we are rushing this Bill through, completely wrong. I hope that is clear, it is completely wrong.

Now, the honourable gentleman from Bell Island in his usual candid and honest way of speaking told us that he was not prepared to make any big contribution to the debate and added that he had not got even a copy of the Bill. Now, that going over the air, that being printed in the newspapers will sound good. Here is the kind of Government we have when not a member of the Opposition has got even a Bill, what kind of tyrants, what kind of Government trying to rush through the Bill when a member of the Opposition has not even a copy of the Bill, what kind of tyrants are they? Now, if the honourable gentleman from Bell Island has not got a copy, or had not had one when he spoke it is only because he did not pick it up on his desk. It was distributed by the pages of the House to every member of this House, perhaps the honourable gentleman was not present when it was laid there.

MR. JACKMAN: I was busy other places.

MR. SMALLWOOD: Well, it may have fallen down, maybe the sweepers swept it up when it fell on the floor. The honourable gentleman informs

us he had other business, we all understand that.

MR. JACKMAN: More important than in here:

MR. SMALLWOOD: We are not quite so informed as to say that but we all know the honourable gentleman has important business and none is saying a word about that. But if the honourable gentleman did not get a copy of the Bill it was certainly not any fault of the Government nor the officials of the House, there was no intention to deprive him of a chance to have it.

Now, the honourable the senior member for St. John's East displayed in fact what the honourable member for Bell Island admitted candidly with regard to himself. The honourable member for Bell Island admitted quite frankly that he did not understand much about high finance. That was a candid admission and we admire him for it. But the senior member for St. John's East without admitting that he does not—

MR. FOGWILL: I don't have to admit it to you.

MR. SMALLWOOD: Does not have to, and did not, but demonstrated it by describing this loan as a direct obligation on the Government of the Province.

MR. FOGWILL: Yes, exactly.

MR. SMALLWOOD: The honourable gentleman now confirms what he said in the first place that it is a direct obligation. The Honourable Leader of the Opposition out of the vast depth of his experience and knowledge and experience—he now confirms.

MR. CASHIN: What else is it? What else?

MR. SMALLWOOD: It is a direct obligation of the Province?

MR. CASHIN: Sure.

MR. SMALLWOOD: I must say it is genuine loyalty to one's followers to support one's followers when one can, even when wrong, it is a fine party spirit and I am glad to see a little on the other side, but that is carrying it rather to extremes. It is not a direct obligation of Newfoundland any more than the guarantee we have given. The Honourable Leader of the Opposition went on to say if he borrowed ten dollars at the bank tomorrow in his name it is a direct obligation of the honourable gentleman even though I endorse the note on the back. That is exactly what this case is. The Newfoundland and Labrador Corporation go out and borrow ten million dollars with the Newfoundland Government on the back of the note. Surely that is exactly the same as if the Honourable Leader of the Opposition went down tomorrow to the Bank of Montreal or some other bank and borrowed money which I endorse. Then it would be a direct obligation on him and it is childish and in absolute defiance of all common sense if you say this is not a direct obligation of the Corporation and not of the Province. What would we have to do if it were a direct obligation on the Province? The Government of Ontario Hydro-electric Commission floated a fifty million dollar loan the other day, did they say it was a direct obligation of the Province of Ontario? They did not, they did it as a guarantee unconditionally by the Province of Ontario. Was it then a direct debt of the Province of Ontario? No, it is an indirect debt and not a direct debt, if it were it would be authorizing the Government

to go out and float a ten million dollar bond issue. But the Bill does not suggest that, the Bill authorizes the Corporation to float a bond issue of ten million dollars guaranteed unconditionally. The Corporation is not the Government, if it were Government owned as to 100% it still would not be the Government. The Ontario Hydro-electric Commission is one hundred percent owned by the Government of Ontario still it is not the Government of Ontario. The Quebec Hydro-electric Corporation is one hundred percent owned by the Government of Quebec but it is not the Government of Quebec and when that commission borrows money it is not the Province of Quebec who borrows it but the Quebec Hydro-electric Commission and it is the same in New Brunswick. Of course they are responsible for it just as this Government is, even though it is not a direct obligation of the Government.

MR. CASHIN: They can't borrow without the guarantee of the Government.

MR. SMALLWOOD: The honourable gentleman is only saying what I said in introducing the Bill. The Corporation is a new Corporation without any record of earnings and no Corporation in this world without any record of earnings, or assets or needing money with which to buy assets are going to float its bonds except a bond that is guaranteed. That is the case with this Corporation.

Now, I come to the honourable member for St. John's West. He described this Corporation as screwy. I would like that to be repeated frequently. I like the statements the Opposition make, I like them—These German industries, they were all going to fail.

MR. HOLLETT: Who said so?

MR. SMALLWOOD: The Opposition are very careful not to say so, they doom them with faint praise, never miss a chance to strike out at them the expression of their scorn, but the more scornfully they speak the more pleased I am as they will find out at the right time. When the honourable member for St. John's East, the senior member, pointed out so carefully yesterday that this great machine plant is bolted together and not riveted, I took the trouble to make him repeat it, that what he fears is—

MR. FOGWILL: To a point of order, Mr. Speaker, yesterday's debate.

MR. SMALLWOOD: The honourable member is right for once. I concede I was out of order. I do say this without referring to any previous debate, I do hope I can entice the honourable gentleman from St. John's East more than once in the future to draw attention to the fact that it is possible to dismantle that great factory.

MR. CASHIN: Mr. Speaker, the Honourable Premier is out of order.

MR. SMALLWOOD: No, the Honourable Premier is not, he is speaking of a hope for the future, the more doubts expressed about these industries the better I am pleased, the more doubts expressed about the Newfoundland and Labrador Corporation the more pleased I am. The honourable member for St. John's West described the Newfoundland and Labrador Corporation as screwy. That pleases me deeply. If the honourable gentleman would only go a step farther and say it is a racket, the whole thing is a bunch of foolishness, unsound, well he did say this afternoon that the

Newfoundland and Labrador Corporation was going to plunge us into debt and ruination. Furthermore when the honourable gentleman is casting doubts on Sir William Stephenson he implies by that, too —

MR. HOLLETT: I cast no doubt on Sir William Stephenson.

MR. SMALLWOOD: The honourable gentleman said much more than that.

MR. SPEAKER: I don't think I can rule there. The honourable gentleman did refer by name to personnel of the Corporation but I cannot say what his exact words were.

MR. SMALLWOOD: He did indeed, Mr. Speaker, and the whole effect was to cast doubt on the whole Corporation as screwy, I think but on the gentleman who comprised the directorate he named them one by one, all he could remember. Now, I am going to name them all:

Sir William Stephenson, one of the most distinguished financiers and industrialists in North America today, a man whose reputation is exceedingly high, but calumny loves a shining mark, and the honourable gentleman who throws doubt on Sir William Stephenson pleases me very much because of the future, because of things in the future.

MR. HOLLETT: Mr. Speaker, to a point of order. Is the Honourable Premier stating that I threw doubt on Sir William Stephenson?

MR. SMALLWOOD: Yes, I am most positively.

MR. HOLLETT: Then I would ask him to withdraw it.

MR. SMALLWOOD: I certainly will not.

MR. SPEAKER: It really is an impossible point of order which the honourable member raised, it requires that the House be stopped and the stenotype transcribe the exact words. The Chair distinctly heard the honourable member for St. John's West refer to Sir William Stephenson by name but it is impossible to remember the exact words.

MR. SMALLWOOD: In any case I can draw my own inference.

MR. SPEAKER: Whatever construction the members who heard it put on it, I cannot rule on that.

MR. HOLLETT: Well, go ahead, have your own opinion.

MR. SMALLWOOD: The inference drawn by more than one in this Chamber this afternoon when the honourable member said this philanthropist had thrown up all those great companies to come down and serve Newfoundland, the words will bear that interpretation, we heard the words expressed and knew what the utterance of them meant, everyone in the Chamber including the honourable gentleman who uttered them.

Then there is Mr. Eric Bowring.

MR. HOLLETT: Did I cast doubt on him too?

MR. SMALLWOOD: The honourable gentleman cast doubt on Sir William Stephenson, Mr. Bowring, Mr. Pippy, Mr. Lewin and all the directors when he called it a screwy Corporation.

MR. HOLLETT: Might add the Government too.

MR. SMALLWOOD: We might well add it but we don't mind that, his opinion of the Government does not interest the Government very

deeply but his opinion of the Newfoundland and Labrador Corporation interests me very deeply for reasons in the future.

Mr. Speaker, that is all these honourable gentlemen said. This magnificent debate which will go down in history as an example of how an Opposition, this fighting Opposition which was going to bring the Government to heel, show us where to get off, in an argument of twenty minutes each.

MR. HOLLETT: You are doing very good yourself.

MR. SMALLWOOD: I debate.

MR. SPEAKER: Order.

MR. SMALLWOOD: Now, the only valid point in my belief made by the Opposition, one of the points made was one by the Honourable Leader of the Opposition when he referred to the terms of the loan. I felt that he was right, that their terms ought to be stated. That is twice in three years the honourable gentleman has been right, maybe three times, maybe once a year, maybe an average of once a year, in three years three time, not very often.

MR. CASHIN: Explain the U.S. funds and let us see what you say to that.

MR. SMALLWOOD: Surely it is easy to see the honourable gentleman has been away from public finance for a long time, he has to do a lot of reading up, a lot of study, I burn the midnight oil and work and study and know usually what I am talking about. The loan is being floated in U.S. Dollars, that is so. Is there anything wrong with that?

MR. CASHIN: Go ahead.

MR. SMALLWOOD: In both Canada and in the United States it will be sold for U.S. Dollars, most certainly in the United States where one part of the loan there will be no difficulty on the part of anyone wishing to buy and having the money to pay in U.S. Dollars, similarly in Canada. Now, that explains the fee. It costs to borrow and anyone who wishes to put these dollars in U.S. funds can get all the American Dollars they care to have provided they have Canadian Dollars in the first place and with his Canadian Dollars he will buy the American Dollars so that is why the issue is floated in American Dollars. I was not referring to the point the honourable gentleman made, any fourth grade school child knows that, if you float a bond issue of ten million dollars in Canada or America you are not going to get ten million dollars because of the fact there is a premium on Canadian Dollars, this great Canada I have so often heard the honourable gentleman describe as being on the way into bankruptcy, on the downward trend, not as prosperous as Newfoundland, I have so often heard him say that.

MR. CASHIN: How much do you get here for your Canadian funds?

MR. SMALLWOOD: We are not going to get any but they are going to get ten million dollars less the exchange rate that it costs to put it in Canadian funds from American funds plus the commission on the underwriters for handling. It will sell at par, three and three-quarter percent interest and they will receive net cash consisting of ten million dollars less the exchange less the commission and my estimate is that in all it will be \$9,850,000.

MR. CASHIN: I told you that,

MR. SMALLWOOD: A former Finance Minister is able to tell us there will be a loss on the American exchange as though we did not know and it is news, he had to come into this Chamber to tell us that, we did not know, we were waiting for him to guide and inform and get the benefit of the honourable gentleman's experience in public finance, the great originator of budgets, the great fore-caster of surpluses which always ended in deficits. We could not wait until we could get in and sit at his feet like children to be educated and informed about public finance. How would we get on without the honourable gentleman to tell us what to do and guide us in public finance?

MR. SPEAKER: I hate to interrupt this interesting passage of arms between the two honourable gentlemen, but may I suggest that the Premier finish his speech.

MR. SMALLWOOD: Yes, Mr. Speaker; having brushed away the froth now what is the substance, what is the real beer. The Government either rightly or wrongly, the Opposition thinks wrongly, the Government decided to build these three plants, they have been sneered at and doubts have been cast upon them, repeatedly sneered at, the Government have been sneered at for having built them and clearly in the opinion of the Opposition the Government were wrong to take 9.2 million dollars from the surplus and build these three plants. That was wrong in the opinion of the Opposition.

MR. HOLLETT: You admit it now by wanting to sell them.

MR. SMALLWOOD: Now we did that. We built them and they are now ready to produce, in fact more than ready, just about completing the

shakedown period which comes in every factory a period which intervenes between the completion of mill or factory and going into production, actual commercial production. In between the two you have this normal period of shakedown, running your machinery, getting your adjustments made, detecting any flaws that develop and ironing out the small kinks which crop up before going into production with any machinery. Now what do we do, what do we do with this plant?

MR. HOLLETT: Scrap them.

MR. SMALLWOOD: I hope that is noted, that the honourable gentleman says scrap them. That is in line with the whole attitude of the Opposition towards these plants.

MR. JACKMAN: The Government has been told to get out of industry. Mr. Howe told them, the Honourable Minister of Defence in Canada.

MR. SMALLWOOD: If Mr. Howe expresses an opinion he has every right to do so, but do you think Mr. Howe can tell this Government what to do. Not all the Mr. Howes and all the rest of the Government of Canada rolled into one, not the Government of Canada and the United Kingdom and all the Governments in the world can tell this Government what to do. We are a sovereign Government within our own jurisdiction and no one tells us what to do except the people of Newfoundland during elections.

Now, Mr. Speaker, having done what the Opposition thinks is wrong, these three plants built with public funds now being virtually ready to produce on a commercial scale, the Government had to decide what to do with them. Will we operate them? Will the Government go into business?

Will the Government become commercial operators of these three plants? Supposing the decision were yes, what would the Opposition say then, would they approve of that? Would the Opposition agree that the Government should operate these three plants? Would they agree and praise us for it? They would not answer, no, they know what is coming so discreetly say nothing—So would they advise us to operate these plants?

MR. HOLLETT: You would make a mess of it anyway.

MR. SMALLWOOD: They would not want us to make a mess, so apparently they would not want us to operate these plants. The honourable gentleman who is not the Leader of the Opposition, but the coming Leader, he is grooming himself like Barcus.

MR. CASHIN: They are in your party too, you know.

MR. SMALLWOOD: Every man on this side carries a field marshal's baton. Every Liberal elected is a potential Premier of Newfoundland but there is not a Tory leader in Newfoundland today, elected or not, not in Newfoundland maybe somewhere else. The day of Toryism is dead as the great auk and the only chance Toryism has now is on the Funks where the great auk died that is the only chance Toryism has of success.

MR. SPEAKER: Order.

MR. SMALLWOOD: Yes, Mr. Speaker, just a little diversion away from the more serious side. All right, we have spent the money and built the plants and they are now ready to go. Now what do we do with them? The Opposition says don't operate them, so we decided not to operate

them not because they so advise us, but we decided in our own wisdom not to operate these three plants.

MR. HOLLETT: With a little help from Ottawa on that decision.

MR. CASHIN: You told us last year you would have a lot of revenue out of them.

MR. SMALLWOOD: We are going to have heavy revenue out of these three plants. That is what I am coming to, a million dollars a year.

MR. CASHIN: I hope so.

MR. SMALLWOOD: The honourable gentleman may not only hope so but he can be sure of it.

MR. CASHIN: You are not sure either, no one is, not even the Great Stephenson is sure.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, is that in order from the other side?

MR. SMALLWOOD: I like it. I like the cut and thrust of debate for five or ten minutes. Then they get space in the Tory Press as the fighting Opposition telling the Government where it gets off. They can't get away with anything now. The radiocasts and newspapers, all the people listening and reading except for the half dozen who come down here and know the difference but the great public that depends on a free press and a free radio will get the idea that Joey is brought to book, brought to heel by this fighting Opposition. There is not a single man over here who could not take on the whole Opposition at any time.

MR. SPEAKER: Order.

MR. SMALLWOOD: Now then, Mr. Speaker, we decided to sell the

plants. There are two ways to sell these plants, one to sell to private enterprise. If we sold these plants to private companies we would make a profit.

MR. HOLLETT: Why not do it?

MR. SMALLWOOD: If the honourable gentleman would manage somehow or another to possess his soul in patience for a few minutes I will explain to him. I won't promise to satisfy him. If we had sold these three plants to private companies and sold them at a profit, two things would have happened; one, we would get back the outlay into the Treasury and (2) we would get the profit on them back into the Treasury and that would be the finest of it, the transaction would be completely rounded off and ended. We decided we did not like that as they were going to make important profits. It must be ten months ago since we debated that in Cabinet. There is a former Minister of the Crown in the Chamber this afternoon who was present on the occasion when we debated what we would do with these three plants. If we sold them to private enterprise the most we could hope for was a non-recurring transaction, get our money back with a bit of profit and that would end it and the private company would go on year by year making a substantial profit which the Treasury would not get. So we decided instead, and it was my idea, my personal idea, not Dr. Valdmanis's, mine, my own personal idea which I put to the Cabinet and with which the Cabinet agreed wholeheartedly, to create a Crown Corporation. We first thought of a 51-49 proposition, 51% Government and 49% private enterprise, but subsequently after looking into the laws of Canada we decided it had to be 90% Government, 10% private

enterprise and so it was done. We could have gotten the capital for a 49% private enterprise but there were good reasons that the House will appreciate, if we were going to have a Crown Corporation that it should be about 90% Government and not less. I don't need to put it into words and would rather not. Perhaps the less said about that feature the better for the time-being. But to create a Crown Corporation, to attract to that Corporation private enterprise, reputable private enterprise and have the Corporation take over these plants to operate. That would take the plants out of the realm of politics where they should be. It would put the plants under efficient business management. What is wrong with that? Is not that sound? But the Corporation itself has only one million paid up capital, subscribed within the company's treasury, nine hundred thousand of it subscribed by the Government and one hundred thousand of it subscribed for shares by private enterprise. Now one million dollars is not enough to buy the plants. The Corporation has to borrow the money to do it, because they have only a million dollars. So they did what Corporations have done all throughout the earth from the beginning of the joint stock companies, exactly that. You don't wait until you earn the capital, but the group, the shareholders that are to own the company, couple up sufficient capital of their own in the Treasury of the Company and give them all the capital required, they don't do that, they go to the public and sell non-voting stock in some form or another. The voting stock, the equity, the control of the company, the ownership, they get that by subscribing a million dollars. That gives them ownership of the company, they own all the shares for that mil-

lion dollars. Now, they go to the public and sell preferred stock, first preferred stock, they sell participating shares or they sell bonds in one way or another and they get the necessary capital from the public, but the public in those bonds don't get voting shares, the ownership and control of the company remains with the owners of it. That is commonly done every day. Take up the "Financial Post," the "Financial Times," the "Economist," any financial paper and every issue you will see that this company and that company are selling bonds, selling preferred stock, convertible shares, preferred shares, bonds, debentures and all the rest of it. What is that doing? It is asking the public to put up the money for them to start a new factory, enlarge their factory, improve their factory. So that this Corporation which owns a million dollars in cash goes out to the public for ten million as a new company, brand new without any assets except a million dollars. It would be foolish and a waste of time for them to attempt to sell shares or bonds or debentures without some guarantee. I ask the House to notice that there is no mortgage. These plants are not mortgaged to the bond holders, not mortgaged to any one but are just owned outright by the Corporation which is owned as to 90% by Newfoundland, by the people, by this House. So that the Corporation is not offering these plants as security, they are not mortgaging bonds. I ask the House to take notice of that, nor will the honourable gentleman find it in the Bill there. The bondholders buy the bonds of that Corporation on the guarantee of the Newfoundland Government, that is the security the bondholders get when buying the bonds. Now, the Opposition will have all kinds of fun while it lasts,

just while it lasts but in another year or two when the Finance Minister gets up in this House year by year budgeting for a large sum of money, revenue for the coming year from the Newfoundland and Labrador Corporation, I hope that each time the Finance Minister does that he will remind the House of the scepticism, of the doubt of the honourable gentleman, the member for St. John's West, the coming Leader of the Tory Party, the bright hope of the Tory Party, no wonder the honourable gentleman smiles, it is something to laugh at. I hope, however, he will remind the honourable gentleman from St. John's West of this "screwy" Corporation; don't let us forget that, I will use that more than once and I will hope that the honourable gentleman will use it again to describe the Newfoundland and Labrador Corporation. I hope the Finance Minister will take due notes now of the fact and on the right occasion make the proper use of it.

MR. SPEAKER: The honourable gentleman is out of order.

MR. SMALLWOOD: The honourable member described the Corporation as "screwy", applied it to the Corporation whose bonds we propose to guarantee, a "screwy Corporation."

MR. SPEAKER: The honourable member is out of order in describing another honourable member.

MR. SMALLWOOD: Well, Mr. Speaker, I end as I began. The terms, I think, will have to be stated. I did tell the House what the time was and I told the House about the sinking fund. It is true I told the House in introducing the Bill that it is a twelve years issue, the term of the bond is twelve years.

MR. CASHIN: It has to be in here.

MR. SMALLWOOD: I agree.

MR. CASHIN: The sinking fund is what amount each year?

MR. SMALLWOOD: The amount I have already told the House. I agree it is not in there. I can read, too. It is one of the things I learned in school. I know that these two items are not stated in the Bill.

MR. HOLLETT: Why not?

MR. SMALLWOOD: Oh, perhaps, as the honourable gentleman says, it is incorrectly drafted, I think that term was used and it is a new way to describe an omission of a fact from a Bill.

MR. CASHIN: There should be a further clause.

MR. SMALLWOOD: It is not a matter of improper drafting. The honourable gentleman will go a long way before finding anything wrong in the drafting of the Bill and the honourable member from St. John's East will agree with me on that, there is nothing wrong with the drafting of the Bill, the principle thing is in the amount of the loan, ten million dollars, the rate of interest is the next and these main things are in the Bill.

MR. CASHIN: The terms are not in.

MR. SMALLWOOD: Not at present. The House will go into Committee of the Whole unless the Opposition think we are trying to rush it too much. Now, that I have spoken it is all ready. Now, finally, if there are any improvements to be made in the Bill in Committee of the Whole we will be happy to consider any improvement that may be suggested.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

Committee of the Whole on Supply:

Department of Public Works:

901.

MR. SPENCER: The only change there is in the cost of living bonus and any changes there are throughout the votes I shall be glad to supply any information as we go along.

901 through 904 carried.

MR. SPENCER: We brought a memo to the Council this morning, Mr. Chairman, asking permission to have an additional grade two clerk appointed and we have obtained approval because of the fact that we have transferred all registry of public documents for public works to one central registry, that meant a transfer of a clerk who has been with the Department for some years, Mr. Chancey, and his place had to be filled in the general offices so that there is an addition of one clerk.

MR. HOLLETT: May I ask the Honourable Minister what is the extra assistance?

MR. SPENCER: From year to year it has been found in the Motor Registry Department that at the actual registration period there is a very great rush of business demanding more than the normal group of clerks who are entirely unable to deal with it so that we hire two or three extra assistants for the period of two or three months. That is going on now and goes on every year. The idea is that we have been trying to avoid the necessity of increasing the staff to the extent of taking care of it so that we have the extra two or three people

for the rush period which really begins about the middle of March and extends into perhaps June. Then the Committee will recall, in addition to that we have in the last two years made provision for some of our head office staff to go to the larger centres such as Grand Falls and Corner Brook and Gander and Harmon Field and there spend a period of from two to four weeks registering the vehicles in these centres. That reduces the head office staff and we take care of that by extra assistants.

905, 906 carried.

MR. CASHIN: One assistant to the Chief Engineer \$1,000 there?

MR. SPENCER: That is a token vote. The position is that there is no assistant to the Chief Engineer at the present time. The Committee will recall that the retired Chief Engineer, Mr. Robinson, retired two years ago and his assistant then became acting Engineer up until two or three months ago when we made him Chief Engineer so that the Assistant Engineer is really a token vote left in should we need to appoint an assistant.

MR. FOGWILL: Is there any plan for this year for the building of additional cottage hospitals and nursing stations?

MR. SMALLWOOD: There is a total expenditure on hospitals this year in the surplus for hospital construction and equipment and free grants to hospitals of \$925,000. That is scattered throughout the estimates, some in the Department of Health and some in the Department of Public Works, on capital account for the surplus. We make certain grants to private hospitals.

MR. FOGWILL: The question I

was asking is for nursing stations and further down the page \$67,500.

MR. SPENCER: That is to cover the cost of commitments on two hospitals, one just about completed now and one which we are committed for and contracts were called for last year but it was too late in the season. There is to be a cottage hospital at La Scie this year and another one is being built which has not yet been completed at Trepassey.

MR. CASHIN: Trepassey is not a cottage hospital.

MR. SPENCER: A nursing station and the same applies to La Scie.

MR. CASHIN: In connection with this entire vote of a million and a half dollars for repairs to buildings, is there anything in here at all?

MR. CHAIRMAN: We are not on that item now.

MR. CASHIN: I am very sorry, Mr. Chairman.

In last year's estimates there was a vote of \$20,000 for a Doctor's residence at the Mental Hospital, is that for rebuilding or extensive repairs?

MR. SPENCER: The explanation of that is that building has been some two or three years vacant and it is the intention of the Department of Health to have it remodelled into apartments or rooms for the doctors of the Mental Hospital to house them. I think it is to be made into three apartments and the renovations are set at \$20,000.

MR. CASHIN: Is that the old residence?

MR. SPENCER: Yes, the same thing was done at the General Hospital last year.

MR. HOLLETT: That vote for the Memorial University for \$500,000?

MR. SMALLWOOD: That is the new University.

MR. HOLLETT: While on that point could we have any indication from the Government as to whether or not the president has been selected.

MR. SMALLWOOD: No, he has not been selected yet. This \$500,000 is to commence the construction of the new University building on the new campus which is to be on the North

side of Elizabeth Avenue immediately east of the old MacPherson Farm between it and the pond which is a nice site for a campus.

MR. HOLLETT: This year?

MR. SMALLWOOD: That is the intention of the board of regents if the Legislature votes the half million dollars. That is only the beginning of course, of meeting the cost of the new University.

Carried.

907. ROADS AND BRIDGES:

01. Salaries	182,000	167,000	134,862
<hr/>			
02. Expenses:			
01. Travelling	12,000	12,000	10,094
02. Office	6,000	6,000	6,280
03. Engineering Equipment Supplies ..	10,000	10,000	.....
	28,000	28,000	16,314
<hr/>			
03. Maintenance etc. of Roads and Bridges:			
01. Maintenance of Roads and Bridges	1,700,000	1,425,000	1,415,234
02. Grants to Local Roads Committees	200,000	200,000	163,035
05. Erection of Highway Signs	15,700	15,700	4,845
06. Snow Clearing	100,000	100,000	30,439
08. New Machinery .....	.....	.....	25,555
09. Gasoline, Oils and Other Material for Re-Sale	25,000	25,000	19,320
10. Unallocated Stores and Labour	500	500	3,062
11. Unallocated Maintenance of Equipment	500	500	602
13. Local Roads, Labrador .....	.....	.....	16,188
14. Garage Equipment and Tools	10,000	10,000	.....
	1,921,700	1,776,700	1,678,281
<hr/>			
Total: Subhead 907	2,261,700	1,971,900	1,829,457

MR. CASHIN: That takes in the expenditure on roads and bridges and the salaries covering that. The point I want to make, Mr. Chairman, as representative of St. John's West and as Leader of the Opposition, I take the liberty of saying a word or two in favour of my old love, Ferryland. In this vote there for roads and bridges it takes in, I take it Mr. Chairman, wages paid to patrol men etc. The Minister will correct me if I am wrong. The total vote here for roads and bridges amounts to \$2,261,000 which covers wages of patrol men working on the roads and all that kind of thing. The Minister was kind enough this morning when I called him in connection with one patrol man who was appointed last year on the 1st of May, to do a certain piece of road between Renew's and Fermeuse and this year up to the present he has not been appointed. He was to see me this afternoon and feeling better than yesterday, I don't know whether he was or not, he was feeling pretty good yesterday afternoon, the Minister will understand that. The Minister was kind enough to tell me it came under the supervision of the Department. Now, I called the Department this morning and they told me, sending the fool further, that he was sent back to you again but he did not go.

MR. SMALLWOOD: They should have sent him to me.

MR. CASHIN: You know nothing about roads any more than myself and I don't know much, you don't know as much as you think you do. However, the man is being put off and has been there ten or twelve years. He went to see the Assistant Deputy Minister, Mr. Crummev and he got no satisfaction there. I am afraid he is being edged out by some means or another. Now, this fellow has been on

the job for ten or twelve years and I don't see any reason why he should be kicked out at the present time. It is a political appointment which indicates to me that strings are being pulled against him. But go ahead and do it, it won't do you any good politically or otherwise, these kind of things never do, you can take that from me, firing a fellow out because of some political feeling he might have had, it is not going to do your crowd any good. The man has gone home this afternoon, the Department pushes it over on someone else and does not come clean and say yes or no but tries to pass the buck to someone else.

Now, I would like to ask the Minister if they intend to do some work in that particular territory this year, they did a fairly good job last year with the money spent. As the Minister knows the road has been neglected and never had a decent patrolman this last thirty years etc. and now that they have had one recently they might get a decent road even though no man represented that place for the last 30 or 40 years and all that sort of thing. However, I am not going to bring that up at the present time but I would like to know at the present time if the Minister could give any idea of the programme this afternoon in connection with work in that district.

Another section I would refer to is in the District of St. John's West on the Blackhead Road on the South Side, from here to Cape Spear is in fair condition once you leave the settlement on the hill, I would not want it an awful lot better except for a couple of places being patched up but where the people live, on the top of the hill, needs a lot of money to put it in any kind of fair condition. I would not be bothered getting up a petition to bring in here as it is

only a waste of time because any man who brings a petition in this House either on this side or the other is only pulling a bluff. That petition is put on the Table of the House and is never heard of again. They don't mean a thing and never have. These documents are filed away and petitions that are being presented here, nothing is done about them.

MR. SPENCER: Not since this Government came in.

MR. CASHIN: This Government had a few I heard come in, and I know pretty well they are just a brush-off; it is impossible to do it. Mr. Chairman, I have heard petitions come in which were impossible, presented by members of either side of the House and the fellow who presents them thinks in his own mind the settlement from where he presents the petition thinks what a great fellow he is who presents the petition. They would get just as far going to see the Minister and the Government and forget about petitions altogether. They are a waste of time. I never present a petition in the House and never will again. I presented one or two in my time, in my junior days but they are no good anyhow; the Government takes no notice. However, I am speaking of St. John's West out on the South Side Hill where there are five, six or seven hundred people living.

MR. SMALLWOOD: They should have a town council.

MR. CASHIN: They should start something. It is the Government's job to put it in fairly decent condition, it requires considerable work and it is a hard place as the Minister knows to do any permanent work without a large expenditure of public funds. So I draw that to the attention of the

Honourable Minister and the Government in the hope that they will do something with that particular area.

There is another matter; last year the Government did a good job in paving between here and Doyle's Bridge going down Petty Harbour Road in St. John's West.

MR. SMALLWOOD: St. John's West was then Liberal.

MR. CASHIN: It was Newfoundland—Liberal—forget it. I am sick and tired of hearing "Liberal" and "Tory". One of these days I will vomit over this place. I am sick of it. I don't give a damn whether it is "Liberal" or whatever you call me so long as I am half decent. This "Liberal" and "Tory" stuff being poked down people's throats, "bull" to use the common vernacular, devised for the purpose of bluffing people.

MR. SMALLWOOD: I completely disagree with you.

MR. CHAIRMAN: The Honourable Leader of the Opposition has the floor discussing public works not—

MR. CASHIN: Not "Liberalism" and "Torys." However, they did a good job paving the road out there but there are a couple of pieces not done and I don't know whether arrangements have been made to take over certain areas out on that part of the road to finish the job. I talked to the Minister yesterday and he told me for want of funds this year they may not be able to do that particular job.

MR. SPENCER: Not exactly that.

MR. CASHIN: That looks rotten to have only a mile, and not a mile altogether which has to be done. I realize the difficulty of getting it

done, you have to move equipment, etc. If the Government were on the job in the last year or so they would have taken that particular property and done the job.

MR. SMALLWOOD : It is something like "Brown's Corner."

MR. CASHIN : Yes, and that is the Government's fault. I don't care if it is Brown or Brownberg or who it is, the Government is supposed to do the job and they have the legislation and if my property or your property interferes with the carrying out of the public interest then the Government has the right to take these things and give fair returns for the property.

MR. SMALLWOOD : That is good Liberalism.

MR. CASHIN : That is good Liberalism—It is common decency. What is Liberalism?

MR. SMALLWOOD : That is decency.

MR. CASHIN : We are indecent, I take it. I object to the fact that I am indecent. I was Liberal before ever the Premier got inside this door.

MR. SMALLWOOD : What happened?

MR. CASHIN : I could give the history of that and make the word "Liberal" stink, if you want to get the history of that. I am not up here to talk on that matter this afternoon but if the Honourable the Premier would like to hear it and the Committee and if they think it would be a credit to the Liberal Party to hear it, the truth, he can have it. I am ready now or at any time to accommodate him in that respect. I left the so-called Liberal Party, yes. You want to know the reasons why?

I will tell you but I don't think this is the appropriate time.

MR. CHAIRMAN : It is not—Order.

MR. CASHIN : If the Honourable the Premier wants it I will call a public meeting and tell him. However, I was speaking with respect to St. John's West and a word in favour of this particular job. I believe in good roads. I hear the paved roads like the road leading to Portugal Cove are in parts bad and I recommend patrolmen also in connection with the road to St. Phillips that also deserves it and the Thorburn Road deserves consideration, particularly the bottom of Freshwater Valley needs some attention. Instead of getting up petitions and talking to myself about them I feel it is better to come in here at the time when the estimates are being brought in and have the matter discussed and present the case in a decent, fair way to the Minister and to the Government and that I think I have done.

MR. SPENCER : Mr. Chairman, the honourable member when he was speaking, I think he directed at least three questions which had some bearing on this vote of 907 which covers roads and bridges and is made up of some fourteen sub-sections. He referred in one case to a certain patrolman who worked on the road at one time, he said for twelve years. That may be so. I shall not question that. In the first instance I would like to say to the honourable member that all patrolmen have not yet been placed on the various roads and in many cases it is the policy of the Department this year to endeavour to do away with the system, not the patrolmen, let these live. We are not quite so bad as to do away with them, but to do

away with the system of patrolmen where we can find it more economic to do the job by a different system known as a flying patrol so that many of these patrolmen will not find themselves in a position of little industrial gods in their own little section. There is a very strong feeling amongst a lot of people that we are not getting the best value out of the money we spend by individual patrolmen. With my knowledge of the road work I think I know a little and I am inclined to agree with that to some extent. We have some pretty good patrolmen but others who wait for pay day. I think the Committee generally will agree with me on that. To get back to the gentleman in question whether now he will be working this year or will not be, I am not in a position to say at the moment. All I know is in this particular connection this man came to me in the House of Assembly here yesterday and he was not really, as the honourable gentleman has hinted, in a condition to deal with anybody. In order to be fair I am not going to discuss that either. I don't want to do any poor individual any harm, I am not here for that and I am not usually in the habit of doing that. I will simply say the man was not in condition to come and do business with me. Unfortunately, there were two or three others whom this gentleman approached and when he was merely asked to wait his turn he got abusive. A public servant can take a little abuse and can defend himself. However, this morning I had a call from the Honourable the Leader of the Opposition on behalf of that gentleman and later still I was told before I left the office today, that man had been down and interviewed someone in my Department regarding his job. All I can say in answer to your request is that there has been no de-

cision regarding that particular job. There is no decision that that man will not get his job and no decision that he will be replaced. If I exercised any personal animosity for his conduct to me yesterday, I would possibly be inclined to say, no I will not give you a job. But I am not exactly that type and I don't propose to do that. His case rests on the programme the same as any other and that is what I told the Honourable the Leader of the Opposition this morning, that it was up to the district superintendent to say whether or not the man qualifies. That is true but in the final analysis I as Minister can give the green light to employ him but in 99 per cent of the cases it is accepted as recommended by the district superintendent.

In the next question or rather the honourable gentleman pointed out that the road, the so-called Blackhead Road, the roads are in poor condition. In that connection, Mr. Chairman, I can only say we have something like two or three thousand miles of trails or roads in the various districts of this country which are in far worse condition and far greater numbers of the population of this Island have no roads whatever. This year our vote will only go so far and we have to try and as usual cut our garment according to the cloth. The maintenance vote is, as you gentlemen can see, \$275,000 more than last year. In effect that is not a true picture, there were \$1,425,000 voted to that last year but \$1,600,000 was requested, we were cut to \$1,450,000 and later had it restored to \$1,600,000. In actual fact we have one hundred thousand dollars more than last year. The House will understand that we have a considerable mileage of new roads to maintain. However, all roads will we hope

as far as possible receive attention in the ordinary course of maintenance.

Now, with reference to the bit of paving left undone on the Goulds Road in St. John's West, last year the Honourable the Leader of the Opposition referred to it and I agree with him if I never did before though I don't think we have ever disagreed so badly and I agree one hundred percent that in the first instance it should not have been left out and when the Department of Public Works had the authority to go up and appropriate this property for the purpose of public progress, I agree with him, but there are cases where public works do not take advantage of the power they possess and that is one of them. The Department of Public Works has been trying for some three or four years to arrange or arrive at an agreement with the owners of these two pieces of property and we were unable to do it. Every other citizen along there agreed and we did complete settlement with the exception of the two who would not agree and the result was that we would not allow that to delay the project for the whole community and the Department of Public Works ordered the paving to be done and to leave these two sections out. I am very happy to say that one at least of the owners is satisfied that the work be undertaken and has come to the Department and has now made a settlement. We now have the right to enter on that land but I would like to point out to the Committee that the Department of Public Works cannot economically undertake, or should not, and I say this from practical experience, I think I know what I am talking about in this case, they should not undertake to pave a quarter of a mile. The reason for that is that

we must get the contractor or somebody to set up equipment to pave one quarter of a mile or so and obviously the overhead expense entailed in setting up of the plant to do such a small amount of work would make it so expensive we just cannot ordinarily undertake it. It does not mean it will be indefinitely left out, it does not mean it will not be done this year, I am not in a position to say, I don't know. When I first came into the office of Public Works in 1949, we had a little block which was left out in the west end of Topsail along the Conception Bay Highway, I am not referring to Brown's Corner, I am not worried very much about that as it is only a bunch of rocks and we are not going to put the Trans-Canada Highway there and I am not worried whether it is done or not, if the public want it they can make the demand as that is still an eye-sore to anybody. But the piece I refer to is a stretch of a hundred yards or so left out when the paving was undertaken and we had another little job coming up down there to pave at the airport and we may arrange to get this small portion done and it cost us just a little more than fifty percent greater per ton for the product and as a result it is uneconomic to undertake that. That is why we cannot undertake these small jobs. Last year we did the area out here from the point commonly called Baird's Corner to the Airport and we did this piece on the Goulds Road and on the two items together we were able to get a reasonable contract but as far as I am concerned it is not advisable to obtain a contract for the paving of one quarter of a mile of road unless we get our own organization to do it and set up that equipment which is quite an expensive proposition. I hope I have answered the question raised.

MR. CASHIN: That is all right.

MR. SMALLWOOD: Before it is carried I would like to offer a couple of comments on one point made by the Leader of the Opposition with regard to that part of St. John's popularly known as the "Brow" which is populated by a thousand or fifteen hundred people and is therefore one of the largest of Newfoundland's outports and as such would come under Her Majesty's Outport Government district obviously. And it does seem to me, having gone up there since I was a very small boy, that the people up there have not received a break, they have never gotten a break, they are hard working people, a lot of them, labouring men, longshoremen. I notice a few of them working in at the birch plant and I think they deserve at least treatment as good as the people in any outport get. There seems to be something wrong about a large population like that living in sight of the city, where they can look down from their homes and see the city, look upon a brilliant display of lights, a beautiful sight, and yet themselves living under conditions from a municipal standpoint far from satisfactory. I wonder if it might be possible to get them organized municipally, I doubt that it can be done any other way. The Government has ways of assisting outports in the matter of roads, bridges and municipal improvements and one is through town councils and the second is through local road committees of which there are over six hundred now in Newfoundland. There the people in the community concerned do some work on their roads with Government financial assistance to the amount of two hundred thousand which we contributed last year on the local road committees and then there is a new

arrangement passed in the House here at the present session, community councils. Now, community councils are meant only for places rather too big for road committees and rather too small for town councils. The people on the Blackhead Road and that valley running East and West from the road have a population which could come under the heading of a town council. They qualify from the standpoint of their numbers as a town council area, I wonder would the citizens consider it? Some of them are civic minded, the people up there maintain good schools and churches and with a sense of civic pride and responsibility, although God knows there is not much up there in which to take very intense pride, it is not their fault. It is a mushroom town settlement springing up much like Corner Brook West without regulations, without control, without guidance, but there must be some civic minded people up there who would take the helm in forming a town council. Now, the Minister of Municipal Affairs and Supply who is absent from the House at the moment would, I feel, be quite happy to have his officers, especially his Deputy Minister of Municipal Affairs, Mr. Clarence Powell, and other officers assist these citizens in forming up a town council.

Now, the benefits of a town council are quite remarkable for any settlement and it is rather surprising to me that more of the larger places in Newfoundland are not availing themselves of the opportunity presented in this town council programme. The Government makes for three years running a special grant running into quite a few thousands of dollars, the amount I believe depending on the size of the settlement. In addition to

that matches their own local taxation and again in addition to that undertakes to guarantee bonds for the town councils to raise money with which to install water and sewer systems. I believe it is possible with help from the Government providing also that the people up there take the initiative themselves which should not be too difficult, I believe it is possible in the course of a few years to reclaim that part of our Newfoundland outports from its present somewhat chaotic situation. I suppose that outport is the nearest outport to the city of St. John's except Quidi Vidi and as such come under the jurisdiction of Her Majesty's Outport Government. I say seriously that something ought to be done and can be done and I believe in a few years with proper municipal organization it is possible to build a town up there to which you could take visitors. The same thing applies up there on Signal Hill. You have here one of the finest harbours in this world and visitors are always praising the view of the city which is just magnificent, you don't see anything like it anywhere else in the world, a combined city and harbour. Yet the great vantage points from which to view it, namely Signal Hill and the Brow are not places, I am not blaming anyone, but they are not places to which you could with any degree of pride take visitors. It is a pity that to get to Signal Hill you have to pass through an area where poor hard-working people who could not afford homes in the city built small homes for themselves, built small homes for themselves higgledy-piggledy without control, without guidance and without the amenities. You would hesitate to bring visitors up to Signal Hill, to one of the finest sights in the world where you can look out over the Atlantic with

the next stop Ireland and back upon the historic old city of St. John's. We would like to take people up there but hesitate to do it. Now, it could be one of the most popular drives to Cape Spear, a most interesting drive. I have often gone out there and have spent many a day on the Farm and once actually negotiated to buy that farm to go and settle on it. It is a favourite haunt of my own which could be a fascinating drive and if ever we are to have a tourist traffic in St. John's we want to have places like that, we want a variety of them, a number of them. At the present time when a tourist comes in we take them on a drive around Conception Bay. We can't take them up the Southern Shore unless it becomes unchangeably Liberal, and when it becomes unchangeably Liberal, perhaps they will have a paved highway. That would be a new marine drive, the Southern Shore, the finest marine drive I suppose in North America, to drive along that Southern Shore with here and there the Atlantic open to you. It is a magnificent sight, but it is not a place you feel very happy at the moment to take tourists, to be apologizing all the time that this is a "Tory" district, to be apologizing for the fact that in this modern age, in the mid-twentieth century, a whole district for forty years has been "Tory" to have to explain that to visitors instead of enjoying the view. They are hardworking, industrious fishermen, as a matter of fact I suppose that the Southern Shore today is more a fishing district than any other district in Newfoundland. I believe there is nothing up there but fishing, it is entirely just a fishing district and only a hop-step and a leap from St. John's and when visitors come here it would be an ideal place to take them to see our inshore fishery. But we are half

ashamed to take them up in a "Tory" district, they are civilized but misguided, they have been misled.

MR. CASHIN : A few more threats and they will be all right.

MR. SMALLWOOD : We never threaten but joke and kid, banter is the word.

MR. CASHIN : All kinds of politics now.

MR. SMALLWOOD : Not at all, it is too late in the day.

MR. CHAIRMAN : I suggest the two honourable members stick to the item under discussion.

MR. SMALLWOOD : What I would suggest is that the two honourable gentlemen take that matter in hand and perhaps begin with calling a meeting of some prominent citizens to form a Committee up there which would lead to the idea of a public meeting to take the census of the population as to whether they would like a town council. I can promise on behalf of my honourable colleague the Minister of Municipal Affairs and Supply ready co-operation and collaboration from his Department in the formation of a municipal government up there. Now, I don't know whether they would welcome two city fellows coming up or prefer an outport man to come and see them. Now, the Honourable Leader of the Opposition should not get angry, he was once an outport man and is now a townee as is his colleague from St. John's West, in fact they are all townees on the opposite side except our honourable friend from an outport over in Bell Island. If they could overlook that on the Brow these two gentlemen might go up there, and seriously, do a fine piece of work and the Govern-

ment would be delighted to help because, joking apart, that place up there does need a break, they are good people and some of them voted for us too, you know.

MR. CASHIN : I am not talking of votes at all. The elections are over.

MR. SMALLWOOD : We are afraid in this Government—

MR. CASHIN : Afraid of Ferryland.

MR. SMALLWOOD : We want it.

MR. CASHIN : You lost it—try it now.

MR. SMALLWOOD : When the last court in the land passes on the election which took place, if it says it was not valid, then we will have an election.

MR. CASHIN : We will see. I am not up here to talk about politics nor this blasted "Tory", "Liberal", that is over as far as I am concerned. But in connection with Blackhead let me tell the Honourable Premier that is what the people call it and they resent it being called what he called it. I will go and see what I can do, start something in connection with trying to get that place fixed up. There was a Liberal representative in that place for three years and did nothing with the result he was fired out, kicked out.

MR. SMALLWOOD : One was defeated and the other elected.

MR. CASHIN : Why in the name of sense did he not say and do something. I heard of heads coming off about that fellow but still my head is on. Then another Minister of the Crown went up there going to do the

devil and all and the so-called Liberals did nothing for the Blackhead Road when they were in office and had no intention of doing it and it is questionable whether they will do it now or not. If they do we are prepared to call their bluff right now and myself and my colleagues here are prepared to call a meeting if necessary of these people on the hill and use some other influence as well to see if they can get something done, and that is more than the Liberal crowd up there tried to do. We are prepared to co-operate with the Government in that respect. It is our job whether we are Liberal or Tory to do good for the people who have not had the opportunities of the city but have been camping up on the South Side Hill. They had to go there as they had no where else to live and it is our duty as citizens, as good people, as citizens to try and do something for them and not play them around for a vote and then when we do get a vote to blaze with them like the two elected last time. They were elected and forgot about them but then when they came back—

MR. SPENCER: Mr. Chairman, I rise to a point of order. I don't usually interrupt the honourable member. The statement I object to is that he says: During the election these two gentlemen, neither of the gentlemen he refers to are in the House at this moment, and I want to refute that in this way, when he said they did nothing, these two gentlemen approached me from time to time and while it is not the usual job of the Minister of Public Works or of any Department to go out and personally supervise but in this case the Ex-Minister of Provincial Affairs, my good friend, Jim Spratt, invited me to go up there not only once but

two or three times and I went with him—

MR. CHAIRMAN: I don't think the Honourable Minister has a point of order there. I think you should have asked the Honourable Leader of the Opposition to yield.

MR. CASHIN: I yield anyway.

MR. SPENCER: If that is the proper procedure, my point is that I want to correct the honourable gentleman's statement and state that we did do something. I personally went up there two or three times in an attempt to try and do something. I merely want the Committee to know that that is so.

MR. HOLLETT: Mr. Chairman, if it is the intention to adjourn I would like to say a word or two. I only want to speak for a couple of minutes.

I would like to say this, I have heard many things which supposedly have been said regarding myself and my colleague elected in the West End. I look over these and take them all with a grain of salt. I put it to you Mr. Chairman, that the people of St. John's West regardless of the fact that they put in two old Tories must get some care and attention from the Government and I feel quite sure the Government is prepared to give it to them. As for the Honourable Minister of Public Works, if I might be allowed, Sir, I have every regard and every respect for the Minister of Public Works. He, in my opinion, has done a good job throughout the country ever since he took over in 1949. He probably made a few mistakes, if not he would not be human. I believe the Honourable Minister of Public Works would not entertain any degree of vindictiveness and myself

and the Leader of the Opposition feel sure he will give us his support in the effort we might make and we are quite sure now the Premier himself would be prepared to assist us in St. John's West. I think that is the best note on which to end this vote, Mr. Chairman.

Committee rises until 8:00 of the clock.

NIGHT SESSION

The House resumed at 8:00 of the clock.

Committee on Supply (Public Works Cont'd.):

MR. SPENCER :

908. MISCELLANEOUS SERVICES :

01. Grant to St. John's Municipal Council \$30,000.

02. Awards under Workmen's Compensation Act \$15,000—That applies to accidents and possible deaths of men of the Department of Public Works chiefly on roads and construction.

There is a grant of \$10,000 to Bowring Park Committee, making a grant of \$55,000 in this vote which is exactly the same as the vote for last year. Now, I should like to make it quite clear that this grant of \$30,000 to the Municipal Council is not something new but rather is a vote that has existed for some years past and has no relationship whatsoever to the \$100,000 that the Government gave to the City Council the year before last nor to the \$100,000 that the Government gave to the City Council last year. It has no bearing whatsoever on that. This \$30,000 is something quite apart from any special, temporary or non-recurring financial help the Government gave the City Council for the two years preceding the present year.

MR. CASHIN: Mr. Chairman, I wonder if the Honourable Minister would mind my asking something with regard to Portugal Cove Wharf. I know there is no vote this year nor was there one last year nor the year before. There has been some considerable work done on the Portugal Cove Wharf and there is a dispute between the Provincial and the Federal Governments as to who had to pay for it. The Provincial Government had to pay the bill and I wonder if they are to get it back from the Federal Government and what position does the Federal Government take to refuse to repair this wharf without having the Provincial Government to do it and fight to get the money back from them. What is the position at the present time?

MR. SMALLWOOD: The position is this: The Government take the view and take it strongly that the public wharf at Portugal Cove is just as much the responsibility of the Government of Canada as any other public wharf in Newfoundland for which they have taken responsibility. It is a well known fact that at Confederation the Government of Canada assumed responsibility, in fact they assumed title as well as responsibility, for all public wharves. Our stand is that this public wharf differs in no respect from the other public wharves of the Province and that for that reason the Government of Canada ought to have included that wharf, when they took over public wharves in Newfoundland. However, they did not do so.

MR. CASHIN: Why?

MR. SMALLWOOD: I don't know, I never have been able to find out.

MR. CASHIN: They have not paid you the bill?

MR. SMALLWOOD: We in the meantime were confronted by the fact, the hard fact, that the wharf was falling down and was a positive danger to life and limb. Being here in Newfoundland, having the seat of Government here in Newfoundland, being here ourselves, being very visible and everybody knowing that we were here and knowing us, and the Government of Canada at that time being far more remote, far less known to the people of Newfoundland than were this Government, we said, well in the circumstances, we can't let the wharf fall down, we will repair it and in so doing announce publicly so as not even to seem to admit that the wharf was our responsibility, that we did it under protest and we expected the Government of Canada to pay the bill, we did it at that time to save life or prevent possible death or injury, but we did not admit our responsibility, we still do not admit our responsibility and we see no reason in the world why we should. We never got the money back and furthermore last fall when Her Royal Highness and His Royal Highness were here and were going to leave the Province by way of Portugal Cove the wharf had further repairs made to it at our expense. After all we felt that we ought not to allow differences of opinion between the Government of Canada and ourselves as to the responsibility for the wharf to stand in the way of putting the wharf in decent shape for their Royal Highnesses. So again with the definite belief which we have never lost that it is not our responsibility we did nevertheless spend some Newfoundland Government public money to repair that wharf. Now, attached to the wharf is a small landing stage on the left hand side looking out from the land towards the head of the wharf which is used by fishermen.

The Federal Government out of its big heart and big purse—

MR. HOLLETT: Careful now,

MR. SMALLWOOD: Repaired that small landing stage which is used for fishermen. They have gone so far as to admit responsibility for that small landing stage used by fishermen amongst others, but not for the main wharf itself. So that the wharf that is used in the same way as other public wharves are used, to which schooners come, tie on, load and unload from as is done on the other public wharves around Newfoundland, that wharf in which we see no difference whatsoever from hundreds of other wharves, the Government of Canada so far has refused to acknowledge. Now, I believe the time will come when they will acknowledge it and I believe when they do they will pay us back what we will have spent on it up to that time. I am quite confident of that. It may require some little human changes, not a change in Government but a little human change here and there, not much. It does not take much to change—

MR. HOLLETT: In the meantime who is taking the responsibility in the event of an accident? I understand conditions at the present time are not too good. Probably the Honourable Minister could tell the House its condition.

HON. J. R. CHALKER (Minister of Public Health): The condition of the wharf, Mr. Chairman, as far as I know at present is excellent. As I had something to do with the visit of Her Royal Highness here last year, we went down and inspected the wharf and it was in a bad condition at that time. Through the Department of Public Works we spent upward of five thousand dollars on re-

pairs which put it all in ship-shape last fall, that came out of the vote we had for the expected visit of Her Royal Highness here.

MR. JACKMAN: With regard to the Portugal Cove wharf, I wish to point out here that the Portugal Cove wharf always serviced Bell Island which is a very important part of the economy of our country today, from which considerable large sums of money are brought to the Provincial Government and to the Federal Government in the form of taxation. Now, Sir, I am disappointed to see that there is no provision whatsoever in the estimates here to go shall we say a little way towards the maintenance of that wharf at Portugal Cove serving Bell Island. That wharf carried a load of practically seventy thousand passengers a year back and forth from Bell Island and also handles all the freight which I think last year alone required fifteen thousand vehicle for its transportation. Now, the wharf itself is in my opinion at least a continuous threat to both life and property. That wharf is not by any means in proper condition to take care of the loads going back and forth over it. I am sorry to see that the Provincial Government have not seen fit to lay aside some amount of money to have that wharf put in half decent repair anyway until the Federal Government makes up its mind to do something about building a new wharf. I feel more strongly now in making that request due to the fact that the Provincial Government have seen fit in the budget to put on this extra sales taxation and if you applied the three percent you are going to take off the workers in Bell Island it would make a nice, tidy, little sum to put the wharf in shape so that the people of Bell Island can go back and

forth without feeling they are going to be killed. I think that matter should be given reconsideration and something provided to maintain and repair that wharf otherwise if you have to wait to have a serious accident it is then too late when somebody is killed or somebody is badly hurt.

MR. SMALLWOOD: We don't propose to put it in the estimates for any such purpose as repairs to that particular wharf. Clearly if we included that item in the estimates it would be a clear admission that we accepted responsibility for it, an admission of a very official character that could be used against us, so that we have no intention of putting it in the estimates. That however, does not mean that no money can be spent for repairs to the wharf and spent by this Government. That does not mean that no money will be spent. We don't have to spend only exactly what is itemized in the estimates. We have the right to apply to one item in the given Department not covered in the estimates, expenditures saved from another vote in the Department known as countervailing savings. If the need arises to repair that wharf and the Government of Canada still refuses to do it there is no doubt whatsoever that the Minister of Public Works could find the necessary money with which to do it. Now, if there are no countervailing savings there will always be a possibility of supplementary supply and the fact that we don't have it in the estimates does not mean we cannot or will not make vital repairs to it in the failure of the right Government that is responsible for making the repairs.

MR. HOLLETT: Mr. Chairman, before we drop that issue, I appreciate the explanation given by the Premier but could we have some assurance

that the Government will take some steps definitely to get a decision as to where the responsibility lies. The Government have spent money from time to time making repairs to that wharf since 1949. The Provincial Government, I understand, claim it is not their responsibility but they have spent money on it and it is somebody's responsibility surely. Would the Government be in order to take some sort of action against the Federal Government to get a decision from somebody. I think it is unfortunate that this should be left in the slings at the moment with nobody shouldering the responsibility. On the other hand the Honourable Minister for Health whom I have no reason at all to doubt says they spent five thousand dollars on this wharf last fall and it is now in excellent condition whilst the honourable member for Harbour Main-Bell Island states the condition of the wharf is not so good. So that there is clearly quite a bit of misunderstanding somewhere. There is one thing sure the wharf cannot be in excellent condition on the one hand and not in very good condition on the other. There is a lot of traffic over that wharf and, as the honourable member pointed out, there are ten thousand people over there absolutely dependent on the condition of that wharf to get back and forth with their cars and freight and everything else. I would like to have some assurance from the Honourable Premier that some definite action will be taken to arrive at some decision as to whose is the responsibility. We have both our Governments disclaiming any responsibility for this bridge over which ten thousand people pass back and forth from time to time during the months and I believe it is unfair, there is something not right somewhere either with this Government or

the Federal Government. Surely some Government has the responsibility and I would appreciate it very much, it is in our District, and we would like to add our urging to that of the honourable member for Harbour Main-Bell Island. Possibly the Minister could give us some assurance that something will be done to lay the responsibility just where it belongs.

HON. P. J. LEWIS (Minister without Portfolio): Mr. Chairman, I would like to associate myself with the comments of my associates, the junior member for Harbour Main-Bell Island and also the honourable member for St. John's West, in regard to this because it does affect quite seriously I think the life and property of the people of Bell Island. It is a most anomalous position indeed when neither Government seems to assume responsibility for this very important public utility. I am very pleased to hear the Honourable Premier say that notwithstanding the fact that no vote is actually appearing here in the estimates a revision can be made for the maintenance and upkeep of that landing place. However, the point made by the honourable member for St. John's West transcends that question because the fact that the wharf has been used by so many people and there is a continuous danger of life and limb, it is most imperative that some system of inspection and responsibility should be maintained regarding that wharf. I must say that I, as one of the representatives for Harbour Main-Bell Island, will do anything that I can to enlist the assistance and support of the Government in assuring that that particular phase of the matter is taken care of, I believe that I will have the support of the Honourable Minister of Public Works, if he were here, and I am sure of the Premier in

in their common concern for the public interest.

While speaking, I think there is another phase of the matter which should not be lost sight of. It is something that affects the Department of Transport and not the Department of the Local Government. That is the necessity for further abrogation with regard to that pier. I had occasion to discuss the matter with masters, local and foreign, and they expressed concern over the fact that apart from the leading lights, which are to say the least archaic and the further fact at the approach of that wharf there is a very dangerous rock and these vessels have to operate on schedule in bad weather and on dirty nights and it throws the responsibility upon these masters which I don't think they ought to have to bear. I know it is something beyond the authority of the local Government but I would like to see somebody in authority take it up with the proper authorities at Ottawa to see that the necessary assistance and aids are provided for that particular rock.

I have much pleasure, Mr. Chairman, in endorsing what has been said by the honourable member with regard to this matter and anything I can do as a member of this Government I will certainly do all in my power to see that it is put into effect.

MR. SMALLWOOD: In reply to the honourable member for St. John's West I have already said that this Government have made repeated efforts to get the Government of Canada to acknowledge the responsibility for that wharf which we believe they have. These efforts will of course be continued and, as I have already said, I believe they will end in success and that the Government of Canada will

not only acknowledge their responsibility for the wharf in question but will reimburse this Government for the expenses we have had on that wharf up to the present time, or up to the time of such acknowledgement.

Carried.

The Committee sat, reports progress, passed 901 to 908 inclusive, and asks leave to sit again tomorrow.

MR. SMALLWOOD: Your Honour, I think it is our hope that in case the House did not wish to continue for the remainder of the sitting today on the budget debate, we might revert to Committee of the Whole on Supply and do more business with the estimates. So that the motion might be that the Committee have leave to sit again presently.

MR. SPEAKER: Leave is granted that the Committee of the Whole on Supply sit again presently.

Committee on Ways and Means—Adjourned debate on the budget.

MR. FOGWILL: Mr. Speaker, first I wish to congratulate the Honourable Minister of Finance on the very able way in which he delivered his first budget speech in this House. I did have occasion at one time several years ago to work with the Honourable Minister when he was a private citizen, as I was then myself, on another matter. We worked together for just a matter of hours, I think, on a question relating to some labour problem, and at that time Mr. Speaker, I was very happy to be associated with him and I express the same wish now. I am glad to see him here. I congratulate him in his office as Finance Minister and wish him every success.

In the budget speech, Sir, although it was the first speech in this House

by the Minister, he like all other Ministers of Finance in the past has presented a budget speech to this House which like all other speeches on the budget in the past painted in very glowing colours the financial and economic position of this Province. I may say, Sir, that perhaps the present Minister may have been a little bit too lavish in the use of the brush and colours at his disposal in trying to paint a picture of the economic and financial position of this Province so that it would be a more palatable morsel for the citizens to swallow than it really is. At the same time, Sir, I don't blame him for that. The budget speech is a document of the Government, though prepared by the Honourable Minister himself it is a document of the Government and is the responsibility of the Government. Now, Mr. Speaker, we are perhaps now at the present time in a rather uneasy period. We are now just passed the third year since entering into union with Canada and the difference between three years ago and what attains today is a wide difference. I believe the majority of the people of this country, I would use the word country in that respect, who subscribed to Union with Canada and many others who did not at the time when Confederation came into being, many of them, I think the majority of all the people sat back to wait, to give the Government a chance to just try and find out and see how things would move, how the surplus would be spent whether to good advantage or otherwise. It is a matter of opinion of course, Mr. Speaker, during that period certain people including myself and I believe all of my colleagues who still may be classed as die-hards, that may be as it is because many things have happened to us during the past three years, Mr. Speaker, which were pro-

phesied before Confederation took place and have come to pass.

Now, in the budget speech, Mr. Speaker, on page 6, in respect to the economy of the people, the amount of money estimated by the Minister of Finance as going into the pockets of the people from the various industries and other avenues of work there is one item alone, defence \$18,000,000, an estimate for this present year \$25,000,000. That in my opinion, Mr. Speaker, is not something of which the Government should be proud in any way, the preparation for defence of the Western Hemisphere included many people in this Province as well as Canada and the United States are uneasy about the huge expenditures now being made on defence purposes and this cannot go on for very long. At some time perhaps not in the immediate future but at some time, some short period in the future defence measures will have been all completed and when that happens it is quite possible that the amount set forth here in the budget speech will not be as high as it is now. But in any case, Mr. Speaker, if this defence expenditure does continue for a number of years with the spending of so much money for defence purposes we must be prepared to pay a higher rate of taxation. The Dominion of Canada today is spending huge amounts of money on defence and all of it has to come out of the taxpayers. I hope, Mr. Speaker, that the time will never come where the Western Powers will have completed all their defence measures and building up their armed forces to a point where it may perhaps be necessary for them to deliberately start to begin to tear down the iron curtain without waiting for any attack from behind it.

Mr. Speaker, the amount of \$9,000,000 set forth here for mining, I do not give the Government any credit for that, it is a natural outcome of the defence measures partially and also due to the lack of raw materials on the Mainland where it is most needed. Neither do I give the credit to the Government for the amount set down by earnings on the pulp and paper industry of \$28,100,000, or any of the other items set down. The amount set down for fisheries has been spoken about before by my honourable friend here. There is just \$11,000,000 estimated for this present year. But in respect to the fisheries, Mr. Speaker, I think that the Government now that they have come to the end of three years in office and are entering upon the fourth year, have had long enough for them to really get down to rock bottom and do something for the twenty thousand fishermen, I believe that they were promised sincerely by the Government of Canada in the days when they went to the people that they would do something to assist and help the number of people who are still depending for their living upon the salt codfishery. Now, these people cannot wait for industrial development. Some of them may be able to remove easily but the rest of them all around the Island, that is those who are nearer to the wood work or may be living near the centre of the areas where some of the economic development is taking place, but the great majority of these still engaged in the codfishery, particularly the salt codfishery, Mr. Speaker, will have to depend upon it for a long time yet. So that I think the time has come for the Government to do something this year, if the necessary assistance is not forthcoming this year in sufficient quantity or volume to help these people and

assist them in the fishery, I fear Sir, that those who will be still engaged in it will be suffering hardship and finding it very difficult to carry on in their traditional vocation.

Mr. Speaker, in respect to the other items, for example the Family Allowances and Old Age Pensions and Veterans Allowances, Unemployment Insurance, Mothers' and Dependents' Allowances amounting to probably twenty million dollars all told that will be put in the pockets of the people to use the words of the Honourable Minister, into the pockets of the people, he neglected to tell the House, Mr. Speaker, that all of that before it goes into the people's pockets must be taken out, someone has to pay for it before it can be paid. Some of it is taken out by the Federal Government and more by the Provincial Government.

On page 20, Mr. Speaker, I will read it in part: "The Premier has thrown himself into this drive for economic development with that same unselfish spending of himself that was the main cause of his success in making Newfoundland a Province of Canada, and we who know him very well are confident that he will be as successful in this drive as he was in that earlier one." Further down it says: "He created a Province of Canada." Now, Mr. Speaker, that may be as it is but I don't hold with that view at all. I agree with the Honourable Minister however to the extent that I do believe that the Premier was in a way perhaps responsible for bringing about Confederation with Canada as well as I believe the Honourable Minister himself and many others were, but I think the mastermind behind the Confederation issue, Mr. Speaker, was not the Honourable the Premier, but I think that will rest up-

on the shoulders of the present Secretary of State, Mr. Bradley. That is my opinion, Sir, the Premier may have been a very good First Lieutenant and I agree he did a tremendous amount of work in bringing about Confederation with Canada but the mastermind behind it all was Mr. Bradley of the Late Boat Building Bounty.

There are one or two other points I might make, Mr. Speaker, I don't intend to take very long on this subject. I am not a believer in thinking at all in any way that long and tedious speeches and continuous repetition of things denote a public orator or successful politician. I can probably say as much as I want in fifteen or twenty minutes and other people may take an hour, or a day, or two, to say it, and say a lot less.

The Honourable Minister goes on to say in his speech something in respect to taxing property and land. He goes on to say that the Government is aware that the people of this Province are traditionally opposed to certain forms of taxation, direct land taxation and taxation for the support of schools, etc. On that they have decided that, perhaps it might be truthfully said as they would have too much opposition if they did put on land taxes, property tax, etc., so they have decided in their wisdom to tax the food. I believe, Sir, that the people of this Province were told three years ago, that they would have to pay a Provincial sales tax of three or four percent as the case may be, it happens to be three percent now, I know I told the people that before we went into Confederation, and I was told I was a fool by some people I told it to, but we have the three percent sales tax and now on top of it the taxation is going to be enlarged

to include food. I don't think that is going to be received by the people of this Province with any gladness. But Mr. Speaker, they have increased the scope of the sales tax and there is a two-fold reason for it in my mind, they are not going to touch land or property they are going to leave that for the Community and Town Councils and these councils will apply the property taxation and land tax because as we go forward it will be found necessary if the communities, the villages and towns wish to go on and provide some services for themselves, they have to tax themselves. We have, Sir, some support for that opinion here in this House during this session and in my opinion, Sir, that is the reason why they are going to include the food because the property taxation will go on anyway. That is a well known fact. In the other Provinces they have property and land taxes and sales tax and we are no more than they. It is useless for me or for anybody on the Opposition to object to the 3% sales tax, it is going on and it is useless for any member to object, useless to have meetings about it, the Government is going to put it on whether we like it or not. And three years from now, Sir, they will have the land tax and the property tax whether they like it or not.

I have little more to say except to make one or two remarks in respect to the revenues and expenditures. The revenues and expenditures for the four years under review in the budget speech, in round figures we have thirty-seven million dollars revenue and thirty-six million expenditures in round figures, and for the four years a total revenue of \$139,000,000 in round figures and a total expenditure of \$182,400,000. That

means the Government will have spent at the end of this present year at the rate of eleven thousand dollars for each day in office excluding holidays and Sundays. To put it another way \$4,630 odd dollars for each hour. In four years Sir, the deficit amounted to \$23,403,000 and to me, I must add to that the transitional grant for the four years, \$25,150,000 which is not taxation revenue but only a grant and cannot at all be classed as money coming from revenue sources which leave an overall deficit for the four years of thirty-eight and a half million dollars. I have not included in that, Sir, the sum of \$9,200,000 they expect to take in this year in respect to the sale of the plants. I will not include it but it can be included, it all depends on how anybody looks at it. In that \$9,200,000 will be cash guarantees that we will be taking on, as some people say, as a contingent liability or indirect debt, I call it a direct debt. But in any case, Sir, we have an overall deficit for the four years period amounting to roughly four million a year taking the \$9,200,000 off it and against that you have indirect liabilities of ten million. Thank you very much.

MR. HIGGINS: Mr. Speaker, I should like to associate myself with the congratulations that have been expressed by my colleagues to the Honourable the Minister of Finance on his budget speech. My colleague from St. John's West referred to the fact that he knew the Honourable Minister some years ago but I think that, of everybody in this House without exception, I can claim a knowledge and to a certain degree of friendship with the honourable gentleman which goes far back, far longer than anyone else. He and I were at school together and I remember in the days when the

honourable gentleman was a prominent figure in what is known as the world of sport and which incidentally he still occupies, not in an active sphere, nevertheless he is a very active member of the sporting fraternity. But in those days when the honourable gentleman was the pride and joy of St. Bon's track, I was one of those who could cheer his efforts, I am afraid with far more partisan spirit than I do tonight. Yet nonetheless I can say quite sincerely, Sir, that I congratulate the Minister on his presentation of the budget. The actual form of it was to be expected. We all know the honourable gentleman's ability in the literary line and certainly I don't think that his predecessors will begrudge my saying that the styling of the present budget from the artistic standpoint ranks as high if not higher than any of the preceding efforts.

Now, Mr. Speaker, since the discussion of the budget can be approached in one of two ways; one can plunge into an analysis of the figures contained in that budget and thereby display one's ability to grapple with figures or one can expose one's extreme ignorance of what one is talking about. I propose to take what in my case is the safer course and to confess, as one honourable member did on another occasion in this House, that frankly I am not a financial expert. I think that is just as well, and then if there are any errors of computation at least it will be said that the fellow quite honestly said that it was not his line. But this is a budget that is a very cheerful document, it is like a joyful song with everything rolling out just right, the notes were harmonious, everything was pleasant and when we consider the fact that there is a surplus on current ac-

count and that coupled with that there is the prospect, as we have been told, of even greater surpluses of revenue for the coming year, in effect, in the words of the budget speech, the past year was the most prosperous in all our history. All this could not but help to create the proper atmosphere and create the proper symphony of happiness, prosperity and peace to which we all look forward. But, Mr. Speaker, in all this cheerful song there is one discordant note, the Minister announces that food stuffs are no longer to be exempted from the social security assessment. Now, it is true that he wraps up that announcement in a very polished phraseology, I refer to page 15 in which he says: "It will be recalled that the exemption of food stuffs from the ambit of the governing Act was effected, not by Statute, but by Regulation. This exemption was granted because the Government felt that, at the time, the full benefits of the programme of social assistance had not had impact upon the general populace—a position which it is felt had not rectified itself. Bearing this in mind, together with the fact that this Province is traditionally opposed to certain forms of taxation (e.g. direct land tax and direct taxation for the support of schools) common in other Provinces, the Government have now decided that the exemption of food stuffs for human consumption can no longer be justified and we have decided that, as from a current date, the continued exemption of such items from the ambit of the Act should no longer be permitted." Now, as I say, that is a very nice way of putting it but, Mr. Speaker, we hear this very fine phraseology but we still have to face the cold, hard fact that on the very necessities of life this Government, the Government which according to the Min-

ister's figures which we cannot but accept as sound, is not only not in need of money but actually boasts a surplus, this Government I say, is now going to collect a tax of three percent on the bare necessities of life, the very food we eat. The Family Allowances which are going to be paid to the families in this Province, the families of the poor will be substantially affected, will be bitten into by this iniquitous taxation. The social security legislation of which we have heard so much in recent years and of which legislation so much praise has been properly heard, that social legislation, as I see it, is intended to enable our people to obtain more of the staple necessities of life, and with that type of legislation no right thinking person will quarrel, but I say, Sir, that the effect of this taxation is to deny the people the chance to buy more of these staple necessities. Who in this House, indeed, who in this country, any country, I mean Newfoundland, the Province of Newfoundland if we must be completely correct, who, as I say, has not heard of the toiling masses, that great body of our people to whose interest every effort of this Government has been dedicated and rededicated, Mr. Speaker, I wonder what will be the reaction of these toiling masses to the announcement of the Minister that, we have decided that as from a current date, the continued exemption of such items from the ambit of the Act, should no longer be permitted. That is, items of food for human consumption from the ambit of the Act can no longer be permitted.

Mr. Speaker, I do not have the Honourable the Premier's unique ability, that gift, and it is a gift which he possesses, of being able to rattle off the names of all these

settlements along our far flung coast line, but I venture to suggest that in many of these places tonight people are asking themselves, why this particular taxation? Why does the Government give to us with one hand benefits which it says are our birth-right and yet with the other hand takes away a portion of these very benefits? Does the Government need money? No, these people are saying, the Government does not need money because the Government has told us that it has a surplus of \$3,347,400 at the time the budget was prepared and at the end of March of next year it will have \$5,523,956. Of this amount incidentally an increase of some \$2,750,000 is estimated to be coming from the social security assessment. Now, as I say, Mr. Speaker, I am not able to juggle figures. I can't say how much of that two million seven hundred and fifty thousand is going to come from the three percent taxation of food stuffs. I do venture to suggest it will be a very sizable portion, that, I think is a fairly safe statement for an amateur to make, Now, if the Government is going to have this surplus of \$5,523,956, the question as I see it in the minds of all these people still is, why does the Government need to tax our stomachs? I know, Mr. Speaker, that the House will be told that it is sound financing to build up a surplus while the people are able to pay taxes. I am not a financial expert, but speaking as a member of this House I see no justification for this particular taxation, indeed a moment's reflection on the imposition of this taxation makes me think of the effect that it will have on that campaign the Government so lavishly sponsored not so long ago, "Buy Newfoundland Campaign."

Now, Mr. Speaker, I feel that a

passing reference to this campaign is timely, and I presume, Sir, in order. Recently in reply to questions tabled by the Opposition the vouchers relative to this campaign were tabled for the information of this House.

MR. SMALLWOOD: If the honourable gentleman would allow me? I think he is quite wrong there. The position is that I invited, quite voluntarily invited the Opposition to come up and look at the vouchers. Then I voluntarily brought them in and gave them to the Opposition. I did that voluntarily. I did not have anything to hide.

MR. HIGGINS: I thank the Premier and say, as a matter of fact, that is the correct position. I apologize for my unintentional misstatement of facts. But, Mr. Speaker, however the information came to be tabled that information was made available and there were certain aspects of that campaign which I feel should not go without comment. The first and what strikes me as one of the most unusual aspects of this was the appointment of the director of the campaign. Now, I don't wish to appear hypocritical, I do, however, wish to make it quite clear at the beginning that I have no intention of attempting to smear the character of that gentleman. He is not in a position to defend himself in this House and it may be that in the course of my remarks I will say certain things. I do wish, however, at the very outset to have it clearly understood that I am not making any charges against the gentleman, the gentleman's honesty. I may say things, and I may stress the point that perhaps he was a little bit lavish, slapdash, but I do say and say again with all sincerity I don't question the gentleman's honesty. I do that in fairness to him. He is not in a posi-

tion to defend himself. But we have the extraordinary position, Mr. Speaker, that an arrangement was entered into to cover the disbursement of what originally was going to be something like \$40,000, a sum which ultimately ended up in the vicinity of \$75,000.

MR. SMALLWOOD: It was \$40,000 for one year and it went into the second year. That makes that for two years.

MR. HIGGINS: Eighteen months to be exact. As I say originally to cover a sum of \$40,000 which ultimately went to a sum of \$75,000. At the Premier's injection I do agree it went into an extra six months. But, as I say, whether it was for six months or twelve months or eighteen months an amount originally of \$40,000 was allocated, and, Mr. Speaker, there was no written agreement covering the duties, covering the authority, covering the information wanted, for want of better words, the terms of reference of the director of that campaign. Now, that to me, Mr. Speaker, is a most unusual thing. I don't have any experience of the ways in which Governments operate but I do say that if any business house in this community were to enter into an agreement like that without a written undertaking between the parties, the shareholders would shortly be kicking. Be that as it may, there was no written agreement entered into, there was no understanding at that time as to what salary the director was to get. There was a letter written on the 29th of June, 1950, this Mr. Speaker, is the copy, the original is in the file. It is dated June 29, 1950 and addressed to the Honourable E. Russell, Minister of Natural Resources.

June 29th, 1950.

Dear Mr. Russell,

As directed by you I have prepared a rough estimate of how a portion of the Provincial Government grant will be spent in the proposed campaign to advertise and promote the sale of Newfoundland made products. Two copies of this estimate are enclosed herewith.

You will note that the proposed expenditures cover a total of \$40,000.00. The balance of the Government allocation (\$10,000) plus the contributions of the various participating groups will be added to the various headings in the attached estimates at a later date when a supplementary brief will be submitted.

Please note also that the estimates are based on the assumption that the entire grant will be spent within the present fiscal year and that there is no provision for a fee for the undersigned.

It must be emphasized that while these estimates will be followed as closely as possible, many changes may be necessary from time to time subject, of course, to your prior approval.

May I have your approval of the attached as soon as possible?

Yours very truly,

(Sgd.) DON JAMIESON.

Hon. E. Russell,
Minister of Natural Resources.

To that letter, in at least the files referred, there was no answer. It is quite possible and extremely probable that it is in the files of the Department of Natural Resources. There should be some reference to it but I

would draw the attention of the House to the implications in that letter which says that the proposed expenditure covers a total of \$40,000 the balance of the Government allocation of \$40,000 plus the contributions of the various companies, participating groups, will be added to the various headings in the attached estimate at a later date when supplementary briefs are submitted.

MR. SMALLWOOD: May I say that this other group never submitted anything.

MR. HIGGINS: Mr. Speaker, I propose to deal with that immediately. It is a matter of history in connection with the "Buy Newfoundland Campaign" there were two fairs and at these fairs various Newfoundland Firms had booths and the results from these booths did not come to the Government. Now, as I say, it is purely a matter of interpretation. I do suggest, Mr. Speaker, that the only reasonable interpretation to be taken from this letter, and I know that some of the honourable and learned members of the Government will possibly agree with me on this, the only reasonable interpretation from this statement that the balance of the Government allocation plus the contributions of the various participating groups will be added to the various headings, is that other parties were going to take part in this campaign in some manner and anything received from them would go into this fund.

MR. SMALLWOOD: That is so.

MR. HIGGINS: Now, Mr. Speaker, we have the information that the campaign started on the first of July or the 30th of June 1950. I have here a letter which was part of the records. It is headed "Province of Newfoundland, Office of the Premier,

St. John's, June 30, 1950." It is a circular letter Sir, and at the risk of boring the House I will read it in full.

Letter tabled.

Now, as far as I can see, Mr. Speaker, it was conducted definitely under the sponsorship of the Government.

MR. SMALLWOOD: Yes, but not the ownership.

MR. HIGGINS: It is not being suggested Sir.

MR. SMALLWOOD: I think that point should be made there.

MR. HIGGINS: I think I am entitled to draw my own conclusion, I do suggest, Mr. Speaker, that this letter does indicate a very active sponsorship by the Government. It is an invitation from the Head of the Government to come along to this fair which is styled as an intricate part of this sales crusade. That fair was attended by a lot of people and a lot of money came in as the proceeds of that fair and the profits, if any, never did come into the possession of the Government.

MR. SMALLWOOD: May I help the honourable gentleman's argument there. The Government itself made a contribution to the fair in the amount of \$10,000 as they did the year before when the fair was also held, a contribution to the cost of the fair and they had booths there.

MR. HIGGINS: That, Mr. Speaker, as I say, only makes the thing worse. They not only gave the money to start the fair—

MR. SMALLWOOD: We gave them no money to start it.

MR. HIGGINS: I think, Mr. Speaker, that is a reasonable assumption. The gentleman who was the

director of the campaign, the one who organized the fair, in connection with that fair we have a letter written to wholesale and retail trades from the Leader of the Government and the Government in addition gives ten thousand dollars more. Now, as I say, it is a matter of interpretation.

MR. SMALLWOOD: It is a matter of hard facts.

MR. HIGGINS: No, it is not a matter of facts—the facts are here, the interpretation to be put upon them is for the individual.

MR. SMALLWOOD: The facts are not there. They are in the estimates and in the Auditor General's Report.

MR. HIGGINS: The Auditor General's Report, if I may say so, makes a very fleeting reference to it. In the Public Accounts for the year ending March 31, 1951, the report of the Auditor General, page 37, paragraph 49:

Buy Newfoundland Products Campaign—Subhead 1504 (4) 4: The expenditure of \$41,281 recorded under this heading comprises the following: Travelling \$3,849; Advertising \$19,214; Rent \$1,080; Wages \$12,494; Equipment \$2,534; and Miscellaneous \$2,101. A large percentage of the travelling was done by privately owner cars, and the cost shown above includes mileage claim for a total of 21,683 miles in respect of these cars.

That, Mr. Speaker, is the only reference to the "Buy Newfoundland Campaign" in the Auditor General's Report.

MR. SMALLWOOD: The honourable gentleman misunderstood me, I was referring to the fair. If the honourable gentleman would allow me, it would save him a lot of time and

trouble probably. The Government never held a fair, this Government never held a fair. Geoffrey Stirling and Donald Jamieson held a fair two years running and to both of them this Government made a contribution which appear in the estimates and in the Public Accounts. That is the only connection the Government had with the fairs either year except that I personally and the Government were very much in favour of it, and I sent that letter out to entice businessmen from all over the Island to pour in and attend the fair. The Government had nothing to do with the fair except to give it sponsorship and a contribution of ten thousand dollars each year to that fair. It was a private enterprise fair.

MR. HIGGINS: Mr. Speaker, as I say, it is purely a matter of maybe one having a suspicious mind. I do say I am entitled to any interpretation or construction I put on this letter. For the other letter there is no explanation unfortunately as we have have not the reply, that letter signed by the Premier I suggest does constitute a very active sponsorship of this fair or fairs which are in the words of the Premier himself, "an intricate part of the sales crusade." Now, this original letter was addressed to Mr. Russell but there is another letter on April 3, 1951, signed by Mr. Jamieson and addressed to Mr. N. Short, Deputy Minister of Economic Development, Canada House, Circular Road, St. John's. Somewhere along the route the Government's affiliation or association which had originally been with the Minister of Natural Resources is switched to the Department of Economic Development. I don't know why that was but presumably there was a very good reason but it is not of importance at

the moment. But we know that Mr. Jamieson was paid at the rate of five hundred dollars per month and with the fairness of that salary I have no quarrel, it is a matter of extreme indifference, but the thing that strikes me, Sir, is that there is nothing to show when that agreement was made or if it was ever made indeed, there is nothing to show other than the fact that apparently the money was paid from time to time to Mr. Jamieson. We do know, and here I should like to express publicly the Opposition's debt to the director, we do know through information he gave us that from the beginning of that campaign in July, 1950, until on or about December 17, 1950, there was no bank account, no books of any kind except, as far as we have been able to ascertain, the system they used was that the director of the campaign went to the Department concerned in most cases weekly, presented a voucher, in that voucher showing certain items such as weekly salaries for certain people on the staff; other items were mileage and Mr. Jamieson's salary. These amounts were paid in this manner, A cheque was made out to the order of Donald Jamieson who cashed it and passed the amounts to the various people whose bills were included, and he paid himself from that amount. Now, that may be perfectly all right. It may be perfectly all right when you are dealing with a Government but I do suggest that if any person were dealing with a private corporation in that way that he would not last very long. We do know that on the 17th of December, 1950, entirely on his own volition the Director of the "Buy Newfoundland Campaign" felt that the time had come when there should be some system to the bookkeeping and accord-

ingly a bank account was opened in trust in the name of one of the employees, named Handrigan, I believe, it is a "Miss" but I am not sure—That account was kept in the name of someone named Handrigan "In Trust." Here again the system, whilst it was better than it had been, was still not businesslike because, and so we were informed and when I say we, I mean the members of the Opposition all of whom are present here tonight, were informed that whereas the cheques as heretofore would be made out to Mr. Donald Jamieson that he would not simply pass over these cheques in total to the lady who was holding them in trust but would first of all cash them, pay out certain amounts he had disbursed and the balance was given to her for deposit into this trust account. Now, speaking in round figures, we are told by the Director of the Campaign, no that is not quite true, we were not told by the Director but we did some computations in his presence and subject to his correction, of the money he had received from the Government during the period from July to December 17, when no accounting system whatever was kept and we arrived at a figure in excess of ten thousand dollars as having been disbursed and for that amount, Mr. Speaker, no record whatsoever was kept. Again, in fairness to that gentleman, no receipts were ever demanded from him for these amounts that he drew money for. In other words, if he spent the money and a company sent in a bill, that bill was put in a voucher and the total made up and the Director drew a cheque for the whole lot and if he had chosen to put that money in his pocket there was nothing to show if he ever paid it or didn't. We have his own word for that and I for one, and I think I

speak for my colleagues, am prepared to accept his word for that. Now, that does not reflect at all upon the honesty of Mr. Jamieson but it does very strongly on somebody in the Government. I don't know which is the proper Department either the Auditor General's Department or the Department of Finance. Surely one would have expected at the end of the year that a demand would be made for these vouchers. Incidentally I mentioned Mr. Jamieson's salary; he said he paid himself weekly, that is not quite correct. He was paid an amount of forty-five hundred dollars at the termination of the nine month period, in other words at the end of the first nine months which brought it up to the end of March, 1951, he was paid forty-five hundred and the same way at the end of the other nine months.

Then we have certain items which again show a very slipshod system. There were items put in for mileage and on the 4th of December, 1950, no I am sorry, December, 1951, covering a period from December 14, 1950, to February 10, 1951, a voucher mileage at 14c. for one thousand miles, \$140 and two thousand miles at 12c., three thousand eight hundred miles at 10c., a total of \$760 attached to which voucher is a note initialed "WMM" and I quote "The Premier has confirmed that this special agreement was made with Mr. Jamieson OK to pay." Other mileage went in at the same figure namely; the first thousand miles at 14c., the next two thousand at 12c. and all subsequent mileage at 10c. per mile, until sometime later when, we come to this letter of April 3, 1951, addressed to Mr. Short :

April 3, 1951.

Mr. N. Short,
Deputy Minister of
Economic Development,

Canada House,
Circular Road,
St. John's.

Dear Mr. Short :

I have for acknowledgement your memo of recent date regarding certain items of expenditure in connection with the Buy Newfoundland Products Campaign. It is my understanding that this information is sought by Mr. Walter Marshall, Deputy Minister of Finance and I presume that you will pass this letter on to him.

MILEAGE

In order that Mr. Marshall may understand fully the background to

these mileage claims, I should explain that the Buy Newfoundland Campaign is, in effect, a salesman for literally dozens of Newfoundland industries. Campaign staff are calling on the trade constantly in the interests of one or more Newfoundland manufacturers. In fact, personal contact with dealers and retailers is regarded as one of the most effective methods of promoting sales of local products. Consequently, wherever there is a mile of road our sales representatives are on the job constantly.

To do this job well, two vehicles are needed. One an ordinary car and the other a wagon with space for advertising material etc. These vehicles are on the go constantly, a fact which is not hard to understand when it is known that there are over seven hundred retail outlets in St. John's alone and close to two thousand on the Avalon Peninsula.

One of these vehicles is used exclusively on Campaign work. The other makes an occasional private trip for the undersigned. As you are aware, since the beginning of the Campaign, Mr. Marshall's office has accepted mileage claims showing the total number of miles driven on Campaign business and bearing my certification that the claims are authentic. For this reason no detailed records were kept for the vehicle which is used exclusively for campaign work. The total mileage figure for the period is recorded and nothing more. However, in the case of the vehicle which is used, occasionally for outside work, day to day reports are kept showing the number of miles driven on each campaign project.

Therefore, with regard to Mr. Marshall's order that detailed information must be supplied, in connection with the outstanding claim, it is possible for me to supply this for only one vehicle—the one for which records are kept. This statement is attached hereto. As for the second vehicle, only the total figure is known. If Mr. Marshall finds it impossible to accept this explanation, in the present case, then there is no alternative than for him to disallow that portion of the claim. In all fairness, however, I must point out that the practice of accepting the total figure has been going on for close to nine months and I have received not the slightest indication that such a system was unsatisfactory to Mr. Marshall's office. In future, of course, now that Mr. Marshall's wishes are known, the necessary records will be kept.

In connection with the attached report, also, it might be as well to point out certain facts in order that there will be no further misunderstanding. It is our policy to have a

representative of the campaign call on every accessible retailer as close to once a week as is possible. Because most of the Avalon Peninsula is open to motor traffic competition from competitive mainland firms is intense. There is only one way to meet this competition and that is by being constantly on the job. Also, in addition to regular sales promotion work, which includes the erection of advertising material, the checking of stocks and many other things, the Campaign is called upon frequently to do special survey jobs for individual local manufacturers or groups of manufacturers.

For instance, in recent weeks we have been working on a survey to determine the potential market for Newfoundland fresh fish in the Avalon area. This information is sought by the fish trade and has involved a great deal of work and many additional trips to outlying areas. In the case of Bell Island you will note that in each case where representatives of the Campaign have visited that section they have returned to St. John's overnight. This is because accommodation is very hard to get on most occasions and it is less expensive, in the long run to return to St. John's. On one occasion recently our man was told that he had to leave the Staff House because a number of Dosco officials from the Mainland were arriving and they needed the rooms.

I trust that this rather lengthy explanation clears up the mileage situation to Mr. Marshall's satisfaction.

SPECIAL ITEMS

You request additional information on a bill covering the printing of a comic section. This, as you are aware, is a tabloid size, thirty-six page comic

book, a copy of which is enclosed herewith for forwarding to Mr. Marshall. It will be seen that this Magazine contains a tremendous amount of advertising for the Campaign and that it is slanted to the children of Newfoundland who, experience has shown, exert a tremendous influence on the buying habits of their parents.

It is our plan to use these books as premium "give-aways" in a special children's project in which the children will send in sales slips showing the purchase of a Newfoundland product in order to receive a book. Such schemes are known to have a tremendous effect on sales and, at less than three cents each, there is no premium we know of which could do as good a job for less. Just how effective such schemes can be is indicated by the Slogan Contest which we conducted last fall. Sales slips, showing purchases of Newfoundland products, in excess of \$25,000.00 were returned to us with the Slogan entries. Much of this was new business which would not have been obtained but for the contest.

PRIZES FOR CONTEST

And speaking of the contest may I request that everything possible be done to expedite the various invoices covering the cost of the prizes awarded to the various winners. I would like to point out, first of all, that the list of prizes for the contest was drawn up and approved by the Campaign Committee, including Mr. E. Russell, the former Minister of Natural Resources who was, at that time, the Minister to whom I was accountable. That was in September, 1950. Since that time every newspaper in the country has carried well over one thousand lines of advertising and news copy giving details of the prizes; a special radio

programme has promoted the scheme extensively, also outlining the nature of the prizes and, finally, the winners of the contest have been chosen and prizes delivered. The commitments were made with the full authority of the Minister concerned and I am now in the embarrassing position of having the expenditures questioned and the payments held up at a time when the firms which supplied the various items, in good faith, are asking for payment.

It is my understanding, unofficially, that it is the nature of some of the prizes and the fact that they might be classed as luxury items, which has brought this particular requisition into question. If such is the case I can only point out that the contest was successful, and of unquestioned value to Newfoundland industry, because the prizes were sufficiently attractive to draw widespread attention to the contest and arouse public interest.

DATE OF EMPLOYMENT

There are any number of methods whereby the date on which I took over as Director of the Campaign could be established. However, the enclosed copy of a letter written by the undersigned to Mr. Russell, the original of which is, presumably, in the files of the Department of Natural Resources, should provide Mr. Marshall with the proof he requires before he is prepared to pay me the amount which is now due me as salary. Please note that the letter is dated June 29, 1950, and that it refers to an estimate of expenditure which I had already prepared. This would indicate, as I stated to you verbally a few days ago, that the date when I commenced work on the campaign was actually during the last week in June but that, to make things easier, I was requisi-

tioning only from the first of July, 1950. I trust that this explanation will be sufficient to clarify this matter.

OTHER MATTERS

I understand also that two other matters are being questioned by Mr. Marshall. One is the purchase of two steak dinners, at Woodstock Country Club, by two members of the staff. The total cost of this item being \$4.22. The other concerns the Retail Grocers Annual Dinner and the question is asked: "Why should the Buy Newfoundland Campaign be represented by two persons?"

As for the steak dinners the only explanation is that the two men concerned were doing campaign work around Conception Bay and that they stopped at Woodstock for their regular meal. This, of course, they were perfectly entitled to do but, I agree that more than \$2.00 per person per meal is an unnecessary expense under the circumstances. In fact, when the bill was first presented the men concerned were reprimanded and instructed to keep their meal costs down in future.

In the case of the Retail Grocers

Dinner the explanation is very simple. As stated earlier we regard the grocers as a most important group who can do a great deal for the campaign. Consequently, when their annual dinner was announced we arranged for the erection of a number of displays in the banquet hall. These were quite large and cumbersome and it required two men to set them in different locations for the dance which followed and finally, take them down at the end of the evening and return them to St. John's so that the various products incorporated in the displays, would not be stolen. That's why two tickets were purchased and it was a small expense in relation to the value received.

So far as I am aware these explanations cover all the matters which have been questioned. I regret that it was necessary to make this such a lengthy document but I wish to avoid further misunderstanding. If there is anything else on which you require clarification please call me at 4700 and I will be pleased to tell you, or Mr. Marshall, anything you may want to know.

Yours very truly,

(Sgd.) DON JAMIESON.

At our meeting with Mr. Jamieson he explained this letter to us. There had been some questioning of the item by Mr. Marshall in his official capacity of this mileage, and he was asked (I am not quite sure I did not ask him myself) as to why the first thousand miles he claimed 14c. and for the next two thousand 12c. and after that a flat rate of 10c. It was explained to us this way. It was a figure which I would not say had been more or less conjured up but arrived at, I think,

without any reference to any existing scale, but that subsequent to this date in April a flat rate of 10c. a mile was charged for all driving. The question was then put and honestly, quite honestly answered. Now if that be so, did you adjust these overpayments? To which Jamieson answered: "No, I did not adjust as I did not regard it as an overpayment." He answered quite honestly that he saw no reason to regard it as an overpayment, and that is a position that is quite understand-

able. It was apparent however that once Mr. Marshall did query them, Mr. Marshall apparently insisted on ten cents a mile figure being accepted.

Now, there are various other items in this campaign and there once again I don't like to refer to the gentleman but I do so with his full knowledge. On the 26th of May, 1951, there is a voucher in the amount of \$200 to Donald Jamieson to cover a trip to Germany and a note on that also initialled "WMM" "Got instructions of Premier M-C to come." I don't know if that is Minutes of Council or what it is. I asked Mr. Jamieson about that and there again his reply was completely honest. That was the time when he was asked to go to Germany to make the commentary, I think, on a sound tract for a film which had been filmed here, the picture was made here. I asked how long he was there and I think he said, about a month. I asked, while you were on that particular assignment did you regard that as part of the "Buy Newfoundland Campaign." He did not answer me, and I asked him again, "Now, think it over, do you regard that particular trip to Germany to make the sound or commentary for this film as being part of the "Buy Newfoundland Campaign" to sell Newfoundland goods?" He said, "No, now that you put it that way I don't think it was." "If that was so, were you paid by the Newfoundland Products Campaign for the month you were there?" He said, "Yes." I asked him then, "Don't you think that amount should properly be refunded to the 'Buy Newfoundland Products Campaign' by whatever Department sent you?" He said, "I don't know, I did not bother to question it." There you have the whole thing, he did not bother to question it, no dishonesty.

As far as dishonesty goes if the Government need any assurance which they don't, I am quite prepared to say that I don't think there was any dishonesty in it at all, but there was, Mr. Speaker, an appalling lack of businesslike method about the whole thing. "I just did not bother to think." We have items here, Mr. Speaker, travelling around to Toronto, to Ottawa, to Montreal, to New York, all items that may possibly be good for the "Buy Newfoundland Campaign," a lot depends on the angle from which you view the thing. But I do say that it requires a little more explanation than has hitherto been forthcoming. There are various items covering various things, such as in February, 1951, there is a bill payable to the Sunday Herald Printing Company, reports of the Premier's speech, one hundred and fifty dollars, cuts of the Premier and another figure \$185; comic books, twenty thousand comic books. It does not say how many of these comic books were distributed but we are told by Mr. Jamieson again that on April 5, 1951, that there was on hand two thousand comic papers worth \$597.40.

MR. SMALLWOOD: Can the honourable gentleman tell us what these were?

MR. HIGGINS: Yes, I was fortunate enough to see them. Everyone in this House is familiar with "Skip", it is run in most of the Saturday papers and one to which the Sunday Herald subscribed so that in the regular size issue of the Sunday Herald, twenty-six continuous pages of the adventures of Richard Tracey and on top was printed "What Newfoundland makes makes Newfoundland." There was another, and I don't wish to be irreverent, "Meet Joe" was another heading of the pages.

MR. SMALLWOOD: Has the honourable gentleman got them, I would like to see them? Who does "Joe" mean?

MR. HIGGINS: To me there is only one "Joe" in this country.

MR. SMALLWOOD: I think that would be "Joey" not "Joe."

MR. HIGGINS: The unfortunate thing was this that these thirty-six pages with the appropriate headings which were to be distributed to the schools, through some unfortunate break-down in the arrangements were not at all properly distributed and we have the authority of the director himself for that statement. I think he did say (I am not sure) but if I recollect right, something like five thousand copies are still on hand either in the building where they had the campaign headquarters or in the Trade Printers' establishment. As I say, of that twenty thousand, Mr. Speaker, five thousand are on the dead. These are all items which I say were contracted in perfectly good faith but with an appalling indifference to cost.

That, I think, pretty well sums up what I have to say on the "Buy Newfoundland Campaign." But there is just one other.

MR. SMALLWOOD: Could the honourable gentleman say as to what knowledge he has of the possible effect of that campaign?

MR. HIGGINS: No, Mr. Speaker, it is rather impossible to gauge it. I would refer the House to a cross-section of opinion taken by the feature writer for that "Tory Evening Telegram" which appeared some weeks ago, in which out of six men, one said it possibly was a good thing, one he thought it was a good thing, and

I think another failed to see the point of it and the others were not favourable.

MR. SMALLWOOD: Were they anonymous? Did the director give any information on that?

MR. HIGGINS: I don't want to be unfair. He said that good results were achieved. He had mail to that effect if we wished to see it.

MR. CASHIN: Two letters.

MR. HIGGINS: As I say, I have no fault to find with Mr. Jamieson's honesty, the man was completely open about it, but as I say, Sir, this whole campaign from its conception to its gradual wind up was not one of which the Department of Finance and the Auditor General's Department or anybody else could feel particularly proud. So much for the "Buy Newfoundland Campaign."

I have only a few more remarks to make. As I said I was genuinely impressed with the ability displayed by the Minister of Finance in his presentation of the budget. I did feel, as has been remarked I believe by my colleague, the member for St. John's West that it was perhaps regrettable that the Minister spoiled what was otherwise a most creditable effort by a momentarily, and only a momentarily lapse into a spirit or note rather unworthy of the general tenure of the budget speech, and I refer to his comments on page 21 of the budget speech when he referred to the Government's decision to build the cement mill, the gypsum plant and the birch plant when he says, "Nothing was ever more warranted than the Government's decision to build the cement mill, the gypsum plasterboard mill, and the birch veneer, plywood and flooring mill; but it is an unfortunate fact that

from the moment the decision to build was announced it was twisted and distorted by political opposition and partisan criticism. Any ordinary mechanical or operational mischance in one of these three mills was advertised widely by political opponents of the Government that built them, and exaggerated beyond all semblance to reality. One could almost believe that a complete failure of these enterprises would be welcomed in certain quarters." Now, I do say, Sir, that in my opinion at least I think that the Minister did arrive at an unworthy and unfair conclusion. In any remarks levied by the Opposition against this programme there has been no such twisting and distortion of these things. The criticism was fair, and there was plenty, I am not disputing that fact, despite the fact that we only took twenty minutes between us.

MR. SMALLWOOD: What about the statement that the mill was falling apart made here in this House?

MR. HIGGINS: After all in the heat of the debate we are all allowed certain license. I don't think the Premier himself is free from that particular failing. I do say though, Mr. Speaker, and quite seriously that a great deal of the criticism stemmed from the Government's own unwillingness to give to the public the full particulars in the earlier stages of all these deals to which the public monies were being committed. But, Mr. Speaker, to suggest that any member of this Opposition would welcome any such thing as the total failure of these industries and the consequent effect upon the economy of our mutual country, I submit is absolutely wrong. I do say, Sir, again, that to me that was the only note in a completely happy budget, an able budget, to which I take any exception. I do feel

that the position of the Government is not by any means so rosy as we have been told but that is possibly again coloured by the position from which I sit. I do say again, Sir, that despite whatever criticisms I have and may continue to level against the budget I have great pleasure in congratulating the Honourable Minister on his very able presentation. Thank you.

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, I move the adjournment of the debate.

MR. SMALLWOOD: Mr. Speaker, we could now revert to Committee of the Whole on Supply.

MR. SPEAKER: Leave was given earlier that this Committee sit again. I do now leave the Chair.

Department of Health:

MR. CHALKER: Mr. Chairman, I would like to say a few words with regard to the Department of Health during the past year. I would like to start with the General Hospital as the other headings are more or less general, such as accounting, vital statistics. When this Government came into power the General Hospital had a revenue slightly in excess of \$63,000, its patient days was down to approximately eight thousand patient days monthly. Today this four hundred and nine bed hospital including the Orthopaedic Wing now averages twelve thousand patient days per month, and the out-patients Department averages thirty-six hundred monthly.

I may say we have a new Superintendent, Dr. Wilson, who arrived here about a month or six weeks ago and seems to be shaping up very well at his job and we have great hope now we will get the hospital back in good running order again. As you will all remember the General Hospital

has been without a Superintendent for quite a while.

The Fever Hospital: this hospital has forty-three beds and fortunately they have not been occupied to any great extent and at the present time is used mostly for TB, we get isolation cases.

St. John's Sanatorium has four hundred and fourteen beds which will be increased this year to four hundred and fifty beds. This hospital is under the superintendency of Dr. Bennett. I may say that we have now introduced the new drug so widely advertised and we have ten patients there under treatment and from the latest reports the treatment is very successful. It is now evident that this new drug will be available at all drug stores and from the officials of the Department they advise me that the cost of it is approximately \$30 a year per patient. If successful it will put a lot of Newfoundlanders unable to obtain admission to hospital back on their feet again. Thus far there is nothing definite proved but the daily reports are very encouraging.

The Mental Hospital under the control of Dr. O'Brien. I may say Dr. O'Brien is taking charge of the largest institution in Newfoundland, a hospital of approximately one thousand beds and is doing an exceptionally fine job. He has increased the work in the out-patient's department and has also introduced many new ideas into mental care in the institution. It is very gratifying to me as Minister of Health that when several members of this House visited the mental institution a short while ago they gave a very good report on the hospital.

The West Coast Sanatorium will be

opened officially on June 4 as a hospital of approximately 270 beds. At the present time we have one hundred patients and we hope we have the staff within the next few weeks to have a full complement of 270 patients in the hospital. This hospital takes care of patients from practically all over the island with the exception of the Avalon Peninsula; Dr. Peters who for many years was head of the TB centre here in St. John's is presently superintendent of that hospital.

We have three new cottage hospitals, one at Springdale, one at Fogo, one at Channel opened officially this year. The one at Channel is now operating. That brings the total of cottage hospitals including Botwood and Gander up to seventeen. Added to this are seven or eight nursing stations. We averaged last year eight thousand patient days in these hospitals and one hundred and twenty-seven days in the outpatient's department.

The Western Memorial Hospital, opened last year, is now at full complement. It was kept from being full due to the fact the nurses' home had not been built and the nurses themselves had to occupy part of the patient space. Through the assistance of this Government this has been remedied and the nurses have now moved into their new quarters with the result that the hospital at the present time is just about working at capacity.

In addition to all these we have been very fortunate since Confederation in having the assistance of the Federal Government, Health and Welfare Departments. The Federal Health Department of Ottawa has been pouring into our department many millions every year. They have, for instance, given us four new boats on the South West Coast and in each boat a

doctor who is travelling the various islands of the Province to the great satisfaction of the people living there. This is paid entirely by the Federal Government. They have also supplied us with funds to operate an air ambulance last year which has been the means of saving approximately three hundred and fifty lives, getting people out of places inaccessible due to winter travelling conditions.

The International Grenfell Association to whom this year, if passed by the House, the Government intends giving \$150,000 towards another sanatorium to be built down in St. Anthony. They have assisted the Government fully in every respect in which we have asked them. As a matter of fact they are now looking after our nursing station at Englee and have supplied us with a boat to work within the bay during the summer months. As you know they operate hospitals in Labrador as well as in Newfoundland and their cost of operation is considerably lower than ours, and their force is more or less a missionary force and I suppose that is the reason they keep their costs down.

The Notre Dame Bay Memorial Hospital under the control of Dr. John Olds. I believe everybody here in this House has heard of Dr. John Olds. He is a very astute, efficient surgeon who has devoted his time to the Notre Dame Memorial Hospital practically since its inception and has done marvellous work in that area and is held in esteem by all the people around here.

That is just a rough idea of what has been going on in the Department of Health. I may say, Mr. Chairman, that our condition of health in Newfoundland is going up very rapidly. In 1945 through 1949 there were one

hundred and eleven deaths from TB per one hundred thousand population and the rate in 1950 had dropped to sixty-eight and we anticipate at the end of this year to have it down possibly to fifty-five. In the city of St. John's it has dropped from 134 in 1945 per hundred thousand to forty-eight in just a few years. As a matter of fact mortality dropped from sixty-four to fifty-eight in the Province and from sixty to forty-six in St. John's. I may say now our institutions are fairly staffed but with respect to the outport nurses we are having great difficulty to obtain them and Dr. Miller the Deputy Minister was sent over to England last year and was fortunate in securing some nurses to come here, but not sufficient to fill all the vacancies we have at the present time. We hope in this year however to bring in sufficient nurses to cover all the outlying districts as we have been requested by every member, I believe, in this House to have some sort of service established in their various districts. That is the only reason the Department of Health is not able to cope with it, due to the lack of assistance and trained personnel to be sent out to the various outports.

Mr. Chairman, that covers fairly well the short summary of what has happened in the Department of Health and is all accounted for in the estimates as appearing in this table.

1001 through 1003 carried.

MR. CASHIN: What is that about the registrar, paying a portion of it under the Department of Public Welfare?

MR. CHALKER: That will be explained in the Minister's estimates.

1004 through 1006 carried.

1007. HEADQUARTERS MEDICAL STAFF :

MR. CHALKER : Dr. Gallagher.

MR. CASHIN : Who is the Chief Medical Officer?

1007 carried.

1008. NURSING SERVICE :

01. Salaries	169,700	154,900	95,152
02. Expenses :			
01. Travelling	8,000	7,000	7,917
02. Office	2,500	3,200	3,201
	10,500	10,200	11,118
03. Supplies :			
01. Instruments, Drugs and other supplies	25,000	20,000	36,097
02. Outfit Allowances to Nurses	3,000	4,000	3,284
03. Training of Midwives	800	1,000	735
	28,800	25,000	40,116
Total: Subhead 1008	209,000	190,100	146,386

MR. FOGWILL: Field Consultants. What does that mean?

MR. CHALKER: Those are nurses that are travelling around constantly to various outports more or less inspecting and visiting all the various outport nurses bringing them up-to-date on various methods they employ in their services.

MR. HOLLETT: What salaries do nurses get now?

MR. CHALKER: The nurses in the hospital or the nurses in the nursing service?

MR. HOLLETT: Those in the nursing service.

MR. CHALKER: They get the same practically as the nurses in the hospitals except some travelling allow-

ances and uniforms are supplied. They get including the cost of living allowance roughly \$1,160 a year.

MR. HOLLETT: Does that apply to nurses in hospitals, too?

MR. CHALKER: No, they live in the institutions but these nurses live in their own homes and get the cost of living bonus and board attached to their salaries.

Carried.

1009 carried.

MR. CASHIN: Notre Dame Bay Memorial Hospital?

MR. CHALKER: That is \$25,000 a year towards that. They have roughly twenty-five beds for TB patients. That is for TB allowance alone they have other votes besides.

1010 through 1014 carried.

1015 carried.

MR. CHALKER: Mr. Chairman, on 1016 there is \$10,000 just charged to that account until the end of the month then to the various institutions to which they had been sent.

1016 carried.

1017.

MR. HOLLETT: Mr. Chairman, does that take care of mouth-wipes?

MR. CHALKER: No, we have them later.

MR. HOLLETT: I have some here. You lose eight thousand dollars on them. I am going to tell about that.

1016 through 1019 carried.

1020.

MR. CHALKER: Mr. Chairman—

MR. CASHIN: This section on various hospitals: First I want to congratulate the Honourable Minister on the report he gave the House this evening with respect to health services throughout the country. We have a great interest in the matter of the health of the people generally and in respect of this General Hospital there are only one or two remarks I want to make. A few years ago, I think, we used to have a hospital in the City of St. John's which was called the Merchant Marines Hospital and that has been converted, I think, into a nurses' home and the nurses are brought there from the General Hospital, I think, by motor vehicles and live in that building up there. To my mind, I don't know who was the instigator of it, but it did not look just right, a nurses' home should be close to the hospital in which they serve.

Furthermore, that hospital in St. John's West served the country and was used principally at that time for the returned soldiers, war veterans and they were more or less going to to be treated there. It was a great service. I don't know whether the Government has decided to put a nurses' home down there near the General Hospital in the future, but I will say that these people have to be treated in other institutions now because this Merchant Navy Hospital is being used as a nurses' home for the nurses in the different hospitals and people who were treated there now have to go elsewhere to other Government institutions for treatment. In my opinion and in medical opinion they get better treatment, they got better treatment in the Merchant Navy Hospital when it was operating as a hospital than they can in other institutions now which are not particularly adapted for such sickness.

Now, there is another matter on which I would like to say a few words. During this year's session of the House we have voted to raise the salaries of various individuals including ourselves, but in the hospitals all over the country including the General and the Mental Hospitals and the Fever Hospital and the Sanitorium and other hospitals throughout the land we have nurses who in my opinion are not getting sufficiently paid for their services and as a result a lot of them are leaving Newfoundland and going to the Mainland. I happened to be a patient in the General Hospital at one time last year and the nurses looking after the room I was in had in mind getting out of Newfoundland and going to the United States because they were not getting the pay here which they told me they were able to earn in Montreal, Toronto, New York.

Their whole idea was to get their training here and as soon as they get it move out and go where they could get better pay. Now, a nurse, in order to be trained, has to put in three years of service for practically nothing and then when she goes to work she gets, an outside nurse gets I think, \$8.00 per day for an eight hour day, but nurses in the General Hospital nursing on the floor get somewhere in the vicinity of \$1,150 a year plus a cost of living bonus. But these people who work in the institutions, don't they get their food, do they get the cost of living bonus?

MR. CHALKER: If I may interrupt the honourable member, I would like to explain that, Mr. Chairman, I am not against raising anybody's salary, I assure you. But we have had many visitors from the Mainland in connection with health and we find that our nurses may not be as well paid actually in the cash they receive but the assistance which they get with their job here in this Province is far greater than they get in the other Provinces. They are charged there, for argument's sake, with their meals, that is the people who are living in the institutions, this we do not charge them for.

MR. CASHIN: You mean nurses on the staff?

MR. CHALKER: I got to be very careful tonight. I see there is a nurse here probably sent up to check on the estimates this evening. I understand from nurses who come down here who are in the General Hospital that salaries compared favourably with those away as benefits they receive here they did not receive away. I don't want to go on record as being against nurses getting additional salaries, Mr.

Chairman, I live too close to the hospital for that.

MR. CASHIN: I am just bringing it up, I know nothing about it. It is a matter for the Government and I just mentioned it because I feel they should get special consideration. The General Hospital here has been enlarged during the last number of years, it is a big institution and the nurses work on these floors for ten or twelve hours a day as the case may be and they have to keep going whereas an outside nurse only works eight hours a day and makes more money. But they live at home or board. I am not pressing the point. It is a matter for the Government and they probably have had it under consideration before now.

I also suggest to the Honourable Minister that if in the future an opportunity may arise whereby a nurses' home could be constructed for the nurses facilities and convenience near the General Hospital that the Government would consider the reopening of the Merchant Navy Hospital in St. John's West, on Water Street.

MR. CHALKER: Mr. Chairman, I may say the Government at the present time is considering the possibility of erecting a nurses' home in conjunction with the present nurses' home in the General Hospital, but it would take practically one hundred thousand dollars to build that home with some assistance from the Federal Department of Health.

With regard to the Merchant Navy Hospital it was solely for the Ex-Servicemen of both wars. Then when I took over the office I found that there was a lot of foreign seamen in there, merchant navy, not British but just more or less most of them French and Spanish. Considering the matter we

thought, and we believe rightly so, we should bring the Ex-Servicemen down and keep them in a group in a nice sunny ward in the new part of the General Hospital. It would be better not only for the newer hospital but for the services readily available there for them which would not be the case in the old Merchant Navy Hospital. The servicemen who have been transferred down there seem very well pleased with their new location, I can assure the Honourable Leader of the Opposition on that.

MR. HOLLETT: Mr. Chairman, I would like to add my few words to the words of the Honourable Leader of the Opposition with regard to the statement by the Honourable Minister of Health. I think, personally, the Minister of Health and the Minister of Welfare who by some strange coincidence have been sitting together since they have been elected, I would say that they have done the best job that has been done by any Department of the Government. As to the General Hospital I can vouch for what the Honourable Minister says with regard to the treatment down there and it gives me great pleasure now to commend not only the Minister but the staff and nurses. I would like to add a few words with regard to the nurses. I don't mind if there are a few nurses here as they are likely to keep us in moderation. In looking over the General Hospital estimates, I believe I see—Student Nurses (\$150-50-250) and I believe, Mr. Chairman, that annual fund is the trouble with regard to finding nurses for the various hospitals. In this day and generation with the cost of living what it is I can't see how any young woman can afford to go into the hospitals even though partly clothed with uniforms and board and an allowance of only \$200

a year. The inducement to go in, however much as she may desire it, the inducement is the financial independence and it is so low that I fear many a fine woman who would make sterling nurses are kept from going into the hospitals an account of this very reason. I believe if the Department of Health would even now start in and raise the allowance to be paid to student nurses that within a period of three or four years the whole problem with regard to nurses throughout the country would be solved. I am quite sure the Minister must agree, and Mr. Chairman, I believe the Honourable the Premier would agree with that idea that a great inducement should be given to get young women to go into the nursing profession by way of raising that allowance. \$200 a year does not work out to very much per month, about \$16. I would say, Sir, that you would not have to go to England or Germany or any other country on this side of the iron curtain to get nurses if you could induce some of our young girls to go in by giving them a better allowance.

While I am on my feet may I speak of mouth wipes? You will find that people have to use mouth wipes even in the General Hospital.

MR. CHALKER: Actually, Mr. Chairman, mouth wipes or anything that does not interest me. They do not come under the Department of Health, it is all done in Supply. I am not interested in what comes in as long as it is up to a standard of quality and standards set in the institutions.

MR. HOLLETT: That is the very matter I wish to bring up, the standard of quality. I tabled a question quite a while ago with regard to mouth wipes. I see no reason why

the Leader of the Opposition should laugh as even he should sometimes need mouth wipes. I had a reply from the Department of Supply and they told me that during 1951 the Department of Supply purchased mouth wipes at a cost of \$22,000 odd dollars. They go on to say that they were supplied by Hygiene Products Limited, local agent, Mr. Kearney. Then it goes on to say that during the war years certain other types were used. The point I want to raise, Mr. Chairman, is this: This particular brand of mouth wipe was introduced by reason of economy and on account of the fact they were cheaper.

MR. SMALLWOOD: That is not all. There is another consideration as well, besides the price there is the quality the Department wanted and had used for many years. That is one consideration and the other is the economy.

MR. HOLLETT: I submit that it is not the quality and I submit also the Department in buying these mouth wipes lost about eight thousand dollars in that they paid more for a cheaper brand of mouth wipe than they should have paid. The Honourable Minister of Supply has had them here on display, well, I have some here which I would ask any member on the opposite side to take and look at. Here are some here, and I am not the agent for them at all. Look at them. Here is the one bought by the Department of Supply and here is the one which could be bought at a much lower rate and which could be used in the hospitals, I think, with greater sanitary effect as regard to the patient who might use them. This one here is nice and soft. I am not advertising them at all, only they are much better, I am sure.

MR. CHALKER: That is the trouble, they are too soft. They are not good for the hospital, that is absolutely the trouble.

MR. HOLLETT: I submit that this is a much better one and that there are others besides these much better that could be obtained at a lower price. On this one alone I discovered I could save \$8,000 on a purchase of \$22,000. I just raised the point as the Minister may have some reason for buying these cheaper things for the purpose of economy to be used in the hospitals, mind you, I don't believe the Minister would knowingly do that but apparently it has been done and I am wondering why it was done. Why look at that, a mouth wipe, nobody here would put it to his mouth unless he had to, and I hope they never have to. I raised the point in order that the Honourable Minister for whom I have a great regard and for whose work I have the greatest admiration, in order that I might bring it to his attention. That is the only reason why I raised the point.

MR. SMALLWOOD: It is a pleasure to know the honourable gentleman, among many other qualifications as a member of this House, possesses also the very valuable qualification that he can pass judgment for the purpose of health institutions between the various qualities and standards and brands of mouth wipes. I never suspected that the honourable gentleman was an authority on mouth wipes.

MR. HOLLETT: I have been in hospital a good many times.

MR. SMALLWOOD: The honourable gentleman is voicing his opinion against that of the various health officials of this Province, Dr. Miller,

Dr. McGrath, who say this particular mouth wipe is the one most suitable, and who indeed have used them in this Province for many years past and have succeeded in having the Minister of Supply get that particular brand. Now, that is their judgment, but the honourable member brings in here some other brand of wipes and asks me to look at them. I did not look at them because I confess unshamedly I am not an authority on mouth wipes.

MR. HOLLETT: You should be.

MR. SMALLWOOD: And I do not think that any look I might give to mouth wipes could add to the value of this product or to the work of this House. I prefer to leave that to the proper officials of the Health Department and I would presume that the Minister of Health himself would prefer to leave it to his permanent, professional assistants and personnel in his Department. I just wish to say it is a new role in which we find the honourable gentleman, an authority on mouth wipes. It is a quality which I never expected in him and I am sure the Government are grateful to him, and that Dr. Miller, Dr. McGrath and other permanent officials of the Health Department will be grateful for his advice. I will see to it personally that his opinion is conveyed to the Department, the deputy and assistant deputies and other officials in the Health Department and I will ask to have from them their reply as regard to his opinion. If they do not say to the Government that they think their opinion should be valued more than the opinion of the honourable gentleman then the change in the brand of mouth wipes, I will promise, will be made in the near future.

MR. HOLLETT: Mr. Chairman,

the Honourable Premier will find I am a master of many roles especially the role of bringing him to his feet quite often and bringing out of him statements which are to say the least, there is a very good word to describe them but I won't use it now, but if he can get Dr. McGrath's verdict on this I should be glad to have it brought here and submitted to the House. Incidentally there are other doctors besides Dr. McGrath who might like to pass on these mouth wipes and if we could get their opinion from the Minister I would in fact much prefer to have the judgment of some fine young doctors here of these two types of mouth wipes, better still. I would like to have the judgment of some of the patients in the sanatorium or some of the other hospitals with regard to them. The point I raised is that we are paying about two thirds as much money for a cheaper quality than we should be. That is a point that interests me. Yet, you say the Minister of Supply says you are buying these cheaper things for reasons of economy. More Alice in Wonderland stuff.

HON. DR. H. L. POTTLE (Minister of Public Welfare) Mr. Chairman, before the item carries, I would like to draw the attention of the Committee to the cost of living bonus. I am sure the Minister won't mind my mentioning the item in this way. The Cost of Living Bonus does add up to a very considerable item here and where it takes effect for a full year the cost of living bonus for the General Hospital alone is \$225,000. I thought the Committee might be reminded of that as we pass.

Carried.

MR. CHAIRMAN: I move the Committee rise, report progress and ask leave to sit again.

The Committee sat and reports having passed items 1001 through 1020 inclusive. Ordered sit again tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move that all further orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow at 3:00 of the clock.

WEDNESDAY, May 7th, 1952.

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

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

NOTICE OF MOTION

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to amend the Gasoline Tax Act, 1949."

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Wild Life Act, 1951."

Answers to Questions

MR. POWER: Mr. Speaker, I beg leave to table the answer to question No. 72.

1. Yes.

\$2,949,085—Temporary overdraft at Bank of Montreal, interest three and one-quarter per centum, liquidated on 31 October, 1951.

\$900,000 —Treasury note in favour Newfoundland-Labrador Corporation Ltd., dated 15 December, 1951; interest two and five-eighths per centum; liquidated 1 April, 1952.

\$350,000 —Treasury note in favour of Fisheries Development Loan Fund, dated 20 March, 1952; interest one and one-half per centum; matures 20 September, 1952.

2. Yes.

\$900,000 —To liquidate temporary loan obtained from Newfoundland-Labrador Corporation Ltd.

3. 1 December, 1951.

4. Detailed statement of Expenditure as Charges against Subhead 407, General Contingencies, 1951-52:

Official Entertainment :

E. Godson B.P.	\$ 43.26	
Old Colony Club B.P.	743.99	
J. R. Chalker B.P.	115.00	
Mrs. LeCour B.P.	50.98	
Ruggles Photos, various	72.50	
Nfld. Hotel B.P.'s-3	1,527.96	\$ 2,553.69

Presentations :

Goldsmiths & Silversmiths, Caribou	\$ 496.21	
G. Langmead, Engraving	26.76	
H. M. Ministry of Works, Chairs	365.87	888.84

Refunds :

Receiver General, incorrect credit	\$ 10.00	
G. A. Winter, Bowaters Director's fees	608.22	
W. A. Munn, amount overpaid	303.26	921.48

Memorials :

Canadian Legion, 1st. July	\$ 324.06	
Valley Nurseries, Wreath	25.75	
Quebec Fleuriste, Wreath	25.00	374.81

Miscellaneous :

Peat, Marwick & Mitchell, Loan prospectus	5,289.05	
Dunn & Bradstreet, Subscription	205.00	
Bank of Montreal, Redemption cash note	1.00	
W. Bourne, Attendance Civil Service Selection Board	52.58	
Total Payments		\$10,286.45

5. Contingent Liabilities	Amount of Guarantee	Amount Outstanding
(a) Bowater's (Nfld.) Pulp & Paper Ltd. as of 29/2/52 :		
3½% "B" Mortgage Debenture Stock due 15/1/70	£1,777,200	£1,408,700 (Say \$3,923,229)
(b) Guaranteed Bank Loans as of 1/4/52 :		
Andrews (Labrador) Fisheries Ltd.	\$160,000.00	\$120,000.00
Olsen Whaling & Sealing Ltd.	425,000.00	300,000.00
Alberto Fisheries Ltd.	65,000.00	65,180.75
Fishery Products Ltd.	110,000.00	88,000.00
Northeastern Fish Industries Ltd.	350,000.00	.....
Fishery Products Ltd.	350,000.00	326,500.00
Springdale Fur Farmers Co-op Soc.	7,000.00	7,000.00
Northeastern Co-op Fisheries Soc.	35,000.00	35,000.00
Arctic Fisheries Products Ltd.	125,000.00	125,000.00
Northlantic Fisheries Ltd.	675,000.00	475,450.00
Dunphy's Limited	45,000.00	45,000.00
Hollett Sons & Co. Ltd.	125,000.00	125,000.00
Lourdes Co-op. Society Ltd.	40,000.00	.....
St. Lawrence Corporation of Nfld.	537,500.00	458,067.99
U. C. Board of Education, St. John's	40,000.00	30,000.00
United Engineers & Contractors	75,000.00	5,000.00
Gaultois Fisheries Ltd.	425,000.00	170,000.00
Nfld. Hardwoods Ltd.	150,000.00	122,554.00
(c) Guaranteed Bond Issues as of 1/4/52 :*		
Town of Fortune	\$115,000.00	\$115,000.00
Town of Grand Bank	200,000.00	200,000.00
Town of Harbour Grace	50,000.00	50,000.00
Town of Lewisporte	120,000.00	120,000.00
Rural District of Springdale-South Brook	160,000.00	160,000.00
*These issues are guaranteed as to both principal and interest. Liability in respect of principal only is shown above.		
(d) Acquisition of Capital Stock as of 1/4/52 :		
Harbour Grace Water Company	\$50,700.00	\$50,700.00
Carbonear Water Company	40,000.00	40,000.00
(e) Newfoundland Savings Bank as of 31/3/51 :		
By Act No. 53 of 1939, "the general revenue of the Island shall be liable for all moneys deposited in the Bank and for all interest thereon." As of 31st. March, 1951, the latest audited statement available, deposits in the Bank totalled		\$24,561,048.35
6. Applied in full against Surplus Account		
Expenditure (Trans-Canada Highway, etc.)		\$715,444.86
Credited to pre-Union Surplus (one-third —two-thirds)		15,258.05
Total		\$730,702.91

Orders of the Day

MR. SMALLWOOD: Mr. Speaker, this is member's day, and I believe there is a private Bill, if we could call that one first.

Second reading of Bill, "An Act to Amend the Maritime Hospital Association Re-Incorporation Act, 1949."

MR. COURAGE: Mr. Speaker, this is not a very important Bill, and there is nothing whatsoever of a contentious nature in it. I don't propose to speak at any length on this Bill, because I gave a full explanation when I presented the petition, asking leave to introduce this Bill.

The Maritime Hospital Association, as everyone knows, is a non-profit organization, and in this country, it is usually known as "Blue Cross" with which everyone is quite familiar. It is a group insurance plan and has a great many subscribers in this country. The amendment is merely to assure that members of the Association shall not be liable for the debts of the Association unless he has made himself personally liable. This, Sir, is a clause which is usually found in the articles of Association of any Company which is a non-profit Association and I understand that this amendment has been recently passed by the Legislatures of New Brunswick and Nova Scotia. I have much pleasure in moving second reading of this Bill.

MR. SPEAKER: The motion is that this Bill be now read a second time. The ruling regarding private Bills is that the Bill be now referred to a Select Committee in which members of the Committee then report to the House and the rule (No. 6) says; no committee might sit until one week has elapsed from the time the Bill is referred. It is just a suggestion per-

haps that rule might be waived in order that the committee may hear anything for or against the Bill.

MR. COURAGE: Since there is nothing contentious in the Bill at all, and since I have already explained it to the House, in some detail, and the petition was considered fully by the committee, I ask that this rule be waived for this Bill, and that the Bill be referred to a Committee of the Whole on tomorrow.

Rule suspended, ordered referred to Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the St. John's Municipal Act, 1921" and Acts in amendment thereof.

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, this Bill proposes some amendments to the St. John's Municipal Act, 1921. Section 2 of the Bill repeals the existing section 26 of the St. John's Municipal Act, and substitutes a provision whereby a sum not in excess of \$16,000 may be allocated annually for remuneration of the Mayor and councillors. Section 49 entitles taxpayers to a copy of any minutes of council of the municipality, the amendment limits this right to copies of any meetings other than a minute of any special or privileged meeting. It is necessary at times for the council to hold special or privileged meetings where they obtain confidential advice from various officials. The reports, it is felt, of such meetings, should not be available to any taxpayers.

Section 4 empowers the council to provide for municipal dumps and control such property and prevent trespassing and scavenging thereon.

Section 5 prohibits the sale of any article in any cinema, theatre.

Section 6 merely rectifies an error in the Act.

Section 7 merely substitutes the words "Business Tax" for the words "Stock Tax."

Section 9 merely provides that the annual reports of fire insurance companies be made by the end of January rather than February.

Sections 10, 11, 12 and 13 provide for amendments in connection with the duties of the City Clerk.

A new section provides for an agreement between the St. John's Municipal Council and the Provincial Government whereby the assets of the St. John's Municipal Council may be transferred to the Provincial Government under terms and conditions to be arranged later.

Another section gives permission, not mandatory legislation, but permission whereby the council may impose a poll tax on people over 21 for the purpose of financing a stadium. The Council has not agreed to do that, but feel that in the event of the one per cent salary taxation not being sufficient to meet the cost of the stadium they might help out in this way. As I said, it is not mandatory but merely permissive legislation.

Another section provides for the area bounded by New Gower Street, Carter's Hill, Cabot Street, and Casey Street to be frozen until advice and recommendations can be made by the town managing committee as to just what type of buildings may be erected in that part of the city.

These are the various amendments and I see nothing very contentious about them, and move the second reading of this Bill.

Ordered referred to the Committee on Municipal Affairs before which Committee those in favour of or against the Bill may appear in person or council as provided for in Standing Order 69.

The Motion is that Standing Order, Rule No. 6 regarding one week in connection with this Bill be waived.

Carried.

First readings:

Honourable the Premier: "An Act Further to Amend the Co-operative Societies Act, 1939." Bill read a first time, ordered read a second time on tomorrow.

"An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation." Bill read a first time, ordered read a second time on tomorrow.

"An Act Further to Amend the Town Council Guarantee Act, 1951." Bill read a first time, ordered read a second time on tomorrow.

"An Act to Make Provisions for the Raising of Money by Certain Local Authorities." Bill read a first time, ordered read a second time on tomorrow.

"An Act Further to Amend the Slum Clearance Act, 1950." Bill read a first time, ordered read a second time on tomorrow.

"An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951." Bill read a first time, ordered read a second time on tomorrow.

Second readings:

Second reading of Bill, "An Act Further to Amend the Act 47 Vic., Cap. 6" entitled "An Act to Incorporate the Carbonear Water Company."

MR. FORSEY: Mr. Speaker, this Bill merely provides for a transfer of the assets of the Carbonear Water Company to the Carbonear Town Council. Briefly it provides that the Lieutenant-Governor in Council may if it is deemed advisable at any time, after the water works have been transferred from the company to the Province have the system operated by any Minister designated by the Lieutenant-Governor in Council and further provides that after the system has been taken over by the Province it may be transferred to the Council by order of the Lieutenant-Governor in Council subject to any conditions he may prescribe. I move, Mr. Speaker, the second reading of this Bill.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act Further to Amend the Act 26, Vic. Cap. 5" entitled "An Act to Incorporate the Harbour Grace Water Company."

MR. FORSEY: Mr. Speaker, this Act is similar and identical in principal with the Act just previously given second reading. It merely enables the Lieutenant-Governor in Council to transfer the assets of the Harbour Grace Water Company to the Harbour Grace Town Council. As I said, it is similar and identical with the one previously given, and I move second reading.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Second reading of Bill, "An Act Further to Amend the Local Government Act."

MR. FORSEY: Mr. Speaker, this

particular Bill is designed to empower the Lieutenant-Governor in Council to form local improvement areas. As the House is aware, the Provincial Authorities in conjunction with the Federal Authorities and the Central Mortgage and Housing propose within the next three years to build new townships in the area of Gander consisting of some one thousand houses and it is proposed in the present year to build some three hundred of these houses. It is felt that the area should be restricted, that building in that area should be controlled and this particular Bill is designed to do just that. The Bill does not specifically refer to Gander for the simple reason it is anticipated and hoped that the same thing may take place in the area of Goose.

It is proposed, after the township is built, to have an elected municipality, but before that takes place, Mr. Speaker, it is proposed to have a board of trustees with one representative from the Provincial Government, one from the Federal Government and one representing the residential rights of this new township.

I see nothing very contentious, Mr. Speaker, about this piece of legislation, and I move its second reading.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the Memorial University Act, 1949."

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, when the Memorial University Act, 1949 was passed, provision was made for the setting up of a Board of Regents either elected or appointed. No provision, however, was made in that

board for the inclusion of the president of the University. Experience has proven during the past two years that the president should be a member of the board of regents, and in this amendment we are proposing to include that.

Provisions are also made in the Act for the appointment of a senate and their appointment to run for some three years now, provision is made that members of the Senate are eligible for re-appointment or re-election, if desirable. The Act provides for the appointment of the Chancellor who shall hold office for three years. The House is already aware that a Chancellor has recently been named and will agree that whether he were named or not the provision of three years should not be there, and the third amendment of this section calls for addition of the words "Three years from the time of the Chancellor's appointment."

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the Mining Tax Act, 1950."

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I beg to move second reading of this Bill. Honourable members will remember that in 1950, we enacted a Mining Taxation Act, the function of which was to impose a taxation of five per cent upon the profits of all mines. The amendment sought in this Bill is an amendment to include as the owners of a mining grant anybody who might have by prescription shown the right to a mine. It is a fact, Sir, that if a party got a grant from the Crown, that grant explicitly included all minerals under it, but if a

party has possession and the title to the land is by prescription, the title gives not only possession of the land, but the mineral under the land. In other words, a man getting a land by prescription gets a better title than a man with a grant.

The other object of the Act, Mr. Speaker, is to except specifically the Labrador Mining and Exploration Company Limited from the Act. Under our contract with this company, we are under obligation not to impose upon them a mining tax Act. They pay a tax which is provided for in their Act and last year when the Act went through the section was either ambiguous or else applicable to them. The object of the amendment is to make it precisely clear that the Act does not apply to them and to the Buchan's Mining Company, and likewise the Dominion Steel Company who are under their own special Act. The Steel Company, of course, have not a special Act, but through a special Act last year, we made their taxation ten cents per ton on the first one and a half million tons and eight cents per ton on additional output. Buchan's taxation gives the Government five per cent on the net profits. The Labrador Mining and Exploration Company has its own special Bill, and the effect of this amendment is to make it quite clear the mining tax Act does not apply to any of these companies.

MR. HOLLETT: To what companies does it apply?

MR. CURTIS: To all others and all further ones.

MR. HOLLETT: Are there any others at the moment?

MR. CURTIS: There is the Fluorspar at the moment in St. Lawrence

and any others that might start developing now.

Bill read a second time, ordered referred to Committee of the Whole on tomorrow.

Committee of the Whole on Bill, "An Act to Provide for the Guarantee by the Government of Newfoundland of a Loan to be raised by the Newfoundland and Labrador Corporation, Limited."

MR. SMALLWOOD: Mr. Chairman, before the Committee proceeds to deal in detail with this Bill, I wish to say that I intend to move a couple of amendments to it. One of them to name the terms of the bond issue and the other to state the terms and conditions of the sinking fund. We have been in touch with the underwriters and with our solicitors, with the underwriters by cable.

MR. P. J. CASHIN (Leader of the Opposition): What is the name, out of curiosity?

MR. SMALLWOOD: The Firm of Montgomery, MacMillan and others, the longest law firm in the world, I think judging by the number of men in the firm. The Attorney General cabled them asking if they had any objection to stating these facts in the Bill, and they have approved it, and as we come to these particular clauses, I will move the necessary amendments.

MR. CASHIN: Could the Honourable Minister tell us the name of the underwriters?

MR. SMALLWOOD: I would prefer they asked that we should not name them publicly. The Committee will be aware of the fact that the bond market is always somewhat delicate and at the moment particularly it is sensitive and there are good rea-

sons, I have had conversations with their representatives here in the city, who visited here quite recently for a meeting of the Newfoundland and Labrador Corporation, the executive of which I am a member, and I can assure the House there is good reason in the public interest why at the moment, the names of the underwriters should not be given. I have already said that there are two, one Canadian and one American, very large concerns, very well known, very reputable indeed. The American House is probably the second greatest of all American underwriting firms next probably to J. P. Morgan and Company, that is going a little close, but I prefer actually not to give the name. It is a very high-class and reputable firm with whom Newfoundland could feel a little satisfied to be associated when the name is finally published.

MR. CASHIN: Did we do business with them before?

MR. SMALLWOOD: I think not. It is a new house as far as Newfoundland is concerned.

Clause 1 read:

"This Act may be cited as The Newfoundland and Labrador Corporation Limited (Guarantee) Act, 1952."

MR. SMALLWOOD: Now, Mr. Chairman, I move the insertion of a clause which will be clause 2 "The Government of Newfoundland hereby guarantees unconditionally the payment of the interest to due dates and at the places where the interest is to become payable, at a rate not exceeding four and three-quarters per centum. (4¾%) per annum on the loan in the amount of ten million dollars. (\$10,000,000), payable as to principal, interest and premium, if any, at the option of the holder of the debentures

hereinafter mentioned in either Canadian or United States Funds, to be raised by the Newfoundland and Labrador Corporation Limited, hereinafter called "The Corporation" by the issue of debentures to be dated as of May 15, 1952, and maturing on May 15, 1964, in fixed total face value of ten million dollars (\$10,000,000) and the Government of Newfoundland hereby guarantees unconditionally the payment of the principal amount of such debentures upon maturing and at the places where such principal amount is to become payable and the payment of the premiums, if any, payable upon or in respect of the debentures."

That is the end of the insertion which I now move as section 2. Then there would follow a new section 3, but I will come to that when we have disposed of my motion.

MR. CASHIN: Mr. Chairman, I take it the amendment as read out becomes section 2, and the other one—the whole thing is kind of out of order in a way.

Now, that is some change from what we had in the original Bill brought before the House. Now, we know that this loan is for twelve years, and I presume the next section reduces the sinking fund, which I brought up here the other day, I realize however, as this issue is big, a couple of corporations or bonding houses must be reputable to have ten million dollars. At any rate, with regard to the present state of the bond market, I understand it is very ticklish at the present time. It is not our idea to force the Government to tell us, our criticism of the loan is on the principle of having to borrow, not of who is, or who is not subscribing the ten million dollars.

However, just one more point: I

take it the clause there will be incorporated into this Act where the interest is payable, like in our old loan Acts, old and antiquated, nevertheless, if my memory serves me right, it stipulated when the bonds came due where they would be payable. If my memory serves me right, our bonds were here in St. John's and in Montreal, and in England and New York. I will just make sure, I may, or may not be correct.

MR. SMALLWOOD: That is so, but these were Newfoundland Government Bonds.

MR. CASHIN: The same applies to debentures, we are guaranteeing them, at any rate, it is a Government obligation. It does not say where this loan becomes due, in St. John's, London, England, that does not appear here, but I take it, it is in New York, Montreal, Toronto. As the Premier said, it is up to the Corporation to arrange that. However, these debentures may be sold anywhere, it may be in Vancouver, but if it is put in the Bank in Vancouver, I take it, it is for the Bank to collect in St. John's or Montreal as the case might be.

Now, the Premier is kind enough to tell us, yes this loan is going to get about \$8,700,000. In other words the first year's interest is going to cost the treasury (the treasury is responsible) and the corporation seven and three-quarter per cent to get this loan, therefore, you lose three hundred thousand dollars on the making of the loan. If you don't use it, you got to pay for it. Money is like other commodities, you got to buy it and pay interest on it at four and three-quarter per cent, amounting to seven and three-quarters in the first year. In the next year it won't amount to so much, so that when the sinking fund starts,

I am just making a guess from what the Premier said, after two years and from there on annual instalments, I suppose for every year for ten years. In other words, it will be so much per cent per annum.

I think we ought to have the Bill properly drafted to bring in here, it is improperly drafted now. That is not a small amendment.

MR. SMALLWOOD: This amendment merely gives in the Bill itself what I said on the occasion when I introduced the Bill. I said then very clearly that it was a twelve year bond issue, and this amendment makes it a twelve year bond issue. I said also that it was a sinking fund bond, the sinking fund of which would begin two years after the bond had first been placed and would continue for the remainder of the life of the bond, which would be for ten years. The next amendment covers that. There is nothing whatsoever in the amendments but they are merely putting into the Bill what I announced when I introduced the Bill.

MR. CASHIN: My point is, Mr. Chairman, will the original Bill be put in as it exists here at the present time and then the amendment follow or will section 2 become a new section?

MR. SMALLWOOD: The sections will be renumbered. Section two is there now, it is redrafted, that is all.

MR. CASHIN: It changes the face of the old one.

MR. SMALLWOOD: Not at all, it does not change the old one in the least. The principal stated in the Bill does not change nor is it amended in the existing clause in the least, it merely adds some details to the Bill. The principle of the Bill is that we

are guaranteeing a bond issue of ten million dollars. This House, Newfoundland, the Government guarantees the bond issue of the Newfoundland and Labrador Corporation in the amount of ten million dollars. That is the Bill, and now we have added some details to it stating that the bond issue should be for a period of twelve years, that is the only change. I have already said that when we introduced the Bill, that the Bill would show the bond dated May 15, and the Committee may remember that I spoke of something else happening on the 13th.

MR. CASHIN: It matures on May 14th, 1964?

MR. SMALLWOOD: I think the underwriters are pretty dependable on that matter. It does not matter anyhow, all the amendment does is add some details to the clause.

Carried.

Clause 2 read:

"The Government of Newfoundland hereby guarantees unconditionally the payment of the interest, on the due dates and at the places where the interest is to become payable, at a rate, not exceeding four and three-quarter per centum ($4\frac{3}{4}\%$) per annum on the loan in the amount of ten million dollars (\$10,000,000), payable as to principal, interest and premium, if any, at the option of the holder of the debentures hereinafter mentioned in either Canadian or United States funds, to be raised by Newfoundland and Labrador Corporation Limited (hereinafter called "the Corporation") by the issue of debentures to be dated as of May 15, 1952, and maturing on May 15, 1964, to the face value of ten million dollars (\$10,000,000) and the Government of Newfoundland hereby

guarantees unconditionally the payment of the principal amount of such debentures upon maturity and at the places where such principal amount is to become payable and the payment of the premium, if any, payable upon or in respect of the debentures."

MR. HOLLETT: Mr. Chairman, yesterday I believe we all opposed the principal of the Bill, particularly on the grounds—

MR. CHAIRMAN: The principle has been passed.

MR. HOLLETT: I remember making some opposition yesterday. I said a word or two at any rate.

MR. CHAIRMAN: The honourable gentleman is not now on the principle but on this section.

MR. HOLLETT: I perceive by this section that we are making ourselves liable for ten million dollars at an interest rate of four and three-quarter per cent and as the corporation itself is a ten per cent private and ninety per cent Government corporation, we are, of course, liable for practically the whole amount of the interest during the next twelve years, and within the next twelve years we have to find ten million dollars plus any interest and premiums that may be outstanding. I said yesterday and repeat now, that it is tantamount now to increasing our national debt by ten million dollars.

MR. SMALLWOOD: To a point of order. I feel that the honourable gentleman knows himself, that he is out of order, and is seeing himself how far he can get away with it.

MR. HOLLETT: I fail to see where I am out of order. I am speaking to this section.

MR. CHAIRMAN: The principle

of the Bill has been passed by the House, and was that the Government guarantee this loan of ten million dollars to the Newfoundland and Labrador Corporation. That is the principle and it is not to be discussed at this time, as the honourable member knows.

MR. HOLLETT: I bow to your ruling, of course, Mr. Chairman, but I have to refer surely to the Newfoundland and Labrador Corporation which is as we know the corporation to whom we have given twenty-two thousand square miles, which is, as we know, a Corporation to whom —

MR. SMALLWOOD: Mr. Chairman, to a point of order, and my point of order is that the honourable gentleman is quite clearly out of order going over this ground again and trying to get away with it, as he did on other occasions. My point is that the honourable gentleman ought not to be allowed to defy the rules of the Chair.

MR. CHAIRMAN: The point is well taken, the honourable gentleman is getting away from the item under discussion. I may say that speeches in committee must be specifically relevant to the clause under discussion. This clause deals with the interest and the dates on which the debentures are issued, and I think the House realizes that the corporation or the principle of the Bill is not to be discussed at this time.

MR. HOLLETT: The name is mentioned in here and surely I described it, there is nothing out of order about that. I realize the Honourable Premier wants to rule me out of order the moment I get on my feet.

MR. SMALLWOOD: I do not, but

the honourable member is out of order, he does that himself.

MR. CASHIN: We are on section 2 which is practically the same as it was except that the maturing of the loan is on May 14, 1964. Now, in discussing that section which is the body of the Bill—

MR. HOLLETT: There is no body to it.

MR. SMALLWOOD: Which was said at second reading.

MR. CASHIN: We discussed the principle in second reading, and we were told yesterday we did not talk long enough on it.

MR. SMALLWOOD: You are not too long now, but out of order.

MR. HOLLETT: What is the difference between today and tomorrow?

MR. SMALLWOOD: If the honourable gentleman were to talk for the next two months on this section there is nothing to stop him under the rules of the House, but the remarks must be relevant. The talk on the principle which was held yesterday cannot be revised in this session of the House, cannot according to the rules.

MR. HOLLETT: All right, Mr. Chairman, let us forget the principle. I am trying to explain that we are making ourselves responsible for ten million dollars which has to be paid as to principal and interest, the interest every year and as for it being for the Labrador and Newfoundland Corporation we can't forget that the Government will be liable for 90% of it, then at the end of twelve years you have to pony up ten million dollars, if they can't find it.

MR. CHAIRMAN: You cannot go

on to discuss what is given the company and what is not.

MR. SMALLWOOD: What the honourable gentleman has said up to this time would be properly said on second reading and is improper in Committee of the Whole.

MR. CHAIRMAN: I was about to say to the honourable member, but it is not the job of the Chair to instruct the honourable member, but surely it is now under consideration the time of the maturity and the interest. These things can be discussed.

MR. HOLLETT: We did not know that until five minutes ago, Sir.

MR. CHAIRMAN: As for naming the corporation, it can be named, but to go into a discussion of what it has been given and has not been given, that is improper.

MR. HOLLETT: Can we go into what we get out of it?

MR. CHAIRMAN: Not under this clause.

MR. HOLLETT: We can't go into what we give them or what we get out of them, well, perhaps, we could under some other clause. It is still screwy.

Carried.

MR. HOLLETT: Before we go on, could we have the places named where it is to be paid?

MR. SMALLWOOD: There is no reason in the world, none at all, why that should be stated in the Bill, ordinarily it was not even stated in the loan Bills in the past in the cases where the Dominion raised a direct loan. What is required is that it be stated that the Government guarantee unconditionally a bond issue of ten

million dollars to be raised by the Newfoundland and Labrador Corporation, the rate to exceed a certain amount, the terms of the loan, a certain time and so on, where the interest will be paid does not concern this House, for the simple reason this House does not pay it, the Government does not, the Newfoundland and Labrador Corporation pays it, and the places at which the Corporation will pay it, is something to be arranged between the corporation and the bondholders or their representatives the underwriters. If there were any reason for it, there would be no objections.

MR. FOGWILL: I wonder if it would be in order to ask the Premier for what purpose the Corporation is to use this money which they propose to borrow?

MR. SMALLWOOD: That, I take it, is out of order, as that was dealt with at second reading and if the honourable members of this House on either side of it wished to debate it at second reading, there was ample time, and if they chose not to, they cannot now suddenly decide to discuss it.

MR. FOGWILL: The reason I asked the question is that it is not stated in the Bill. I hardly think it could be debated in second reading when it was not stated in the Bill, what they were to use the money for.

MR. HOLLETT: The Honourable the Premier stated that the Newfoundland Government does not pay it, and the Government of Newfoundland hereby guarantees unconditionally the amount of such debenture in the manner and at the places where such amount is to become payable. To me it appears the Government will pay it.

MR. CURTIS: Of course, Mr. Chairman, my honourable friend is

overlooking the fact that this is a guarantee. This is not a loan, not the type of loan the honourable member of the Opposition refers to, just that the places named in the debenture may be St. John's, maybe Montreal, may be Halifax, and in American or Canadian funds.

Carried.

MR. SMALLWOOD: Now, Mr. Chairman, I have another amendment. The new section 3 would now read: "The Corporation shall make provision for the redemption of the debentures by annual payments, the first of which shall be made on May 15, 1954, to a sinking fund to be created by the Corporation sufficient to retire on May 15, 1964, five million dollars, \$5,000,000 face value of the debentures. I move this section three as amended.

The sinking fund would be for ten years.

MR. CASHIN: Now, where is that sinking fund to be located, surely the Government ought to know whether the sinking fund is to be in Timbuktoo, or somewhere in St. John's where they have the headquarters of the Corporation. I know when the old sinking fund of the Newfoundland Government which matured on January 1 of this year, a million odd dollars, that sinking fund was put in sterling and was in London, not in dollars in New York or Montreal or St. John's, just because of the fact that it was in sterling created in the Bank in England. And I say this sinking fund, under the circumstances, should be created here in St. John's in the Bank of Montreal, or the Royal Trust or one of the Trusts and collected and paid in there every year on May 15. That is not an unreasonable request. It has to be put somewhere, they

have to have a sinking fund and it is our job as a House to see that it is placed somewhere under the supervision of the proper authorities. Once it becomes a sinking fund it is really reducing our liability each year by five thousand dollars a year. Remember also that we could collect interest on that sinking fund, it could be debentures and collect four and three-quarter per cent on it until they cancel them out altogether. Now, I feel, Mr. Chairman, I am not being unreasonable that that should be incorporated in the Act, where the sinking fund is to be established and the proper place is the headquarters of the Newfoundland Government, who are, after all, directly responsible for the whole issue.

MR. SMALLWOOD: Mr. Chairman, if I may, I would like to congratulate the honourable member on making the type of speech in Committee of the Whole, that is exactly the type of speech required in Committee of the Whole, to discuss a detail and the point taken is well expressed. Now, my reply is that there is no doubt there should be a sinking fund, and that the Corporation should set up a sinking fund and pay in to it annually a certain sum of money, and the effect of it should be by 1964, it should pay off half the principal of the debt. But just where this sinking fund will be set up really does not concern us. This Newfoundland and Labrador Corporation member is not a foreign body, but a Newfoundland Corporation and a corporation which has its head office, remember, here in the city of St. John's, and quite clearly while it is that corporation's business, clearly they will set up the sinking fund here in the city of St. John's and clearly the Government can be depended upon to

see that they do, because the Government controls the corporation.

MR. CASHIN: I know you own 90%. I take it the Government will see now that the sinking fund will be established here in Newfoundland. I remember when we borrowed money in London we established our sinking fund in London, and a special Act, if my memory serves me right, was brought in by the Commission of Government.

MR. SMALLWOOD: The trustees were in London.

MR. CASHIN: There should be trustees of this sinking fund, but there are no trustees in this section of the Act. That is why as I say, Sir, it is important. We are dealing with pretty shrewd individuals who drafted that section and it is our job to look out for the Newfoundland taxpayers, and I feel it is not unreasonable in such circumstances that a sinking fund should be established in St. John's, and these people who unfortunately are not here would realize it is not unreasonable to ask that and would agree to it. But you can't run a business like this by remote control and that is what is being done.

MR. SMALLWOOD: May I say, Mr. Chairman, that I think it is provided for in the agreement between the corporation and the underwriters. The Committee will appreciate, and my honourable friend in particular, will appreciate the fact that underwriting a bond issue of ten million dollars is not a simple thing, the details are not at all brief or simple. It is a very long and very complicated procedure, and there is an agreement between the Corporation on the one hand, and the underwriters on the other, setting forth in detail the

actual mechanics of the floating of the issue. Now, what this House must see to, in view of the fact that we are guaranteeing the issue, is that the amount shall be no more than a certain figure, that the rate of interest shall be no more than a certain figure, that the terms be no more than a certain length of time, that there be a sinking fund, that the sinking fund shall begin not later than a certain date and shall continue for the remainder of the life of the bond and that it be at a rate which will by the termination of the issue be enough to have retired fifty per cent of the issue. Now, these are the fundamentals and the rest surely is detail.

Now, clearly the honourable gentleman is right, the sinking fund of the Newfoundland and Labrador Corporation, controlled and owned by the Government should be set up in Newfoundland. There is no doubt of that.

MR. CASHIN: I take it the Newfoundland Government will see to that.

Now, Mr. Chairman, there is just one more question. I may be out of order and I may not, one has got to be particularly shrewd these days. I notice in reply to a question here that the Government had retained the services of Peat, Marwick and Mitchell—

MR. SMALLWOOD: When the Government realized a couple of months ago that it would be coming to this House with a request for the guarantee of a bond issue, they retained the firm of Peat, Marwick and Mitchell and Company whose name, as the Committee realizes, is known throughout the world and accepted throughout the world in banking and

financial circles, to go through our whole finances with a view to preparing the kind of prospectus that is required in the event of a loan being floated on the public market, that is a public loan. Members of the Committee have seen these prospectus issued by the various provinces of Canada and by various Crown Corporations of Canada with regard to their floating of bond issues in the United States to be filed with "SEC" and members know that such a prospectus is a highly technical document prepared after the most careful, scrupulous scrutiny into the affairs of the Province, state, country or Corporation desiring to file with SEC. We have had no experience whatsoever with such a prospectus, no such prospectus ever having been issued in Newfoundland by any Government as it was not necessary in the old days when there was no "SEC." The late President Roosevelt created it and the "SEC" requires the filing of a prospectus. The preparation of that prospectus is a highly technical piece of work and it has been prepared—

MR. CASHIN: Have you a copy in the House?

MR. SMALLWOOD: If there are additional copies there is no reason in the world that once they are filed with "SEC" they are public property and any citizen in the world and surely any citizens of the United States will have access to that document. That is why a prospectus must be filed with "SEC" so that any potential purchaser of bonds, any interest concerned with that prospectus has the right of access to that prospectus and every citizen of Newfoundland has access to that material and certainly every member of this House. I will undertake that once

this issue is floated on May 15 and the formalities have been complied with, it may be quite a job to get a copy, at the moment they are actually in the hands of the printers i.e.—the copies that have to be filed with "SEC," but we could get some mimeographed and as a matter of fact, they would make a most useful document. The most useful information with regard to any Province of Canada are the prospectus they issue for "SEC" in connection with bond issues, because the SEC Act requires the statement of various pieces of information concerning the Corporation floating the bond issue, and this document will be a very interesting document for any person.

MR. CASHIN: You have a copy of it at the office of the Finance Department right now?

MR. SMALLWOOD: Only in the drafted copy. They have sent back the drafted copy with some fifty or sixty questions for further information to be added to it. Since that has been done, we have had nothing back, but we will be glad to table it.

MR. CASHIN: You can't table it tomorrow, for instance?

MR. SMALLWOOD: No, no, we have not got it. It is not here in Newfoundland at the moment.

MR. CASHIN: I thought this particular loan was not to be floated through SEC but was to be done privately.

MR. SMALLWOOD: It is.

MR. CASHIN: Do I take it then this document, this prospectus is with SEC?

MR. SMALLWOOD: If the honourable member will allow me. I am

practically certain of this, when money is raised anywhere in the United States through the sale of bonds, stock, shares, debentures, or any other securities are subscribed whether public or privately the prospectus must be filed with the SEC. Now, from that point on, from the filing of the prospectus, the procedure varies if it is a public issue or a private issue, but in either case, I believe, a prospectus must be filed. I believe that to be the case.

MR. HOLLETT: Mr. Chairman, might I ask why are provisions made merely for five millions and not ten.

MR. SMALLWOOD: It is this, Mr. Chairman, most bond issues are not sinking fund bond issues, some are, and some are not, and it is rarely, if ever the case, that the sinking fund bond issue, especially a short issue of twelve years is issued at the rate that will retire it then at one hundred per cent. The time is not exactly too short, it is fairly short, but there are many shorter, five years, so that it is a sinking fund—

MR. HOLLETT: What happens after the twelve years?

MR. SMALLWOOD: The issue is either refunded or accumulated profit pays off the remainder, one or the other. It is a little unreasonable to expect that a twelve year bond issue should have a sinking fund large enough to pay it off in twelve years.

MR. HOLLETT: I know that, but I want to know what happened with regard to the repayment of the balance, will the company be asked to create another sinking fund?

MR. SMALLWOOD: I venture to prophesy that twelve years hence when this five million dollars of this issue

falls due, if it falls due, because the corporation has the right to buy in these bonds at any time, beginning two years hence, buy in the debentures two years after issue or at any time for the remainder of the life, and assuming they have not done so in twelve years they are left with five millions to be met by the sinking fund and five millions remaining to be met, the corporation surely, and I forecast it will, will have resources as a corporation out of which to pay the remaining five millions. Now, for the sake of argument only, assume they don't have the money on hand with which to redeem the remaining outstanding five million dollars then it becomes a matter of issuing a new issue renewing the note which is the most commonplace thing. Now then, if you take up a new bond issue in any Province of Canada today, with the exception of a direct issue on the direct credit of the Province, the series of Provincial Bond Issues will set forth the purpose for which the bonds are being sold and also with the express purpose that part of these issues is to repay maturing loans, in other words a bond issue of the Province of New Brunswick twenty years ago which raised eight million dollars matures this year. The Province of New Brunswick this year needs to spend ten million dollars on roads, bridges, hospitals and schools, but in addition they need seven or eight millions to meet the old loan so that they float the new issue for eighteen millions which is commonplace and quite normal.

MR. HOLLETT: I appreciate that explanation. On the point of the prophecy made by the Honourable Premier, I hope it will come true.

Carried.

Clause (4) read:

"The guarantee given by this Act may be evidenced by the endorsement on the debentures issued in respect of the said loan of a guarantee in such form as the Lieutenant-Governor in Council may approve which guarantee shall be signed on behalf of the Province by a person or persons to be appointed in writing in that behalf from time to time by the Lieutenant-Governor in Council and the signature of each such person may be engraved, lithographed or otherwise reproduced upon the debentures."

MR. CASHIN: Mr. Chairman, the Minister of Finance is the one to sign that, he is the person that should sign any debenture or bonds.

MR. SMALLWOOD: He would be appointed by the Lieutenant-Governor in Council and it is a matter of going to New York. I have been asked to go and do it, but I have grave doubts as to my ability to leave the Province at this time, and if I cannot go then, it will have to be some other member of the Cabinet, or some other person, it does not of necessity have to be a member of the Government, though it would be, of course, obviously very desirable.

Carried.

The Committee sat and reports having passed the Bill with some amendments.

Ordered read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move the House do not adjourn at six o'clock.

Debate on the Budget Speech:

MR. HEFFERTON: Mr. Speaker, I do not lay any particular claim to

being either an economist or a financier, nor even a lawyer, and I think the next few remarks I make will give evidence to refute any claim I might make. However, there are certain things in the Budget which I can deal with on a common sense basis, and I take advantage of it. I want to add first of all, Sir, my congratulations to the Honourable Minister of Finance for the able manner in which he presented his budget. It is not often that a Minister of Finance, making his first Budget Speech is able to announce a surplus, particularly of such proportions as the one we see in these financial figures.

Reference has already been made by one or two speakers to the style and the delightful phrasing of the Honourable Minister of Finance in some of his earlier writings and I recall with pleasure, as some other members do, the delightful satires he gave to us under his writings for the "Sacred Cow" and equally delighted, Sir, by the diversified skill shown in his poem, "Bogwood," and I am glad to know now that in the more prosaic matter of dollars and cents the Honourable Minister of Finance still retains a delightful phraseology which denotes clear and lucid thinking.

Yesterday afternoon the honourable, the Junior member for St. John's East, in dealing with the Budget Speech, devoted a great deal of his time to the Buy Newfoundland Campaign. While I have no quarrel to find with his legal presentation, there is something to be said for the justification of whatever expenditures were incurred in this campaign. We have to recall that subsequent to confederation in 1949 and 1950, we had large numbers of salesmen and representatives from the Mainland Firms rushing down to Newfoundland in order that they

might pick up whatever business offered. Grave fears were expressed by the owners and promoters and shareholders of the secondary industries that they were going to suffer unduly because of union with Canada. It was a time when it seemed desirable for the Government, and I think rightly, to see that some steps should be taken to safeguard if possible, our own secondary industries and to cut off, as it were, the possible flooding of orders to the Mainland. It was for these two purposes and with them in view, that the "Buy Newfoundland Campaign" originated. Now, a question asked yesterday was as to the tangible result of that "Buy Newfoundland Campaign." I am afraid that no one is able to answer fully in dollars and cents, what were the results, but we might be justified in claiming as part of the success of that campaign the fact that the fears for secondary industries which were so prevalent immediately before and after confederation were disproved by the fact that since confederation only one or two small failures occurred in those industries. Now, how much we are justified in claiming that the secondary industries were able to carry on and in some cases to expand because of the investment and the publicity we drew to local industry at that time, I say, is a matter for individual opinion, but I am convinced in my own mind that the "Buy Newfoundland Campaign" did have some justification and did help materially to prevent the failure of some of the industries.

At the present time, also, I wish to deal with some of the bemused figuring of the honourable member for St. John's West. Whether he is a book collector, or not, the particular book to which he referred, he is very fortunate indeed if he has one of the two hun-

dred original prints of "Alice in Wonderland" at the present time because in the past fortnight, the British Museum bought one of these two hundred original copies for something like \$3,600. However, I am of the opinion the honourable member for St. John's West was not quoting it merely because he was a book collector, or because he liked the fairy tales.

Now, I am rather surprised that he did not go on and quote some other things which occurred in that famous book when Alice was talking of certain things which she had heard and was unable to understand. The author writing in the third person said: "You see, Sir, she did not like to confess even to herself that she could not make it out at all." And afterwards—"Some how seems to fill my head with ideas only I don't exactly know what they are." Now in no unkindly spirit I say that fits rather aptly the honourable member for St. John's West, who, during the course of his remarks in this debate, made certain statements which in my mind showed bemused thinking. He argues that because our director of Economic Development has recently become president of the Newfoundland and Labrador Corporation, which is in part a creature of the Newfoundland Government, that there is no need any longer for the director to be held on in his position as director of Economic Development. The honourable gentleman is quite well aware that though he is president —

MR. HOLLETT: To a point of order, Mr. Speaker, I did not say any such thing, the Honourable Leader of the Opposition is not —

MR. HEFFERTON: I accept the correction. I think it only fair to point out, however, Sir, that we still have some one hundred and twenty thou-

sand square miles of territory over and above that which the corporation has control nor is it to be conserved for some moment in the future. The industries have already been started and in the process of construction at the moment there are industries which are going to capture and hold the interest of this Government while this Government remains in power and that means that now there is more need than ever perhaps for the director to be a man somewhat skilled who has the knowledge and contacts to help us out in our industrial programme. One phase of our activity has been finished but there is another phase and still another to come and consequently we want to hold on to the skill and workmanship and drive that we have.

I believe that it was the honourable member for St. John's West who said on another occasion in the same speech, our finance was never so soundly based as now, that was an exact quotation from the Budget Speech used by the honourable member in his debate. Again, Sir, I think there is some confusion in the honourable member's mind, just what does he mean to imply from the quotation? A man may be rich today, he may have property, he may have considerable investments and that property may be wiped out over night and these investments wiped out over night, and unless he has taken the proper precautions beforehand such as insurance, etc., no one can claim that his finances were soundly based no matter how rich he was provided he has not taken necessary precautions. The quotation taken from the Budget Speech seemly meant that at the present day even though we have not the accumulated surplus we had in 1949, our finances, inasmuch as they deal with current revenue and expenditure in this Prov-

ince, are more properly guarded and more soundly based than they were at any previous time in our history.

MR. HOLLETT: Nonsense.

MR. HEFFERTON: Again, Sir, the honourable member made another statement, he said the Newfoundland Government is broke. Apart from this surplus which may be shown in the Budget Speech and accruing to us at the end of the fiscal year on March 31, 1952, he says, the country is broke, when we have eleven million dollars in deposits in the bank. It is utter nonsense, even though these eleven million dollars may be frozen. Because, after all, it has been pointed out here on different occasions, it is an easy matter to unfreeze these deposits and place them at our disposal.

If the Budget does one thing more than anything else, Mr. Speaker, it shows up, first of all, the vital difference between what is generally termed as family budgeting and government budgeting. It is a difference which is not always assimilated by the ordinary man. At the risk of being called elementary, let me point out the difference. An individual budgeting for himself or his family knows what his salary is, and puts it down weekly or monthly whatever the case may be, and then on the other side budgets for certain expenditures and if he is prudent has a certain surplus at the end of the week, month or year, and if he is imprudent then he goes in debt. A Finance Minister budgeting for the government has to deal on exactly the opposite principle. He has first of all to place on the expenditure side the cost of such services as the Government intends to give to the people or the cost of what it intends to spend for the increase or expansion of services that the public demands and it is only

after these services which they are bound to give are provided the Minister is in a position to look at the possible ways of finding the money to provide these services. Now, in this particular case and in every case, the Finance Minister of the Government in budgeting has done this and in this particular case he has done a very good job. Normally, conventionally, when a man is budgeting on government account he arranges debits and credits so that there is a modest surplus. But enough evidence has been given during the past years that we are not living in normal times, nor is this Government a normal Government in its approach to the economic and industrial —

MR. HOLLETT: Hear, hear!

MR. HEFFERTON: There are good reasons for our non-conventional way of approaching things. In the debate on the Speech from the Throne, the Honourable Premier gave a cut and clear explanation of our industrial policy and the reasons why he had adopted certain procedures and carried on certain activities since our assumption of office in July 1950. I say that explanation was clear-cut and self-explanatory. For the past three years, we have been in a position to cast our eyes retrospectively on things that have been done and things that have been attempted and draw some sort of balance sheet of our activities and results during that period. We are able today to estimate, in some measure, the cost of what we are attempting to do and are able to foresee also something of the prospective goal which we have in sight. Our prospective goal now, as it was two and a half years ago, is to give to our people a broader concept of life and give them the means of raising their stand-

ard of living. When we look at the cost, we find that the surplus which we had at the time we came into power is being spent in various ways and in spite of certain things which have been said by members of this House, it is interesting and informative to know that by the end of 1952 or the end of this fiscal year of March 31, 1952, we shall have spent somewhere in the vicinity of thirty-five million dollars on the extension of public services, roads, schools, hospitals and other services which we say are essential for the welfare of our people. And a large part of the balance of that surplus which was ours when we assumed office has gone into our drive for industrial development. The honourable member for St. John's West, or St. John's East, I am not sure which, St. John's West as a matter of fact, says that we have sacrificed our roads and building to industry and I use these words with a knowledge that it is a matter of opinion, but it is futile to argue that the standards of the people can be raised, that services can be provided not only at the standard to which we have been accustomed, but at a higher standard which is theirs by right, only when we are prepared to explore ways and means by which it is possible to give these services. As I have said, we can look today at the cost of some of the things we get done and we believe that in the past three years, the standard of living has risen materially in this Province of ours, but no one in this House can argue for one moment that our standard is sufficiently high, nor can anyone who has made any study of the comparison say that we in this Province are enjoying a material standard of living as high as that in any of the Provinces on the Mainland. A great deal remains to be done in this Province, in order

that we may first raise the standard to the required level in health, welfare and in education. Now, the more normal and conventional thing, as I said is budget for a modest surplus if any or get just enough money into the Treasury to pay for the expenditures on current account and to go out and borrow for capital expansion, borrow on capital account. That is something which has been done previously in this country, it is something which is quite normal the world over, in the Western World, but is not the only way of getting things done. There is an alternative which we have chosen to take, an alternative which the Federal Minister of Finance, Mr. Abbott, has chosen to take during the last four or five years and that is, when money is as plentiful as it has been during the last two or four years to take it from the people in taxes sufficient to meet current account expenditures and also to take care of capital development as far as it may be practical, bearing two things in mind, that the taxable capacity of the people is not impaired too seriously and that there is not too much interference with private enterprise. Mr. Speaker, I feel in taking this on our provincial government there are certain aspects where the Federal Government impinges upon our future in this Province. During the past four years, the gross national debt of Canada, of which we are a part, has been decreased by sixteen per cent. Last year under the surplus four hundred and thirty-six million dollars was used for repayment of that public debt, four and a half dollars per head. That means that our capital debt on three hundred and seventy thousand people has been reduced one and three-fifths million dollars. Now, I am quite sure this figure must be of interest to mem-

bers of the Opposition because, Sir, one of the things that some of them quoted on various occasions was the difference in the per capita debt between the citizens of Canada and the citizens of Newfoundland when we were talking of joining with the Mainland, and I am quite sure it must be a pleasure to them to know the per capita debt has been reduced considerably during the last three or four years. Living as we are, Mr. Speaker, in a largely socialistic atmosphere, it is refreshing at times to take what we call a realistic look at things, and I am quite sure it is very realistic indeed to know that the per capita debt of your country is as a whole being reduced. It is equally realistic to make provisions as far as humanly possible to see that the Provincial debt is not increased.

Now, the honourable member for St. John's East pointed out the fact that there is nothing in the budget this year for the repayment of the loan of \$1,200,000 which was redeemed a few months ago. If he had looked at the estimates for last year, he would have seen there was a provision for interest and sinking fund but since the date of repayment had matured the debt has been paid and it no longer appears on our balance sheet. Mr. Speaker, in spite of the fact that we have here in recent months and years spent some twenty-five millions on public services in this country and we have thereby increased the maintenance and operations and expenses of these expanding services, and as time goes on and we spend more money in capital expenditure particularly on roads it is only natural that the current expenditures will likewise increase, therefore, there is nothing unsound, nothing uneconomic in trying to take time by the forelocks, of re-

fusing to live in a fool's paradise, but trying to get out of it ways and means at our disposal to acquire the necessary money to keep out of debt and yet carry on these services as we intend.

I notice too, Sir, some confusion of thinking on the words "contingent and actual liability." There is an important distinction to my way of thinking, and I am quite sure that many members of this House in like cases as myself, have at times, signed a note for a friend at the Bank. During the time that note was being signed, and before it was redeemed, we knew we had a contingent liability, but it did not unduly interfere with or cause us any deep concern, and it is only in case of the note being dishonoured and we being called upon, that we incur the actual liability we had assumed. Then it is no longer contingent but becomes an actual debt which we have to pay and there is the same difference between the individual signing a note as there is in a government guaranteeing a loan and the difference is shown up very clearly in our estimates here where there is no provision for the payment of interest on the bond which we have guaranteed, there is no provision there for the payment of the interest on the bond which we have guaranteed, and in my thinking also I feel there is no question there for the sinking fund which would be required to redeem this debenture at the time of their maturity. There is nothing there because we have not assumed an actual liability and until it does and the contingent debt becomes actual, if that occurs, then it will be included and properly so in our estimates.

During the coming year, the year for which we are budgeting at the present time we shall spend on capi-

tal account somewhere in the neighbourhood of \$12,670,100 if our budget is correct, and I am not suggesting that it is not, but I am reminded that all budgets are predicated upon two things, namely that things are to remain as they are and further that no emergency arises in that year under review, but assuming these things we have budgeted for something like a surplus of six million dollars but a careful analysis of the figures show that at the end of March 1952-53 we shall have a surplus which will allow us to spend in the succeeding year another ten or eleven million dollars on capital account without depleting entirely our surplus account for economic expansion and for the expansion of our public services. Now, we assume certain things, when we are budgeting and we do so at the moment because of external things outside our control yet directly affecting our interest and our livelihood; whether this cold war comes to an end or not during the next few months the war threat will still remain great and as long as the threat remains great, the preparation for defence will continue. Now, Sir, in our budget, as the figures show, we have estimated this year twenty million dollars coming into the pockets of our people because of the defence programme. Unlike the honourable member for St. John's East, we take no pride in that necessity, but as realists, we think it only fair that a factual presentation should include all the money which we can see as coming into this Province during the coming year. The North Atlantic Association will help to keep the war defence projects preparation and building at a high peak during the coming year, and it is noteworthy that in the Federal Budget some forty-

eight and a half per cent of the total estimated expenditure during the coming year is for defence purposes. It is interesting too, to note that in the Budget Speech that the total amount being spent on welfare services is also twice as great as was the expenditure on roads, buildings, and bridges. Now, in addition to defence projects which are continuing, there is another factor which we have to bear in mind when we are assuming that things are going to continue prosperously this year; when we look at the trade of Canada we receive considerable enlightenment upon the growth and progress of that great nation particularly during the last two or three decades. Last year some seven billion dollars were invested in Canada, and of that vast amount some ten per cent of it was invested by Canadians themselves, the rest of it came in as foreign capital. But it is always interesting to note that the American or foreign capital went into speculative business such as minerals and oil but that the Canadians themselves invested in these things which gave them a firmer command of their own economy. That feeling of confidence by Canadians in their own country tends to create an optimism and tends to create a feeling that we are going on to bigger things, and as long as that feeling continues again I say there are reasonable grounds for thinking that this year will be a prosperous year.

Looking at our own provincial budget, there are two things that we have to bear in mind, one, that our aim is to develop Newfoundland and continue economic development, and the expansion of public services remains our main purpose. The second thing to bear in mind is that we have to devise or make use of ways and means in order to finance that two fold pur-

pose. Our provincial income depends entirely, whether we like it or not, upon the success of our gasoline tax, our liquor tax, our social security assessment, and whatever other provincial taxation as we have is geared to the success or otherwise of our industrial programme. When we realize that, we have to bear in mind certain things also which are uncovered for us in the budget. Let us look at one particular item for a moment, that is the expenditure on roads: It is sad that the expenditure on roads is not as great probably as many of us would like to see, but we are trying to gear our expenditures to the actual income which we have, and leave something over to carry on a prudent programme on a similar line of economic scale for the succeeding year. There were some words which were said in a speech a few months ago, which seem to me applicable to us on this occasion: "The inability to foresee in detail the course of events, the instability and fluctuation of the markets, our ignorance of the burden which we ourselves will have to bear for our defences deprive the present moment of the requisites for the peace era on which we were counting."

In view of these sentiments, Mr. Speaker, and because I believe they apply to us just as well, I think it is only reasonable that we should try and map out our programme for this year so that we have something over and above that which we spend, provided we are not curtailing too seriously the spending power of our people, and I do not believe we are doing so.

Now, the most contentious part in the Budget Speech was a reference to food taxation and the Opposition members have tried to point out that it is most unfair and unreasonable

that a Government budgeting for a surplus should impose a sales tax upon foods, which have hitherto been exempted from the ambit of the Social Security Assessment Act. In the first place, they forget that that surplus for which we are budgeting, will come largely from the inclusion of food within the ambit of our particular Act. One would gather from the remarks which have been made, that a tax on food was something new and quite unknown. Any student of history will recall that taxation on food was quite well known even in the early Roman time, and will recall the actions of Sir Robert Peel in 1842, I believe, in repealing the corn duties in times of depression. But there is no reason why we should go back to these histories of other countries, one of the factors to bear in mind in levying taxation is to bear in mind a low taxation of general application to all the people is much more satisfactory, much less discriminatory than a high taxation which deals with a specific object and affects only a certain people. When we go back to the pre-Confederation days we find that taxation on goods was quite common in this country of ours, on sugar we were paying a specific rate of 3c. a lb., on tinned fruits coming into the country we were paying 25% and on teas we were paying a specific rate of 9c. per lb., on cheese 50% ad valorem, and on butter we were paying 8c. per lb., on bologna 7½c. per lb., potatoes 29c. per bushel, roughly one dollar a barrel until the Government in Commission remitted that taxation altogether. Molasses 5c. a gallon, cabbage 1½c. a lb., turnips 45c. a bushel, or roughly \$1.35 a barrel, soups 40% ad valorem.

MR. HOLLETT: We pay duty on most of these things now.

MR. HEFFERTON: So that when we look at most of these figures, there does not seem to be any reason why we should be so disturbed because we are applying a small taxation of 3% generally on food. Now, somebody asked what was done with them? Let us see, in spite of the fact that these taxes were being levied away back in Responsible Government days the fact remains that on one occasion the total income received by the Government was scarcely able to provide the necessary interest on the public debt and yet it is being suggested, in spite of what happened in days gone by, that we should leave off the sales tax and, by implication, go out and borrow in order that we may start the ball rolling for a recurrence of what brought us to ruin in 1933. To me, Sir, the inclusion of food in the schedule of this Act is reasonable for one purpose. Loans were made in the old days very often for current revenue whereas as far as we can foresee we do not intend to make loans even for capital expenditure so long as it is possible, without as I say, impairing too seriously the earning power of our people. We propose to budget for a surplus which will not only take care of the ordinary expenditures of Government during the year, but at the same time, will provide some necessary surplus which will be used for the expansion of the public services and the industrial development programme which are so vitally important to the welfare of this Province. Mr. Speaker, with your permission, I would call it six o'clock and move the adjournment of the debate.

Recess until 8:00 of the clock.

NIGHT SESSION

Debate on the Budget:

MR. HEFFERTON: Mr. Speaker, when the House adjourned at six o'clock, I was just about to conclude some remarks about the inclusion of food under the ambit of the SAA. If I may summarize: There are four things mainly that have to be borne in mind about this inclusion: First of all, that a tax on food is no new thing. The taxation or duties on food were levied previous to coming into Confederation, to cover expenditures on current account. The present inclusion of the 3% sales taxation is only a small fraction of some of the duties which were previously levied on foods, for instance, three per cent on a dollar's worth of sugar today compares very favourably with thirty to fifty per cent in the past, for instance, three cents a pound, on an article that cost only 7c., and further, our inclusion of food under the ambit of the SAA Act is for the definite purpose of expanding our welfare services and for the enabling service of developing our economic programme. Earlier in my remarks I pointed out that a budget was determined in part by matters beyond our control and influenced by factors which are outside our immediate domain, because, though we live on an island in the backwater of events, as it were, we are still influenced and affected by world movements in trade and money matters. Last fall because of the heavy investments of American capital in Canada and the annual balance of trade between the two countries and other factors which entered into the situation, it was found desirable to relax the fixed rate of the American and Canadian dollars and to allow a market rate of exchange to exist between the two countries, and as Canadians, I believe, we all must feel a sense of pride and gratification

at the rapid rise of the Canadian dollar to a par with the American dollar and eventually above that point. But as I say, we had to be realistic in certain things and these changes may have an effect upon our budget this year. A great deal of our newsprint goes to American markets and the price remains constant at roughly \$116 a ton, but the difference in the exchange could bring about a reduction of sales returns to the Canadian exporter who was previously getting around \$127 and is now getting around \$113. That may have some effect upon local operations in this Province.

May I go on to another factor outside our particular domain. During recent weeks, protests, more or less, have been made by England, the Netherlands, and other countries against the development of a protectionist policy in the United States trade markets. The Trade Agreement signed in 1951-52 allows for an upward trend in domestic production, and a few days ago the honourable Douglas Abbot in a dinner speech made in Boston, I believe, cautioned the United States against this protectionist policy. Members of this House will recall that about a year or so ago the fishing interests of Boston and nearby places were agitating for higher tariffs against Newfoundland codfish going into the United States markets. A third factor of world trade which may have a bearing upon our budget is contained in the move made some weeks ago in Britain, whereby the ultimate aim of the Sterling Area is to bring about the free convertibility of currency in the various countries. Members of this House are aware that for the last three or four years arrangements were made whereby we were able to get clear of our salt fish in the European markets. But that

situation existing for three or four years has apparently come to an end, because last year we had some of our fish in dollar currency and there is hope that we may be able to bring about a free exchange of trade during the coming months. These are all things which may or may not affect seriously any budget expectations which we have in the coming year, consequently, there is all the more point in the quotation which I gave earlier in my address this afternoon that we should be moderate in our ambitions and I contend when we went over our expenditures for the coming year we have borne that moderation in mind and have at the same time tried to carry out a programme that can be continued indefinitely by carefully budgeting.

Mr. Speaker, as a government, we believe that one of our functions is to foster and encourage industry and we have given evidence during our years of office not only of our desire to do that, but that we have tried to translate that desire into action. But industry is based largely on natural resources which, when developed, raise the material standards of the people. We cannot, however, forget, that as important as the natural resources of a Province may be, these resources are dependent primarily on the people themselves, and that the Government for human resources cannot at any stage at all, be relegated to a secondary position. The ultimate aim of this Government right from the very beginning, the aim presumably of any Government which is conscious of the welfare of the people, must be to try and bring about that stage of development in human affairs where people are able to do and live better than they have previously. Now, Sir, the great factor in the elevation of

the people is education. It may be argued successfully from history that education comes even before economic development and we have the example there of Denmark who some decades ago transformed the whole economic tempo of Denmark by first of all developing the education of its citizens. But we are in entirely different circumstances into which I do not care to go at the present time, but in our own educational field, we have much to criticize and much to deplore but I am also convinced that we have much to praise, and when I say that I am not thinking of our own denominational system, but rather of the standard and the amount to which we have reached in the past few years, of our heavy school enrolment, some 23% of our entire population, the highest school enrolment in all of Canada, I am thinking of the financial obligations which this and succeeding Governments will have to assume if we are to carry out the necessary expansions which are essential and vital if a people want to prosper. During the next few moments, I want to dwell on certain features of our educational programme. Provision is made in the Budget Speech for an increase of ten dollars per month or \$120 a year to all of the some twenty-six hundred teachers employed in this Province, and that increase is to be incorporated as a part of their basic salary. Now, the honourable junior member for St. John's West, repeatedly argued during the estimates that we should put up a certain salary and made much of labouring the point of the poorly paid position of the teachers. I agree but the inconsistency of the honourable gentleman's argument was shown when he advocated the increase in salaries but at the same time advo-

cated a decrease in the wherewithal to pay these salaries. A few days ago, I was intrested in trying to point out just what had been done by this Government for education during the past three and a half years.

MR. HOLLETT: May I rise to a point of order, Mr. Speaker? I did not indicate there should be any decrease in the amount of money allocated to education. As a matter of fact, I advocated an increase.

MR. SPEAKER: The honourable member might be in disagreement with the Honourable Minister's opinion, but there is no point of order.

MR. HEFFERTON: I did not say that, I said advocated increase in the salaries, but a decrease in the wherewithal to pay for these salaries and the wherewithal is taxation.

In the year 1949, that is the year ending March 31, 1949, our last year under our own old status, in that year the Commission of Government paid \$1,455,000 for teachers' salaries and that included cost of living bonus and everything else. For this year 1952-53 we are paying for teachers' salaries \$3,745,000. During that time, we have added some one hundred teachers, and that is an increase of practically fifty per cent. In the year 1949, our total expenditure on education was \$4,100,000 and in 1952-53 the budget expenditure is six point twenty-five million dollars, and that does not include provisions in the estimates of five hundred thousand dollars for the Memorial University or two hundred thousand dollars for the Vocational School. Again the figure shown is an approximately fifty per cent increase in that period. A short while ago, I produced certain figures showing that in 1948-49 the

average salaries of teachers in Newfoundland was one thousand dollars. That is to say that many teachers received less than one thousand and there were teachers receiving over one thousand. Since then the position has changed, because of the two hundred dollars cost of living bonus given last year, our average salary for teachers now is \$1,250 and the increase of \$120 makes it that much higher. Now, Sir, it is extremely important in my view that we should not only try to retain the teachers that we have, but also we should make the profession itself as attractive as possible, so that we may be able to improve the necessary personnel. The question of salaries for teachers is one which has always caused some division of opinion, and unquestionably there is no comparison between the work of the teacher in the school room and that of the clerk in commercial establishments. The work of the teacher is immeasurably greater than that of the other and consequently there is every reason why the compensation should certainly be equal if not greater. No one can claim justly that we have been unconscious of the teachers' plight in this particular province, no one can claim justly that we have refused to consider what we felt were just things the teachers put forward for consideration. But there is only so much that one can do no matter how great the desire may be to do more. The teachers' salaries are only one part of education, all phases of the improvement of schools are also necessary as is the building of schools which perhaps is going to be our greatest difficulty in the year that lies ahead. Prior to 1938 schools were built in this Province largely by the people themselves. There was no Government Grant. It is quite true

that they did obtain loans from the Government repayable after a period of years, but since 1938 we have been making grants on a fifty-fifty basis and during the past four years, we have paid over two million dollars for the construction, erection and equipment of school buildings in this Province. In our present Budget we have allocated some hundred thousand dollars for this purpose, an amount similar to that we had last year. But the requests which we have for help and assistance is pretty nearly double that amount. Now, our problem here is entirely different from what it is elsewhere. A few days ago, I was reading a Report of the educational programme in Nova Scotia for the coming year and they had just let the contract for the building of schools in King's County, a nineteen classroom building with science and other facilities, a five hundred thousand dollar building on a mortgage plan repayable in some twenty or twenty-five years on a sinking fund which was taken care of by school taxation. Some three weeks ago, I received a letter from one of our large outport school boards, asking me to urge the Government to pass enabling legislation whereby municipalities would be able to collect school taxes for this particular purpose. Within the past four years, I have become increasingly conscious of certain movements in this Province and one of these movements has been the great interest amongst the people at large in education and a realization that as long as conditions remain as they are, they are not able to reach that standard to which they feel they are entitled. Now, Sir, I am not talking on the denominational system, but that idea which in recent years has developed on the Mainland and has resulted

in the recognition of several central or regional high schools thus making a division between the primary and secondary stages in education. I am convinced that as time goes on, we shall be compelled in some way or other to take greater cognizance of this movement among our people and have to devise ways and means by which we can build better schools in order to give to our children the facilities which I claim is their just desert. Now, when I say that, I am not making any ministerial announcement on any implied Government policy as to raising money by school taxes. That is a matter entirely for the Government to decide and make a pronouncement on, when and if at any time it should come.

Last year, the Government set up an educational committee to survey and review certain aspects of our educational programme and educational development and one of the terms of reference included this one of finance. The Committee has been sitting for some months and no report has yet been received by the Government and whether any report will come in on which we can act or not, is something I am not in a position to say at this time. Of course, I can say that in matters affecting education any proposition brought to this House must first of all have the endorsement of the denominational heads and be in accordance with our terms of union.

A few years ago, the Government instituted a number of scholarships for studies going on to Universities. Last fall the Government granted twenty-eight other scholarships divided along the same lines as it previously was, but valued at one hundred dollars each for students going from Grade Ten to Grade Eleven in certain schools and nearer home. Some few

weeks ago the Government made an announcement of four University Scholarships in honour of those who were primarily responsible for the setting up of a normal training school from the beginning of the Memorial University. These scholarships are at the rate of \$1,500 every two years for students residing or belonging outside the city of St. John's, and one thousand dollars, that is five hundred dollars a year, for two years, for children residing in St. John's. That is to say, during the past three years, this Government has granted a total of some forty scholarships to encourage education in this Province. I am quite convinced that encouragement has been given and that we will eventually get good results.

There are several other features, Mr. Speaker, of our educational programme which should have some passing reference. Not very far from here on Merry-meeting Road there is the building, the adjunct of the University, which is occupied every night during the major part of the year by and on behalf of an adult education movement. It is interesting and encouraging to know the progress that has been made in that particular building during the past few years. Not so very long ago, I was there one night and they have an enrolment of six hundred this year, six of whom were studying for their Grade Eleven. Provisions were made for these in the estimates for the extension of the adult work at St. John's where we have at present, or will have four teachers on the adult education staff and two teachers in the Sanatorium at Corner Brook and a man has already been engaged for summer work in one of the bigger logging camps.

Another aspect of our education which deserves passing comment is

the vocational school. Last year we had some one hundred and sixty students enrolled, and during the past four months some thirty-five left for various reasons, twenty-four were placed in their respective trades for which they were qualified. I would feel glad indeed if members of this House would take the opportunity at some time to visit the vocational institute on the South Side and see what a very fine job is being done there. In the estimates, though it does not come under my department, there is a vote for a director of apprenticeship who will be working probably under the joint control of our vocational institute and the Honourable Minister of Labour. Any one who has had any insight into the employment problem of this Province during the past few years, will realize that one of our greatest shortcomings now, and for some time in the past, has been the lack of skilled people, tradesmen and mechanics in this Province. That is still an acute problem with us, and we are hoping that the appointment of a director of apprenticeship will in the course of the next three or four years help to solve our shortage in this particular respect.

Two days ago the Honourable the Premier, referred to several other aspects of our educational vote. Last year this Government sponsored a contest for the encouragement of competition in the arts among our people and some one hundred and sixteen competitors in all competed in the various contests. Some of the work was of very high merit indeed, and some of the categories did not have nearly as many entries as we should have liked to have had. I support the Premier in that decision for the encouragement of our cultural activities whereby, along the lines we held

last year, and are continuing this year, in such things as the drama festival where our entries covered themselves proudly indeed, and the music festivals, all these things together help to raise, not the material standard of our people, but something equally fine, a prouder concept of life. That I contend is a much a primary aim of this Government as it is to increase their take home pay.

Mr. Speaker, I think I have pretty nearly come to the end of my time. It is the only time in my memory that I am sorry I was a party to putting in the 90 minute limit on my speaking powers. However, Sir, I feel that I have to some extent, covered some of the arguments that were made by the Opposition. I believe I have shown sufficiently that this Government is not one sided. The expenditure of \$26,000,000 on public services and the spending of some \$16,000,000 on economic development is not a one-sided aim and in our programme during the years which we have been in office, it is too early yet to judge the success of either one or the other, but as I said earlier, we have not yet reached the end of the programme we have mapped out for ourselves in economic and industrial development and much has still to come and must come, and we have certainly not reached the end of our educational programme and we hope this year we may be able to start the Memorial University and carry on the vocational building, which we were unable to do last year. Our budget shows that we are arriving at the realization of this, and we are trying to build up so that we can carry on, not only in the ratio, which we are doing, but that we may have adequate preparation to continue that programme and enlarge it as the opportunity offers.

MR. JACKMAN: Mr. Speaker, first of all, Sir, I want to congratulate the last speaker, the Minister of Education, for his excellent educational and most informative speech. When you have a Minister of Education of any Province speaking along lines of caution and moderation and justifying taxation, I suggest, Sir, it is good for any people in any country. I do not know if the Minister's ideas in this regard are shared by all the members of the Government, but I hope they are. I do know this though, that that speech whilst it came from a Liberal member, and a Cabinet Minister, and a Minister of Education is practically the essence of the philosophy of the "PC" Party in Newfoundland anyway. That is what the "PC" Party has been doing since we have been organized, that is what the members of the "PC" Party, myself anyway, and I am speaking for any others, all told the people. We told them that you don't get something for nothing, if you are going to get a baby bonus, or an old age pension, you are going to have to pay for it. The Liberal Party has not done that up to the present time, but the Liberal Party is doing it now through its budget, they are telling the people now they must have taxation. In fact it is in the budget which is the baby of the Minister of Finance and is yet the policy of the Government.

Now, with respect to the budget, Mr. Speaker, I was not going to have anything to say for the reason, as I pointed out here yesterday, I know very little of finance, I am not a finance man, I am a labour man and for that reason I was not going to say anything because here in the Leader of the Opposition and the rest of my colleagues, we have people who are well qualified to discuss financial

matters. I do, however, wish to congratulate the Minister of Finance on his presentation of the Budget, on the language used, and I might also go a little further and congratulate him on the fine manner in which he covered a bitter pill with some sugar coating. I suggest that a new phrase may be used, I call it a sugar budget, but the vinegar was bitter and the working people of Newfoundland who have to swallow that Budget—to them, it is a bitter one.

Now, I think, I have said as much as I was going to say on the Budget. I doubt if I would be on my feet at all only some remark was passed here yesterday by the Honourable the Premier, possibly it would not mean so much if it came from somebody else, but for one politician to get up and level a charge of not having the gift of gab to another politician, I think it is pretty hard stuff.

MR. SMALLWOOD: I did not do that.

MR. JACKMAN: You did it. You said we on this side of the House, had nothing to say and were not able to say it.

MR. SMALLWOOD: I did not say you were not able to speak.

MR. SPEAKER: Please address the Chair, the Premier or any other member.

MR. JACKMAN: You did say we only spoke a few minutes. I certainly did speak only a few minutes and I will tell you the reasons why: Because I happen to be charitable, I never like to say anything against a person, after all I have been in a position of leadership myself for the past seventeen years, and I think that is quite a record, and I know what it

means at times that whether it is constructive or not, no one likes criticism. However, if I had to get on my feet and give the Government any credit for what they had done, it would not take me two minutes. On the other hand, I could continue to talk, I am not going to go the full 90 minutes, but I could possibly continue to talk maybe for a week to find ways to criticize the Government for what they have not done. So that is why I am not saying anything nasty and I think that applies to all of us. However, now I have to justify myself for getting on my feet and speak longer than two minutes. As I said before, it is not difficult to find something to talk about, so I am going to refer back to certain references in the Budget and say a few words in passing.

First of all, I will have to get back to Confederation. At the risk of being called a die-hard, but I don't mind being called that, I am one who did fight against the Confederation issue in this country right from the very beginning and right straight on through and I will continue to do so for this reason: I do not feel now as I did feel before, that Confederation has not been the best bargain for us, that Confederation meant excessive taxation, that we could have made a better bargain if we had gotten back our own country. We would have gotten a better bargain for the one reason only and that I think is well recognized, this is the greatest military strategic position in the whole world just because of our position in the North Atlantic. Professor MacKay who happened to be quoted here during the convention on many occasions had this to say about Newfoundland; that it is the most important place from a strategic point

of view on the North American Continent. For that reason alone I think that we should under the Confederation terms have gotten a better bargain. Now, apart from our strategic importance, we have heard a lot about the Gander, we have heard very little about Goose, but we hear a lot about Gander in these days and we were told in this convention that it was a losing proposition, and we are told here this afternoon by two new Bills brought in that there are to be a thousand homes built in Gander. That does not suggest a losing proposition, and I am quite sure that if it were a losing proposition, we would hear more about it. It is still the world's greatest airport, and I believe it is making good money. The same thing applies to Goose and the same things applies to the American Bases here. The American Bases alone on a rental proposition with Labrador thrown in would provide this country with sufficient money whereby to give a degree of prosperity that no other country in the world could equal.

Now, in as far as the Confederation issue was concerned, I am one who does not think that it is yet finished. I happen to be a member of Her Majesty's Loyal Outport Opposition, we have an outport government but we have only one member of the outport Opposition, and I must say in so far as that Outport Opposition is concerned that in 1949 when we established a bridge head we held it ever since, held it through two campaigns, and if I were reporting here to our party, I would say we not only held it, but our operation is expanding and I am sure the three per cent sales taxation on food brought in here now will exhilarate the expansion very rapidly. In that respect, I feel much obligated to the Minister of

Finance and his colleagues for bringing in that tax. However, as I said before, the bridge head is established and is going to continue to accelerate and it does not have to go underground. There still happens to be freedom of the air and press though I did hear remarks here last week as to the press being shackled if it keeps up its "Toryism," I did hear one person say they would get no more business from this Government. Well I don't know, maybe some one else may have something to say on that later. However, I still believe that day is coming, and the Atlantic Charter is still not merely a scrap of paper, particularly with the war clouds as they are and it could be possible for those who believe in Newfoundland that the day might come that our case could be taken to that international seat where justice is supposed to be rendered to all, big and small, that is the United Nations. I hope that some day that will come. Well, that is all I can say on Confederation and I will get back to the budget again.

The Budget Speech tells of this unprecedented prosperity that our people are enjoying today. Well in my position as a labour man and in close touch with the working man and his family, I cannot see prosperity from the general standpoint. I do, however, see prosperity for a few, but I say for many, prosperity is a myth, in fact, it does not exist for the greater number. Now, what is prosperity? If we gauge prosperity in terms of decent living, decent homes, sufficient money to provide education, to take care of sickness and insurance, I say then that it does not exist in Newfoundland for the greater number, but it does for a few. For example, and I have to refer back again for a moment, it came out in the Budget Speech in

Canada only a few days ago that in taxes the people of Canada, of course Newfoundland is included, I never call this Canada, but of course Newfoundland too was included—and it came out in that Budget that it costs the taxpayers, and the taxpayers, remember, are the greater number, in Canada and Newfoundland twelve million and some odd dollars a day, it costs five hundred thousand and some odd dollars an hour and it costs ten thousand odd dollars a minute, it costs three hundred and fifty dollars for every man, woman and child in this country, it costs one thousand one hundred and fifty dollars for a family of five. These are the figures that have not been disputed now from the floor of the House of Commons, so I say that it is very heavy taxation. I happen to know that there are many families of five in Newfoundland who do not make eleven hundred and fifty dollars a year, let alone pay out that amount in taxation, so where is the prosperity?

They pay it, but they don't see it being paid, they pay it in secret and hidden taxation, they must pay it, they got to pay it. Where does the baby bonus come from, the old age pension, mothers' allowances. All these things are not handed out free, you pay, I pay, we all pay, and I say the common people, the working people who are in the larger majority are bearing the burden. So when we talk about prosperity let us define the term. Actually, there is not any great prosperity amongst the greater number of our people. The research board in Toronto which I might point out, is under the directorship of a Newfoundlander, who I think is related to the Honourable Minister of Supply, their last check up on the cost of living showed that a family of five—now

this is only for the bare minimums of living, it does not take in vacations or holidays, of course the working people are not supposed to have them, takes in no provision for sickness or anything else—the bare minimum is \$55.88 a week for a family of five.

Now, I am not going to talk about the school teachers, they are far, very far from being paid, but I notice the Government is doing something right now to alleviate their distress by giving them a little more wages. The Government are employing workers at hard labour at a rate of 60c. an hour and they are working a nine hour day, I think that is \$5.40 a day, \$32.40 a week going to these workers, and you can ask him with his thirty-two dollars, where is the prosperity? Is he getting it? Whilst on that subject, I would just like to bring in here for comparison sake, the last contract that we negotiated with the Dominion Iron and Steel Company when we got a \$1.20 an hour, and a company official called me aside and asked me, "Jackman, what are you trying to do, asking for a dollar twenty an hour?" Mind you, he was a Newfoundland official. "Of course," I said. He said, "you are asking for a dollar twenty an hour and your Government is only paying 60c. an hour." That is what the Government calls prosperity.

Mr. Speaker, I could continue along these lines but my point here is that whilst the Government may preach prosperity, I say we have not got it, and they can't show it to us.

Now, to get back again to taxation. This three per cent taxation on food which I said a moment ago is a bitter pill for a lot of people, but nevertheless, it is necessary, we know that. No man on this side nor on the other side is naive enough to think that we can

spend money without first getting it to spend, and that money must come from the people in the form of taxation, that Government money. But the only thing I want to say about that, is that in both political campaigns the Liberal Government did not preach taxation, the Liberal Government said, "You fellows come down to my house and I am going to give you everything." The Liberal Government's last manifesto suggested, I could read off the litany now; baby bonuses, old age pensions, hospitals, all given by the Liberal Government, see what you are going to get. If you vote for the Tories (as we are called) you will get nothing.

MR. SMALLWOOD: The honourable gentleman is no Tory.

MR. JACKMAN: I am neither a Tory nor a Liberal, but one hundred per cent Newfoundlander.

MR. SMALLWOOD: A good Liberal.

MR. JACKMAN: I have always been a true Liberal and my people before me were true Liberals, but not traitor liberals. I will say before I sit down in concluding these few remarks, I will say this to the Liberal Government, again I will say: you said you called a new election last fall because you wanted the people to give you a fresh mandate in order to go ahead with your economic development plan, and while I am on that point I hope and pray that that plan will be successful because I know that there are so many people in Newfoundland who need work but I wonder if the Liberal Government would take up this challenge. I don't like to use that word, it sounds a bit too saucy, but I wonder now if the Liberal Government before instituting this three

per cent taxation, I wonder now if they would call an election and go before the people and say to the people in this country, we came back to you last fall because we wanted a special mandate from you to give us a go-ahead signal on economic development, I wonder now would the Liberal Government call another election and go before the people and tell the people, "now we are calling another election because we want to tax you, now we are calling another election because we are going to tell you the truth, now we are calling another election because we want to tell you now that these baby bonuses and old age pensions, these mothers' allowances, these handouts, we are sorry now we told you they came from Santa Claus, but now we have to tell you you got to pay for them, now we ask you to go to the polls again and give us the go-ahead signal to tax you." I wonder if the Premier and his Cabinet would think that over and try it out?

MR. CASHIN: Mr Speaker, in speaking to the Budget at this time, I would like first to be just as courteous as any other honourable member of this House and extend my congratulations to the honourable the Minister of Finance, at the same time I will also have to extend my sympathy for the simple reason that the honourable Minister of Finance has but recently taken over that position and he had foisted upon him the obligations of a Government for three years passed. He had handed over to him somewhere around the first part of December or the latter part of November, I forget which, the deeds, good and bad, of the present Government with the result that a few days ago he brought in a Budget not created by a Government of which he had been a member for three years

but a Government of which he now is a member and of which he has to assume the responsibility. Really, Mr. Speaker, I sympathize with the Honourable Minister because this Budget, as I see it, and I do not want to be too critical, this present Budget Speech is a piece of camouflage. We want a Budget Speech to be accurate, to give the true state of the country as it existed on March 31, 1952, and then a forecast of what the Minister of Finance and his Government figures it will be during the present fiscal year and here it is worked out for March 31, 1953. But there is no balance sheet here for March 31, 1952, but one for March 31, 1953. No balance sheet for March 31, 1952, I say, why? When the Honourable Minister of Finance handed down the estimates here the other day he told us why without saying a word, he told us why. For the record, for accuracy, let us look at the estimates, how they were built up last year and how they are today.

In 1951-52 if you turn to page 5 of the estimates you will find under expenditure and under revenue, current pre-union surplus and total. What do you find today in the estimates in 1951-52? no pre-union surplus. Mr. Speaker, no such thing existed on March 31, 1952, as a matter of fact the obligations were on the other side of the books. In going through this Budget of the Government, they would like to adopt a policy which would clear the atmosphere so that it would not involve so many questions and so much cross-firing in this House, and as I have repeated many times here the old system in many ways had its good points. Today in the presentation of the Budget Speech, during the past three years, you do not see in that Budget the figures outlined under the various de-

partmental headings for revenue and expenditure. After all, some of the members on this side of the House or the ordinary public for that matter seek through their Opposition representative to find out what the revenue was for instance, under Finance Department, under Public Works Department and under every other Department, and only yesterday I received that information from a question which I placed on the order paper after the Budget Speech had been delivered. But now to make an accurate figure of how we stood on March 31, 1952, I intend to use the Government's own figures presented in the Budget and check with some of their own answers to questions that were tabled here a short while ago.

I state now without fear of contradiction and using their own figures of the Budget Speech delivered here for March 31, 1952, the total credit of the Province of Newfoundland in the bank here and on the books of the Province there was less than one hundred thousand dollars in cash. I state that is one of the reasons why you kept out of the estimates on revenue and expenditure pre-union surplus because you had not got any pre-union surplus left except what is deposited in Ottawa to be used in the case of a deficit on current account which amounts to \$10,850,000 according to figures in the Budget. Now, to prove my point and to avoid any unnecessary explanation later on, we will take the Budget Speech and we will look up the Minister's figures outlined in this Budget, and when I come to March 31, 1952, we can draw a line and total our additions. We began, when we entered into union with Canada with forty million dollars (\$40,283,147) that is their own figures. By revision \$949,522 and in 1950-51,

we got back recoveries because there were certain outstanding obligations to the Government and they collected certain monies for the year 1950-51 when they got back \$1,798,358 and had a surplus earned on current account of \$649,490. In 1951-52 they recovered \$854,053, and I question it, because I believe it was much more and I will show you in a moment; however, I am going, for this purpose, to use your own figures. For the year 1951-52 you had a surplus of \$1,347,470. In the Budget Speech presented by the Minister here a few days ago, it was stated that up to March 31, 1952 we had these figures and when we add these figures we get \$45,832,440. Now, we had to spend a little money for 1949-50 and we had a deficit shown here on your Budget figure of \$3,735,875, then you had a capital expenditure in the same year of \$5,632,373. In 1950-51,—pre-union liabilities—and at the time I asked the Honourable Minister what they were. Might be repayment of old customs duties and any other obligations prior to union with Canada and they had to pay them, \$195,006 in that same year there was spent on capital account \$9,856,141. We come to the year 1951-52—pre-union liabilities \$2,546 and capital account expenditure according to this here \$15,566,241, that makes a total expenditure of \$25,619,934. Now, I have shown and there is no tom-foolery about it that you had \$45,832,440 and from that came out \$25,619,934, and \$10,850,000 in Ottawa according to the Budget Speech, deduct that from the \$45,832,440 and you will find that there is no union surplus left, that other amount in Ottawa is not controlled by the Government really at the present time unless we show a deficit on current account. Now, that is the

position. Then we go on from that, but before I go on let us make a couple of comparisons. According to questions asked by me on February 29th you said you had a pre-union surplus at that date of \$6,320,650 and that was February, 1952, whereas here you show something like one hundred odd thousand dollars and since that time in reply to questions tabled here I notice that some seven hundred thousand dollars have been added, that means two millions of dollars. Now, in reply to a question which I tabled here since the House opened last fall or somewhere in the beginning of this winter if my memory serves me right, you had somewhere in the vicinity of \$11,750,000 in that credit account in Ottawa, you showed it here some place, but if I am wrong the figures can be corrected, you took \$900,000 out of it to pay for your share in the Newfoundland Labrador Corporation but you paid for these shares by a note on December, you did not have that money here, and you gave the Newfoundland and Labrador Corporation a two and a half months note and picked it up sometime around the middle of February.

MR. SMALLWOOD: To save the interest.

MR. CASHIN: To save the interest—you had to pay the note, it came due. You had not the money here to pay it and had to take it out of the cash surplus in Ottawa and lose the interest. Mr. Speaker, this Newfoundland Labrador Corporation started operations as it were on or about December 1st, and the other people I take it put in their one hundred thousand and you gave them a note for your money.

MR. SMALLWOOD: To save interest.

MR. CASHIN: For nine hundred thousand dollars to buy stocks and if you buy stocks you don't buy them with notes, it is usually not done. Could I buy stocks from the Royal Bank of Canada or the Canadian Pacific by giving a three months note for so many shares? Nonsense—that is the worst kind of nonsense. If you had not the money, be honest.

MR. SMALLWOOD: I can tell the honourable gentleman we actually paid cash for the nine hundred thousand dollars before the note came due. At the very outset.

MR. CASHIN: Here is your question and answer. Did the Government arrange for the raising of a temporary loan at the Bank of Montreal or any other source? Answer: Yes. That is how you had a balance in the Bank, and now when you get this loan tomorrow of \$9,200,000 you got to pay that temporary loan at the Bank of Montreal.

MR. SMALLWOOD: The answer, yes, is not to the first part of that question, the answer is to the latter part of the question, now read the question.

Mr. Cashin reads the question.

MR. SMALLWOOD: The answer is yes to the latter part and not the former.

MR. CASHIN: It is the answer to the whole question as far as I am concerned. A Treasury note in favour of the Newfoundland Labrador Corporation dated 15 December, 1951, interest 2½%, liquidated April 1, 1952, the other day. That is the answer they gave, the note on December 15 and paid it off on April 3rd.

MR. SMALLWOOD: If the honourable gentleman wants it, I can give him the answer.

MR. CASHIN: It should be in the Budget not to try and deliberately hide them, I am not going to say that, but when we have temporary loans they should say so in the Budget Speech, and if you go back to the old days again, these degenerate days in public life we are told about in the Budget Speech, if they had a temporary loan it was shown in their Budget and when a new loan was being put through this House, we were told, the country was told, we are raising this money for a purpose, and one of the main purposes is for repaying a temporary loan to the Bank of Montreal or somewhere else.

MR. SMALLWOOD: We have no temporary loan in the Bank of Montreal. The Corporation has a million dollars of which nine hundred thousand was paid to them by the Government of Newfoundland for the purpose of shares, a million dollars in their treasury which the Corporation did not need at that time, and the Corporation invested that nine hundred thousand dollars back with the Government and the Government then subsequently repaid them.

MR. CASHIN: Mr. Speaker, this is the funniest thing I ever heard in my life. Here we have a Corporation extending the Government credit, a creature of the Government, the Government buys shares in it, and the Government I won't say was bankrupt, not bankrupt because they had so many millions in Ottawa but bursted temporarily, and then go to this Corporation, their own, and say, here we are broke temporarily, lend us that nine hundred thousand you have in the Bank and we will pay you two and five-eighths per cent interest, beautiful financing, if that is not screwy, it is hooic to me.

MR. SPEAKER: I am glad the honourable member mentioned the Chair, I began to wonder if the honourable members liked to carry on a private conversation as the Chair has not been addressed in the last twenty minutes.

MR. CASHIN: I am always proud to address the Chair, Sir, I am sorry I can't say that for the Premier.

MR. SPEAKER: I merely refer—

MR. CASHIN: I don't.

MR. SPEAKER: Don't interrupt the Chair please. For the honourable member's own benefit, the use of the personal pronoun and a deliberately passing by of the Chair starts a private conversation and will certainly lead to a breach of privilege and trouble, and believe it or not, I do like to see the faces of the honourable members sometimes.

MR. CASHIN: That is a great tribute you pay me, Sir, at least you appreciate my good looks.

MR. SPEAKER: I would like the honourable member also to recognize me.

MR. CASHIN: That is why I pay such attention to you now, Sir, I have to tell you about this now because it is worth telling, this story: The Government buys shares in the Newfoundland and Labrador Corporation, its own company and they give them money, and according to the Premier, a week or two weeks afterward, this company starts lending money to the Government, the Newfoundland and Labrador Corporation, in order to bolster up their bank account and the Government gives them a note for it.

MR. CURTIS: I wonder if my honourable friend would allow me?

The position is this, Mr. Speaker, we gave them on December 1st, a cheque for nine hundred thousand dollars, gave it to the Newfoundland and Labrador Corporation. That cheque involved withdrawing from the Bank of Canada, nine hundred thousand dollars. The money was on deposit at the Royal Bank of Canada making interest at two and five-eighths per cent and if that cheque, Mr. Speaker, had been cashed it would have meant that we would have lost the interest on nine hundred thousand dollars for the full six months period from September to March. Therefore, we said to the Corporation, "You let that nine hundred thousand dollars stay in Ottawa and we will split the interest. We will get the interest of two and five-eighths per cent up to December 1, and you can collect the interest at two and five-eighths per cent afterwards." In other words, they invested their nine hundred thousand dollars in the Newfoundland Government in the Bank of Canada.

MR. SMALLWOOD: That describes it.

MR. CASHIN: That makes it worse, Mr. Speaker. I owe you money for shares, and I give you a cheque when I have no money in the bank, and say hold this cheque for a few weeks, there is no money there now—in the meantime, the cheque is no good.

MR. SMALLWOOD: We had the money in the bank, but we did not want to lose the interest, in the bank at Ottawa.

MR. CASHIN: That's fooling around with post dated cheques. The arrangement is unusual.

Incidentally, Mr. Speaker, I might be out of line for a moment or two,

but this House opened eight weeks ago today, and I think we have been in continuous daily sessions and part of last week and this week we have had night sessions, but when I stood up here one afternoon to say my say in respect to the Speech from the Throne, and despite the fact that the Government had no business available to this House they forced this House to open that night to bring me back, when, Mr. Speaker, I might tell you at six o'clock I asked for an adjournment as Leader of the Opposition, and as an individual and member of the House, and I was a bit tired and no, it was you come back tonight and die. After that the House never opened at night again until recently. The Premier thought he was going to kill me, I suppose, but I am still alive, consequently, Mr. Speaker, we have been wasting our time here for a month or more with no business ready.

Now, Sir, we will get back to the financial position: So on March 31st, 1952, you had no money for current account expenditures but for capital expenditure you are involved with your various industrial programmes to the tune of five or five and a half million dollars for which we have passed legislation in here that they could go out and borrow money if they could, but they could not borrow it, the amount is too small for them to go into the market with it, and one outfit went to the Industrial Bank in Canada and were told they would have to pay five and a half per cent. Well we are paying now for the first year on this nine or ten million dollars, this country is going to have to pay for the first year seven and three quarter per cent or that Corporation has got to pay it, is that true or is it false? Very well, if you

have to pay out your obligations on March 31st, 1952, how much money would you have left in Ottawa? Less than five million dollars out of the whole forty-five or forty-six millions. That is the true financial position of the country and every member of the Government particularly the cabinet knows that what I say is correct.

Now, to make this thing quite clear and so as there will be no misunderstanding, on December 15th, 1951, the Treasury gave the Newfoundland and Labrador Corporation a note, interest two and five-eighths per cent with collection date April 1st, 1952. They gave that Corporation a Treasury note just the same as a promissory note and individual discounts at the bank. Later on February 29th, or thereabouts, the Government withdrew from that surplus of eleven million, nine hundred thousand dollars and liquidated that note which they have given that Corporation on December 15, 1951. That is the position.

MR. SMALLWOOD: May I add that the Province made ten thousand dollars on that transaction.

MR. CASHIN: Did the company make any?

MR. SMALLWOOD: They made four, I think.

MR. CASHIN: The Government said to the Corporation we will subscribe to those shares on December 15th, and give you this note, we have no money here in the Bank of Montreal at the present time but have some in Ottawa due very soon. In the meantime, we will be getting the interest on that money in Ottawa and you take our post dated cheque so to speak and we will give you a portion of the interest when the note comes due in April.

MR. SMALLWOOD: That is right.

MR. CASHIN: A very good transaction, Mr. Speaker.

MR. CURTIS: It is good business.

MR. CASHIN: If I went to any loan corporation in Canada tomorrow and wanted to buy shares and I had prospects of a hundred thousand dollars stocks in a particular company and did not actually have the cash and say to them, look here, I want one hundred thousand dollars of your shares but have not the cash to give you, but can give you my note—

MR. CURTIS: We did not say that.

MR. CASHIN: That is what it amounted to.

Look here I will have the money on April 1st, that is a good day to transact business like this, I am going to have a hundred thousand dollars on April 1st, but it is going to earn interest in the meantime at three per cent, that is three thousand dollars, now accept my note until then, and hand over the stocks to me and when the notes come due I will pay up the note in full, and on the interest the money has made in the meantime, I will give you fifty per cent. That is the same story and it is not proper for the Government to do it.

MR. SMALLWOOD: Why not?

MR. CASHIN: It is not good financing, it is funny finance, cockeyed finance. I know now why we had an election last fall. Now, it is coming out on October 1st, you had not a dollar, were overdrawn in the Bank of Montreal practically three million dollars and don't want to publish it so, have an election, wipe out the Opposition and they will never know anything about it.

MR. SMALLWOOD: We were not overdrawn.

MR. CASHIN: You had a temporary overdraft at the Bank of Montreal for two million and some odd dollars. Otherwise, why give them a note.

MR. SMALLWOOD: May I say we can get money at the Bank of Montreal for less than one per cent on a temporary overdraft, but on our money in the Bank of Canada on deposit in Ottawa we draw two and five-eighths per cent, so that we save money for the Treasury to have temporary overdrafts at one bank.

MR. CASHIN: What do you pay for temporary overdrafts?

MR. SMALLWOOD: I am not sure from memory, but I would say one per cent or less than one per cent.

MR. CASHIN: I would like to know what you paid. You paid three and one-quarter per cent.

MR. SMALLWOOD: On an overdraft, we pay something less than one per cent and on our deposit in Ottawa we get two and five-eighths per cent and it is cheaper for the Treasury, normally therefore to have overdrafts at one bank and leave it on deposit in Ottawa.

MR. CASHIN: Mr. Speaker, I agree if you can get money for one per cent it is cheaper to leave the money in Ottawa at two and five-eighths per cent, but according to official information tabled here, you paid three and one-quarter per cent so that it would have been cheaper to bring the money down if you did not have it down here.

MR. CURTIS: For a month?

MR. CASHIN: I don't know, a month or two months at the rate of three and a quarter. The two and five-eighths is paid every six months on the balance outstanding at the end of each six months and if you withdraw just before the end of the six months ended, it would be lost for the whole six months, therefore, it is left on deposit and you have a temporary overdraft at the local bank which you pay at the rate of less than one per cent. But you did not have a temporary overdraft to pay at one per cent, you had one at three and a quarter.

MR. SMALLWOOD: It cost even less than one.

MR. CASHIN: Here is your official answer, three and a quarter per cent, then you come in here and give me much less than one per cent. You don't get money for one per cent a month from the bank, it is so much per cent per annum. Incidentally, Mr. Speaker, I would like to draw the attention of the Honourable Minister to a statement made here this afternoon, he said in his budget that we would have \$15,566,241 for capital expenditure this year and for the following year \$11,130,100. I took special note—read your budget, it is yours, not mine, read it, it might be interesting.

MR. SPEAKER: I want to take advantage of this Bill to again remind visitors to the House, I get tired of doing so, they can come and listen but cannot make any comment whatsoever by laughter or other comment, and if there is any comment I will have the Officer of the House ordered to remove any person so misconducting himself and I must insist that the Officers carry out the rules.

MR. CASHIN: Which reminds me, Mr. Speaker, about twenty nine years

ago in the next chamber, the famous Hollis Walker enquiry was on, and citizens came to hear the wonderful Walker and during the course of the cross-examination of various individuals by the various lawyers a certain name in the Committee was mentioned and the people in the gallery tittered and he said to one of the lawyers, "This man must be the local wit." Probably, Mr. Speaker, the Premier and myself may be the local wits in this respect.

MR. SMALLWOOD: The honourable gentleman has that honour.

MR. CASHIN: Now, Sir, let us look at our Auditor General's Report that is the real official document you have to go by. I would have nothing whatsoever to criticise this budget for, Mr. Speaker, if it had drawn a balance sheet at March 31st, 1952, and before we go any further, Mr. Speaker, I have been derelict in my job more than once, but I do now extend to my colleagues here my congratulations on the manner in which they talked on this Budget Speech, and I apologize to them now for not mentioning that at the outset, but this thing so got under my skin, I wanted to get it off my chest. As I said a moment ago, if the Government had drawn a line across there on March 31st, 1952, and shown what money was on hand to the credit of the account in Ottawa, I would not have been up here tonight tearing my lungs out. But they did not do that, and why? You said, all right, last year we collected two million odd dollars and three million on social security taxation and we got a revenue much higher than anticipated. Now, I will not say we are bankrupt, because a country in my opinion is never bankrupt. It is not a thing you can cut up in bits, and sell bit by bit and liquidate, but look at the

figures as at March 31st, 1952, and next year you are obligated for the European industries to the tune of five million dollars and you have not got the money to carry out these obligations. What are you going to do about it? One or two things, you have got to go into the markets tomorrow, but the Government is not borrowing. That is the best one I have heard yet. Here is what you are going to do, you have put on more taxation and there is nothing much left to put it on. The Minister says you can't put it on properly, but you are indirectly giving municipalities in the outports power to tax themselves which is the same thing. They are going to tax themselves to keep up the roads which roads will give —

MR. SMALLWOOD: No.

MR. CASHIN: You have kept them up in the past, now in the future after the Government starts them off on the right foot with local grants, they will tax themselves to keep up local roads. Mind you, there is something good about it, and last night, myself and my colleague agreed that we would use what little influence we had, we have just a little bit, in St. John's West both of us, and use it to the best advantage to see if we can't induce these people on the South Side Hill, the Blackhead Road to form themselves into a community, but I am getting away from the point. The Government had to decide how to raise a certain amount of money, I think five million dollars is the amount we are obligated for to start the industries laid down in the estimates. How are we going to get it, we don't want to borrow money. I will have more to say about that later.

You know that there is two million odd dollars which should have been

credited up to your account for 1951-52. Does not this speech say that there is somewhere over two million dollars due on the tax rental agreement which ordinarily would be in March 31 which you won't get until April and you are not going to credit up?

MR. POWER: If the honourable gentleman will allow me, Mr. Speaker, that payment was made in arrears after March 31st.

MR. CASHIN: And in our general revenue should be in on March 31, but we are told about it in the budget, that is the point I make. That is two million dollars. Now, you put on an extra taxation of 3% and we will assume we will have the same surplus as last year of three million odd thousand dollars and put on an extra three per cent tax and have a surplus of six million dollars. Now speaking of that taxation, I want to congratulate my friend from Bell Island tonight. He finished his remarks up with the best argument I have ever heard in this House when he referred to the general election and wondered about whether the Liberal Government would go back to the country now and say, "We are going to tax you three per cent to pay for the things you get from us."

HON. DR. H. L. POTTLE (Minister of Public Welfare): We have been doing that all along.

MR. CASHIN: I have never yet heard a member of the Government side of the House saying they are going to tax people, tax them yes, but you never tell them anything about it. Mr. Speaker, did the present Government or its party when they went to the country in November tell the people they were going to put on an

extra 3% taxation on food this year, did they? Did they tell them they were going to put it on food?

MR. CURTIS: The Act was on the statutes.

MR. CASHIN: Did the Government, any member of it, tell the people that they would put that three per cent taxation on food in the coming budget?

MR. SMALLWOOD: The budget was only brought down a few days ago.

MR. CASHIN: You had it in mind when you were getting a new lease on life, a mandate—did you ask for a mandate to put three per cent taxation on food? Was that in your manifesto? Certainly not.

MR. SMALLWOOD: Did the honourable gentleman ever hear of a manifesto speaking of taxation.

MR. CASHIN: Never.—But I heard people going out and telling the country that the people were not going to be taxed under union with Canada—I heard it in the convention room and certain members who are here now heard it—"There will be no more taxation, the day of taxation is over."

MR. SMALLWOOD: Who said that?

MR. CASHIN: You.

MR. SMALLWOOD: Mr. Speaker, I ask the honourable gentleman to withdraw that statement. I am prepared to bring in here the entire Hansard of every word spoken in that convention from the opening to the closing, and if he can produce it, anything even resembling that remark, I resign, I go, the minute he produces it, to His Honour the Lieutenant Governor and hand in my resignation. I said no such thing, and I ask the honour-

able gentleman to withdraw that statement now. I am not joking—I ask the honourable gentleman to withdraw.

MR. CASHIN: Mr. Speaker, I am prepared to withdraw the statement. I am not prepared to take up the rest of my life reading that guff got off by myself and the Premier and other members of the National Convention for thirteen or fourteen months. Rather than do that, I am prepared to take back anything—rather than waste my time on that nonsense.

MR. SPEAKER: Order—When the Chair asks an honourable member to retract a statement or do anything else to conform to the rules of the House, he will do so without reservations. I was about to say that the whole incident is absolutely ridiculous and comes from a disregard of and disobeying the Chair. The Chair has repeatedly warned the House against indulging in the personal pronoun “you” which must invariably lead to a breach of order and upset the course of the debate. It does certainly not lend anything remotely resembling dignity to the debate. I prefer to pass over an entire incident like that and honourable members will refrain from the use of the personal pronoun.

MR. CASHIN: Mr. Speaker, I apologize to the Chair, to the Premier, the Ministers of the House, I can't go any further. I apologize to the spectators.

MR. SPEAKER: The apology to the spectators is entirely disallowed. If I have one more interruption from the gallery, it will be cleared of every individual except the wives of the members. I ask the Sergeant-at-Arms to attend to that business. I have enough work to guide the pro-

cedures inside this bar and seeing that honourable members must be heard in silence. From laughing is just one more step to cheering and since the whole population of this province cannot come here nor can any group of thirty people have anything to say, but the properly elected members.

MR. CASHIN: Mr. Speaker, to go back to the Auditor General's Report, but I was discussing taxation, this new three per cent taxation which is being put on food under the social security regulations. I know there is three per cent already on a lot of commodities and that has been swallowed by the people but there is now going to be, as we are given to understand from the budget, at some future date three per cent on food, and I was trying to point out, Mr. Speaker, that in order to get that necessary couple of million dollars to help pay obligations to these industries the Government had to put on this extra taxation on food. Now, what happens, they tax a commodity like pork and beef, which has never been taxed in the history of Newfoundland except on a few occasions. This afternoon my friend the Minister of Education listed food taxes in the past. But there is a tax on food at the present time by the Federal Government. We don't have to wait for this three per cent to go on, but we are going to slap on another three per cent.

MR. SMALLWOOD: Who said there was to be anything on beef—who said so?

MR. CASHIN: Then we are to assume there is to be no duty on beef?

MR. SMALLWOOD: Wait and see—

MR. CASHIN: Asquith again. Here

is the budget—"It will be recalled that the exemption of foodstuffs from the ambit of the government Act was effected, not by Statute, but by Regulation." This exemption was granted because the Government felt that, at the time, the full benefits of the programme of social assistance had not had impact upon the general populace—a position which it is felt has now rectified itself. "The Government has now decided that the exemption of food stuffs for human consumption can no longer be justified and we have decided that, as from a current date, the continued exemption of such items from the ambit of the Act should no longer be permitted."

It does not mention what items and we assume it is being put on pork and beef. Assuming there is such a tax on pork and beef it means a cent and a half a pound and an ordinary man who is going to buy ten pounds of beef tomorrow, it means fifteen cents, that is what it means, today beef is selling retail for 50c. a pound and the tax of three per cent will be collected on that at the rate of 15c. on ten pounds, how much is that on a barrel? Too much, two dollars a barrel going on pork and beef. Flour is the same thing. I do not know at the present time if it applies to flour, but suppose it does, it will go to a dollar a barrel.

MR. SMALLWOOD: Who says it is going on flour?

MR. CASHIN: The budget says.

MR. POWER: It does not say all foods.

MR. CASHIN: It does not say there is to be an exemption of some foods. At the present time all food stuffs are exempt, but the exemption

of food stuffs is going to be discontinued. I know the Government has not yet issued any regulations at all, so we are discussing it on the merit of what is down in the budget. But can any member on either side of the House tonight say what interpretation should be put on it, there is no mention of exemptions of flour, beef, pork, molasses, sugar or any item, we will mention a few commodities and see what is going on. Tea, sugar, molasses, peas, rolled oats—are the Government prepared to say whether it is going on rolled oats or not, or any of these things? We don't know what it is going to be put on.

MR. SMALLWOOD: Yes, they do.

MR. CASHIN: Nothing has been announced to the public. Mr. Speaker, the Honourable the Premier is interrupting me.

MR. SPEAKER: If the honourable member takes cognizance—but if the honourable member says he does not wish any further interruptions—is it a point of order?

MR. CASHIN: I say now this taxation of three per cent is iniquitous and is brought about because the Government cannot balance its budget without it, they are in such a financial mess and without this ten million have not a dollar to their name. Just imagine a Government giving a two months note to buy stock in a corporation. It was never known in the history of Government in any country to do such a thing. The Premier comes in here and tells me that on a short temporary overdraft at the bank they pay one per cent, you pay three-quarter per cent, that is what you pay. It is right here in your own answer.

Now, let us figure out this whole thing so that we will have no more foolishness about it. Here is the Auditor General's Report, the only thing we can go by in this House. What do we find? Now, Mr. Speaker, on the Budget Speech I must make a reference to this Auditor General's Report because these are the official figures we are going by. The official figures show that you had on March 31, 1952, \$24,260,200 to your name at that time, and \$10,524,000 of that was for future account current deficits, in Ottawa. There was more money than that at Ottawa. \$13,718,000 for capital expenditure and the extension of public services. Now, what does that make it at the present time. Take that \$13,718,000 on March 31, 1951, and add that to your surplus this year which is \$1,347,470 and make that in round figures, \$15,000,000. That was your total capital account plus another million roughly for money you collected in pre-union surplus which is now forgotten and that is some \$16,000,000 and you spent \$16,900,000 on capital account. In other words, that was nine hundred thousand dollars that came out of current account and your capital account is overdrawn. That is the position you are in because if your account were balanced up properly you would show it in the bank on March 31, 1952, \$1,347,470. But on February 29, a month previous to that, you had a million six hundred thousand dollars there and in the month of March, 1952, your revenue was short of your expenditure by over nine hundred thousand dollars. Therefore, you got a temporary loan to bring it up to that amount and there is one further thing we have to do when we get the loan from these people, you have to pay off your bank whatever you owe them, that is

what you got to do in the first place. Then let us look at 1952-53, the prospectus. In your Budget Speech, next year, that is the present year, you are going to have a revenue of somewhere around thirty-four million, eight hundred and forty-eight thousand dollars and you are going to have expenditure on current account of \$28,503,400. Now, let us get on to 1952-53 and see where we are. Forget the loan, you are selling these things to the Newfoundland and Labrador Corporation, a 90% owned Government outfit—let us forget that nine million two hundred thousand dollars for the present and see where we will stand with capital account at the end of March, 1953, how much money we will have. According to the official figures you will have a little over four million dollars. Now, assuming you don't get any loan, where are you. You will have to take five million out of the bank up in Ottawa if you are allowed to take it.

Now, speaking of this nine million two hundred thousand dollars, the Minister says here in his speech, which we have to go by—forget the answers to questions tabled here. You have a surplus on current account for 1952-53 of \$6,344,900 but the pre-union surplus is now gone and we have to pass that over. You are going to spend next year, this coming year on capital account, money you have not got at the present time, \$11,130,100 and assuming you can not raise that loan how much money have you to spend on capital account? That is a simple question to answer, and I say two million dollars.

MR. SMALLWOOD: If the honourable gentleman will allow me: When the honourable gentleman says we are budgeting to spend on capital account

money we have not got, will he not agree that it is equally true that we are passing estimates here each day to spend money in the next twelve months on current account, which we have not got. What is the difference?

MR. CASHIN: But you are assured of it on current account.

MR. SMALLWOOD: Not at all, no more than on capital account.

MR. CASHIN: Particularly with this wonderful prosperity that exists today, this twenty-four million dollars we are talking about, six millions of which is extra taxation tacked on to the people during the past twelve months, six millions of it in other words to carry out ideas of this character, without which the budget would have squared this year.

DR. POTTLE: Mr. Speaker, the budget forecasts a surplus of six millions but the collection of the taxation is only one-third of that.

MR. CASHIN: The extra taxation over a period of twelve months. The extra taxation of three per cent went on last year, the revenue on 3% for social security taxation is estimated at two million and you got a million dollars more. Now if you are estimating as conservatively here as you did a year ago when this tax was three instead of two, if you had not imposed that taxation your budget would have balanced. My friend, the Honourable Minister of Public Works sees what I mean.

MR. SMALLWOOD: We would not have had the surplus and could not spend it.

MR. CASHIN: Therefore, what my honourable friend from Bell Island says came true, you cannot spend money without taxation.

MR. SMALLWOOD: We could borrow.

MR. CASHIN: I know more about that than you, your day is coming too. You will have plenty of difficulty, this nine million two hundred thousand dollars. Never in the history of Responsible Government did we have to pay seven and three-quarter per cent for money and that is what you are paying this year for that loan. The last loan raised on the credit of this country was in 1930 and I happened to be Minister of Finance, whether I was good or bad, I was Minister of Finance.

MR. SMALLWOOD: We went broke in the next year.

MR. CASHIN: I am going to tell you about it now and enumerate why the country went broke in the next year; we did not go bankrupt.

MR. SMALLWOOD: That was not the honourable gentleman's fault.

MR. CASHIN: That is the way you talk, indicating that in the past I was the individual responsible for this country being broke. I am going to tell now about this country and about Canada. I am glad the Honourable Premier brought this matter up. We raised this loan in 1930 the year after the crash on Wall Street in 1929. That loan fetched 99, a five per cent loan.

MR. SMALLWOOD: What was the commission?

MR. CASHIN: 9.9 we got it placed in the Bank of Montreal here. Today what are you getting? This bankrupt outfit in 1930 were able to negotiate a loan on better terms with a revenue of less than ten million dollars a year. Now, we went broke—let us look at the picture, we have

been accused of breaking Newfoundland at that time, accused of robbing and everything else. Some junior politician in recent months said we were no good, a politician identified with the present Liberal Party. However, that is not the point. In Great Britain the pound slashed down from \$4.86 to \$3.30 and they were unable to pay interest, several provinces in the great Dominion of Canada were unable to pay interest; and Newfoundland at that time, broke and all as we were, helped to put Canada back on her feet. How? I have told this story and I repeat it today.

They came to us, we were the only place left on the gold standard. We had applied for a loan of, I think, six million dollars at that time. We had gotten a temporary loan from the bank and they flopped on it in the end and gave up part, we were trying to save interest and holding it in the bank for when we required it, and they fell down on it, the Bank of Montreal. So they were going to do all kinds of things for us when they came here, these big shots, they came to the Government on their knees, so to speak, and told us we had twenty-five million dollars on deposit in our bank at that time. The Canadian Chartered Banks which demanded gold in payment at that time asked us to go off the gold standard, and that is one deed in my political life I regret, and I have had many. We went off the gold standard and in 1931 when we had the Dominion of Canada where we wanted, they were crawling to us at that time and we went off the gold standard and saved the bank. After Bennett, the then Prime Minister of Canada incorporated the Bank of Canada and all the gold in the other banks was put into the Bank of Canada

created a system like the Bank of England and the Bank of France. And we politicians of the past, I am the only one here now, have just been kicked about politically ever since and I say now that was one of the political actions I regret.

But now we are in this position and it is just as well to acknowledge it. Mr. Speaker, financially we are in a bit of a tangle at the present time and no one knows that better than the Minister of Finance and the Premier and other members of the Cabinet. There is no one prepared to help more than we on this side of the House because, Mr. Speaker, after all, we are just as good Newfoundlanders; as I said yesterday, I am sick and tired of the expressions, "Liberal" and "Tory" and there are too many ladies here tonight for me to express what I think of people talking like that. We are in here as Newfoundlanders—people who talk like that they are not Newfoundlanders, not good Canadians either. We are prepared to help this country as well as any one else, but when we went into Union with Canada had your terms of union been properly negotiated by those negotiating at that time we would not be in this mess today, and I repeat it now, because we would have had a grant in perpetuity from the Canadian Government of approximately ten and a half million dollars a year. My friend the Honourable Minister of Education mentioned here today that our per capita debt in the Dominion of Canada of which we form a part has been reduced in the past couple of years by four and a half dollars a head. Does he realize that in 1949 at the time of union the difference between our public per capita debt in Newfoundland and the per capita debt in Canada was a

thousand dollars per head. What does that mean to Newfoundland? I know we could not have gotten three hundred and fifty million dollars, and we did not expect it, we did not expect the Canadian Government to pass over a cheque for three hundred and fifty million dollars, but we would expect them to give us in the form of an annual grant the interest thereon at two and five-eighths or three per cent, and that would mean a grant in perpetuity of not less than ten million dollars a year. Then we would not have to be putting on a three per cent sales tax on food stuffs and other goods last year, and you would still get your family allowances, old age pensions and mothers' allowances just the same. But those who negotiated these terms fell down on their job, and in my opinion made a mess of it. That is what has put us in this financial mess. I am not saying it was anyone in particular, there were a half dozen of them who did it, but one man could have stopped it by kicking up and he did not. Therefore, Mr. Speaker, Newfoundland was sold down the river. But remember, we are now into union with Canada and have to make the best of a bad job.

We were told, Mr. Speaker, that it was going to be a wonderful thing, baby bonuses, old age pensions, mothers' allowances, we were never going to see another day of want, no more taxation; the Canadian Government, if necessary would buy our fish and dump it—lots of money.

Talking of fish, that reminds me of a letter which appeared in the "Evening Telegram" yesterday about a plant that was erected in my old District of Ferryland which is now without representation in the House. That plant was put there without any Gov-

ernment assistance whatsoever or by any Government grant. They gave a grant originally for certain financial assistance for trawlers and druggers operating out of Carbonear or Harbour Grace, but not one dollar of Government money went into that plant in Fermeuse. When that came in here I had my doubts about it. That man Moores is no particular friend of mine. I believe he was confederate and a Liberal, but he gambled his business life, so to speak, his business existence, on that plant in Fermeuse. He has thrown in everything he is owner of, life insurance and everything else to build that plant in Fermeuse plus a lot of effort and he has been a lot of years at it. Then some individual who does not know what he is talking about comes in here and says he has Government assistance. He had no Government assistance to build that plant in Fermeuse, a contemptible lie—

MR. SMALLWOOD: If the honourable gentleman will allow me—I had not intended saying a single thing, a solitary word in reply to Mr. S. W. Moores. Mr. Moores applied to the Government in writing for a loan from the Government. I am well aware of the letter in the "Evening Telegram." Now, I will give the facts. Mr. Moores applied to the Government on three separate occasions for financial assistance from the Government, three separate occasions, and was given—I don't recall the dates, I can bring down the correspondence.

MR. CASHIN: It should be shown in the records here when those loans were granted.

MR. SMALLWOOD: (1) He wished to have released by the Government, the Government security in the plant at Harbour Grace in an amount

of \$100,000 to assist him in financing the plant at Fermeuse. The Government acceded to that request in writing. (2) We actually released the mortgage of \$100,000, and Mr. Moores' Company requested a loan from the Government for draggers for the Fermeuse plant, two draggers, I think, I speak from memory, in an amount of two hundred thousand dollars. We acceded to that request. (3) His company requested that the Government should agree to defer payment, or repayment of an earlier loan made by the Commission of Government. The Government acceded to that request. Now, I had not intended, though I am aware of Mr. Moore's letter, and I am aware of the attack made on me by the "Evening Telegram" editorially last night, but I had not intended discussing it. We had discussed this in Cabinet, and I said; "Mr. Moores is a friend of ours, and evidently in annoyance, he evidently did not see what was in fact said in this House, it was badly reported in the Press at the time, and he was annoyed." So I said; "Let it rest, say nothing." Except for the fact that the honourable Leader of the Opposition said someone came into this Chamber and told a lie.

MR. CASHIN: I wanted to know the facts—That is my job.

MR. SMALLWOOD: If he had not said that someone came into this Chamber and told a lie, I would not publish whatever I might say in friendly conversation with Mr. Moores, privately, never publicly, contradict his letter or reply to the "Evening Telegram." Now, Mr. Moores is a credit to Newfoundland, one of the finest citizens we have in the Province. I wish to God we had a hundred more like him, a thousand more like him. It is a magnificent job he

is doing. Mr. Moores, incidentally, was quite annoyed by a misrepresenting report of what was said in this House. He was away from the Province, I believe, at the time. It had been wrongly reported to him, what in fact I never said, that we had given any money to build that plant in Fermeuse, that was not said in this Chamber.

MR. CASHIN: I have not seen Mr. Moores, I have just read the letter in the paper the day before yesterday.

MR. CURTIS: You shouldn't read the "Evening Telegram."

MR. CASHIN: I should read your literary pieces in the Sunday Herald, that is your particular journal and you can have it as far as I am concerned.

MR. SPEAKER: The honourable member is out of order to indulge in personalities. Private conversation is out of order.

MR. CASHIN: He told me first. I did not start this racket, I am blamed for a lot of things.

MR. SPEAKER: Address the Chair not the Honourable the Attorney General.

MR. CASHIN: Mr. Speaker, the Honourable the Attorney General can enhance his education by reading the "Sunday Herald" inside out—that is his concern, as far as I am concerned he can have it. The "Evening Telegram" was never a great political friend of mine, everyone knows that, it never supported me politically, and I don't care whether it supports me now politically. I am not looking for any support from any newspaper at the present time, and I don't care what they say about me. I have received on various occasions indirect

threats from the Attorney General's Newspaper the "Sunday Herald" and very recently and before I am through with this talk of mine, that rambling talk on your financial mess, I will speak a word or two in that connection. The Government, Mr. Speaker, is going to hear a word or two on the "Sunday Herald" in connection with its present administration and not too proud you will be after I am finished, and you can pay another sixty-thousand dollars to it next year for doing nothing, and trying to blackmail people.

MR. SPEAKER: The honourable member is on very dangerous ground. The honourable member is making a charge that Her Majesty's Government is blackmailing people, and it is a very serious charge.

MR. CASHIN: I did not say the Government is blackmailing, I never made any such statement.

MR. SPEAKER: I don't want to spoil the honourable member's interesting speech.

MR. CASHIN: I don't know whether the Government gave any money or not to that plant in Fermeuse. From what the Premier said here, I do not think they passed any money over, but released some mortgages in Harbour Grace to raise money to invest in Fermeuse. I take it, Mr. Speaker, I don't know whether they raised money on that or not. Now, I have not seen Mr. Moores since he came back to the Province, and I have not seen him since the November election. I ran into him one night in the Newfoundland Hotel sometime before and have not seen him since, and I certainly never visited the plant in Fermeuse but I am interested in the establishment in that part of Newfoundland of a couple of fishing

plants because it is today the only district in Newfoundland that is depending entirely on the fishery. The other sections of the Island have other industries. I am representing St. John's West now, but I am interested in Ferryland and it is today the only district in Newfoundland depending entirely on the fishery, can't even get a stick of wood to burn, now I know the Honourable Minister of Public Welfare represents a district that is even worse. I paid one visit to Bay de Verde, not politically, a few years ago, and I think Bay de Verde is probably worse than Ferryland. We got water in Ferryland and there is no water in Bay de Verde, but seriously, for instance, the bankers were coming in there every year. Up to a few years ago, I have seen as high as fifty bankers anchored in Cape Broyle taking bait in June and July and today there are none. There are new methods of fishing including trawlers and draggers which are going to destroy the fishing industry of Newfoundland. Why? Because today outside the three mile limit these trawlers are killing more fish than they are taking out of the Atlantic, and how long can that last? That is something for the Fishery Commission to try and dope out and report to the Canadian Government. Sir, I am glad Mr. Moores established a fish plant in Fermeuse, I have many sentimental ties with Fermeuse, family connections right down through the past hundred years, I will say right here now that the people of Fermeuse, and I am not talking politically, because Fermeuse always supported me, I think there were seventeen votes against me in Fermeuse out of 280, and I am not representing Fermeuse at the present time nor Ferryland, therefore, I am not speaking politi-

cally to them, they are not here to-night. But the Fermeuse fishermen are equal to any in this country, and the plant put in there by Mr. Moores is going to be a great asset to that whole community of Fermeuse, Aquaforte and Ferryland. There is an old saying, I think my old friend the Honourable Minister of Public Works has often heard it, "Renews, Fermeuse, Aquaforte and Ferryland," those four places come under the ambit now of this fishery plant and those fishermen who will be employed there and those who will be catching fish, I will say to them that it is a matter certainly between the fishermen and the business and I am quite confident from what I hear that Mr. Moores will play the game with every fisherman in that community and I wish him every luck.

MR. SMALLWOOD: The gentleman may perhaps be interested to know there is a second industry going into Ferryland district, it is entirely likely that there will be a new six hundred thousand dollar plant going in Trepassey if the Government can see its way clear to put up the necessary financial assistance.

MR. CASHIN: Mr. Speaker, I want to thank the Premier very much indeed for that information. I did hear a short while ago that the Fishery Products Limited, I think, moved certain equipment to Trepassey, and if there were a vote in these estimates now for six hundred thousand dollars for a fishery plant in Trepassey I will be the strongest supporter of that vote in this House. Why Trepassey has one of the finest harbours that you can find from here to Marystown. Marystown has the greatest harbour of them all, as far as I can understand, in North America.

MR. SMALLWOOD: Here, here.

MR. CASHIN: Trepassey is an outstanding place, you will find great fishermen around Trepassey, St. Shotts and Portugal Cove, and with this plant and driggers working on the Grand Banks it would give a lot of employment to people in Trepassey on both sides of the harbour. Sir, I hope and to use an expression of a former honourable member of the House, I hope and trust that the Government will see its way clear to devote six hundred thousand dollars to the Monroe people. Apart from establishing a fish plant in Trepassey, you can look and see from the financial statement tabled here that during the past eight or nine years they certainly lived up to their contract every time, and I would be the first man to advocate extending them the six hundred thousand dollars, a guaranteed bond issue or debenture or anything else to the Monroe people to establish a fresh fish plant in Trepassey. I am glad, Sir, the Premier has given me the opportunity to add my voice in support of that worthy proposition. That is the kind of industry we want, something productive.

MR. SMALLWOOD: You might give us a little word of praise.

MR. CASHIN: Yes, I would say this, Mr. Speaker, the Government has many faults, but they have done a lot of things, and voted money devoted to fishery loans some of it outstanding on the books at the present time. I think around three million dollars was voted by the Commission of Government, but I think the present Government has advanced or guaranteed somewhere in the vicinity of four or five million dollars, the best use they made from the surplus they had when they came into office in

1949. If they had handled the balance of the surplus as well as that, why Sir, the Premier would certainly celebrate, if he lived, his fiftieth anniversary as Premier of this country because they are the main industries.

MR. SMALLWOOD: We have to spend millions yet to bring up the fisheries.

MR. CASHIN: You have to pay the banks about two millions very shortly.

I move, Mr. Speaker, the adjournment of the debate until tomorrow.

MR. SMALLWOOD: It is a good note to end on, congratulating the Government.

MR. CASHIN: Sure.

MR. SMALLWOOD: Mr. Speaker, I move that all further orders of the day do stand deferred and the House at its rising do adjourn until tomorrow, Thursday, at 3:00 of the clock.

The House adjourned in the usual manner.

THURSDAY, May 8, 1952.

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

Order.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

MR. COURAGE: Mr. Speaker, I beg to report that the Committee on Standing Orders have examined the Bill, "An Act to Incorporate the Association of Professional Engineers and for other purposes connected

therewith, and the rules of the House have been complied with."

MR. SPEAKER: Report received—A Bill, "An Act to Incorporate the Association of Professional Engineers and for other purposes connected therewith," ordered read a second time on tomorrow.

Giving Notice of Motions and Questions

None.

ORDERS OF THE DAY

Third Readings:

A Bill, "An Act to Provide for the Guarantee by the Government of Newfoundland of a loan to be raised by Newfoundland and Labrador Corporation, Limited." Read a third time. Ordered passed and title be as on the Order Paper.

First Readings:

Honourable the Premier asks leave to introduce a Bill, "An Act to Amend the Wild Life Act, 1951." Read a first time. Ordered read a second time on tomorrow.

Honourable the Minister of Finance asks leave to introduce a Bill, "An Act Further to Amend the Gasoline Tax Act, 1949." Read a first time. Ordered read a second time on tomorrow.

Second Readings:

Second reading of Bill, "An Act to Amend and Consolidate the Law Relating to the Sale of Securities."

HON. L. R. CURTIS (Attorney General): The motion has been proposed and the debate deferred.

MR. P. J. CASHIN (Leader of the Opposition): I think we agree with

the principle of the Bill and any amendment thereto we might desire could be brought up in Committee of the Whole.

Bill read a second time. Ordered referred to Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

MR. CURTIS: Mr. Speaker, I would like to move second reading of this Bill which the honourable members will see is a very short one, the effect of it being to extend the Shipbuilding (Bounties) Amendment Act for a further year. This is a Bill which provides for bounties on shipbuilding in Newfoundland and it is extended from year to year so that should Government policy change at any time it will always expire without order action. This present amendment extends it to the 30th day of June next.

MR. HOLLETT: I wonder if the Honourable Minister would be kind enough to tell us the exact bounty payable on ships as to Provincial and Federal?

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, as the honourable member will appreciate the Minister of Fisheries is absent from the Province. He is in Ottawa at the moment conferring with the Minister of Fisheries of Canada. He was due to arrive here on Saturday or Sunday for consultation with the Government of Newfoundland with regard to the implementing of the report of the Fisheries Development Committee. That explains the absence of the Minister of Fisheries, and to be quite

frank, I doubt if there are many members in the House apart from the Minister of Fisheries who is competent from memory of explaining the working of the Shipbuilding Bounties Act of Newfoundland. This is an old Act which has been in effect in Newfoundland for many, many years and the bonuses are paid for building, and I believe, repairs of fishing vessels. Now, the Federal Bonus is confined entirely to bounties on fishing vessels of a certain type, boats equipped for long lining chiefly and measuring from 45 to 50 or 60 feet, \$165 a ton purely for fishing crafts. The Federal scheme is confined to one type of boat whereas the Newfoundland Government shipbuilding bounty scheme is more elaborate and applicable to many more types of fishing craft.

Bill read a second time. Ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Execution on behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada."

MR. SMALLWOOD: Mr. Speaker, the House is doubtlessly aware of the fact that about two years before Newfoundland became a Province of Canada, certain Provinces of what was then Canada signed with the Government of Canada a tax rental agreement for a period of five years, which five years expired at the 31st of March 1952. When Newfoundland became a Province of Canada it was provided that Newfoundland enter into that same tax rental agreement with the Government of Canada with this additional provision, that if for the purpose of greater financial security the

Government of Newfoundland wished to have a tax rental agreement for a greater duration than the life of the agreement with the other Provinces it could do so, or it could sign the tax rental agreement merely for the unexpired period namely three years ending March 31, 1952, on the same terms exactly as the other Provinces. When this Government took office we decided that it would be better if we signed the tax rental agreement only for the unexpired period, namely the three years. We did that on the grounds it was extremely likely that at the signing of a new contract for a new term of five years it would be preferable to committing ourselves to the old contract for a period beyond 1952. We gambled, so to speak, on the probability that the new agreement would be an improvement over the old one. Now, it was made very clear to us that if we preferred for the purpose of financial security to sign an agreement in 1949 for a period beyond the life of the agreement with the other Provinces, say for ten years, that would be ten years from 1949. We could do so but if then a new agreement, a better agreement, should be negotiated and signed with the other Provinces in 1952 we would not get any of the new advantages or profits. So, banking on our belief that the new agreement would be better than the old one, we elected as a Government and were confirmed by the Legislation in signing an agreement only for the unexpired period of the agreement with the other Provinces. That is what we did. We signed an agreement for three years to end on the last day of March past. In the meanwhile we have been attending Dominion Provincial Conventions at Ottawa and we have heard the ten Provinces of Canada and the Government of

Canada negotiate a new five year agreement coming into effect from the first of the present fiscal year in all the Provinces that care to sign it. We have not as yet, in fact, signed the new agreement. We have, as my honourable colleague the Minister of Finance indicated in his budget speech informed the Government of Canada of our desire and intention, subject of course to the confirmation of this House, to enter into the new agreement. I believe that British Columbia has already signed, and that one or two other Provinces have actually signed the new contract. I believe that all the Provinces with the exception possibly of Ontario and Quebec will sign the new agreement in the course of the next few weeks. Ontario and Quebec, as the House knows, did not sign the old agreement, they have never been for it.

Now, Sir, the tax rental agreement idea was born during the last world war. In every Province of Canada the Legislation has complete freedom to impose any form of direct taxation within the Province, so reads the Constitution of Canada and the British North America Act; any Province may impose any form of direct taxation within the Province. No Province may impose any kind of indirect taxation. That means that any Province may impose any income tax because that is a direct taxation, may impose a corporation tax, may impose succession duties or as we used to call them in Newfoundland death duties or estate duties, because they too are direct taxes. Of our right to impose income and corporation and succession duties there are and there can be no doubts whatsoever. But, Sir, the same may be said of the Parliament of Canada, it may also impose any direct taxation they care to impose upon the people of Canada. The difference

however between the Parliament of Canada and the Legislation of any Province is this: The Parliament of Canada may also impose indirect taxation. In fact, there are no limitations placed upon the powers of taxation of the Parliament of Canada which may be direct or indirect, it may be on any value or property that they choose to tax. There is no limit in the Constitution so that what you had in Canada when the late war broke out was this: You had the Parliament of Canada imposing taxation on private incomes, corporation incomes and estates. You had also nearly all the Provinces of Canada, not all, but all I believe, except Nova Scotia imposing and collecting Provincial income tax and corporation tax. Nova Scotia had passed an Act that authorized the Government to impose income and corporation tax and succession duties but had never in fact proclaimed the Act or collected under it. With that one exception every Province of Canada had its own income tax, corporation tax and succession duties. In addition to that in some Provinces, the city councils, particularly in the Province of Ontario, which has I believe something like fifteen hundred organized municipal Governments, in some Provinces, I say the municipalities also could and did collect a municipal income and corporation tax. The position was therefore that in some towns in Canada three separate income taxes were paid. If you lived in a city or town you had a municipal taxation of that kind paid to them and paid to the Government of your Province and to the Government of Canada. Now, the war came and suddenly it became imperative, a matter of life and death in a grave national emergency for the Government of Canada to have far more revenue than they could ordin-

arily expect to get. That being imperative because Canada's war effort was financed not by the Provinces or the municipalities but rather by the Government of Canada as a whole. So they approached the Provinces in a conference early in the war and they said to them: "You don't need the money as badly as we need it, we are offering you an agreement for the duration of the war (and I think one year after the war was over) an agreement to this effect, that you will rent to us, to the Government of Canada the sole right to collect these taxes, income taxes, corporation taxes and death duties and in return we will pay to you a fixed annual amount of money to each Provincial Government in lieu of what you would have raised if you continued to collect under your own tax laws. You will know exactly for the duration of the war, year after year what you will get under that heading, what you will get from the Treasury of Canada. We, on the other hand, intend to raise very sharply the income tax, the corporation tax and the death duties, very steeply, not once but many times to finance the war effort." They made a further agreement that the Government of Canada would take over another great source of revenue in all the Provinces namely the profits made on the sale of liquor, beer and wine and in return pay over to each Province a fixed amount annually and then having signed these agreements and told the Provinces what they intended to do they raised the income tax, the corporation tax and the succession duties very steeply, and quite frequently and also raised the price of liquor, beer and wine quite steeply and also diluted the liquor quite sharply, in short increasing thereby the profits coming to the Government of Canada from the sale of these liquors.

Now, when the war ended they passed back without demur to the Provinces control over the sale of these refreshments and to the Provincial Treasury the profit that they could make on such trade and with regard to the income and corporation taxes and death duties the three had proven so popular in Canada, namely, the payment of only one income tax and that to the Government of Canada, only one corporation tax and that to the Government of Canada, and only one death duty to the Government of Canada instead of paying two or three Governments, that there was from the taxpayers of Canada a quite irresistible demand but more especially from the poorer Provinces, less so from the richer Provinces such as Ontario and Quebec, a demand for a continuation of that happy arrangement made during the war years. So the Government of Canada again called a convention of the Provinces and suggested to them that if they cared to do so the Government of Canada were willing to enter into a new tax agreement for peace time as distinct from war time and they did five years ago make that agreement. Now, Sir, that agreement made five years ago was the result of long, protracted and extremely accurate planning between the Government of Canada and the Government of the Provinces and, as we know, two Provinces declined to sign. During that five years a very remarkable change has occurred in Canada. During these past five years Canada has grown with most impressive rapidity. The world has never seen in any land such growth, such a rate of growth in five years as it has seen in Canada. In the last five years industry has expanded enormously. I believe that in the one Province of Quebec, one Province alone two thousand new in-

dustries have been established in the last five years, and in Ontario something very similar and in a number of other Provinces. We know of the almost incredible source of oil in Alberta. In that vast and beautiful Province of British Columbia tremendous strides have been made in industry. Canada in the last five years has grown to be very rich. So the Provinces of Canada grew to be a little dissatisfied, perhaps more than a little dissatisfied with the tax rental agreement as it existed during these five years and there have been various negotiations and conferences looking to an improvement in the agreement from the standpoint of the Provinces. The present agreement is a great improvement over the one which expired a month ago.

Now, Sir, the great principle of the tax rental agreement is this, there are two great principles: (1) that there should be only one income tax in Canada, should be only one corporation tax in Canada, should be only one death duty in Canada on the estates of deceased persons. (2) That the amounts payable to any given Province be fixed first at an irreducible minimum for the duration of the agreement below which the amount payable to the Province cannot fall during those five years, and the second and far more important factor than the actual amount paid shall be computed according to a common law in all Provinces a common formula, a most complicated formula based upon the three factors, (1) Value of the gross national product of Canada in general, the value of the GNP, you might say, though you would not be strictly correct if you did, the value of the goods produced in Canada. That is not exactly what GNP means but generally and loosely what it means. (2) the

population of Canada as a whole and (3) the population of the Province concerned related as a per cent as a Province to the population of Canada as a whole. Now, under that formula the Government of Newfoundland during the three years of the agreement received an increasing amount each year. At no time did we get only the fixed irreducible minimum but an amount considerably more because the value of the gross national product of Canada has increased by giant strides in each of these three years. Five years ago the GNP of Canada was twelve billion dollars, twelve thousand million dollars for the year, in the year that followed, four years ago it was fourteen billions, three years ago it was seventeen billions and the year before last it was eighteen billions and last year it was twenty and a half billions, twenty billion five hundred million dollars, and, Sir, the forecast of the Right Honourable C. D. Howe, Canada's great Minister of Trade and Commerce, for the present year 1952 carries the figure to something of the order of twenty-two billion dollars. Now, a lot of that, of course, not most of it, but a lot of it is explained by the rising prices, that is to say inflated values. Inflation which as the House is so well aware is one of the battles being fought in the Democratic world today, the battle against inflation, the battle to prevent prices from going up into unreachable heights.

So, with that vast expansion of Canada, one of the flaws in the old tax rental agreement became apparent. I said a moment ago that the amount of money that a Province would receive in any given year from the Government of Canada under the tax rental agreement was determined by computations based on that formula GNP for all Canada, population of all Canada

and population of the Province concerned related as a percentage of population of all Canada. But, Sir, that was taken for the three years preceding the years of payment, for example, last year the amount that the Government of Newfoundland got from the Treasury of Canada under that agreement the amount we got was the average of the three years preceding, that is to say, for the purpose of the computation of calculations what was taken was the GNP of the past three years, the population of the Province related to the population of the nation for three years preceding. The result of that was that the rapid expansion of Canada, the vast acceleration of Canada's GNP was not sufficiently reflected in the payment the Province got in these given years, because it was based in part upon a year when the GNP of Canada was not twenty and a half billion but eighteen billion and before that fourteen billion. So that the demand arose within the Dominion-Provincial Conference for a change in the agreement to base the amount received by a Province in any year not upon the three years preceding but rather upon the two years preceding or the one year preceding and they agreed to do it.

Now, Sir, there is a reverse side to that shield, an obverse side, and that is, if and when the economy of Canada as a whole begins to decline the decline would be reflected under the old agreement less rapidly whereas under the new agreement if we accept it for the one or two year period the decline would be reflected more rapidly just as the acceleration of Canada's economy would be more rapidly reflected. In short, we had to take the gamble for the next five years as to what is likely to happen to Canada as a whole, will she go on from

great to greater, her economy keep on expanding, will our population here in Newfoundland hold its own in relation to the population of Canada as a whole, will our population as a percentage of the Canadian population remain at least as high as it is for the next five years? We had to gamble on that. We believe that it will. Will the GNP of Canada fall? We have to gamble on that. Now, Mr. Speaker, I am not a prophet nor the son of a prophet, nor the seventh son of a seventh son, nor a crystal ball gazer, I have no more information about the future than any other honourable member of the House. I can do only what other honourable members can do, I don't know to what extent they do it, listen to the radio from the different countries, listen to the speeches of the world's statesmen, listen to the Opposition speeches particularly to my honourable friend from St. John's West with great attention to the very prognostic caution of his and learn more than he thinks I do from his comments which are very revealing of himself, I can only try to follow the trend in the world, watch fearfully what is happening in Korea as far as I can, to watch and wonder if there will be a settlement after their nine or ten months of negotiating for a truce, or if there is a truce what will happen then? Will the great American public grow wary of rearmament? Will the great new surge of isolationism spring up, perhaps irresistibly, in the United States? Will America's vast rearmament programme be slowed down? Will this mad scramble for base metals, the like of which the world has never seen before, die out? Will there be a slump in the prices of these basic materials in the world? Will there be a recession? Who knows? Who knows? Who will be elected President of the Unit-

ed States? There is a good guessing game. If Mr. Taft, will there be a tendency to cut clear of Asia and perhaps Europe? If General Eisenhower be elected, if so will there be an intensification of America's vast armament programme? Who knows? We have to gamble whether we like it or not, this House, every member in this House has to make up his mind in voting for or against this very Bill, will have to share in it whether we like it or not, we are signing for five years, signing upon the basis of the one year formula that the payment we get in a given year will be the reflection of what happened in Canada as a whole in the one year preceding not the two or three years as in the old agreement. In short, Sir, we are taking a calculated chance on the continuation of this vast and almost incredible expansion of Canada's economy which is attracting the attention of the world about which my honourable friend the Minister of Education spoke here last night when he gave some of the figures of capital investment in Canada. In this year, 1952, there will be invested in Canada as a whole new capital in the amount of five thousand million dollars; five billion dollars. We believe that short of a world slump or a world recession Canada's economy will go on to further greatness and that for the most if not all of the next five years we play safe when we sign upon the basis of the year to year prosperity of Canada.

Mr. Speaker, I have great pleasure in moving second reading of this Bill to authorize the Government of Newfoundland to enter into a tax rental agreement for the next five years with the Government of Canada.

MR. SPEAKER: Before I put this motion I want to make it clear to

the House that I will not put the question unless I am satisfied by both the private members and the Opposition that they want it put, on the grounds that the Bill has been delayed in coming from the printers and I for one have not yet had time to read it.

The motion is that the Bill be now read a second time.

MR. CASHIN: Mr. Speaker, this is a very important piece of legislation. It is a renewal of the contract we entered into before for three years and it is a contract we now must enter into for a period of five years based on the GNP not on the average of the previous three years now but an average of the previous one year. It appears to us that we will have to sign this agreement but at the same time, Mr. Speaker, just having received the Bill I feel that I would be proper in asking that we defer the second reading of the Bill until tomorrow afternoon.

Bill ordered deferred until tomorrow afternoon. (Moved by the Honourable Leader of the Opposition, seconded by the Honourable the Premier).

Second reading of Bill, "An Act to Amend the Loan and Guarantee Act, 1951."

MR. CURTIS: Mr. Speaker, this is a minor amendment which we are asking to the Act passed in 1951 entitled: "An Act to Make Provisions for the Granting of Loans to Certain Companies." In that Act Minister was defined as a Minister designated by the Lieutenant-Governor in Council to enter into on behalf of the country any agreement authorized by this Act. It seems, Mr. Speaker, that in carrying out, the provisions of this Act any agreement must be signed by the Minister yet in all cases the full pro-

visions of it were not carried out because temporary provisions had been made previously for the issue of the money by the bank, in other words, in anticipation of the Legislation some of these loans had been guaranteed by various Ministers with of course the consent of the Lieutenant-Governor in Council and as a result, in order to make everything that has been done legal we are asking now for an amendment to section 2 defining the word "Minister" and extending it to read "Or where the agreement was made before the enactment of this section the Minister who executed the agreement". The change, Mr. Speaker, is very simple but it is a legal form which is necessary and I would move second reading of the Bill accordingly.

Bill read a second time. Ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the Loan and Guarantee Act, 1951."

MR. CURTIS: Mr. Speaker, I beg to move second reading of this Bill which is identical with the Bill just read. It enlarges the definition of the word "Minister" to include where the agreement was made before the enactment of this section, the Minister who executed the agreement. This Bill, however, goes a little further and amends section 3 of the Act of 1950 to correspond exactly with the Act of 1951, the Loan and Guarantee Act, which reads as follows:

"The Minister with the approval of the Lieutenant-Governor in Council and upon security being given satisfactory to him, has, and shall be deemed to have had power to make loans to, or to guarantee repayment of loans with or without interest by

any of the companies the names of which are set out in the first column of the Schedule to this Act of an amount not exceeding the amount set out opposite the name of each company in the second column of the Schedule."

Now the only difference in the amendment, Mr. Speaker, is that the Minister with the approval of the Lieutenant-Governor in Council see that security be given satisfactory to himself has, and shall be deemed to have—It is just the addition of these words "And shall be deemed to have had." The effect of it is to make it cover loans which had been made previously to the passage of the Bill. I would move second reading, Mr. Speaker.

MR. HOLLETT: Mr. Speaker, the Honourable Minister has not explained to us what the amendments to these Acts mean to cover up. If there are any misdeeds they have not been explained at all. It is quite evident it is to make legal certain actions of the Government which have been done under the original Act. I have no doubt whatsoever that everything is quite in order, but I could be realistic and state that in the past often the Government has done things for which according to the strict letter of the law, if an amendment like this were not made somehow it would be difficult for them to give an explanation. I would like to hear the Minister explain to us just what the various amendments apply to, what actions of the Government these amendments are to make legal. That is the only point I wish to raise. Perhaps we could have this in Committee of the Whole as well as now, but I would like to make the point.

MR. SMALLWOOD: If the hon-

ourable gentleman wishes to resume on second reading I am prepared to take question for his information and enable him to resume his speech because on second reading it is the principle as he knows. We won't be able to discuss the principle in Committee of the Whole.

MR. SPEAKER: You wish to treat the honourable member's remarks as a question and not as speaking to the second reading.

MR. SMALLWOOD: Yes, Mr. Speaker. The procedure is something like this; a group of industrialists will arrive here in St. John's for discussions with the Government on the establishment of an enterprise and/or a group is already here and comes to the Government for a loan to establish or expand a property already here, and in this thing particularly, they are all local companies. The companies are Fishery Products, Limited, Mr. Monroe's company; North Eastern Fisheries, Limited; then Mr. W. D. Moores; North Eastern Co-operative Fishery Society Limited, Change Islands; Arctic Fisheries Limited, John Penney & Sons, Limited, Northlantic Fisheries Limited, the firm associated with Job Bros. that is for a large amount \$675,000; the new fishery plant at Grand Bank; Dunphy Limited, Curling; Hollett & Sons and Co., Limited \$125,000 at Burin, a very progressive firm, I may say and if there is any blood or marriage relationship to the honourable gentleman across the way it should reflect credit on the honourable gentleman, I hope it is the other way about, but it certainly is a fine firm.

MR. HOLLETT: Is that a new loan?

MR. SMALLWOOD: No, the origi-

nal one. The Fluorspar mine, the loan made to prevent their closing up, one of the luckiest strokes we ever made; Olsen Sealing and Whaling, to prevent that firm closing out.

Now these companies come to us, the House is not in session and is not going to be for five or six or eight months. We discuss it with them, make most rigid enquiries into their financial affairs, we get banking advice, financial advice and legal advice and then having laid down pretty rigid conditions for repayment we say, all right, here is your loan, or here is the guarantee of the loan, to the bank and they will give you the money, they get the money and the enterprise goes on. Later we come into the House and ask the House to confirm what we did, we have of course to justify it to the House who can always say, no, you did wrong and should not have given that money, should not have guaranteed that bank loan, we don't agree with it. In which case we don't know just what would happen, a Government does it only because it is the Government and it is the Government because it is a majority of the members of the House who support the Government and keep it in office. Any time the majority sees good reason not to support the Government the Government resigns, it has no choice. So we take that chance and having the majority who feel that this Government is not only the best Government now but for ever. Now, of course the honourable gentlemen opposite realize what I am doing, I don't always succeed in making them angry but do succeed sometimes. Believing what the Government has done is right the House of Assembly usually ratifies what we have done. We introduced here such a Bill as

that last year, and the year before with such Bills to confirm and we have now brought in an amendment to these Bills to clarify, rectify a slight omission, a slight technicality in these Bills, which confirms the Bills passed, confirms what the Government has done previously or remedies a defect in the drafting or something of that sort.

MR. HOLLETT: Does it indicate that in 1951 you did something which the 1950 Act could not legalize and it therefore follows that an amendment should have been made last year to this 1950 Act.

MR. SPEAKER: The honourable member has spoken to the Bill.

MR. HOLLETT: I have spoken, Mr. Speaker.

MR. CURTIS: I might say in reply to my honourable friend that it is true we might have made the amendment last year but it was not then thought necessary and it is only since last year that the desirability of making the change, or amendment was apparent. Presumably when the bank was checking through guarantees they checked on the Minutes of Council and all the papers and found out in one case I don't know which one, the guarantee was given before the Act was passed and therefore wanted the wording changed to meet the position. The whole effect of the legislation is not to create any more liabilities but purely to carry out obligations undertaken to the bank.

Bill read a second time. Ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, 'An Act to Amend the Co-operative Societies Act, 1939.'

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, this Bill proposes to define clearly co-operative principles and in the second instance proposes to restrict credit advances by members of the regional consumer societies within certain limits. It also proposed to limit to the advice of the Minister any producers activities which consumers may engage in. Apparently heretofore they have decided on their own and merely sent to the registrar a copy of resolutions. It is now proposed to get the advice of the Minister and his consent before they would engage in any additional producers' activities.

Then again, the Bill proposes to restrict the giving of credit by societies to anyone and when the societies wind up to dispose of the balance remaining which at present presents some difficulty and the amendment to this particular part of the Act facilitates the winding up of any particular society. These various things cover the amendments and I move the second reading of the Bill.

Bill read a second time, Ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation."

MR. FORSEY: Mr. Speaker, under the St. John's Housing Corporation Act it was mandatory for them to publish their reports and accounts in the newspapers in the city of St. John's but the costs of publishing the reports and accounts were considered to be too high and too expensive and it was considered that the publication of such had no useful purpose and the amendment removes the requirement to publish the reports and accounts.

In another section the St. John's Housing Corporation could only grant leases for terms of nine hundred and ninety-nine years and it is proposed to grant them for a term of ninety-nine years.

Another section removes the St. John's Housing Authority outside of the Rent Restriction Act. Apparently, various lawyers feel that if a house is sold with depreciation in value it could not be sold at a depreciated price while the corporation remains within the provisions of the Rental Restriction Act.

Another amendment, Mr. Speaker, is designed to place the land of the St. John's Housing Corporation outside the limitations of the Act relating to real estate property in St. John's. The St. John's Housing Corporation is probably one of the largest owners in St. John's and it may be so for a long number of years, all land is planned and developed and in the meantime it is possible and has happened sometimes that private owners especially in the Kenmount Section of the area make an encroachment on the Corporation land which could be detected on the final layout or survey of the area and the provisions of the Act may be imposed to remove the trespassers, if they apply the necessary amendments. I move second reading.

MR. CASHIN: Mr. Speaker, I must plead dereliction of my job in this session of the House because we have not asked for a statement of the St. John's Housing Corporation to be tabled here. It is too late to do so but I would like to see on tomorrow when we go into Committee of the Whole if it is not too much trouble or require too much time to see where we stand in connection with

the St. John's Housing Corporation. If my memory serves me right the St. John's Housing Corporation is in debt to the Government to the tune of five million dollars and the St. John's Municipal Council to the tune of practically a million dollars. At the same time there are also considerable other obligations to the Government as to outstanding rent and purchase prices which are due. It would be what might be called a contingent asset which would take many years to recover and in making up the balance sheet of the Government it is one of the contingent assets, not a liability at all as we are going to get some money back. We will never get the principal but will get some money back in the course of the years and the Honourable Minister when we get into Committee of the Whole on this Bill tomorrow might be able to give us some information in that respect.

MR. FORSEY: I can undertake that if not tomorrow at the earliest opportunity.

MR. CASHIN: Thank you.

Bill read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act Further to Amend the Town Council Guarantee Act, 1951."

MR. FORSEY: Mr. Speaker, the original Act provided for the guaranteeing of bond issues by town councils. It was found necessary during the period when bonds were being negotiated for sale to guarantee interim bank loans and it is necessary now to authorize an agreement for these interim loans. I may say that all the interim loans that were arranged have since been paid but in the

case of Corner Brook no bond issue was issued at all but the Bank of Commerce at that place advanced them the funds and it is necessary now to provide for the guaranteeing of this loan.

That is the only principle, Mr. Speaker, raised in this Bill and I move the second reading.

Read a second time. Ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to make Provisions for the Raising of Money by Certain Local Authorities."

MR. FORSEY: Mr. Speaker, during the past year the Executive Council approved guarantees both as to interest and principal on the following bond issues:

Water and Sewerage Corporation of Great Corner Brook		\$4,000,000
Town of Deer Lake		120,000
Town of Channel-Port-aux-Basques		100,000
Town of Freshwater, Placentia		120,000
Date of maturity 20 years.		

It is necessary to secure confirming legislation and this is provided for in this particular Bill. It will be noted that the Bill itself does not guarantee but merely authorizes the Minister of Municipalities and Supply to do so subject to the approval of the Lieutenant-Governor in Council. In the case of each of these, Mr. Speaker, the proposition will be resubmitted to the Government and all the appropriate details will have to be given and the Government will have to be convinced as to the soundness of the proposition before the bonds relating to these particular things are of-

ferred for sale. I move second reading of the Bill, Mr. Speaker.

Bill read a second time. Ordered referred to Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the Slum Clearance Act, 1950,"

MR. FORSEY: Mr. Speaker, section 28 of the principal Act provides that when land is developed for housing purposes and thereby increased in value the Minister may place an assessment on the land so increased in value. The St. John's Housing Corporation owns land adjoining to areas developed known as project F.P.2 also owns the land nearby and some of the land on which the other project is contemplated here in St. John's to commence this year, and this amendment provides that the land owned by the St. John's Housing Corporation which will be increased in value by development of the Central Housing Corporation will not be liable for any assessment.

Section 32 of the Bill, Mr. Speaker, provides while land in the City of St. John's is being developed and while there is a project in course of construction the land and project be exempt from municipal taxation for that period.

These, Mr. Speaker, are the only major points embodied in this particular amendment and I move the second reading of the Bill.

MR. HOLLETT: Mr. Speaker, I don't wish to speak against the principle of the Bill except in one item—"Subject to approval of the Lieutenant-Governor in Council any assessment made under this section is final and binding on all parties . . ." In other words I take it the Lieutenant-

Governor in Council after having made an assessment which is binding on all parties, there is no appeal? I am just asking a question and am not speaking against the principle at all, just for information that is all.

MR. FORSEY: That would be in the original Act.

MR. HOLLETT: ". . . in making the assessment the opinion of the Minister as to the land in respect of which an increase of value has at any time accrued by reason of the development and the value of any land shall prevail." Mr. Speaker, though I have no objection to the general principle of the Bill I would like an understanding as to that particular issue there. There should always be a right of appeal from even the Lieutenant-Governor in Council on matters of this kind.

MR. SPEAKER: That matter could better be decided in Committee.

MR. HOLLETT: That would be satisfactory to me.

MR. FORSEY: I will undertake to go into that tomorrow.

Read a second time, ordered referred to Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951,"

MR. CURTIS: I move, Mr. Speaker, the second reading of this Bill which is to make the very simple amendment to the Crown Lands Mines and Quarries Act, No. 87, 1951. I have here the Act, Mr. Speaker, and the effect of this Bill is to repeal subsection 3 of section 38 dealing with the assessment work which is to be done on a mining claim. Subject to

that Act the recorded holder of mining claim shall before the expiration of two years after the claim is recorded cause to be done work not less than an aggregate of one hundred and fifty days of eight hours. The section, Mr. Speaker, goes on to provide that in computing the one hundred and fifty days of work referred to in paragraph (a) sub-section (1) work done during the period from the 16th day of November to and including the 15th day of May in the calendar year shall not be counted. When this Act was drafted, the drafters did not take cognizance of the fact that as a result of modern machinery and the modern age work can be done on mining claims during the winter, and this amendment will enable the owner of mining claims to have work done thereon during these months with either diamond drills or air drills or any other mechanical means which can safely be operated during the winter months. The amendment is a very simple one and I would move the second reading of the Bill.

Read a second time. Ordered referred to a Committee of the Whole House on tomorrow.

Committee on Ways and Means—
Adjourned Debate on the Budget:

MR. CASHIN: Mr. Speaker, whilst I was speaking last night, at the end of my few remarks wherein I think when we were referring to the fisheries and particularly to the establishment by the Fishery Products Company of a fish plant in Trepassey, no doubt the Honourable Premier when he intimated such at that particular time, had in mind the circulation of this good news for a political purpose.

MR. SMALLWOOD: No,

MR. CASHIN: However, we have, I still call myself "we" in Ferryland even though I represent St. John's West, we understand these little political dodges and they do not affect us one way or the other. However, today, I got in touch with one particular fishery organization to see what little I could find out about the negotiations with the Government in its attempt to raise the necessary funds, some six hundred thousand dollars, for the establishment of this important industry in Trepassey which has one of the finest harbours this side of Marystown, an ideal place for the establishment of a fishery industry.

MR. SMALLWOOD: May I give the honourable gentleman another little bit of information? We are also negotiating for some time past for the establishment of a fishery industry in Marystown also.

MR. CASHIN: I am glad to hear that also. By the time I am finished with this speech we will have this place industrialized, north, south, east and west, things we have not heard for a long time. However, I want it distinctly understood that we on this side of the House are definitely favourable, even more than favourably disposed towards the creation of these new fishing industries, new plants. On the other hand when we look at this budget speech we wonder, does the Government have the necessary money to establish these local industries as I call them. Why? Because the ordinary guarantee of the Government today for a half a million or a quarter of a million dollars is not worth the paper it is written on.

MR. SMALLWOOD: That is a hard thing to say about this Province.

MR. CASHIN: The position today and has been for the past few months, that we are not worth a half million dollars. Now I don't mean that, but if we give a corporation today a guarantee of half a million dollars and say, we will guarantee your bonds, we are not able to do so.

MR. SMALLWOOD: We are just giving another corporation our guarantee on which to raise ten million dollars.

MR. CASHIN: I am going to tell you why. Did we not have a piece of legislation in this House two days ago, the Asbestos Corporation I think it was, where the Government guaranteed two hundred and fifty thousand dollars and they were unable to raise it unless they paid five and a half per cent on it.

MR. SMALLWOOD: At one bank only.

MR. CASHIN: One of the principle banks in Canada. Here is the position and the Honourable the Premier has already told us. For these short time loans you can get money but no fishing company in Newfoundland today can go into the market and take the Government guarantee and go to the chartered banks here and raise a loan, a long term loan on that guarantee.

MR. SMALLWOOD: The banks are not allowed to do it.

MR. CASHIN: I grant you. You don't see the principle. Here is a great industry, the principal industry of Newfoundland, the fishing industry and here is a company who wants six hundred thousand dollars, and the Government, while they are prepared to guarantee that loan cannot go to

the chartered banks and discount that six hundred thousand dollar guarantee. The best that they can do is insert it in these estimates if they have finalized their agreement with that company for the establishment of this fishery plant in Trepassey, Marys-town or any other part of the Island of Newfoundland. But as far as I can see the Government has not the cash to finance them at the present time, they have already obligated themselves to the extent of some five million dollars or more to certain European industries and consequently that money is not available at the moment. The money which should be available has all been guaranteed, that is the position.

Now, the Honourable the Premier interrupted me to say we are guaranteeing ten million dollars. Certainly we guaranteed ten million dollars and we are going into the market to pay the highest rate for that loan in the history of Government in Newfoundland. But the position is that the Government has not the money to give to these Monroe people or anyone else. Why? Because they have to give it to these European industrialists we hear so much about to establish these other industries in Newfoundland which may or may not be successful. That is the position this afternoon.

Now, yesterday, we found where we stood financially on March 31, 1952, which the budget speech does not tell us. There is no doubt in the mind of any member in this House this afternoon as to where Newfoundland stood on March 31, 1952, how much money was to our credit in the bank. They have none left, and I repeat it, they had none left for the development of the natural resources or the expansion of the public services, not

one dollar out of forty odd millions except what remains to their credit in Ottawa to be used solely for the purpose of deficits on current account, and which incidentally, could be used, as I think my honourable friend the Minister of Education said last night, maybe that money could be used for development purposes in this way, charge it up in their account as current expenditure particularly in view of the restrictions on investment for capital today not only here in Newfoundland but throughout the whole of Canada.

But to come in here and bring in a budget speech, I am not reflecting on the Honourable Minister in any way, it is the voice of the Government, telling us, the people of this country that, here we are after three years in office, after spending thirty-five million dollars of surplus out of forty-five and then not laying their cards on the table and telling the whole story, because in that budget speech as I said yesterday there should be a financial statement of affairs of the Province of Newfoundland which it does not. The budget speech, Mr. Speaker, is not supposed, what will I say, to give political praise to any individual and still we have in that speech a long paragraph devoted to the efforts of the Premier during the past few years, who brought around Confederation, who is now trying to bring industry into the country—trying to build up an individual instead of laying the cards on that table and saying, here is your annual statement, showing our contingent liabilities which should be incorporated in every budget speech. Looking back into the past to those poor unfortunate people who have been criticized throughout the whole of this Assembly, nothing too bad to say about

them, look at this budget speech and go back and have a look and see if the statement of the country's affairs are not properly outlined, look at these budget speeches and see if during the year a temporary loan was raised on the country's credit was it not down in that budget speech, look at this one and you will see that temporary loans raised from time to time are not shown in the budget speech, why? Mind you, Mr. Speaker, this Government had the greatest chance of any Government that ever took office in Newfoundland, they have spent thirty-five to forty-five million dollars of surplus and they had a better chance since they came into office since 1949 than any Government ever had to do something constructive for Newfoundland, but they squandered, I think my colleague said here, it was a campaign of squandermania, which brings me, Mr. Speaker, right now to this "Buy Newfoundland Campaign."

Yesterday evening in this House the Minister of Education tried to justify that expenditure. Let us go back to last year when sitting in this Legislature the Honourable Leader of the Opposition at that time who is now in private life, asked many questions requesting information relative to details covering this particular campaign. He was refused that information. Later, I was at that time sitting independently in this House, I asked for this information, I did not get it. Mr. Speaker, there has been a lot of talk going around with respect to this "Buy Newfoundland Campaign," expenditure. People have gotten it in their heads particularly when the information was refused in this House that something must be wrong, and you could not blame them when those in charge of the adminis-

tration of our affairs deliberately refused to come in here and table the information which they were requested to do. Now, when this House opened, and I am going to be quite honest, during the course of our political campaign I have spoken on it, I have never accused anyone of any misdoings, never, but I harped on the fact that the Government refused to table the information and when I was seeking election I said that if I were elected in St. John's West that I would do everything possible in my power to have that information tabled whether it is good, bad or indifferent. Finally, after about a week when the House was open this session the information came down in the form of a great big sheet covering an expenditure of some \$74,000. Certain items on that sheet were charged miscellaneously. I asked a question again and the Premier brought in the whole file, the vouchers. Now, we on this side of the House, it is our job to get information, we are not chartered accountants, so we started going through these various vouchers. And what did we find? Rumours got all over the place and the next thing Mr. Jamieson, I must be forgiven for mentioning his name, the Director arrived back in the city and communicated with us, first the honourable member for St. John's East and later with me asking if we would meet him and discuss the matter with him. We had a meeting of our own that evening, and my colleagues will bear me out in all this, I don't want to have any misunderstanding in this matter whatsoever, and I told him to ring me the following day at lunch time when I said, all right, we will meet you tonight in the Opposition Rooms in the Colonial Building, which he did. If ever a man had a case of jitters, and I have had them on many occa-

sions but I don't think I ever had them as bad as our friend Mr. Jamieson did. We told him right there that we did not want nor had any intention whatsoever of prosecuting him, we wanted facts and we intended to try and get them. He said he was prepared to give them and we discussed matters there that evening. I too, with my colleagues asked him if he had any appointment and, he had none whatsoever but was just told to go ahead and do this job. I asked him many questions and finally I asked him: "where is your bank account?" Well, it was just prior to the Easter Holidays and he would bring it back after Easter. He said his secretary had charge of this particular account. So on Easter Tuesday, Mr. Jamieson rang me again and he came back that night producing that bank account. Now, I had known from going through the vouchers of which I had made a fairly close study, it would take, Mr. Speaker, a firm of auditors like Read, Son, Watson and Leith, in my opinion at least a month to give a proper report on it. We do not propose to give a proper report, it is not our duty, but when I conclude my remarks on this whole thing, I am going to suggest to the Government that a firm of auditors, auditors not whitewashers armed with lime brushes, but that a firm of auditors go through this whole thing and give a report. Now, during many days I went through these vouchers and discovered that finally, after about five months a notice from the Royal Bank addressed to Miss Handrigan, I think, and which is here in the vouchers for anyone to see. They are in my custody and I have to return them in the proper course after I am finished with them here. I am responsible for them at the present time. I discovered those notices from the Royal Bank of Can-

ada for so and so per month charged up to this account, in trust for the "Buy Newfoundland Products Campaign." I said: "What is this now?"

When Mr. Jamieson brought back the bank account the following Tuesday, I know then that there was no bank account before that date, he did not have to tell me, and I asked him: "Where is the bank account?" He handed over to me a bank book. Some banks still have the old system of bank books and I think the Royal Bank still continues that. I looked at it and saw the first deposit made in that bank Dec. 7, if my memory serves me correctly. I asked him if he had any vouchers or cash books to show us what happened to monies they had received from approximately the first part of July until that period. Well, they could not find the vouchers, they had receipts, they paid the bills, they had no bank account therefore no cancelled cheques. How did they pay the bills? They went to the Finance Department, Mr. Jamieson went up there every week or two as the case may be with a statement attaching thereto bills which he had incurred during the previous week or two, he takes them first to the Department of Economic Development where they are just signed okay by the Deputy Minister, Mr. Short, and away with them over to the Department of Finance and they issue a cheque covering the whole business. Then he took the cheque and went down to one of the banks and cashed it into actual cash and presumably went out and paid these various bills. He had no receipts. Mr. Speaker, no one can tell me that is a proper way to do business, no one can tell me except when doing your own personal business that you are responsible to no one only yourself, that you can do business in

that way and escape criticism, suspicion and everything else. Now, remember at the outset I made a statement that I did not intend to accuse any one of robbery, dishonesty or anything else but to tell the facts as they exist and that can be proven. For instance, for argument's sake, if they drew a cheque for \$3,460.22 that cheque in some cases might be deposited in full and in more cases it might have deductions taken out of it, I don't know what for, it might be for driving a car, etc., and was owed to him personally. I know how that can be done, I go to a bank tomorrow with a cheque like that and I deposit it and I put on the deposit slip, less \$222.45. The Bank gives me that and puts the total to the credit. I understand that as I had done so on various occasions when I had banking accounts myself. However, that was the system. Then I asked him if he had paid those bills promptly, the bills that were attached to it when he got this cheque from the Government. I have a special bill here for certain people which is here for the House to see if you want to. I am not putting any wrong construction on this, if for instance Job Bros. & Co., if I am permitted to use names, or any firm on Water Street had a bill in there for \$200. He drew the cheque from Finance and paid that. I asked him, what time did you pay that, right away? I know some bills were not paid for six or eight weeks. Now, here is one for February 22, 1951, I just took this one out. That would be deposited in the bank and a cheque drawn against it to pay these bills. We have not gone around town and asked Tom, Dick and Harry if those bills have been paid two or three days after. That is not our job to do that. But here is the serious part of it: There

is nothing that can be shown here by the Government to prove these bills are paid. It was pointed out here the other night by my colleague the honourable member for St. John's East who is, I imagine, I think so at least, probably one of the best legal minds in that line in Newfoundland today, who put the case up from a legal standpoint. I am not trained to put it up in a legal way but he will understand my logic as I explained it as best I know how.

From there on very funny things happened. For instance, the honourable member for St. John's East thought that certain items looked peculiar, for instance a trip to Germany. What did that have to do with the "Buy Newfoundland Products Campaign"? Nothing. If I am permitted, Mr. Speaker, to express my own personal opinion this "Buy Newfoundland Products Campaign" was a political campaign, nothing more, nothing less. The proof is right in that file there which I will produce in a minute. That is what it was and it cost Newfoundland \$74,000.

MR. SPEAKER: Before the honourable gentleman gets on to that I am somewhat in doubt here as to the intentions, to make public certain bills and vouchers because the point strikes me that those things have not been tabled and this is really more a matter for a legal council than for me. It seems to me a matter ought not to be, shall I say, made public, not produced in evidence.

MR. CASHIN: Mr. Speaker, all this has been tabled at our request for every member in this House to see.

MR. SMALLWOOD: Not at your request, I did it voluntarily.

MR. CASHIN: In answer to questions I put and we finally got the vouchers. We never asked for the vouchers at all, you tabled them here voluntarily. Now, I will put it this way then.

MR. SPEAKER: If they have been tabled I have no objection.

MR. CASHIN: I gave receipts for them as the Leader of the Opposition. I am responsible for them. I will return them.

MR. SPEAKER: Whatever is my opinion I have to protect the interest of members on both sides of the House.

MR. CASHIN: The point I am getting at is the carelessness in the Department of Economic Development first. Look at this voucher, there are some receipts there but there are bills incurred for which there are no receipts. Now, the Deputy Minister, Mr. Short, signed that as being okay. How did he know these bills had been incurred? Mr. Jamieson had given him a recap account for that week and these bills are not properly certified. Now, I can understand a man bringing in an expense account and saying: Here is my expense account, and getting a cheque for it, if he has the receipts of those expenses that man has incurred. But there is not a receipt in the Department of Finance today to cover this, not one on this large amount of money.

Then, Sir, we have an instance of trips to New York, to Montreal, to Toronto, but what I fail to see, Sir, is what making a trip to New York and Montreal and Ottawa had on inducing people in Newfoundland to buy products made in Newfoundland and on one particular trip to Toronto we find that the director was living

in a room that cost \$18 a day of which one half was charged to the Newfoundland Government and the other half to himself and on further inquiry found that one of the main things he was evidently advertising in Toronto on that particular trip—I have a sample in my pocket which might be interesting. Here it is, I draw it to the attention of the Justice Department. Newfy Screech, a drink from the 10th Province. A skull and cross on one side, "guaranteed to kill, compliments CJON, Newfoundland's most powerful station"—probably Newfoundland's most powerful rum. If that is evidence of what he is trying to sell and how to sell Newfoundland products, is it not time something was done to stop that kind of thing, paying eighteen dollars a day for a room in the King Edward Hotel, hiring another in the Royal York paying \$185 and distributing samples of rum illegally. Not that I care about it. I have often bought it, probably illegally. The bottle holds about one fairly good drink and I presume every person in that party had one in Toronto and tested this Newfy Screech which is watered down lower now than it ever has been. That has been done in the "Buy Newfoundland Products Campaign." The Government should be proud of that campaign. I can understand the Minister of Education getting up and saying things to justify that campaign. Now, would the Minister of Education who is a Minister of the Crown, a much loftier position than director of the "Buy Newfoundland Campaign," try to explain this visit to Ottawa, taking a suite of rooms in one of the large hotels, would he do that himself? He certainly would not, he has greater respect for his principles than that at the Government's expense. I know in the

Commodore Hotel in New York you can pay \$22 for a room, but I was there myself last fall and had a room at \$7.50 for room and bath as good as any of us here in this House are accustomed to.

MR. SMALLWOOD: Did the honourable gentleman ask Mr. Jamieson what the meetings and conferences were about?

MR. CASHIN: This one in New York, some firms had some kick about fur coats coming in here and this special trip was made to New York to see what could be done about it. In Toronto he was up there to give a movie picture in the Royal York Hotel to some advertising people there. I don't know whether he sold any of Browning Harvey's biscuits there or Colonial Cordage products or sold any Coca Cola product there. It would not seem to me the proper place to go to sell Newfoundland secondary industries products. The expenditure was entirely unnecessary and other business was done apart from that altogether. The whole thing, Mr. Speaker, was irregular and smells to high heaven, and I am not accusing anyone of dishonesty. No, Sir, no one stole money but here is what happened. The Treasury door was opened by the Government—"walk in and take what you want"—that is about the sum and substance of it—open the safe door take out, no check, no nothing. Then we have people coming here and wondering why we ask these questions. If that is something the Government can be proud of, God help Newfoundland.

Let us go on further: In the accounts that year there was a Fair and we got a little more information on it the other day, voluntarily from the

Premier, a fair was held up in the C.L.B. Armoury and here are the advertisements paid for by the Government at that fair. The Government paid this advertising to the Sunday Herald, which incidentally received a great bulk of the advertising because it is a Government supporting newspaper or rag as the case may be filthy! The Provincial Government of Newfoundland invited visitors to this Fair in the C.L.B. Armoury on August 20th to see the many attractive booths exhibiting Newfoundland-made goods and the exhibits by various firms and also, Mr. Speaker, get this, visit the many attractions on the Memorial College Grounds, the filthiest show that ever came inside the Narrows sponsored by the Provincial Government of Newfoundland where you paid 25c. to go in and \$25 to come out yet sponsored by the Provincial Government. You ought to be proud of that show. I heard of it but did not visit but everyone I spoke to who visited it, said the show for the youth of our country particularly the City of St. John's, was filthy, rude, dishonest, yet sponsored by the Provincial Government.

MR. SMALLWOOD: We sponsored the fair?

MR. CASHIN: It is here in your advertisement. The fair yes, but you paid for this advertising and you told the people also to visit the many attractions on the Memorial College grounds. I wonder if the Premier, the Minister of Justice, Mr. Speaker, and other Ministers of the Crown enjoyed visiting this filthy contemptible, dirty show they pulled off in the Summer of 1951 out of which considerable money was made at Government expense.

MR. SMALLWOOD: If I may be

allowed; I visited it with my wife and daughter and saw nothing dirty or filthy there, possibly there were some hidden things I did not see anything, and I saw everything there.

MR. CASHIN: They must have put on a special show for you as well as a special invitation. Just before this show took place in the Gaiety Amusement Centre there were invitations to go there and "Meet Joe", here is the bill for it, charged to the Newfoundland Products Campaign. "Meet Joe" a full page, \$100; "Meet Joe" another full page \$100; a reprint of the Premier's Speech, fifty thousand copies \$150, cuts of the Premier and other officials included, one thousand inches of space; Newfoundland Housewife Contest—"Meet Joe at the Gaiety Amusement Centre."

MR. SMALLWOOD: What is wrong with all that?

MR. CASHIN: Why advertise for them to come in and meet you or me or anyone else at Government expense? What happened, I met Joe at the Gaiety Amusement Centre by special invitation, and I have only one regret—I did, Mr. Speaker. It cost considerable money to "Meet Joe" in the form of liquor bill which is included in here for over \$100. If I want to entertain my friends, to meet the honourable member for St. John's West here, my colleague, we buy our own rum and not charge it up to the "Buy Newfoundland Campaign." That is the position—And the Government are proud of this, think that it was a necessary expenditure—and that is not the worst. The honorable member for St. John's East in an abler manner than I can do pointed out here the other evening some certain correspondence between the former Minister of Natural Resources and the

Director of the "Buy Newfoundland Campaign"—No wonder the lights would go out, Mr. Speaker, I wonder if they will ever come on again.—In that period August 14 to August 20 that fair took place in the C.L.B. Armoury and adjoining it another disreputable show sponsored by the present Government. They collected at both and off the public which according to the letter written by the Director of that campaign would be credited, so to speak, to the whole "Buy Newfoundland Products Campaign." Not a dollar went in there, not one cent and in addition the Premier informed the House the night before last that the Government gave them another \$10,000.

MR. SMALLWOOD: \$10,000 two years running.

MR. CASHIN: I am not interested in 1949, not interested, that is none of our affair at the present time though I have not seen a vote going through here to cover it, ten thousand dollars and here is the story: You paid 25c. to go in. If ran for ten days, they paid about eighteen hundred to two thousand dollars for the C.L.B. Armoury, they collected more money from that 25c. fair to get in than would pay for the Armoury. Industries subscribed to the booths up there, paid as high as five hundred dollars. I have seen cancelled cheques, one in particular, paid a great deal for a booth and set up their own carpenters to fix it up and also paid expenses \$300 and that cheque was deposited in the Newfoundland Savings Bank to a special account.

MR. SMALLWOOD: I was told they lost money on both fairs, both years running they lost money.

MR. CASHIN: It is wonderful how

they lose—I venture my opinion that they made between twenty-five and thirty thousand dollars. Let them produce the accounts. This House and this country and this Government are entitled to these accounts for the Government is paying the piper. Why should the Government pay an individual whoever he might be, at the rate of five hundred dollars per month, and then allow him to go out and use the Government's name for another purpose, running a fair and allowing him to keep all the returns himself. Mr. Stirling is the proprietor of the Government paper the one that attacks people right and left throughout this country, nothing too low to print. That is one thing I told Mr. Jamieson the other night; I would forgive him everything except his connection with a rag like that, which after talking about in this House this afternoon, Mr. Speaker, we will have to disinfect the place, it stinks and I almost had to send for a gas mask to put on, that is the paper that will blackmail people. I have to get a little personal for a moment. During that time that I was doing this questioning, I referred, not that I cared, but I referred to numerous threats levelled at me, threats of blackmail respecting myself, my family and everyone else that would remind one of the blackmail outfits in the United States, unless you come across, unless you cease your talking you are going to get the works. That is the kind of journal, that is the backing the present Government, has, the kind of paper they like. Take it from me, they can produce all the filth, write all they like about me, good, bad, or indifferent, as the case might be, but I will never stink like that paper stinks.

Now, I hold, Mr. Speaker, that this "Buy Newfoundland Products Cam-

paign" is a scandalous and disgraceful thing and in my opinion shows absolute lack of any control whatsoever by the Government when we were told here in this House, since the new accounting system went in, one would not be able to get a nickel out of Finance. Now, I was Minister of Finance for nearly four years in the old Responsible Government and I would like to see Mr. John Keating come to life tonight and show him this, he would go back to Belvedere again. At that time, when I was Minister of Finance, good, bad or indifferent as the case may be, abuse me all you like, budget deficits and everything else, but God help me, I never once went in to John Keating with a document like that to get money. There was a real Deputy Minister of Finance, a watch dog of the Treasury. There was very little money in those days but now there is so much they are drunk with power, intoxicated with their own importance. As I said in the first place, the Department of Economic Development signed these vouchers without any check whatsoever on them and then they went to the Finance Department and there was no check made on them for months until one day Mr. Marshall, Deputy Minister or Comptroller of the Treasury as the case might be, discovered a bill going in covering mileage for a car at 14c., 12c., and 10c. per mile. He questioned it and he paid them on the authority of the Premier and as outlined in those documents made a notation on the voucher. There was no check up to that time whether they drove this mileage, just stick down a thousand, two thousand or three thousand as the case might be. As a matter of fact, if my memory serves me right, between December 15 and February 15, in two months the mile-

age was fifteen or twenty thousand miles, ridiculous at that time of year for that car to do that kind of travelling, impossible. After that period they had to give a special accounting as to where they did the motor car driving, the amount of mileage on the speedometer had to be put in and the great joke was that the gentleman paid for this mileage was also paid by the Government by salary as well. And I cannot see for the life of me how any honourable Minister of the Crown can get up in this House and say this served any good purpose, it had a wonderful purpose sure for Mr. Jamieson and Mr. Stirling who could run a fair and made twenty or thirty thousand dollars, a wonderful thing. I feel today, Mr. Speaker, right now, that those two people should be made come forward and show the accounts they have for the operation of that fair. I put the question squarely to the director, Mr. Jamieson here in the Opposition room when I asked him on what authority they ran that fair and he admitted running it in connection with the "Buy Newfoundland Products Campaign" and told me he had the Premier's authority.

MR. SMALLWOOD: Would you explain that a little more.

MR. CASHIN: My three colleagues were with me and they can correct me if they wish or corroborate my statement.

MR. SMALLWOOD: That is the statement that the fair was run in connection with the "Buy Newfoundland Campaign" on the authority of the Premier?

MR. CASHIN: I say it was run in connection with the "Buy Newfoundland Campaign."

MR. HIGGINS: Mr. Speaker, if I may be permitted, I can't vouch for the exact words but my recollection was this; it was run in connection with the "Buy Newfoundland Campaign." I am not prepared to say if the words said, with the knowledge or acquiescence. I may have taken it to be acquiescence when it was knowledge. It was one or the other acquiescence or knowledge. It was not approval or anything but it was either knowledge or acquiescence.

MR. SMALLWOOD: That is much better, in fact it was the case. It was a private venture which we know about and could not help knowing about, it was in the papers.

MR. CASHIN: The Newfoundland Products people paid for the advertisements in the papers. The bill is in the file. The Government know and agreed with it and paid Mr. Jamieson and said, go ahead at our expense, run this fair whatever it costs or whatever profits you get out of it keep them. That is what it means.

MR. SMALLWOOD: We did not say run it, we had nothing to do with it except—

MR. CASHIN: They had your permission to operate it.

MR. SMALLWOOD: Of course, they had done it the year before and they did not have the "Buy Newfoundland Campaign" then. We made a contribution the year before.

MR. CASHIN: And you made one last year and were paying one of them all the time he was running that fair, and I repeat again now, Sir, it was disgraceful. This fair was sponsored by the Government, financed by the Government.

MR. SMALLWOOD: No.

MR. CASHIN: The Government helped to finance it.

MR. SMALLWOOD: The Government made a contribution.

MR. CASHIN: Financed it also because the party was under pay by the Government at a rate of five hundred dollars per month and the whole campaign was nothing more than a political campaign. Just imagine putting advertisements in the paper and sending to contributors to this fair to attend some kind of function in the Gaiety Amusement Centre, to "Meet Joe." If that is not political I don't know what is, and circulating the Premier's speech around the country, is that political or had it anything to do with the "Buy Newfoundland Campaign" or anything to do with the fair?

MR. SMALLWOOD: What was the speech? What was it about?

MR. CASHIN: I know nothing about it.

MR. SMALLWOOD: I must say I don't.

MR. CASHIN: You have made so many it is pretty difficult.

MR. SMALLWOOD: I suppose it was the speech on the "Buy Newfoundland Campaign" giving reasons for it.

MR. CASHIN: "Reprint of the Premier's Speech, \$150," it says here on the bill. No one questioned it. There is no copy attached to the invoice. The Premier's Speech just put in indiscriminately. The Premier is making speeches every day and night talking to himself principally. He has made so many he doesn't know

which one, however, it was distributed by this outfit and it was absolutely political. Mr. Speaker, I regret if I have departed from the rules by not addressing you.

MR. SPEAKER: The honourable member has been very well behaved.

MR. CASHIN: That is a great tribute, Mr. Speaker, however I was on very dangerous ground.

MR. SPEAKER: You were not on dangerous ground accusing that certain things were for a political purpose, as long as it is confined to the party and is not personal.

MR. CASHIN: Yes, Mr. Speaker, I agree it was a good expenditure for the Government, I agree, Sir, that the Government probably gained some political good out of the expenditure, I believe that through that particular fair, that particular show they got off the Government surely must have gotten some good and I appreciate that the Honourable Minister of Education agrees with it. I don't know whether he saw the show or did not, nor if he can stand up here in this House tonight and justify the methods used in spending that \$74,000. None of us on this side accuse anyone of stealing money or being dishonest, the Government is dishonest in this respect, the Treasury door was opened so to speak but I would not want to have myself connected with that disreputable show, reprobate and all as I might be a drunken reprobate, as I am referred to by some. That is their history, that is the kind of thing we have got to swallow here in this community here at the present time, and speaking of those two people who have taken unto themselves to establish themselves in this great city of St. John's of fifty or sixty thousand people to dictate to

them, the people of St. John's what they should do and what they should not do, and if they don't they are going to get the works. It is time to cry halt and in the last remaining years of my public life in this country I am going to fight that kind of system no matter where it comes from, just imagine using influence to deprive the citizens of St. John's and surrounding territory from listening to VOUS. Well that will not last very much longer, Mr. Speaker, that would not have lasted as long as a snowball takes to melt in perdition after last Saturday night, I can tell you that, about this radio station. Now, I have heard a lot of talk about news on the radio stations in this city, there is one news bulletin that talks on the poor unfortunate creatures who get into trouble, and penalize someone else, that is the station so ably described by my colleague here some time ago during the count in St. John's West by-election, announcing slanting news and says "Hollett must be in a PC pocket." My colleague answered that very aptly when he said: "The announcer of that station had his hand in the Liberal pocket," and surely he did; a greedy hand, a greedy hand with \$75,000 and made a profit between twenty and thirty thousand dollars and if I am wrong let them produce the accounts, half of which at least should belong to the Treasury of Newfoundland of which in my mind the Treasury has been gypped and the Government knew about it.

MR. SMALLWOOD: That would not be dishonest to do that? That would not be dishonest to gyp the Treasury out of twenty or thirty thousand dollars?

MR. CASHIN: The Treasury allowed it. I understand the Premier

or the Government allowed them to have that money, therefore the Government agreed to gyp themselves, agreed—

MR. SMALLWOOD: Allowed to let them gyp the Government?

MR. CASHIN: Plenty of it by both parties in this respect.

MR. SMALLWOOD: I thought there was no dishonesty?

MR. CASHIN: No actual stealing of money. I contend the whole transaction was dishonest on the part of the Government.

HON. DR. H. L. POTTLE (Minister of Public Welfare): I maintain in this particular department at that level there may be shortness of business, there may be dereliction of duty in the Department but when it comes to accusing point blank the Government of dishonesty I rise every time from now on, I think it should stop right there.

MR. SPEAKER: The point is very well taken. I was about to call the honourable member's attention to that remark. The honourable member just cannot say that, make an accusation against the Government of being dishonest nor any member. The point taken by the Honourable Minister is right.

MR. CASHIN: I agree there is nothing for the Government to be proud of. They can go out tomorrow and wave a banner and say; we are proud of the manner in which this \$75,000 was spent by us. I say that \$75,000 was spent in a very, very inefficient manner, they cannot say it was spent in a manner to do credit to the Government, they cannot do that. If you could I would get down

on my knees here tonight to apologize to every man individually in the Government. You cannot do it, and as the Minister says himself there may be shoddyness, don't try to put it off on some poor unfortunate clerk who had nothing to do with it, it was higher than a clerk, the Government itself had the slipshoddyness. When people will make trips to the Mainland and make expenditures that did not relate to the "Buy Newfoundland Products Campaign" in Newfoundland, and distribute Newfoundland rum surely the Honourable Minister of Welfare is not going to tell me that is allowed.

MR. SMALLWOOD: That had nothing to do with the "Buy Newfoundland Campaign."

MR. CASHIN: They were up there on that business at the time.

MR. SMALLWOOD: Apparently they were on other business.

MR. CASHIN: The "Buy Newfoundland Campaign" paid half the bill. There is nothing they could do for the "Buy Newfoundland Campaign" in Toronto.

DR. POTTLE: That is presumption.

MR. SMALLWOOD: Did the honourable gentleman ask Mr. Jamieson when you had him for two nights, how, what he was doing there fitted in with the "Buy Newfoundland Campaign." Did they try to find out? Perhaps somebody on this side can explain later on in the debate. Did the Opposition try when they had the chance to find out?

MR. CASHIN: They were doing nothing for the "Buy Newfoundland Campaign" when up on this particular trip, went to Ottawa, Montreal,

New York, I don't know how many of them, I have seen the hotel bills, I know there is one there from the Chateau Laurier; cost \$20 one day to feed one man, \$20 to feed one person.

MR. SMALLWOOD: Does the bill say that?

MR. CASHIN: Yes look at it, restaurant.

MR. SMALLWOOD: Was it a dinner which was given?

MR. CASHIN: I don't know what they gave or did not. But this particular day cost \$20 on one man's account.

MR. SMALLWOOD: If he entertained. He did not eat \$20 worth of food.

MR. CASHIN: I don't know if he dished it out to someone else or not. I doubt if the Honourable Minister of Health sold any products on the Mainland through the efforts of the "Buy Newfoundland Products Campaign." I doubt that it sold any of the products of the Purity Factory, the Nail Factory, nor the Ropewalk. These people were supposed to spend this money to help and there are only two letters, Mr. Speaker, of commendation for the whole thing, one letter coming from the Director of Agriculture and another letter comes from the agricultural society in St. John's, there are the only two letters.

MR. SMALLWOOD: What about the one from ANI?

MR. CASHIN: I have not seen it. It is not attached to these documents.

MR. SMALLWOOD: There are more than five or, maybe ten.

MR. CASHIN: Written to themselves?

MR. SMALLWOOD: Not written by the Government but by firms and organizations.

MR. CASHIN: Where are they? They were not attached to the file. They were missing. I know nothing about them. We have not seen them.

MR. SMALLWOOD: The Associated Newfoundland Industries, the ANI of Newfoundland, the association of all the manufacturers who were going to chip in towards the cost and did not. They at least wrote and thanked us and congratulated us for the magnificent campaign we put on to help sell their products, but they did not pay any money as you might expect.

MR. CASHIN: Many of these industries did pay money.

MR. SMALLWOOD: Not a cent.

MR. CASHIN: Did they not put their goods on display in the booths and did they not pay \$300.

MR. SMALLWOOD: What has that got to do with that? It was to sell their own products. That was a private enterprise.

MR. CASHIN: We hold it was not a private enterprise. Here I will have to read this letter and interpret it in my own way as you can, or anyone else. It is written by the Director to Mr. Russell:

June 29, 1950.

Dear Mr. Russell,

As directed by you I have prepared a rough estimate of how a portion of the Provincial Government grant will be spent in the proposed campaign to advertise and promote the sale of Newfoundland made products. Two copies of this estimate are enclosed herewith.

You will note that the proposed expenditure cover a total of \$40,000.00. The balance of the Government allocation (\$10,000) plus the contributions of the various participating groups will be added to the various headings in the attached estimates at a later date when a supplementary brief will be submitted.

Please note also that the estimates are based on the assumption that the entire grant will be spent within the present fiscal year and that there is no provision for a fee for the undersigned.

It must be emphasized that while there estimates will be followed as closely as possible, many changes may be necessary from time to time subject, of course, to your prior approval.

May I have your approval of the attached as soon as possible?

Yours very truly,

(Sgd.) DON JAMIESON.

Hon. E. Russell,
Minister of Natural Resources.

MR. SMALLWOOD: There are the ANI, Board of Trade and five manufacturing firms in the Buy Newfoundland Campaign and they never did contribute one cent, not one cent, we are still waiting for it.

MR. CASHIN: No, the Government never got one cent, the campaign never got one cent but the promoters who were running the "Buy Newfoundland Products Campaign" got two cents in connection with that fair whereas they should have paid that money into the Treasury of Newfoundland.

MR. SMALLWOOD: Not at all.

MR. CASHIN: No money should

be paid into the Treasury of Newfoundland? I would like a statement of how much money was spent and received in connection with that fair up there for which the Government paid for the advertising.

MR. SMALLWOOD: No, they did not.

MR. CASHIN: No? One item they advertised in the daily papers, on the radio and in the weekly papers outside St. John's, therefore it was their fair.

MR. SMALLWOOD: We did not pay for advertisements, we paid for one advertisement to endorse the fair, and we did endorse it.

MR. CASHIN: How much time did you pay for? You don't know what it was for, do you?

MR. SMALLWOOD: For the "Buy Newfoundland Products Campaign."

MR. CASHIN: Did you listen to CJON and VOCM at that time? The fair and everything was advertised over CJON, and was paid by the Government and in actual cash money not by cheque.

MR. SMALLWOOD: The honourable gentlemen says so but does he know it to be so?

MR. CASHIN: The bills are here for you to go through them. It does not say definitely if it were for the fair or what it was but the bills were paid during these periods to VOCM for advertising and to CJON.

MR. SMALLWOOD: Bowring Bros. and Ayre & Sons also had sales on at that time, are they also included? Why does the honourable gentleman make the strong and flat assertion the advertising on the radio was for the

fair and charged up to the "Buy Newfoundland Campaign?" Because it happened at the same time?

MR. CASHIN: However, "please note also plus the contributions from various participating groups will be added." That means any contributions by these various manufacturing outfits should be contributed to the "Buy Newfoundland Campaign." It says here the proposed expenditure covers a total of \$40,000 plus the contributions of the various participating groups.

MR. SMALLWOOD: May I explain? I am the one who organized it, called them together up in the USO, the representatives of the Newfoundland Board of Trade, Associated Newfoundland Industries, the Agricultural Federation, the Retail Grocers' Association, called them all together in a sort of public meeting, set up a committee and that committee met me night after night out here in the other chamber and had Jamieson and other advertising men there and worked out a programme. I told them the Government would pay most of the cost but expected these groups, especially the ANI to chip in and help which they agreed to do but never did. Now, we put in the budget for the first year \$40,000 and it continued for another year and we put it in that budget, not including the contributions for the other groups, but the other groups who were going to make a contribution never did, and that has no reference to any amounts any firms might have spent to buy booths at a private enterprise fair which was held, it has nothing to do with that.

MR. CASHIN: Mr. Speaker, you can never get away from the fact, leave it to anyone apart from you or me, an impartial individual to go over

the whole situation and see what happened and let that impartial individual judge for himself as to what these participating groups meant. As I see it, I don't want to destroy any one's reputation but I want the truth and I am going to get it if the roof falls. My interpretation is that these participating groups contributed when they hired booths and put them up in the C.L.B. Armoury. That is my interpretation but the Premier has put his own on it.

MR. SMALLWOOD: Mine are hard facts not interpretations.

MR. CASHIN: The honourable member for St. John's East the other night tried to do the same thing. He was not prejudiced in any way, shape or form and I think he knows how to interpret this thing better than you or I.

MR. SMALLWOOD: The honourable gentleman said there was nothing dishonest but this would not only be dishonest but criminally dishonest.

MR. CASHIN: There was no dishonesty on the part of any individual but gross negligence, that is what it was.

MR. SMALLWOOD: It may be but not dishonest.

MR. CASHIN: On the part of the Government.

MR. SMALLWOOD: Well, wait and see, when we answer.

MR. CASHIN: You cannot explain to this country the fact that \$75,000 was thrown away, thrown away, Sir, because there had not been one result of evidence as to any good coming out of it.

MR. SMALLWOOD: Did the honourable gentleman try to find out?

MR. CASHIN: I am not going around town canvassing to see what good it did or anything else, why should I? I did speak to one or two big ones in this city who said it was a joke and they were not political friends of mine either, some of them contributed I believe to the campaign for the Liberal Party, and I don't care whether they did or not. But you cannot divorce the two things there whatever you try to do.

Now, Sir, in concluding my remarks in connection with this "Buy Newfoundland Products Campaign," I would suggest to the Government in all fairness to themselves, to the Director and to the Premier, I think some time ago he said he was agreeable to have this matter properly investigated by an impartial firm of chartered accountants in this City, not Peat, Marwick and Mitchell, but impartial, none of them political friends, the outstanding one here is as I see it at the present time, Read, Son, Watson, who have done a lot of that kind of work and they are not particular friends of mine, then see whether or not what I have said is correct or incorrect. Now, if the Government is serious about the thing they will do that.

MR. SMALLWOOD: If we thought there was the slightest bit of dishonesty we would do more than that.

MR. CASHIN: I won't go any further than that. I don't want to make any statement. I have not charged dishonesty and I am not going to and no matter what any one feels about it I am not going to be blackmailed by that fellow Stirling, I tell you right now, though he is the white-haired boy in the judgment of the present Government.

Mr. Speaker, it is now six o'clock and I adjourn the debate.

MR. SPEAKER: It is now six o'clock, adjourned debate until 8:00 of the clock.

NIGHT SESSION

THURSDAY, May 8, 1952

The House resumed at 8:00 of the clock.

MR. CASHIN: Mr. Speaker, when we recessed at six o'clock I was about to conclude the few remarks I had to make with respect to the "Buy Newfoundland Products Campaign." I have probably one or two more points to make before I continue with the principle of the budget speech. I would like to point out to the House, without any reflection whatsoever on any one, and make this suggestion to the Government in connection with this campaign over which such a lot of controversy has taken place, doubts have been created in the minds of the people and the Government should as quickly as possible request any person who may have outstanding bills against this particular account to submit them within a given date, because I have reason to think, Mr. Speaker, that there are a few outstanding bills not yet paid. I do not know whether they have been submitted to the director or not. That is a matter for the Government to find out in order to clean the slate with regard to this particular expenditure of some \$75,000. When I conclude my talk on the budget I have in mind making a certain motion and as none of my colleagues here are in a position to second that motion, if the Government sees fit they can adopt it if they like. So now, departing from the

"Buy Newfoundland Campaign" and eliminating myself as quickly as possible from any contact with that greatly renowned journal known as the "Sunday Herald," let me get down again to the facts contained in that budget speech presented by the Honourable Minister of Finance last week.

I have proven, and the House has seen, that on March 31, this past few weeks ago there remained to the credit of Newfoundland something in the vicinity of \$11,000,000 all told, there has been and cannot be any contradiction of that statement, the Government's own figures prove it, not mine. So we come into the present fiscal year 1952-53 and we look at the estimates of expenditure and the estimates of revenue. Speaking of revenue it is not so difficult under our present form of Government to estimate or predict what revenue you will obtain for a given period. Last year the Government under-estimated, and I say it is a very good thing for a Government to under-estimate rather than over-estimate a revenue of some \$34,843,300, two millions of which, as I said yesterday, might ordinarily be credited to the year 1951-52, but that is immaterial. But in view of the fact, Mr. Speaker, that the tax rental agreement for which a Bill was tabled here this afternoon by the Honourable the Premier will very probably give us much more revenue under that system of taxation for the present year, therefore, I feel that the estimate of thirty-four odd million dollars should be realized. But we must not forget, and I repeat again, we must not forget this additional three per cent which is to be put on foodstuffs which will bring in under the Social Security Act probably an additional three million dollars. The estimate is two millions but if we look at the Government's esti-

mates for last year under the Social Security Act we find they figured they would receive two and a quarter million dollars and it went a million dollars over that amount in actual revenue. So that I think it is not unreasonable for me to say this year they should collect an additional three million dollars if they impose this particular taxation on the commodities of food. It is all very well for us to say that there are certain foods that are not going to be taxed but that has not been enumerated, that is a matter for the Government under regulations. Now the other night I listened to the Honourable Minister of Education saying that food was always taxed under our old system of Government. But very, very rarely, was it necessary I repeat, in Newfoundland under our old system of Government to have flour, pork and beef taxed. These three commodities essential to the fishermen of Newfoundland, they were generally on a free list if my memory serves me right and it was not until we got into difficulties did we come to impose taxation on these particular commodities. Therefore the fact that we must now be in financial difficulties again is apparent, and the Government, and I have to sympathize with the Government in one respect, are being forced into the position of having to slap this taxation on, a taxation which, as I said last night, would not have been necessary if the terms of union with Canada had been properly negotiated. However, I was interrupted at one time when I spoke of one commodity, I think it was beef which sells today wholesale at, I think, \$70 a barrel, 50c a lb. retail. The Premier interjected that they may not put it on beef. Under such circumstances, Mr. Speaker, when a member of the

Government makes a statement like that it should not be too difficult to come in here and say on what commodities of food you do intend to place that extra three per cent taxation. Now, why has the Government to impose that taxation? They are not doing it because they like it but because of compulsion, because of the fact they overspent on capital account and have not a dollar of the pre-union surplus left to carry out their proposed economic development programme for the coming year. That has been proven definitely and no contradiction can be made. As a matter of fact the Government had committed themselves to an expenditure of over five million dollars, money which they figured when they made these commitments they would be able to go out and raise through guaranteed bonds or the sale of bonds or debentures as the case might be. But under present conditions in the financial markets these companies could not do that. The Government had agreed in part that until such time as this money were available, as they were able to raise these loans by commercial bank loans or the floating of securities and bonds or debentures, they would advance this money to carry on and in many cases have advanced that money. However there is a matter of five million dollars not so far advanced and they realize, particularly in view of the loan which is being floated by the Newfoundland and Labrador Corporation, that they can not raise that money on the Government guarantee, or Government loans or specific loans too small to enter into financial houses and underwriters as banks are restricted as far as credit is concerned for a long period. So that these people had to come back to the Government and ask them for the full amount of

cash and that money is to come from this taxation. You have not got it and you now have to put on three per cent to get a portion of it and the balance the Government is to raise. I am trying to be specific and if I say "you" instead of "it" I hope you will take the meaning the way I meant it, I mean the Government, no one individual.

Now, speaking of this loan of \$9,200,000, ten million in all which the Government is guaranteeing to the Newfoundland and Labrador Corporation, I think it was the other afternoon the Premier in the debate on that Loan Act in criticizing our few brief remarks said that, if he had been over here instead of over there he would have spoken much longer than we did.

MR. SPEAKER: The honourable member is quoting a debate which has been concluded.

MR. CASHIN: Now, it is interesting to see that yesterday afternoon in this House two amendments to that Loan Act were suggested by the Opposition and were accepted by the Government. As to the justification of this loan, we have voted against it on principle because we feel that it should have been unnecessary for the Government to go into the borrowing market at the present time. Mr. Speaker, the Government is in the borrowing market indirectly through this corporation controlled 90% by the Government. I don't know what else you can call it. The Government has the majority of the shares in that corporation, the Government controls the corporation and the corporation is borrowing the money on a Government guarantee, the Government gets the greater portion of the money, that \$9,200,000,

which makes all told \$1,700,000, they are leaving just sufficient money to pay the interest on that loan next year roughly. Now, there are two or three industries which are being taken over by that corporation, taking the industries out of the realm of politics. It may or may not turn out well, we hope it does and that brings me to a certain part of the budget speech which indicates that all those who were opposed to the present administration were on their knees morning and night praying for the failure of these particular industries. Now, Sir, with respect to the administration of these three industries going in under the wing of this corporation, the wing and management of Sir William Stephenson since it is his name we have been lead to think and believe is sponsoring this whole thing, his integrity, his industrial fame, it is his credit in the financial markets of the world, without him we cannot get anywhere, just you look at the report by Coverdale and Collpitts which cost the Treasury some fifteen thousand dollars for less than a month's work.

MR. SMALLWOOD: It did not cost the Treasury.

MR. CASHIN: Mr. Speaker, I tabled a question in this House shortly after or before I forget which, asking the Government, the Premier, what this had cost and the price given was \$15,000. He did not indicate to me that the corporation was paying it or the Government.

MR. SMALLWOOD: That is so—The corporation is paying it.

MR. CASHIN: Then we can be interested in all the specific activities of the corporation. The corporation are paying more money than that. They are paying retired gentlemen

huge salaries, I understand, \$25,000 a year to Mr. Thompson.

MR. SMALLWOOD: No more than one fifth of that.

MR. CASHIN: I see, just five thousand dollars a year, I said \$25,000 to see if I could find out what he was getting.

MR. SMALLWOOD: What has the honourable gentleman asked that I have not answered.

MR. CASHIN: The other day we were told some things were not in the public interest, including payment to a law firm in Washington \$1,500 a month. The headquarters of the firm I understand is in New York, the lobbying outfit in Washington in the United States of America. They are receiving \$1,500 a month from this Government and I don't see any specific vote in the estimates for it. When I asked for information, for what purpose it was being paid I was told it was not in the public interest.

MR. SMALLWOOD: Will the honourable gentleman allow me? The very fact the firm is in Washington, does not that suggest it might not be in the public interest to give any details? The very fact of where it is, just read between the lines.

MR. CASHIN: It suggests this too; now that we have become a part of Canada I think it is impertinent on the part of this Province to have a firm of lobbying or legal advisors, call them what you like, acting for us in Washington. The proper place for us to do business is through the Canadian Embassy in Washington whom I believe have many legal minds, not have some dead beat politicians identified with them like some Governments of the past and their names ap-

pearing in the public press in the United States. They are getting considerable money from Argentina, Spain, Portugal, etc. We don't see any of the Canadian Governments shown in that particular list published some time ago in the United States, but we find little Newfoundland paying \$1,500 and when we ask what it is about we are told it is not in the public interest. It is in the public interest to know how the money is being slapped out to individuals in New York, Washington, or anywhere else. If there is any lobbying to be done in Washington, or anywhere else, if there is any lobbying to be done in Washington, the proper people to do it is through the Canadian Embassy at Washington, not through, I forget their names, the name is as long as this House of Assembly, and identified with the Government and any individual who wants to get a favour from Washington, if that is not in the public interest, I don't know what is. That has diverted me again for a moment, Mr. Speaker. One of the principal reasons we would be represented in Washington is the fact that the American Government might, and I hope not, have it in mind to impose some sort of taxation on fresh fish coming in from Canada and Newfoundland (I am like my honourable friend here behind—coming from Newfoundland and Canada) in competition with fish caught in Boston and New York. I don't know if those people who are getting \$1,500 a month are watching our interests in that respect. But speaking of fish brings me back to Trepassey, right from Washington in about two minutes.

The Government, and I have complimented them and they gave me credit for the compliment and there has been some criticism from my own

political friends, I should never, they tell me, compliment the Government, but I don't care whether a Government is broke or not, if that Government does something which I think is good I will acknowledge that good.

MR. SMALLWOOD: It does not happen too often, though.

MR. CASHIN: Do you mean the "Buy Newfoundland Campaign Products," do you want me to compliment you on that, or the Icelandic Boats, and (as I am reminded by my old colleague) the Seigheim Deal—Is that what you want to be complimented on?

MR. SMALLWOOD: Is that all we have done in three years?

MR. CASHIN: The cost of living is being added to a three per cent tax when we were not going to have any.

MR. SMALLWOOD: Is that all we have done in the past three years?

MR. CASHIN: That is all you have done—If that is all you have done you have not done very much. You have guaranteed or loaned some five million dollars to the fisheries, but the Commission of Government had already advanced considerable cash to the fishery, in all I suppose a couple of million dollars, some are going to be successful, some a failure. I am not criticizing the Government for these things, they had good intentions in that respect. I voted for some of it, at the same time in one particular instance, I voted for an item in this House of which I was doubtful, it was not a new industry but a very old industry which was highly speculative and they are tied up this year and owe the Treasury \$300,000.

MR. SMALLWOOD: Do not owe

anything. They paid up in full—All due payments are paid up.

MR. CASHIN: What are you referring to?

MR. SMALLWOOD: The Williams firm.

MR. CASHIN: I know they owe the Treasury \$300,000 but they are not opening this year.

MR. SMALLWOOD: They have good securities.

MR. CASHIN: It has been a most speculative industry all down through the years. The first whaler called the "Cabot" owned by Harvey and Co. made a lot of money to start, with the usual result in Newfoundland and a lot of other places, when one or two individuals start a good thing many more people get into it, and it resulted in other whale factories all over Newfoundland and we had a whale factory in Cape Broyle, Aquaforte, Rose-au-Rue, Placentia Bay, Williamsport was not in existence then and there was only one on Labrador, one in Springdale; these are only a few, one owned by my own family and they all went broke because they drove the whales off. Whales are not like ordinary cod fish, they can be driven off. The same thing has happened now. Besides that the price of whale oil is down.

MR. SMALLWOOD: That is the only reason.

MR. CASHIN: It fluctuates year by year. Maybe next year it will be up, I hope it is. I am not blaming you for that, I voted for it and am prepared to accept that responsibility. I accept the responsibility for the stupendous Icelandic tubs because they came here and someone put it across,

they were going to do something about the fishery, and as a Newfoundlander I am prepared to back anything for the fishery. The Premier himself came in here and told us it was a miserable flop; and the boats themselves are not worth talking about. We can criticize the Government on it, yes. I am going to make a proposition to them tonight.

MR. SMALLWOOD: These boats have just been gone over by Mr. Harvey, we have just had them surveyed.

MR. CASHIN: On the dock? You can't survey a ship on the side of the wharf. You have to have it on dock to have a look at it.

MR. SMALLWOOD: They are built of oak and will outlive any boat built today.

MR. CASHIN: They are no good, and my honourable friend the Minister of Health—

HON. J. R. CHALKER (Minister of Public Health): Good bottoms.

MR. CASHIN: And the engines in them, don't forget them. Don't try to build them up—they are a wash out, let them go, give them to someone. I offered \$30,000 for them one time but it is too bad you turned it down. If I never thanked you in my life for doing me a favour—they are not worth five.

MR. SMALLWOOD: The honourable gentleman says they are not worth five thousand, well we have an offer now for \$30,000 for one.

MR. CASHIN: Take it—Don't let him out of here—Bring him in and bar him up. I wonder if you will give him a loan to buy it, one of my honourable friends asks?

MR. SPEAKER: If the honourable member will permit—I get sick and tired, as I said last night, of having to keep order outside the bar as well as inside the Chamber. Surely visitors to the House must realize the good of this rule, if they are permitted to express approval by laughter, they have a right to take part in the debate. Since the entire population of Newfoundland cannot get into this room, the gentlemen who are on my right and left are the only ones who have a right to make any noise whatsoever and visitors must maintain absolute silence. Officers on duty are supposed to quell any disturbance from visitors at the very first instance—Will they attend to their duty. I hope I don't have to interrupt any member again tonight or otherwise I will clear the Chamber myself.

MR. CASHIN: Mr. Speaker, I do not think that I can be blamed now.

MR. SPEAKER: No, certainly not.

MR. CASHIN: Some short while ago a bunch of people came here one afternoon for a certain purpose and it was said they were brought here by a bottle of rum and a dollar bill, I want to have that clear right now—

MR. SPEAKER: People have a perfect right to come here but they must behave. The honourable member will realize, if any person has a right to laugh at an honourable member he has also a right to throw something, and it is only a very small step from laughter to doing things like that. I shall not interrupt the honourable member any more.

MR. CASHIN: I have had many things thrown at me in here and one more or less won't hurt me very much.

MR. SPEAKER: That is not the

point—While I am in the Chair every member will be heard in silence.

MR. CASHIN: I understand, or I was told in this House at least, that consideration is being given to the establishment of a fish plant in Marys-town and another one in Trepassey. It would not be particularly difficult to incorporate in these estimates of expenditure under development, or the Department of Marine and Fisheries or Fisheries and Co-operatives, whatever it is going to cost to establish that plant in Trepassey, I believe \$600,000 and an equivalent sum or whatever it is going to cost for Marys-town. I realize in future the shore fishery is expanding considerably, the bank fishery is doomed, dory fisheries fading out and at the present time, Mr. Speaker, I feel sad to have to come in here and say to the House, I got twenty jobs yesterday or the day before for fellows working at Frazer Brace, who should be fishing. Our shore fishermen are giving up the fishery, a lot of them, and these people who come from Ferryland are giving up the fishery and coming to get daily work if they can get it. Now, I know and every reasonable man in here tonight knows that defence work cannot continue indefinitely. There has to be a day when it is going to stop and even if we did have to subsidize the fishery in some form or other, and we have done considerable of it, to save it, it would pay off in the long run. What will ultimately happen unfortunately is this: The day will come when defence work will stop. It is not a permanent character and these young men and old who have gone to that work now, will need their motor boats, traps, gear and everything else. Everyone knows that trap gear lying up a year or two gets rotten. It has to be watched very

carefully or else it will rot. These men when they are laid off from these jobs where will they go? True some one will say they will go to the Mainland. But, Mr. Speaker, that is all very fine, when these things stop here they will have the same difficulty on the Mainland and the only place they have to go is back where they came from. Many of us have done that in our life, went and tried our fortunes somewhere else but came back home to where we belong. If you flop somewhere else you come back and have another go at it. And they are going to come back to the fishery and something should be done in this respect. That is why I say tonight even if they put in the sum of a million dollars into that vote for the prosecution of the bank fishery through these establishments and have one of these plants up in Trepassey and in Marystown, they would probably start this year and have that plant in operation in twelve months.

MR. SMALLWOOD: May I say we expect we will have to spend about ten million dollars on the fishery.

MR. CASHIN: Let us get down and face facts. Ten million dollars, unfortunately you have not got it, I wish you had. I am not saying that to be nasty. You have not got ten dollars, you have to go out and borrow it, you are figuring on a surplus this year of one million six hundred odd dollars and I say to you now, vote for this and establish these plants. I speak for my colleagues also, they would support me in that respect, if you incorporated into these estimates another million dollars for the establishment of these plants we will give it our strongest support. That would be doing something of real value to Newfoundland, it would be attempt-

ing to keep the fishermen where they belong not to have them going down here at pick and shovel work with Frazer Brace or someone else. They don't make any money by coming in here and working for \$7 or \$8 a day, 90c. an hour or something like that. But they have to pay their board in here and by the time they keep their families at home whilst they are away they have very little left, nothing, particularly when they are in here with opportunities to spend money and they go back home in the fall of the year, 90% of them with nothing when the job is over—

MR. SMALLWOOD: Would the honourable gentleman be prepared to wait for the report of the Fishery Development Committee?

MR. CASHIN: As far as I would be concerned, but there has been so many reports made in the past and will be made in the future that amount to nothing. If I were in the Government today I would not wait for any report from that Commission—

MR. SMALLWOOD: Even though the Government of Canada had joined with the Government of Newfoundland to set up and they are both now working together. The honourable gentleman even then would not wait for the report but start expanding without waiting for their advice.

MR. CASHIN: Well, I don't know what they are trying to drive at. But if the Government of Canada is going to contribute any money towards this—

MR. SMALLWOOD: Mr. Mayhew is due here on Saturday.

MR. CASHIN: Mr. Mayhew will be here on Saturday. I would suggest

to the Premier, the Minister might in his capacity as the Honourable Minister of Fisheries at Ottawa know whether or not it would be advisable under the circumstances to include it in our budget, not that he has anything to say about it, but he knows something of what is in that report, and ask him does he think it would be out of order to inject into our budget a million dollars for the establishment of these two industries. It is not necessary to exactly spend this one million at the present time but vote it and the report, I understand, will be along very shortly, vote, then show you mean it. You probably do mean to do something and forget about a lot of tommyrot we are handling, because, unfortunately, I am very much afraid that some of it is going to be wasted, I hope not, get me right, I hope not.

Now, Sir, with respect to this Newfoundland and Labrador Corporation, this economic arm of the Government, if my memory serves me right, I think in the "Daily News" editorial this morning, the substance of that relates to the release given to the press by Sir William Stephenson here some time ago to the effect that it was the idea to take these industries out of politics, and take them into a crown corporation controlled by the Government, take them out of politics altogether. They have to raise the necessary money to buy these three industries and find the other monies to meet the obligations on capital account in connection with other industrial development of the country. I hope this Newfoundland and Labrador Corporation is going to make money in order to be able to meet the sinking fund and the interest on that loan which matures in twelve years from the 15th of this month.

If it does not it is only too bad. However, it is a temporary relief for the present administration and should not be shown in the budget speech as surplus as of March 31, 1953. I should not—they will have no such surplus. Assume that you did sell these to your own corporation which the Government has not, Sir, what would be the position today? You will have to find a million and three-quarter dollars on capital account to finance this operation, and the Newfoundland and Labrador Corporation, has to find the same amount. That is if we take the word of Coverdale and Collpitts, it is roughly that amount. Now, suppose for argument's sake you have not been fortunate enough to pass the buck to the Newfoundland and Labrador Corporation what would you have done? Would you call that a surplus if you could not sell them for cash? No, you would call them an asset, but would you get what money you invested in them out of them by a sale in order to carry on the economic development programme you speak about? It is questionable because the Newfoundland and Labrador Corporation, from the understanding I gather from Sir William Stephenson, plan to sell these industries to some other outfit to operate, well and good if they can sell them at a profit and put the money into that corporation to help pay off its obligations as they mature each year, well and good. But on the other hand if they are unable to sell them to turn them back into cash for themselves they have got to operate these plants, and I think the Premier yesterday said, as he has on many occasions, these are supposed to be practical men. That man Sir William Stephenson is supposed to be identified with a big cement company in

the United States and is supposed to have promoted a company to produce cement and has made a lot of money on it. Well he has to find a million and three-quarter dollars or a million and a half dollars now to operate these two companies. Does he go into the markets and finance that again and then get going and sell their products? We hope they do. But it is unfortunate that the cement plant has not turned out as well as it might have done. I believe that considerable capital expenditure will have to be incurred there again, from what little I heard, and I am not saying this tonight to create any discontent nor doubt in the minds of people who might be interested in this thing. These are facts.

MR. SMALLWOOD: Does the honourable gentleman mean working capital?

MR. CASHIN: Working capital yes—Now to make sure the figures I have quoted are correct we will return to Coverdale and Collpitts and we will see. Because when these people give their okay to anything you can take it for granted it is okay. They claim here in this general report it is not as good as it might be. But it does tell you how much capital you must have to operate each individual plant. I am not going to read the report, it would take too much time. I do know it says this cement plant cost a million dollars more than they figured it was going to cost.

MR. SMALLWOOD: A million? Not even half that.

MR. CASHIN: If my memory serves me very accurately, I think they have to raise more money to operate it. Sir, I hold the interest

on that one million dollars will have to be watched very, very closely because otherwise our Treasury will have to pay it. This Newfoundland and Labrador Corporation is a creature of the Government, as we said repeatedly, and I am going to be optimistic now, and show the country this Newfoundland and Labrador Corporation are not the philanthropic outfit we are told they are. The Government bought 90% of the stock in this Corporation, the other people Ripley, Wood Gundy and others bought 10%. Now, let us assume that Dr. Valdmanis's figures are correct, this immortal genius who never makes a mistake, we will take it that these two plants will make a million and a half profit annually. These are his figures in his report but which would not be accepted by any bank in New York or anywhere else, but assuming that Coverdale and Collpitts are inferior to Dr. Valdmanis, and that they can make a million and a half dollars a year, that is exclusive of the Birch Plant. That goes into the coffers of the Newfoundland and Labrador Corporation. From that next year we will be taking the commission on the loan of ten million dollars, \$475,000, say a half million dollars, that brings their net profit for that year down to a million dollars, there is no sinking fund for two years, but if we do have a sinking fund, let us assume we do, the sinking fund means \$500,000 a year, that brings the profit down to half a million dollars a year, and these other people will make a profit of fifty thousand dollars annually on an investment of one hundred thousand dollars or 50% on their original investment on these two plants alone. That is looking at it from the optimistic standpoint.

MR. SMALLWOOD: And the

Government what does it make each year?

MR. CASHIN: Four hundred and fifty thousand dollars. In this report here by these two people Coverdale and Collpitts, they make very definite remarks about this estimated one and a half million dollars. They don't believe in it, neither do I. Speaking

of Dr. Valdmanis who has a salary of \$25,000 a year and, as I said, it should be charged to the Newfoundland and Labrador Corporation—his effort got us into financial trouble, Dr. Valdmanis poking his nose into Newfoundland politics. Now, in case nobody believes me I will read from the report of Coverdale and Collpitts.

WORKING CAPITAL

Our calculation of adequate working capital for the operation of this plant at rated capacity, reflecting the seasonal characteristics of its operation and the transportation and time factors inherent in its location, is \$668,000, divided in terms of principal components approximately as follows:

(NOTE: "Average month" is based on a 10 months' operation or season).

Cement inventories—in process and finished (1½ months' costs)	\$150,000
Bags (2 months' costs)	36,000
Oil (1½ months' costs)	47,000
Agstone inventories (1½ months' costs)	25,000
Spare parts (1½ months' costs)	60,000
Accounts Receivable (1½ months' Cost of Sales plus Transportation)	250,000
Cash (1 month's costs)	100,000
Total	\$668,000

That is according to Coverdale and Collpitts now, not Peter Cashin. And Dr. Valdmanis in his calculations had no capital account. Now, on page 21 we see what the working capital is for the Gypsum Plant.

WORKING CAPITAL

We estimate that the adequate working capital for the operation of the Gypsum at rated capacity, reflecting the seasonal characteristics of its operation and the transportation and time factors inherent in its location, is \$685,000, divided in terms of principal components as outlined here.

Then there is the birch plant which is operating and there is gold coming out of that place I hope, but Coverdale and Collpitts think they have

to raise more money for that birch plant, around one hundred thousand dollars. In other words you have to raise two and a half million dollars additional money in order to provide necessary capital to operate these three plants and we will have to get a loan of some millions now in a rush because we need it and we need it badly. That is why, Mr. Speaker, having been in a Government financial crash at one time it taught me a great lesson that one has got to be frank in Government, one has got to pull

no punches but make clear your position, state it to the public. After all the public are the shareholders in Newfoundland and Labrador Corporation not the Newfoundland Provincial Government and you should tell them our position at the present time. Your budget has not told it. A budget is not merely a document containing figures but also is supposed to be a document outlining the prospects for and the various national interests of the country during the coming year. At the present time now how many real industries are operating in Newfoundland? We have the fisheries, the pulp and paper industry which is earning even more money today than the fishery. Then there is the mining. These are our three great producing industries earning money to send abroad to buy the necessities of life. We do not export agricultural products but we do export fishery products and we do export mineral products. The mining industry is booming today. Bell Island is going full blast and it probably will produce two and a half million dollars in the present year. The Government gets certain royalties and revenues out of it, I forget just how much. Then the pulp and paper industry: Let us look at that. There is not one mention in this budget of the prospects of a pulp and paper industry, good, bad or indifferent, not one word.

MR. SMALLWOOD: Yes, it is in the table.

MR. CASHIN: I am going to give a few words on pulp and paper. Today Newfoundland is producing practically five hundred thousand tons of newsprint valued at \$116 a ton in New York. Now, here is where considerable money is being lost, I won't say we are actually out of pocket but there is a decrease in the price taking

place in newsprint during the past months, \$116 a ton less 2% or 2¼% which is the difference in the American exchange today. That is approximately two and a half dollars per ton for our paper product in New York because all our pulp and paper products are sold on the basis of CIF or FOB New York as the case may be. Therefore today instead of getting a premium on \$116 we get a discount on \$116 of \$2.50 and that is \$113.50 per ton, that is about \$55,000,000 to \$60,000,000, roughly on the pulp and paper produced in Newfoundland. Then there are the freight rates paid to carry it in some cases over the railway but principally by water of say \$6.00 or \$7.00 a ton, so that we might say that the actual money coming into Newfoundland today, actual cash dollars is fifty million dollars about \$100 a ton, the rest is paid out in commissions etc. and interests in Newfoundland for the company, for the people \$50,000,000 a year.

Now, I know the company has to pay interest on its bonds, etc., and it would naturally reduce the people's earnings. (I don't know where these calculations here were made) I figure, and I am not being critical of these figures, for the pulp and paper industry, the actual labour paid out to the people, papermakers, machinists, woodsmen, loggers, etc., would be at the rate of roughly sixty dollars a ton. It is no use being foolish and estimating too much, \$60.00 a ton \$30,000,000. I think in the budget table it is estimated at \$34,000,000. I don't think it is going to go over \$30,000,000 this year.

MR. SMALLWOOD: The estimate came from the paper companies.

MR. CASHIN: I don't know who

gave you the figures. Were they given you also for bond indemnities? Take Bowaters alone, their bond indebtedness they pay the interest on it annually. Do you know whether or not they made provisions for that there, and did the A.N.D. Company?

MR. SMALLWOOD: These figures deal only with wages and not with bond interest.

MR. CASHIN: You have a letter to the effect that that much wages are paid out in Newfoundland by those two companies?

MR. SMALLWOOD: Yes.

MR. CASHIN: All right, make it \$34,000,000, or \$35,000,000 we will go half a million over.

MR. SMALLWOOD: With a ten dollar a ton increase in price looming up and some increase in pay looming up they should make over \$35,000,000.

MR. CASHIN: They lost two and a half per cent a little while ago. We have to get down to earth and see what we are getting at the present time. We don't know what is to happen tomorrow, no man knows that, we don't even know if this House will be here. But take it at the present time.

The same thing applies to the fisheries. The fishery to my mind makes \$25,000,000 a year. Now in this budget there is a breakdown of fishermen and stevedores and all that sort of thing. But all these things are actually earnings of the fishery. The fishery earns this money and it is paid out by the people who buy the fish, and the fisherman who catches it is a little capitalist himself.

Every man with a boat and a couple of trawls today is a little capitalist.

He produces fish, buys his goods from the merchant and produces his fish and sells it for a price, say \$10.00 a quintal. There is roughly a million quintals of fish in Newfoundland at the present time. It may be down unfortunately. Our whole fishery, our whale fishery, which is gone, our seal fishery, herring fishery, lobster, salmon fishery, halibut fishery, cod fishery; the produce from them in my opinion is \$25,000,000 a year into the pockets of the people. But the Fishery Department, I am informed by my colleague here, says twenty-seven and a half million dollars. I would rather be conservative any day rather than try to build up something to crash down.

Now, with respect to mines, we are told that there are ten or twelve mining companies prospecting in Newfoundland at the present time. We hope they will strike something. I, at one time, was interested in a mine, one of these fly-by-night ones in Labrador in 1943 and people with whom I was identified here got me to go to New York to see if I could get anyone interested. This was a big firm though not one of the biggest in the world, but a big outfit and they invested ten thousand dollars to send into Labrador and find out whether or not there was anything there and they lost their ten thousand dollars and the chief mining engineer of that company situated in New York told me that one in a thousand mines turn out good, one in a thousand prospects turn out good. I don't know whether he knew what he was talking about, but I doubt if there is gold all over the place down there, we are inclined to be lured away by gold. That brings us now to the mining situation and I am not including in my estimate of actual earning power in Newfound-

land potential mines. This Newfoundland Labrador Mining Corporation is the biggest thing of its kind we have ever had in Newfoundland and probably one of the biggest they have ever had in Canada. They are spending some two hundred million dollars in the wilds of Labrador to develop that iron ore. A lot of credit has been given to Hollinger people, they have taken a chance and have spent millions of dollars of their own money to develop this area. But the original people spent their own money, all of it, four to five hundred thousand dollars before they were taken over by Hollingers and they deserve the principal credit. But before the Hollinger people Jules Timmins, McKay or any of these people invested a dollar in the wilds of Labrador they had to ascertain whether or not they could make it produce, and they went into the mining areas and the steel areas and ascertained how long the Mines of Minnesota would last because if they were going to last an indefinite period it would be crazy to invest money in the wilds of Labrador. They ascertained after sending their own engineers that these very fine mines in Minnesota would only last another ten or twenty years because ten or twenty years is the life of a mine. After a long while they were successful in negotiating with big finance people in New York floating a loan without any Government guarantee, not like the Newfoundland Labrador Corporation because it was based on production capacity of so many million tons a year capacity and they will make money and the ore is of the highest grade, I think somewhere in the vicinity of sixty-five per cent.

MR. SMALLWOOD: And up to seventy.

MR. CASHIN: The Premier, Sir,

is optimistic. We have to be realistic not pessimistic. I know that within the next three years it is going to be one of the busiest and biggest iron ore mines in North America no longer belonging to Newfoundlanders. At one time it belonged to a Newfoundlander who had not the necessary funds to develop it. However, we look forward to great things from that mine and it is no use crying over spilt milk. But today there is very little in it for the Provincial Government and for some time to come there will be very, very little. In the legislation enacted in the beginning that company was prepared to pay ten cents a ton and that agreement was changed to five per cent on the net profits. I am a great believer, Mr. Speaker, in something certain. Those who advocated that five per cent would tell you they are probably going to get more than ten cents per ton but a bird in the hand is worth two in the bush. So we have lost there and we have lost because we gave our country away ourselves and the benefits that would have accrued to Newfoundland will not accrue in the future. All the revenue that we will get out of it at present is five per cent or \$500,000 a year. The old gentleman who founded that company told me in Montreal that there is enough iron ore in Labrador, if properly developed to pay the National Debt of Newfoundland, to pay into the Treasury in direct revenue enough money to pay off the National Debt and we like fools threw it away. Now, it is entirely different and we have very little to say about it because we adjoin another territory where a similar mine is being developed and we in this House have not had the opportunity to know what is going on, to know whether the greater quantity

is being developed from the Quebec side of the boundary. We know that half the railway is going through Newfoundland territory.

MR. SMALLWOOD: Two-thirds of the railway.

MR. CASHIN: I don't know how much, I said half. I am a great believer in being conservative.

MR. SMALLWOOD: Two-thirds.

MR. CASHIN: I said half of it and that ends it.

MR. SMALLWOOD: That settles it right now.

MR. CASHIN: Of course anyone in here who makes a technical error is sneered at, no one knows anything, no one's opinion is worth a hoot. I have just as much right to express my opinion as the Honourable the Premier, one-third or two-thirds.

MR. SMALLWOOD: It is not a matter of opinion at all but a matter of facts.

MR. CASHIN: Have you any evidence prove it?

MR. SMALLWOOD: Look at the map.

MR. CASHIN: I won't look at the map, produce the evidence here. Duplessis, your friend, has a different map with not even a boundary line on it. He is a great friend of the Premier's.

MR. SMALLWOOD: A close friend.

MR. CASHIN: I remember one time here in the National Convention I heard Mr. Premier expound on Mr. Duplessis and not in very generous terms at all. However that is not getting anywhere in connection with

the mining development I say half and he says two-thirds, I said sixty-four per cent and the Premier said one hundred. He is entitled to his opinion and I am entitled to mine. I say there was no money on hand on the 31st day of March 1952 or in the Bank. However, that is one thing he can't deny, I say on March 31, 1952, apart from the money in Ottawa we were back an odd half million or more dollars. There is no contradiction to that, it is a fact. However this is the mining industry, now let us get back to the fishery. We computed what our people were going to make one hundred and seventy-five million dollars, that remember involving what we are actually producing and exporting to buy materials in the foreign markets and also what we consume ourselves in the way of foods. I wonder, Mr. Speaker, if they are going to put a three per cent tax on potatoes that we sell to ourselves because that just strikes a note in my mind. The farmers in Kilbride, in the district of St. John's West, good Tories, produce a hundred barrels of potatoes next year and distribute them around to the stores in St. John's and sell a barrel here and there and the customer goes in to buy them, I wonder if the customer has to pay three per cent on the cost of that barrel or bushel of potatoes they are going to buy under the new legislation the Government so generously brings in.

Now, Sir, I made some reference to this Newfoundland Labrador Corporation which is going to be the saviour of Newfoundland I hope but I very much doubt. I think that the Government are in the hands of the Philistines with this man Sir William Stephenson bossing Newfoundland, sent here indirectly to take charge

because we have not got a Government competent to do its own job. If we had to have a Government who are able to administer our affairs properly with all the money at their disposal three and a half years ago would it now be necessary to bring in a Crown Corporation. Personally, I foresaw this and I was not a crystal gazer any more than the Premier. These terms of Union were not adequate three years ago, any man with sense could see that, not alone me and the Premier. Now, we have, Sir, William Stephenson and the Newfoundland Labrador Corporation taking over the economic affairs of this Province or Country. I will never acknowledge it as anything but my country. But he is the boss today, the Government does what he says, or as says the President Alfred Valdmanis, the man who is responsible for getting this Country in its present mess financially, who is responsible for at least fifteen to twenty millions of dollars of ours being tied up in these industries, European industries. He is the person who is responsible, he sold the idea to the Premier and to his Government. I heard the Premier say in here, I think last year, that he would not want to be Premier of Newfoundland unless Dr. Valdmanis were in his present job. Is not that an awful admission for any public man to make. I cannot see for the life of me how any public man in Newfoundland could stand up in this legislature and say that particularly if his Government were as good as it is supposed to be, that he would not want to be Premier unless Dr. Valdmanis were in the position he is. When we review the record of the past three years we find that twenty-five millions of our dollars are tied up in these plants, gypsum, cement, birch plants.

I don't blame them much for the birch plant. Mr. Speaker, I would not want to be identified with a Government that would vote a hundred and fifty thousand dollars for the manufacture of eye-glasses in Newfoundland under the circumstances in which it was voted. When we make guarantees to European corporations I understood the idea was to bring in certain amounts of equipment which are valued at such and such and we put up dollar for dollar to that value. In most of these industries created this was done but they had to put up the building and we find this optical company establishing itself in the attic of a recently purchased building on LeMarchant Road formerly occupied by American Aerated Company and purchased by the Government for over two hundred thousand dollars it was needed so badly for the storage of rum. It is now being used by an eyeglass manufacturer in part anyway which eyeglass fellow pays rent I assume or I wonder if he is getting his rent free. It would not surprise me in the least to find him getting that rent free. One hundred and fifty thousand dollars, the Bill was introduced. The Bill was introduced and passed but not acted on, and consequently another piece of legislation in the form of estimates had to be brought in to take the money from current account to be devoted towards this particular purpose and as such I suggest, Mr. Speaker, it is debatable. The estimates —

MR. SMALLWOOD: We are on Committee on Ways and Means to find the money voted in the estimates, that is the object and Ways and Means include revenue and expenditure.

MR. SPEAKER: We were discussing the motion that I do leave the

Chair. I want to remind the honourable member, that I have and he will agree, leaned over backwards in regard to the rule of relevancy but I would remind him of the rule of repetition.

MR. CASHIN: I have not referred to Sennewald before.

MR. SPEAKER: The House will recess for ten minutes.

MR. CASHIN: Mr. Speaker, I have disposed of my friend, Dr. Sennewald, and I will return for a moment or two to the possibility which the Premier announced during the last six months, the establishment of a steel mill in Conception Bay. We will remember, all of us, that during the last six months we have been told that with the establishment of this particular steel mill and all the other industries, the machine plant, textile mill, optical plant, and God knows how many others, that twenty thousand new jobs would be found within these particular industries. Now, a steel plant to have any great economic value to its owners, or to the community must be suitably established. If a steel plant were established in any part of Conception Bay or any part of Newfoundland it will be a breaking away of many practices but particularly the carrying of the iron ore to coal. In the Great British Isles they have a bed of coal but they have no ore. They manufacture steel. All the steel in Britain is manufactured from ore imported from Newfoundland, from Africa, some from Sweden, some from Spain. One would imagine these great steel manufacturers particularly in Great Britain who are reputed to be masters of their profession in the manufacture of steel products would have found out before now the possibility of the economic operation of a steel plant on the site where the

ore is produced which means they would bring coal from the coal mine areas such as Britain to a big mining area such as North Africa. That has not been done but here in Newfoundland we are going to break all tradition and we are informed indirectly in recent months that some of the outstanding steel manufacturers of Germany have representatives here in Newfoundland with a view to establishing a steel plant in Bay Roberts.

MR. SMALLWOOD: I would appreciate it very much if the honourable gentleman did not name any names, I ask that favour, not the name of any German steel companies.

MR. CASHIN: I don't intend to name them, it is unnecessary because the German steel manufacturers are well known throughout the world. They are great steel manufacturers and they too had plenty of coal but no ore. They did not manufacture their steel at the point where the ore was produced but manufactured their steel after bringing the ore to that coal and that has been history and I don't know whether the Provincial Government of Newfoundland has in mind the changing of history and tradition of the economic world.

MR. SMALLWOOD: Would the honourable gentleman give me his opinion of a steel mill to which both the ore and the coal have to be brought?

MR. CASHIN: That is a horse of a different colour. Here in Newfoundland we have not got coal in any commercial quantity, we have ore but the coal is three hundred and fifty or four hundred miles away and they bring that ore to that coal. On the Great Lakes there are steel plants like the Steel Company of Canada manu-

facturing steel and they bring both ore and coal to Hamilton which is a central point a distance of some hundreds of miles from where they get their coal across the border of the United States. Most of the coal used in the manufacture of steel in Hamilton is brought over the border from Ohio and most of the ore that goes into the manufacture of that steel comes from the head of the Great Lakes, I think, an ore mine at the head of Lake Superior or in that territory. An ore mine was found some years ago under a great big lake and they had to pump out the lake in order to get at the ore and that steel proposition turned out a success, they bring that ore to Hamilton and the coal from the United States but you don't see them bring the coal from the United States away up to the head of a lake in Western Ontario. The same applies here as all over the world. So, Mr. Speaker, I feel that this myth of a steel plant in Newfoundland is merely a myth. People may come and people may go but this is not the first time that proposition has been brought up here in Newfoundland. I have known people years ago who had the same idea and they never got anywhere with it, I only wish they could. And furthermore the financing of a steel mill is not a case of having to find ten or fifteen million dollars but probably fifty millions of dollars at the lowest. If we look at the steel plant in Sydney it would be interesting to know the investment they placed in the steel development and the manufacture of steel in Nova Scotia. The capital cost of all these plants situated on Cape Breton Island. But we hope and trust that it will be a reality not merely a dream because up to the present time a lot of us have been dreaming many dreams but how many

of them ever came true. A few were very good propositions to use as political bait like the bridge across Placentia Gut, they were going to have a bridge there and the old timers in Placentia, the old time people knew that it was impossible but there were people in politics on both sides of public life as long as I can remember every time they went looking for votes in Placentia every one, Liberal and Tory, never mind names, but you would never imagine you would find the Liberals doing a thing like that, they would all promise a bridge across the gut and we all know it is impossible and the people know who live in Placentia. But let us forget about things like that and by the time the House is next open I hope we will have some proposition brought in here by the Government for the establishment of some kind of a steel plant in Conception Bay or some other bay in Newfoundland. But we have not seen any proof of it yet, we have not the funds and I am sure the Europeans that came here who may have a lot of money in their own country have very little of it in Canadian or United States funds and without money they can get nowhere. There is no doubt of their capability to manufacture steel properly, they are probably one of the best outfits in the world. I know who they are, they are generally known, but I will not mention their names, I never had any intention of doing so and the Premier did not have to ask me not to mention their name, they are well known and it was not my intention to do so though I could have, I had heard the name a long while ago and so did you. Some twenty-six years ago one of them had a crack at my head, however that disposes of this steel plant. At the present time the Government has nothing con-

crete on it, let us forget it for the time being, let the people of Conception Bay realize it is only wishful thinking, there is nothing definite about it, nothing concrete, the Newfoundland Government has not the necessary money and these people in Europe will have to find it somewhere else. That disposes of the steel plant. The next is the third paper mill in Newfoundland.

A third paper mill in Newfoundland has been a matter that has produced considerable comment in this country not only for the past one or two years but for the past five or six years. Twenty or thirty years ago no one dreamed of the prosperity in the paper business, today the market for newsprint is away up and the world consumption of newsprint today could take another half million to a million tons quite nicely without provoking any drop in prices. There is one thing however that has hit it recently and that is the discount on the American dollars because I feel that if ever there is another mill built in Newfoundland or on the Labrador, and I am a doubting Thomas with respect to a paper mill in Labrador but if there ever is one it will have to be financed by American funds. The Canadian newsprint business at the present time is expanded to capacity, they have not got the extra dollars and they have to go to the United States to get this money and even though the American dollar is at a discount today it is speculative, and I agree, it will not remain there very long because, as the Honourable Minister of Education stated the other day, the influx of American capital into Canada, the surpluses coming into Canada drove down the discount rates on the American dollar. It will only be a matter of time, and I hope it is only a matter

of time when there will be such a thing in North America as a standard of currency whereby there will be no discount between Canadian and U.S. currency, that our dollar is as good in New York as their dollar and vice versa. Until that time arrives, and I visualize it in the very near future probably within fifty years and I don't think, Mr. Speaker, either you or I will be occupying this Chamber fifty years from now, I don't even think the Premier will be occupying his present position fifty years from now, but I do believe that if present world conditions continue as they are, ultimately there has got to be a joining up of English speaking people of North America in self defense with the result that Canada and the United States will, probably not in your time or my time, Mr. Speaker, but in the future be as one country. That is a hard thing probably for me to say. There are many people who think like that both in Canada and in the United States and I have as much right to my opinion in this respect as millions of people in other parts of the Dominion or the United States.

Now, with respect to this mill we have the timber on the Labrador. A couple of years ago IBEC or the Rockefeller Organization came to Newfoundland to explore, if you like, or conduct a survey into the economic position of this country. I well remember the day, I think, in 1949 or 1950, the Premier rising in his place in this Legislature and announcing here that the great Rockefeller people who controlled not millions but hundreds of millions and billions of dollars were going to come here now and those of us who had the privilege of occupying a seat in this House at that time visualized a dream, no longer would we have any dole, no longer would there

be any necessity for the Minister of Welfare to give out relief, we visualized that now that these people were coming here that all was going to be well for our generation at any rate and we did not have to worry any more, we could do without family allowances, old age pensions. The Rockefeller people arrived and up to the present time, and that was two years ago, they have come and gone and no additional money left here but they took some out, took a quarter of a million dollars or in that vicinity out of the country, for the IBEC Report which we are told is not in the public interest to table. They conducted a survey, I have not seen the report I could have done so but don't want to see it. They conducted a survey, I understand, in Labrador. I do not know though what was in that report and I have no more idea than the man in the moon on the possibility of a mill on the Labrador. I have always held, and I have spoken to people on the Mainland about the possibility of a paper mill in Bay D'Espoir fed with timber from the Labrador and at the present prices, if the capital could be raised it is a practical proposition for the construction of a two hundred and fifty ton mill to be built on a plan where it could be expanded to a five hundred ton mill. You have enough water power. You just paid the Power Corporation of Canada one hundred or two hundred thousand dollars for making a survey. If my memory serves me right the cost of the development of that water power per horsepower is in the vicinity of one hundred and eighty or ninety dollars. I think the total cost to develop the whole outfit of water power is somewhere in the vicinity of fifty million dollars but for the development of a two hundred and fifty

ton mill all that horsepower is not necessary and for twenty thousand dollars that horsepower could be developed sufficiently to operate a paper mill of the capacity of two hundred and fifty tons a day. Now, no effort apart from that has been made by anyone in the Government as far as I can see to interest parties in such a development. That would be a real development whereby the natural resources of Newfoundland would be manufactured into the finished product and sold in either European or American markets, that would be a development somewhat better, I should imagine, than the development of an optical company over on LeMarchant Road, a development better, if you could raise the capital, than the development of a textile mill in St. John's West. But no effort as far as I can see, there has been nothing tabled in this House to prove any effort has been made. Now, Sir, we have the great Sir William Stephenson and his corporation in our midst and even though Dr. Valdmanis does not think, from what I can gather, that I should even look at this great person, through the avenue of this Legislature I convey to him the idea that he might use some of his influence or financial credit to see what could be done with respect to the development of the third paper mill in Newfoundland. I very much fear, Mr. Speaker, they will not do anything nor try to do anything, and I hate to have to think this but the composition of that Newfoundland Labrador Corporation bars it, and I don't intend to mention any names at this time, and I don't think it is necessary for me to hit anyone on the top of the head with an axe to have him understand what I mean. The development of such a mill if it could be created would mean additional

earning power, actual earning power with nothing fictitious about it, an earning power of say sixty dollars per ton for every ton of newsprint produced, four and a half to five millions of dollars a year in actual wages to our people. That would be something worthwhile. Just imagine, Mr. Speaker, if we had in this Legislature a vote such as the twenty million dollars we have spent on economic development during the past three years, I think it is around twenty or twenty-five, but if the Government said we are going to build that mill, we are putting up twenty-five million dollars, we would have a mill today capable of producing two hundred thousand tons of newsprint a year, do you or I not think it would be of more value to the people of Newfoundland as a whole particularly the South West Coast than the development of a cement plant in Corner Brook, the gypsum plant at Corner Brook and the birch plant out there on Topsail Road, the textile mill in the offing in St. John's West, the machine plant on Topsail Road or any other two cent operations brought in here on fly-by-night plans by German industrialists. I believe it would and the labour and construction of that mill during the past three years and the development of that water power would have meant a lot of labour because the money we have spent would have stayed with our people. I know someone is going to say to me that some of that money we are spending today stayed with our people, we have to wait and see. However, that has not been done, whether any effort was made I do not know, but I do know there has been no definite effort.

Now, Sir, I must return again to our fish plants. I think that last year in the course of our deliberations we

discussed the possibility and I think the Government made some announcement of establishing a fish plant in Placentia. I think that the Wareham interests and others had been given to understand that the necessary finances would be provided to establish a fish plant in Placentia Bay. Up to the present time I do not think any work had been started on the construction of that fish plant. As far as I can learn I do not think there has been any money provided for it and without money nothing can be done in that respect, therefore tonight, the Government has three fishery obligations, the Marystown one, the Trepassey one and the Placentia one, all of strategic importance to the fishery on the Grand Banks and of major importance also from the shore fisherman's standpoint.

Another matter, I am getting down to small matters here: We have established here in Newfoundland three loan boards, Co-operative, Fishery and Industrial. Certain amounts of money have been provided for each of these loan boards. In reply to a question asked in this House the cost of these three loan boards was in the vicinity of two hundred and eighty to two hundred and ninety thousand dollars during the past two years. Personally, I think it was a waste of money, Sir, ask any trust company tomorrow, any business how much it costs to loan money, it is not just taking it out of your pocket and handing it across to the other fellow, there are expenses in connection with loaning money, how much does it cost? I don't know whether the Government even ascertained that, how much it cost the Government to lend money, to loan three hundred thousand dollars. We make it, in round figures for the purpose of calculations, first salaries

paid, more than eighteen thousand dollars a year, that is thirty-six thousand dollars for two years and assuming their office expenses, rent, if it is charged up, etc., cost another four thousand, that is forty thousand dollars the establishments cost the Treasury of Newfoundland during the past two years to lend three hundred thousand dollars approximately. How much is that per cent, I see the Honourable Minister of Welfare taking notes and probably he is better able to calculate the percentage than I am, that is twelve per cent to loan that money, three hundred thousand dollars at twelve per cent. Go to the Bank of Montreal, the Royal Trust Company, the Eastern Trust Company or any of these trust companies and the charge for loaning money apart from interest is one per cent and this Government is so generous it pays twelve per cent to lend it. Then they have to collect the interest back. That is what it cost to loan three hundred thousand dollars during the past two years, a waste of public money, Mr. Speaker. It could be done by an ordinary clerk, an official clerk in the Department of Finance instead of paying a salary of ten thousand dollars to one and five to another and two or three to another, that is a waste of public funds. I mention these things in passing because it is common business if you want to check the figures with any of the trust companies. Is that good economics, twelve per cent or to charge three or four per cent annually when it costs six per cent.

Then in an answer to a question yesterday, here is a thing I am not quite clear on, and before I close my remarks let's look at this piece of camouflage presented here the other day when someone was criticiz-

ing me and tearing the flesh from my bones: A three hundred and fifty thousand dollar Treasury note in favour of the Treasury Development Loan Fund, dated March 20, 1952, interest one and a half per cent, maturity 20 Sept., 1952. That is a note I take it, or a post-dated cheque for three hundred and fifty thousand dollars given to the Fishery Development Loan Fund on March 20th, coming due on September 20th, 1952. Well, you will have to find three hundred and fifty thousand dollars. A note or a post-dated cheque, I don't know which, however in reply to me you might be able to explain that to me. It goes to show again, Mr. Speaker, the shortage of funds in the Government Treasury on March 31, 1952, otherwise they would have paid the money right off, it was voted here some two years ago.

Then there was an aluminum plant in the offing, so many fairy tales come in here, aluminum plants, steel mills and everything else, that one gets confused, we try and keep pace with all these things that we are going to have but we have not gotten right down to the basic facts and I see no possibility of an aluminum plant, I do not know of any people, the Aluminum Company of America or any other big aluminum company coming here, they may have come here about the water power in Bay D'Espoir. Remember at this time, Mr. Speaker, there is in British Columbia today a construction project of a big aluminum plant running to around a hundred million dollars, I read an article about it in the Financial Post. I don't know if the Government has yet met Mr. Dupont, however I would like to hear something further about the aluminum possibilities of Newfoundland. Then, Sir, in your own constituency

I visualize next summer, Sir, when you visit your constituency, from what I have heard, you will have to adopt the Western style of dress as ranches are to be established all over St. Barbe's and when you visit that place you will have to revert to the old days in the great west.

MR. SPEAKER: I can't ride a horse.

MR. CASHIN: That is a pleasure in store, which reminds me I am not much of a rider myself. I did try away back in 1920 to become a horseman but failed miserably.

MR. SPEAKER: I could perhaps do a little roping from this Chair.

MR. CASHIN: That is a good idea. However, I am coming to a close of my remarks on this budget. There is one more item before I conclude my comments. In this budget there is a vote in the estimates for elections, it does not say where but we are told it is Labrador. Now, Sir, there is another constituency vacant in Newfoundland, my old district of Ferryland, by some peculiar method it has no representative in this House today. It is probably one of the oldest constituencies in the Island, a historic community, a very, very fine people. There was an election there last November, an election of sorts, we were told the Liberal candidate won. Now, I know better than any man in this House the District of Ferryland, I know its people, I came from there. The election as it was conducted in Ferryland last autumn was a disgraceful affair, and I promise you here this evening that if there is another one this year it won't be conducted in such a manner as last year. We were told by the other party that the Liberal gentleman won that election

but there were people voted in Ferryland who were never entitled to vote. It was immaterial to me personally but as one who represented it for a considerable time I have to take it up and take advantage of this opportunity to tell those who make those statements about this district being neglected in the past because of the type of representation they had, I could not allow that remark to go unchallenged, Mr. Speaker. Ferryland was the only part of Newfoundland left a few years ago and Ferryland stood by its principles, they could not be bought. Besides Ferryland there were other districts also that stood by their principles but Ferryland had the bigger voting for Newfoundland as Newfoundland than any other constituency in Newfoundland, ninety-five per cent of the voters of Ferryland voted to remain Newfoundlanders and as such they have been condemned to perish, so to speak. Efforts have been made to purchase them by rum and money. I have at times, Mr. Speaker, distributed small quantities of liquor on election campaigns but I have not dished it out to youngsters under the age of twenty-one at any time. It is all right to give a party a drink, particularly one able to drink, I am not one of those who object to that, it is sociability but in this last campaign the candidate for the Liberal Party disgraced or tried to disgrace Ferryland and I tell him tonight through the avenue of your Chair, Sir, that he will not do it in the future, not while there is life left in my body. Let them conduct their campaign properly, both sides lay their cards on the table, give the policy of the Government and let the people decide, but if they start this rough house stuff, cart loads and taxi loads of booze going night and day, money squandered

when it could be devoted to some other useful purpose, that has got to stop and it is going to stop in Ferryland and in any other district I am identified with or organized with. So that is that. Ferryland is entitled to representation and if the Government are trying to dodge the issue it shows they are afraid of the issue, they are afraid to tackle Ferryland and go to the Supreme Court of Canada. That is a lot of consolation to the people of Ferryland, going to the Supreme Court of Canada. People voting there, forty or fifty who were no more entitled to vote than I and less, they did not live in that district but they were entitled to vote when they were not. If I had had anything to do with it, and I knew nothing about it until it was done, the candidate should have been unseated anyway for bribery and corruption. That is that.

Now, before concluding, Mr. Speaker, I should like to give a broad outline of Newfoundland's financial position. Its people are enjoying the greatest degree of prosperity in all their history we are told, but are we? Times are fairly good at the present time but the most sensible remark I have heard in this House yet with regard to the present prosperity in this Island of ours was made by the honourable member for Harbour Main-Bell Island last night. A practical individual who knows working people as well if not better than anyone else who has been personally identified with them for years through a great union and be it said to his credit, I don't care who hears me say it, made a great job of it. He outlined here last night the prosperity that he looked at in Newfoundland, he had facts and figures to prove that while some people may be prosperous there are a great deal of peo-

ple who are not. He had facts to show that there was a minimum amount of people who could not exist and he had facts to prove that the greatest offender of all were the Government in this respect, the Government, as I understand, is paying sixty cents an hour for ordinary labour at the present time consequently they are contributing themselves in no small measure to the low earnings of many hundreds or thousands of people. I know of a small development which is taking place in Ferryland by the Newfoundland Light and Power Company, employing probably eighty to one hundred men, who are living nearby and the company is paying the same rate of wages, I understand, as the Newfoundland Government, but if we go somewhere else say in Corner Brook or say Bell Island or into Grand Falls there you will find a rate of pay nearly double. I cannot see if they have to pay ninety cents and a dollar an hour in Corner Brook and Grand Falls or on Bell Island that the Government should not pay a similar amount for work performed for them, and consequently this Newfoundland Light and Power Company are availing themselves of this opportunity by just telling the people, your Government are only paying you sixty cents an hour and why should we pay any more than that. On Bell Island as my colleague here and friend pointed out men are making big money, at mining but do they offset the ones making small money in other sections? Consequently, Bell Island today is prosperous but the Bell Islander is a great man to spend money. He does not pile it up but spends it largely on this three per cent you are putting on at the present time in buying food and clothing and everything else but they are able

to afford it making possibly, some of them, around a hundred dollars a week. Whereas when you look on the other side of the fence and look at what the Government is paying for road work, working in mud and dirt and everything else, a man gets only sixty cents an hour, \$6.00 a day, \$36.00 a week for six days' work. There is a lot of difference there and he has got to pay his three per cent just the same as the people on Bell Island earning a hundred dollars a week, the same applies to those in the paper industry, who make bigger money. Casual labourers around the mill in Corner Brook and at Grand Falls are getting over a dollar an hour. Is it logical, I ask, to have people who are working at similar work for the Government get lower wages. I understand they are getting an increase of five cents an hour and out of that you are taking three per cent tax. Now, I realize we are prosperous at the present time to a degree, I realize that at the present time, Mr. Speaker, there is considerable money in circulation in Newfoundland but it is not a staple economy. There are only three things at the present time which are staple, mining, fishing and paper making. All this defence work may stop overnight, and I wish it would to bring you to your senses quickly.

DR. POTTLE: The national wealth of Newfoundland is more evenly distributed than ever before.

MR. CASHIN: It must have been pretty bad. I don't know, I have not gone into the situation, but there are people leaving the fishery today to go to work on the bases and on defense jobs. You got to take an average over a period now just now, what about next year? We don't know but

if we had something sure and we have not got it and you can't give it to us for it is impossible for you or me or anyone else to do it, it is just a question of the times. What development have we in Newfoundland today, the Island of Newfoundland, I mean? We have a birch plant and we have to sell it to another corporation who have to find money to operate it; a cement mill and a gypsum plant, the whole outfit only employs a few hundred men.

The fishermen have been left out, some of it may be their own fault, a lot of it is ours. The only time, Mr. Speaker, when the fishermen ever feel happy is when elections are on. Both sides then tell them what they will do for them if elected, both sides I make no reservations whether Tory or Liberal they both do it. "We are witnessing the greatest expansion of our public services ever seen"—I agree, some of it has come out of capital expenditure, it is necessary, entirely necessary to extend some of our public works services particularly our hospitalization. I am one of those who visit the hospitals frequently, the General Hospital, the Mental Hospital, I am a constant visitor there and compared to what it was twenty years ago, a miracle has happened but that happened because you had the money to do it. The Government cannot take any credit for that, we had the money and if you did not spend it you could be condemned but it was owed to our people and you had to do it. In those days back in the 1930's we had not the money and therefore we could not do it. The people of twenty years ago cannot be condemned because they did not do what is being done today they did not have the funds and if they did not have it, how in the name of God could they do the im-

possible. I am an old timer, my colleague here tells me my hair is getting very grey, but I take it up for the old timers because they did a wonderful job on nothing. Imagine forty years ago the revenue of Newfoundland was less than three million dollars a year, and see what happened, when you look at the railway built across the country, it did not pay but the job was done, if these men in these days had the facilities and the money that we have today what would they not have done, if they had forty million dollars which this Government had, Sir, when they came into office in 1949. I would like to be able to transform this place back to the days of Bond and Warren and Monroe when they were working on a revenue of eight or ten million dollars a year, they never had the opportunity of building up the surplus such as the Commission of Government did in World War II, but I would like to see what they would have done, would like for us to visualize what they would have done when sometimes people are unkind enough to say that these people of the past ruined Newfoundland. They are the only Newfoundlanders and we have not got very many of them left today.

"The public finances of Newfoundland were never so soundly based as now." That is a joke, Mr. Speaker, here at the end of three years of the Liberal Government, and how are our finances based today. Under the terms of union with Canada you have ten millions of dollars in Ottawa which you can't touch and apart from that, you are broke. You are getting nine million four hundred thousand dollars in a few days time for three industries created by the Government and sold at cost, no interest, no profit and that money you

are getting in order to carry out your obligations without which the sale of these industries to yourself you would be unable to do, consequently at the end of next March you will not show a surplus of fifteen and a half million dollars or whatever is down there, and I speak solely from memory. You cannot call that loan either directly or indirectly part of your surplus because these plants are still in your control. They are not an outright sale and you will have a surplus next year of two or three millions. On the other hand if you carried out your moral obligations, such as the establishment of fishery plants in Marystown and Placentia, you won't have any money but by building these plants you will have something that will be a lasting benefit to the people of these particular areas. Therefore, as I see it, your finances are not so hot as you think they are.

"We have no public debt." Mr. Speaker, we have the greatest public debt we ever had, and all I have to do, Sir, is refer you to a speech made last night by my learned friend, the Minister of Education. We not alone have a Provincial debt today, we have a national debt as well and I presume that is roughly around a thousand dollars per head. I have not looked it up and we give away one or two hundred dollars. We are told about family allowances and old age pensions, wonderful things I agree but there is a limit you can go on these things. I agree with family allowances but I don't agree with paying family allowances to people who don't require it, I don't agree with paying old age pensions to millionaires and we have two or three, not the thirty-one the Premier used to talk about but a few in Newfoundland who are entitled by present regulations to old age pen-

sions, I don't agree with that in principle but I do agree with it to people who are entitled to it, who have given their all, so to speak, in working, fishing, mining, papermaking and production who at the end of their lives should not have to want. I agree they should be well looked after but I don't think a man like J. W. MacConnell in Montreal, with all respect to that gentleman, should be entitled to an old age pension by the law of any land. It is not decent, not right, I don't believe he would accept it, there are some people mean enough—I won't go further.

So your public debt today, my colleague, here, my old bald-headed colleague again I call him, said last night—

MR. HOLLETT: Point of order, Mr. Speaker, I object to that comment of the Honourable Leader of the Opposition that he should refer to any member in that manner.

MR. SPEAKER: The point of order is well taken, it is decidedly personal, one honourable member has no right to comment on the appearance—

MR. CASHIN: This is the worst spot I have ever been in but I apologize. So we have our Provincial debt plus your national debt or Federal debt and then we have just ended our financial year with a cash surplus of one million three hundred and forty-seven dollars as compared with a surplus of six hundred and forty-nine thousand, four hundred and ninety dollars in the year before. That is my main point. In your budget speech you do not show your financial balance sheet as at the end of March, 1952, because you had not on your own books one million three

hundred and forty-seven thousand five hundred dollars to your credit. These are facts and every member of the Cabinet and on the opposite side of the House knows what I say is correct. You have budgeted for a surplus of six million, three hundred and forty-four thousand, nine hundred dollars for the present financial year, you have budgeted for that amount and in order to do that you had to pile on three per cent sales tax on all goods.

MR. SPEAKER: Not me.

MR. CASHIN: I am sorry to be accusing you of all these bad things, but the Government had to pile on this three per cent which they tell us they are going to put on every commodity of food people consume, but we are able to spend eleven million dollars this year which you have to borrow to spend. Remember the point I made that these things that you have sold to yourself still remain yours indirectly and the money you got for them is a liability until they are either sold at a profit or working to capacity. "When this new financial year comes to an end we shall still have fifteen point five million in our cash surplus." Mr. Speaker, that is not true, fifteen point five millions nine point five of which is borrowed if all the figures work out which brings me back again to the year 1952, if we have fifteen point five million dollars on account next year it proves there is nothing on account on March 31, 1952. So Sir, tonight in closing my remarks, I feel that I have proven to the House and to the country that at the present time the finances of Newfoundland are not so flourishing as this budget would lead you to think. On the contrary I regret and I know every member of the Government regrets that you find yourself

thirty-five millions short in this respect; you have spent out of capital account during the past three years thirty-five millions of dollars and in this budget speech you have not shown the other assets you have and I refer now to the Housing Corporation. When you charge up liabilities you also charge up assets and make a contrary entry and you have the Housing Corporation in here which involved an expenditure of capital account due you today of some four million dollars apart from the million owed to the St. John's Municipal Council. It is not shown in your budget, how much money you are owed in the way of loans from fishery companies such as the Fishery Products and other corporations which the Commission of Government helped. That is not shown here as an asset. In other words if you are going to have to present your financial statement to borrow money and you were asked to present your budget, your statement of your finance, you should show the St. John's Housing Corporation as representing four million dollars because that amount of money was advanced by the Government of the past to build that town site in there, it is just like everything else, Mr. Speaker, if you lend a fellow a hundred dollars in many cases he does not pay you back that hundred dollars at one time but pays it back five or ten dollars at a time and you never get the hundred back even though he pays it back because you put the five or ten in your pocket, whereas if he gave you the hundred you would go and deposit it in the bank but when he pays five or ten it never goes to the bank, so also each year you are getting a certain amount of interest and sinking fund as it were. But these are assets and should

be found in the budget. Now, it is not my purpose here tonight to give a lecture on how a budget should be prepared. I would be confronted with the statement which was made a few days ago that I prepared a budget some years ago in 1925 showing a surplus and we had a deficit of several millions of dollars but the budget I prepared showed a deficit not a surplus but the peculiar thing about it when we went down to get the loan which was turned down the General Manager of the Bank of Montreal said, you should have shown a surplus instead of a deficit. That is a peculiar thing to come from a bank and honestly I was putting elastic in my figures to show that deficit of a million and a half dollars, I knew we were going to have more. But the past is over, last night I was speaking about the past and as the oldest member of the House in the matter of years and the number of times I have been elected in here it would be unjust of me to allow this opportunity to pass without reference to that gold standard how I regret now and regretted not many months afterwards we permitted Newfoundland to go off the gold standard because we lost millions and millions of dollars and we got no benefit out of it. Gold at that time was \$20.87 an ounce and it went up to \$37 an ounce, American funds, and the difference in that on twenty-five million dollars which is money we had on deposit in the Newfoundland Savings Bank and in the Canadian Chartered Banks at the time owned by our people, some twenty-five millions of dollars. That difference the people of Newfoundland lost and that I helped, God forgive me tonight, helped them to lose by being a party to Newfoundland going off the gold

standard at that time but at that time I saw some justification for it. That time if we did not go off the gold standard it would have meant closing probably of our own Savings Bank in Newfoundland and would have meant probably the closing of some chartered banks themselves and I did not want to pass out of this world at some future date from then feeling that I was the one of a party to having been the cause or part cause of such a thing consequently I just had to agree to go off the gold standard but we were never thanked for it and by our going off we contributed in no small measure to helping out the Canadian Chartered Banks. Thereafter their control of gold was taken away from them by the establishment of a central bank of Canada which I believe is doing a pretty good job at the moment.

To night, Sir, in view of the fact that in this debate controversy, changes, surmises and so on have taken place with respect to this Buy Newfoundland Campaign business it is my purpose, particularly in view of the statement made by the Premier when the question was under hot dispute at the beginning of the opening of this session, to make a motion here tonight at the close of my remarks. We have no member on this side of the House who will be permitted to second it, and if everything is on the up and up, I cannot see for the life of me any objections to this motion being carried. Therefore before concluding my remarks, Mr. Speaker, I move that this House order a complete investigation by an independent firm of auditors not associated with the Government into the conduct of the Buy Newfoundland Campaign under the management of Donald Jamieson and that the said auditors be in-

structed to file a written report on the result of such an investigation for the purpose of public information.

I thank you.

MR. SPEAKER: If I could get a seconder for that motion?

MR. COURAGE: Mr. Speaker, I rise to a point of order. I do not think that motion is acceptable at this time. I am not against the motion, itself, I don't see anything wrong but I don't think it can be accepted since there is already a motion before the Chair.

MR. SPEAKER: The honourable member is perfectly right.

MR. CASHIN: I give notice of that to be put on the order paper.

MR. SPEAKER: I think the House gives permission to give notice of such motion.

MR. CASHIN: I give notice that on tomorrow I will make such motion.

MR. COURAGE: Mr. Speaker, I rise to move the adjournment of the debate until tomorrow.

Motion seconded by the Honourable the Premier.

MR. SMALLWOOD: Mr. Speaker, I move that the remaining orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow, Friday at 3:00 of the clock.

FRIDAY, May 9th, 1952.

The House met at 3.00 of the clock in the afternoon, pursuant to adjournment.

Presenting Petitions

None.

**Presenting Reports of Standing and
Select Committees**

None.

Notice of Motion

MR. P. J. CASHIN (Leader of the Opposition): Mr. Speaker, I give notice I will on tomorrow move that this House order a complete investigation by an independent firm of auditors not connected with the Government into the conduct of the Buy Newfoundland Products Campaign under the management of Donald Jamieson, and that such auditors be instructed to file a written report on the result of such investigation for the purpose of public information.

Notice of Questions

None.

No answers to Questions.

**Adjourned Debate on the Budget
Speech:**

MR. COURAGE: Mr. Speaker, first, since this is my first time in this session to participate in a formal debate, I would like at the outset to congratulate you on once more being elected to the very high office of Speaker, which you have discharged and are discharging with such dignity and with such credit to this House, and to this Province.

I should like, also to thank the people of Fortune Bay and Hermitage for electing me with a majority of 94.3% of the total votes cast. Mr. Speaker, it is with some pardonable pride that I mention the percentage of the votes cast since I have been informed that it is an all time record vote. Now, I don't attribute this at all to my own good qualities; but rather it is an endorsement of the

people of my district of the policies of this Government. And, Sir, if I may, I regard it to a lesser extent as an indication of the confidence the people have in this Government, the Premier and in my humble self. It makes one very humble rather than proud to receive such a vote. I shall do my best to be worthy of the confidence of the people of Fortune Bay and Hermitage.

Mr. Speaker, in dealing with the Budget Speech the honourable member for St. John's West in a very ironic and humourous fashion mentioned several times a quotation from "Alice in Wonderland." Now, I, too, like the honourable member, and like the Mock Turtle in "Alice in Wonderland," received an education with extras, in other words, I read Alice too and enjoyed it and recommend it to the House and to the public. It is a book written for children, but anybody who reads it cannot help but laugh at himself and agree with Shakespeare "What fools we mortals be." It was written by a Church of England clergyman, Dawson, a well-known theologian and a professor of mathematics at Oxford. He wrote it under the pen name of Lewis Carroll as he probably felt a little ashamed of it, but it took a genius to write a book like that, and it is a book well worth our reading. I think I was the first one probably in this Chamber who mentioned it. I made a quotation from it at one time when I said I was reminded in this House of the verse:

"In my youth, said Father, I studied the law and argued its way with my wife and the muscular strength which it gave to my jaw has lasted me all of my life." I might refer this little verse in a very jocular manner to the Honourable Minister of Finance, who might say to the honourable member

—“I have answered your questions the old man replied, now son, don't you give yourself airs, if I got to listen to your nonsense all day, begone or I'll kick you downstairs.”

Now, Mr. Speaker, the Opposition found fault with this Budget they were naturally going to find fault with it, what else could they do? What Budget could the Government bring in that would please the Opposition? As one of the gentleman said: “In Alice in Wonderland they are in the mood to deny.” Naturally they are in the mood to deny there is any good in this Budget. Naturally they are going to talk and they are going to find fault in this Budget if they can. However, they don't seem to have made their minds up about the surplus for one thing. Like Alice who used to be able to change herself into whatever size she wanted, sometimes the Government was blamed for having such a big surplus and sometimes the surplus seemed small and the Government is blamed because they are spending so much money. Mr. Speaker, I maintain it is one of the best Budgets ever put forward by any Finance Minister in this House.

Let us get down to the Budget Speech, the meat begins on page 18. What do we find? We find that for the past four years the expenditure has been \$24,025,309 to extend public services. This twenty four million dollars has been taken out of the pre-union surplus to be spent to extend public services. Investment in Economic Development \$16,905,939, nearly seventeen millions. The Honourable Leader of the Opposition referred in his speech to \$25,000,000. He must mean the \$24,000,000 spent to expand public services, roads and bridges \$12,715,752, another \$6,194,032 for the construction and equipment of hospi-

itals and institutions, construction of schools \$2,385,663. Would the honourable members if they had been in the Government have cut these things out, would they have spent less than twelve and three-quarter millions on roads and bridges? Certainly they would. Would they have spent less than six million on the construction and equipment of hospitals? I suggest they would not from the way they talk anyway and definitely they would not have spent less than two millions on the construction and equipment for schools, on other public buildings less than \$463,362, on housing and slum clearance less than \$1,046,612, and on assistance to local councils less than \$635,615, etc. Could any of these have been cut out? Where was the money to have come from? We could not borrow as other countries do and other provinces do when we had a surplus. These services, Mr. Speaker, must be paid for, the Government carries on these services and naturally the Government must pay for them and where else would they be paid for except out of the pre-union surplus which the Government was fortunate enough to have.

Let us look at the economic development. Seventeen million dollars were spent on economic development over this same four year period, of which nine millions were spent on wholly owned Government enterprises. I don't know if these are the things with which the Opposition quarrels, yet it seems to me in the main these are good things and certainly most of these loans to industrial companies can easily be justified. We know that in Newfoundland we were facing a crisis, we were at the cross-roads, there were one of two things we could do, settle down just as we were, or we could try and change things to meet a chang-

ing world. Our people are concerned only with primary industries, we have very little in the way of secondary industries, very little in the way of manufacturing. The Government is now busily engaged establishing this economic programme endeavouring to keep our people at work in Newfoundland and the Opposition certainly are not against this.

Yet, whilst they are not against this, they are against spending the money. Mr. Speaker, it is not unusual for the Government to assist companies with loans or by guaranteeing loans, if these industries are to be established in this country, that principle is not new. It was started before this Government began, and it is carried on by Governments today almost all over the world. As I said before, what sort of a Budget could be brought in here that would please the Opposition, what would they have done? Which of these things would they have cut out? They are for lower taxation, yet they are also for higher expenditure. They want the civil servants' salaries raised, they want the teachers' salaries raised, and I don't blame them for wanting any of these things, the Government would like to see these things happen too, the Government is doing its best. But along with that they want lower taxes which is, as the Honourable Minister for Education in his very fine speech pointed out, where is the wherewithal with which we are to meet these expenses, you can't have one without the other.

The Honourable Leader of the Opposition spoke about the days when the Budget was low, and in the same breath, he blamed the Government because wages in the Government are low. But, Sir, wages in these days were much lower than they are today, that was why the Government was

able to do so much with so little, they did not have to pay so much.

Some members blamed the Government for spending so much. The Honourable Leader of the Opposition said, if you had spent the money you did, or if you did not spend it you would be condemned. That, I think, is the greatest endorsement of the Government policy to be heard from anybody in this House. If you have the money and spend it you are to be condemned, and if you do not you are to be condemned, there you have it, exactly what I expected. The Opposition is in the mood to deny and in the mood to argue and of course had to argue this Budget, but what amuses me most is when I find people going to that old wall of Confederation, the more they talk about it the more I like it. I liked to listen to the honourable member, the senior member for Harbour Main-Bell Island, say in the beginning he did not know anything about finance and then went on to say—I will say this for him the honourable member was sincere in what he said and meant what he said—he said that the people per head pay seventeen hundred and fifty dollars in taxation and at the same time tries to prove a person making eleven hundred dollars pays this. I really could not follow him at all and can't see how a person making eleven hundred dollars can pay seventeen hundred and fifty dollars in taxes. The honourable member also pointed out, and this was endorsed, I believe, by the Leader of the Opposition, the public debt of Canada is terrific, we are bowed down by this terrific public debt, but since the time of Confederation the public debt of Canada has reduced some two or three billion dollars. Fourteen hundred and fifty dollars sounds like a lot of money and when a person says

that he should also show the other side of the picture, that public debt is owed to the people of Canada and when it is being paid off, it is going into the Canadian pockets and that is what has Canada so strong today. If we have assumed part of the public debt of Canada we have also assumed and have become shareholders in one of the greatest countries in the world today, shareholders in this great country which extends from the Atlantic to the Pacific across more than three thousand miles. In other words, we are shareholders today, Mr. Speaker, in what somebody has called Canada Unlimited and when we talk about disadvantages we should also talk about the advantages. There are many people in the world today who would pay much more than that to have the advantages of Canadian citizenship.

It is something, Mr. Speaker, to be proud of, Canadian Citizenship as Canada as a country today is looked up to in the world, she is I am going to say, the envy of the world. It is not so long ago that if a person went to the bank and passed in a hundred dollars in Canadian money and asked for American money, they would get back ninety dollars. Today if one passes in a hundred dollars in Canadian money he gets something like one hundred and two dollars.

MR. FOGWILL: What caused that?

MR. COURAGE: It is caused mainly by the fact that Canada's financial position is so secure, because Canada is paying off her public debt, because Canada is financing her war effort without having to borrow, because her position is so secure in the world today.

MR. FOGWILL: It is brought about by American capital in Canada.

MR. COURAGE: The honourable member has had his chance, and I did not interrupt him and so ask him to extend to me the same courtesy.

MR. SPEAKER: The honourable member will be heard in silence; only on a point of order.

MR. COURAGE: I am not a very fluent speaker, and am easily put off the point, and I would thank the honourable member not to interrupt me again. Some honourable members do not mind being interrupted, as a matter of fact they are at their best when under fire.

Now, Mr. Speaker, the Opposition, and I don't mean to be harsh to them nor to hurt anyone's feelings, and I say this in the friendliest fashion, just remind me of Jerome K. Jerome's book "Three Men in a Boat," but instead of three we have five, and each one seems to be rowing his own way. I picture the Leader of the Opposition with a great big oar on the stern and the other four rowing there paddling their own canoe, going their own way.

MR. HOLLETT: Trying to make both ends meet.

MR. COURAGE: You don't do that in a boat, that is what a dog does when he chases his tail, Mr. Speaker. But really, they seem to have little agreement as to the financial policy of the Government, but Mr. Speaker, it is very different on this side of the House, we over here, support the Government because the Government has a course mapped out, they are not rowing around in circles at all, Mr. Speaker, the honourable member just reminded me of another quotation from "Alice," "The time has come, the walrus said, to speak of many things, of tanneries, shops

and mouthwipes of cabbages and kings."

Mr. Speaker, our course is clear, we are steering towards a goal, the prosperity of Newfoundland. The course is mapped out by a good skipper. And here is a press report to show how well members on this side of the House agree on the work to be done, I am not criticizing the newspapers for this at all. "Mr. J. Courage and the Premier explained the purpose of the Bill and pointed out that it was in no way a Government loan, the Corporation was a business concern . . ." See the Premier and I agree just like that, they did not point out that I spoke first. That is the way we can be regarded and that apart from the time I called Colonel McCormack a world idiot is about the only time I have been reported and then I have been grouped in with the Premier, not that I mind at all, he is a good man to be grouped in with. But, I read that, Mr. Speaker, as an example of how well we on this side of the House are rowing our boat.

Mr. Speaker, the honourable member spoke about the fishery. Now, I don't know whether it has been explained in this House or not, yet the Honourable the Premier merely mentioned in passing that it is well known this Government is not forgetting about the fishery, it is well known that this Government set up a fishery development committee headed by one of Newfoundland's most distinguished sons, the Chief Justice, Sir Albert Walsh and having two experienced fishermen on the board. The Government is expecting a report from this committee and to make public a report from this committee in the very near future. If the Government had started in slashing out

millions of dollars before this report was completed it would have been like the five men in the boat rowing around in circles. But, as the Premier pointed out, the Minister of Fisheries and some of his senior officials are expected to be in St. John's tomorrow, I believe, and they will consider with representatives of the Provincial Government this report. After that we can expect to see some action and I think that the honourable member for one will agree with the Government policy. I am glad that the honourable members are concerned about the fisheries, I represent a fishing district and want the people of my district to know that I am not forgetting them, nor I can assure them is the Government forgetting them. We know we can't take every fisherman and put him on a base or a construction job. As the Honourable Leader of the Opposition said, if every fisherman went to work on this job where would Newfoundland be when the job is over. We quite realize the situation, Mr. Speaker, and the Government has the situation well in hand.

The same might be said of the Bay D'Espoir area. The Honourable Leader of the Opposition did not say, but he implied that if they were on this side of the House they would have a plant in Bay D'Espoir. Now, Mr. Speaker, the Government has given a great deal of consideration, but it is only lately the Government has found out just what Bay D'Espoir has to offer, and I can assure the honourable member that the Government is definitely not forgetting about Bay D'Espoir but doing what it can to attract a company to this location and I could not state definitely the type of industry, but I have faith in Bay D'Espoir, I believe, it is not Bay

D'Espoir but as it should properly be when translated, the Bay of Good Hope.

Mr. Speaker, I am not going to deal for very long with what I shall call the Jamieson Question. I am not well enough acquainted with it to be able to answer the arguments of the honourable and learned (I must be very careful to call him learned) member for St. John's West, or the Leader of the Opposition, I think our Premier is competent to do that, and I think that he will give this House an explanation which will shoot to pieces the arguments of the Honourable Leader of the Opposition. Incidentally, Mr. Speaker, I have really enjoyed watching the Honourable Leader of the Opposition, I have seen children taking an ice cream cone, I have seen hungry men tackle roast beef and potatoes with joy, but I have never seen anybody as pleased as the Honourable Leader of the Opposition or who enjoyed himself so much as he did yesterday, I was reminded, I am not comparing the Honourable Leader of the Opposition, but I was reminded of a little dog I had at one time, who used to play with my slipper, toss it in the air, catch it, throw it in the corner, leave it alone for a few minutes and then go back and shake it again. The Honourable Leader of the Opposition had a great bit of fun yesterday and really enjoyed himself, but he did not for one moment give the Government any credit for the motive behind the "Buy Newfoundland Programme" which was a sincere desire to advertise Newfoundland products. At that time, this country was being flooded with mainland products and the Government felt that the people of Newfoundland should be reminded that we too had products and that they

should be encouraged to buy these products.

Incidentally, Mr. Speaker, yesterday an honourable member displayed in this Chamber a bottle containing rum with no label on it from the Board of Liquor Control, not even a defaced label.

MR. HIGGINS: If the honourable member will allow me, all the Honourable Leader of the Opposition did was to display a bottle labeled by someone else as being rum, so let us not accuse the Honourable Leader of the Opposition.

MR. COURAGE: I accept the correction, I should have gone over and smelled it.

MR. CASHIN: Tasted it probably.

MR. COURAGE: I accept the correction. See how nice it is to have a lawyer with you. But really the situation was that the Government had a sincere desire to publicize Newfoundland products. That Mr. Speaker, was the motive behind the "Buy Newfoundland Campaign."

Mr. Speaker, I have no animosity, absolutely none, if a man be a Liberal or a Tory or whatever he is, whatever his colour, it does not make the least difference whatsoever to me. It seems to me, we should not take ourselves too seriously, we should not, in this House, take ourselves too seriously, we should maintain our sense of humour, I say that sincerely and I remind a certain honourable member of a quotation from Shakespeare in Henry V: "In peace there is nothing so becomes a man as modesty and humility and when the blast of war blows in our midst, then imitate the actions of the tiger, stiffen the sinew."

Now, Mr. Speaker, I don't think we should in this Chamber, accuse each other of being long winded. I heard one honourable member say to another honourable member that he could say in twenty two minutes what he could say in twenty-two hours. Certainly that was a case of the pot calling the kettle black. I will give an example, Mr. Speaker, of how easily what we say in this Chamber can be distorted and blown up. A few days ago the Honourable the Premier just in passing said that he thought St. Barbe, the district your honour represents, could be made into a cattle range, he felt that cattle could be raised in St. Barbe and if somebody came forward with a good proposition the Government might help. A couple of days later the Honourable Leader of the Opposition in his speech sees your honour in a cowboy suit in the saddle showing how quickly the time can pass. The Honourable the Premier said you can raise cattle in St. Barbe, and immediately, everybody in St. Barbe is advised to look out for the rustlers. I give that as an example of how a mountain can be made out of a mole hill.

One thing I like about the Honourable Leader of the Opposition is not the things which he says but, like Dr. Johnson, the way in which he says them "Now that disposes of the steel mill, now that disposes of it, I have had my say and I am sure that when I speak no dogs bark." That disposes of the steel plant. This business of being a politician, Mr. Speaker, it seems when a man gets in politics he immediately exposes himself to all the slings and arrows of the world. Now, I submit that to become a politician is nothing to be ashamed of. We are all proud of the statement

that one has to become a politician first in order to become a statesman. I would suggest to those who write and those who teach, that there is nothing wrong about going into politics, it should be regarded as an honourable profession, because if we are going to attract our best men to politics on what ever side, we cannot do it if there is to be any campaign of slurring. I submit that for any one to become a politician it is a dedication to the services of his country whether one is with the Government or whether one is against the Government.

Mr. Speaker, I would like to clear up a popular misconception amongst people who have said to me, you are making all kinds of money. I want to inform this House that I could make more money than I am now making, teaching. I am not only a member of the House, but a Chairman of Committees, but I could be making nearly five thousand a year. I turned down a school, I will tell this Committee just as a means of illustration, I was offered the year I came into the House of Assembly the Principalship of the school at Gander, with my grade and experience the basic salary of three thousand, the number of school rooms would bring in another five hundred dollars, two hundred dollars put on last year would be thirty-seven hundred dollars and the one hundred and twenty dollars going on now would be \$3,820, and Mr. Speaker, the school board at Gander made me an offer of a thousand dollars in addition to any money received from the Government sources. So that if I were teaching in Gander today I would be receiving nearly five thousand dollars. No, Mr. Speaker, we are not into it for money, neither the private members on this side of

the House, nor the other members, we have a desire to serve our country and unless we do that, the public then has a right to kick us out. Now, it is not in this day and age only that politicians have not been regarded too highly. I have a book here behind me written by Jeffrey Chaucer, who lived in the reign of Edward III, six hundred years ago, I recommend Chaucer to the House because he had a wonderful sense of humour, never took himself too seriously, never tried to hurt other people, and saw humour in everything. He wrote, from his experience I suppose in parliament, a poem called the "Parliament of Fowles." Here is what he said about it, it is a little difficult to follow :

"The noyse of foules for to be delivered

So loude rang, "Have done and let us wend,"

That well weend I, the wood had al to shivered;

"Come off" they cryed| "alas, ye will us shend,

Whane shal your cursed pleading hanve an end?

How should a judge either party leve,

For ye or nay, without any preve?"

The goos, the duck, and the chckowe also,

So cried "Kete, Kete, Cuckow, Queke, hie."

Mr. Speaker, that being translated into English means after the session's business has been completed and members are desirous particulary outport members to return to their homes, then far be it from me to quote Alice in Wonderland or Chaucer at them any more.

HON. DR. H. L. POTTLE (Minister of Public Welfare) : Mr. Speaker,

Sir, as I rise I do not wish to add to the confusion of Chaucer by any irrelevancy at this moment, but I shall refer directly to the business in hand and as a layman approach a financial document, say that in my view the Budget Speech with all the frills having been cut away should do two things; it should show how the Government proposes to maintain, improve and expand public services, and should further attempt to show clearly ways and means by which these undertakings can be financed. In my view, Sir, again as a layman, the speech under consideration is one which has been executed with commendable clarity and correctness. I am sorry that the honourable member for Bell Island is not in his seat at the moment because, and indeed I shall, nevertheless, I wish to draw attention to his phrase that this is a vinegar Budget.

The honourable member would admit, I am sure, on reflection that vinegar has its uses, vinegar is a preservative, it conserves and seasons, that is to say it is conservative, and I should expect that the honourable member would have been the last to have applied a conservative term, with no compliments intended, to the Budget. Vinegar, as I say has its good uses, in fact is a good preservative, and is amongst our liquid assets. I have always felt, Sir, that the job of Government is not only to do its day by day work, but to do it in such a way so that public will be advised of that work stage by stage, and they will be thereby enabled intelligently to discuss Government policy and know what it is. That to my mind is an essential of democratic living, and there are not too many of these things left. In public welfare, we have always considered that almost to the

point, I will again say of tiring our audience, but we are satisfied it is our duty not merely to do our work of redistributing the national revenue and helping the destitute and trying to prevent destitution, but we feel that the public should be stimulated to understand what it is all about and thereby, take a definite part in our rehabilitation, which more than pensions, is a primary concern.

Now, Sir, the Premier, if I may say so, needs no defense from me. It seems to me one of his principal characteristics is that he is always versatile, ready and prolific in his explanations. That is why even though there may be, shall I say, large sections of the public not too favourable to the Government's policy, yet they cannot say that they do not know what the Government's policy is. We have made our policy known and thereby often we have exposed ourselves to criticism. Rather than pull the garment of our immunity about us, we have gotten out in the front line and in bold terms, aggressive terms, we have declared ourselves to our constituents. One of the very few luxuries, Sir, left to the democracies now is this matter of having a situation wherein the Government's policy can be criticized and though we had to retract, though we have had to apologize for our momentary fits of anger nevertheless it has been an excellent practice.

I think I should state that during the last few days here, we have listened with all the knowledge we have, with all the honesty we have and with all the earnestness. Nevertheless, I am about to utter now a word of caution that in our criticism we ought not to be led off the trail, because when we go off the trail as public servants here in this House, we

may be quite sure that the people will be off the trail too. It is part of our responsibility here to see that, whether we say "yes" or "no" that we should stick to our principles. There must be a few principles, there do not have to be many, but we must insure that the principles to which we hold are important, be they few or many.

Now, I feel that we have been led off the trail in one respect. I do not intend to be diverted myself from the trail by making any reference to the "Buy Newfoundland Campaign." As a student of human nature, I have sat here and listened, and I did listen along with the other honourable members, and I have tried to answer for myself a question: Why in the Opposition ranks was there such a long and lusty squeal on this matter of the "Buy Newfoundland Campaign"? Was it in the amount involved? If it were the amount involved, \$75,000, how much might we have expected accumulatively from the criticism of Seigheim, the Icelandic Boats and Dr. Valdmanis. Surely, if it is a matter of the amount involved here we might argue these matters for months and years on end. No, I cannot bring myself to think that it was the amount involved. I tuned my ear critically and carefully and that articulate and insistent howl I heard seemed to me very much like the squeal of a person who was hurt personally or politically, or touched adversely.

That is the inference I drew. Mind you, Sir, once I made that inference everything became abundantly clear. Mind you, Sir, I have no brief for the gentlemen involved, no brief whatsoever. I would be just as ashamed as the honourable members of the Opposition if the facts thus adduced

were facts indeed. Now, I presume that they were not facts but there was much about the facts which they alleged of which I too, as they, would be much ashamed. I am not apologizing. As I said a brief month or two ago during the debate that has passed, I would not defend shoddy business, not certainly having the experience I have had in civil administration. As I have said, I have no brief for these gentlemen they have not promoted my poor political fortune. As far as I know they are gentlemen and have treated me as such. But I did make that analysis, Sir, and it seemed too, it was not in the amount involved but, what I call the squeal, seemed to echo in my ears like the pain of a person who has been personally or politically adversely affected.

Coming back, Sir, to the trail, we must be sure of our principles, and this Government with all its faults, because we are all human, have tried to keep these principles. We do not need to know every nook and cranny on the shore-line, but we need to know where the harbour lights are. A Government, as a Government, should not be swerved out of its passage by a mirage on the horizon, it should be led and directed only by the guiding lights. A Government might have to admit to voyages that have not been well except in some respects, it might have to admit, it might conceivably have to admit that they have purchased the wrong mouth wipes (I don't see why we keep coming back to that recurring problem, it just seems to have stuck and now has become part of our tradition) but we must not be swerved from our main principles, and our main principles, Sir, need not be many, but as Sir Norman Angel always says, such principles don't need to be many, as long as those we have are impor-

tant. I maintain the need for expanding the industrial economy of Newfoundland is one but at the same time, there is a collateral need, the need for keeping up the normal public services of Newfoundland. Now, there are various ways in which these two needs can be stressed, the material and the humane and those two principles expressed in the vernacular of which I have heard something on one occasion, help for those who can't work and jobs for those who can, these two principles embrace the material and the humane. The Government, Sir, in my view never swerved from its dual responsibility, one the responsibility to break new ground, and secondly to preserve and consolidate the ground we have already made.

I come now to further criticism of the position maintained by the Opposition. My criticism of the Opposition stems, Sir, from the fact that they have given extraordinary and undue attention to number one and have in their over-ardour in hunting down that quarry forgotten that there is another prize in the lists. They have, if I may liken the actions of the Opposition to a search on the part of blood hounds on the hunt, they have grouped themselves into a pack to pounce upon a certain quarry and lo! they scent a Germant scent and presently snorting noisily through their nostrils, like Mr. Churchill when he say "Nazi" they are off, and with intent upon their quarry they pursue their way; then they pick up a Latvian scent and away again goes the pack searching out their quarry with deadly intent, but if perchance upon the frozen air there comes the scent or the sound of the word "Communist" there is a great exercise of activity

and "Tally Ho" the hunt is on again with intensified vigour.

MR. HOLLETT: You are mixing your metaphors there a bit.

DR. POTTLE: I believe the subject is worth a mixed metaphor, Sir. All the while, I say, the Opposition has been hunting one quarry they have seemed to have forgotten the fact, in the heat of the hunt, that there is another quarry to be hunted.

The Opposition exercised themselves unduly or at least disproportionately about economic development, without due regard for the other matters of public interest. All the while that the Government has been doing these things for economic development it has been pursuing its policy just as fast and just as ardently in other directions, and I refer, Mr.

Speaker, to the more human, the social broadening and the extension of public services. I should like in this respect to quote some figures. The point I am trying to make is that we are pursuing two objects at one time not losing sight of either. I should like to compare the figures for 1948-49, the last year before confederation, with the estimates for 1952-53 now under consideration, and I should like to comment briefly on three large fields of public interest: Public Works, Education and Public Health and Welfare, as it is known. I have just received fresh figures from the Department of Public Works through the courtesy of Mr. Channing, and with the consent of my honourable friend from Public Works sitting beside me, here, I should like to make some comparisons.

PUBLIC WORKS:

Spent the year before Confederation \$10,239,000 (\$3,250,000 on Services since assumed by the Federal Government, \$6,989,000 still supplied by the Province).

EDUCATION:

Spent the year before Confederation \$4,116,300

PUBLIC HEALTH AND WELFARE:

Spent the year before Confederation \$8,263,000

	To be Spent This Year	Percentage Increase
	\$9,845,700	36%
	6,235,000	53%
Health	\$6,617,000	
Welfare	6,322,000	
Total	\$12,939,000	56%

MR. HOLLETT: I wonder if the Honourable Minister would explain the difference between the \$10,239,000 amount.

DR. POTTLE: What I did is to take the actual figures of \$10,239,000 and the Department of Public Works has broken these total figures down

into what would now be Federal and what would now be provincial. I am trying to compare the two provincial things. In the field of education, Sir, the amount before Confederation was \$4,116,300 and we have estimated for this year \$6,235,000 an increase of 53%. The Commission of Govern-

ment was noted for its attention to education and I like to give credit where credit is due. I have had some experience with that system.

Now, Sir, I mention these figures to show that again, as I have already said, while we have been pursuing vigorously a programme of economic development at the same time we have not been neglecting, but rather it has been much the opposite in the social services field, taking that in the broad sense of the word of public services to our people, roads, hospitals, and other benefits to our people. I should like with the concurrence of my colleague in education, who is not present at the present time, to illustrate what I am saying from the educational field. When I came to the Department of Education in 1938, it is unbelievable almost to say, but the grant annually to education for building schools up to 1938 was ten thousand dollars. How the denominations got along on ten thousand dollars is just practically incredible. They did so in part because there had been a grant of about one hundred thousand dollars made back in 1911 or 1912 and were living on that capital by a revolving fund in most cases up to 1938. In 1938 as I recollect it was arranged to reconstitute the grant, the old legislative grant was kept on at ten thousand dollars and the reconstruction grant came in to bring up the level generally of thirty thousand dollars. I recall with what optimism and with what enthusiasm we had looked at that thirty thousand dollars, then it was raised, I think, to seventy thousand, to a hundred thousand, to a hundred and fifty, it went to half a million last, it was raised to six hundred thousand and that is where it stands at six hundred thousand dollars, not counting other capi-

tal expenditure. I am just illustrating now, Sir, from one aspect alone, call it reconstruction, as if we had a satisfactory set-up of schools, the fact is we never had them, Sir, the word reconstruction is a misnomer as it is likewise in the field of economic expansion. The reason why it is so great an amount at the present we have never had economic expansion and it all practically had to come at once. That is why I procured these figures to illustrate what has happened in education in health and welfare and in the field of economic development. We are only doing the same, Sir, as other provinces are doing. If it is more notable here, it is because our stage is smaller, it is because great events touched us more noticeably, we are affected more by great things as well as by little things. But I say it is a normal event for Canada and across the border this question of economic development. As you know, Sir, it is reflected in the gross national product to which the Premier referred previously in the debate. But it is well known that the great national product of Canada has very considerably increased within the last three or four years and that increase in Canadian prosperity is reflected in the returns we receive as a Province under the tax rental agreement, and I cite figures now again to show that the gross returns from the tax rental agreement considering the years 1949 to 1952 have practically doubled in those four years. We received in 1949-50 six million seven hundred and seventy-five thousand in round figures in tax rental agreement and in 1950-51 six million seven hundred and sixty thousand, in 1951-52 nine million three hundred and sixty-four thousand, and in 1952-53 it is estimated at twelve million three hundred and fifty thou-

sand or an increase of practically one hundred per cent in these four years. That is to say the economic development, prosperity, expansion and diversification, enrichment, call it what you like, looked upon so critically in Newfoundland is something which is happening all over Canada and in fact by our own economic development we contribute to the gross national product, therefore, we are in a double sense profiting from the prosperity which we ourselves are helping to create. In summarizing the points I am making are these. We have not only embarked upon a scheme of economic development on a vast scale, vast for us, but at the same time by equal steps we have tried to maintain these basic services which were always with us, are the fibre of our well being, the things by which we live and move, and moreover we have not forgotten these either.

The second point I wish to make is that if our rate of economic development seems hasty it is because, in the first place we have had so much lost time to catch up and in the second place, what we are doing Canada as a whole is doing and thereby it is becoming one of the powerful and one of the most progressive nations in the world, of the future.

I should like to refer, Sir, to one specific feature of public welfare which is of considerable importance. I refer to housing, again with the concurrence of my colleague who has the responsibility for these matters. Let me remind the House, with all deference to Governments of the past especially the Commission of Government which is the only one we need recognize for this purpose. We had given considerable financial assistance to housing especially in St. John's and all corporation housing in various

parts of the country. We have endeavoured as a Government, we have come to a position where we are accepting housing as a considerable provincial responsibility. Before I sit down this afternoon, I should just like to say a few words about housing. This year we are providing seven hundred and fifty thousand dollars for housing in Newfoundland. Last year we provided five hundred thousand dollars for housing. These are not adequate figures. I am not mentioning these so that it will be implied that we have done all we think is necessary for the needs of Newfoundland housing, these are only token votes, Sir. These must not be regarded as special votes any longer. We have come to the position where just the same as building these new schools, I expect that housing will be a legitimate liability for the years to come for Newfoundland. And when I say that, I know that my friends in the Opposition, when I say friends I say it abstractly and concretely, Sir, they will agree that what I am saying is right because we are all involved in this matter of housing, very much so. We are here, Sir, confronted with a recurring liability. I tell you, not in any political sense, but I express a fact that we will see a decided resettlement of our people within the next few years. The Government will not sponsor it, there will be no special land settlement scheme, but people are going to move on their own, they are moving now on their own, there is a flight of population from the coast line to the larger centres at a rate four times as great as normal population growth. That is to say about a dozen communities in Newfoundland are growing four times as fast as the natural increase of population, they are coming from coves,

from the byways and little remote pin-points on the map. They are going to move, Sir, whether we wish it or not, our people are going to move where social services are, where conveniences are, and no one will say them nay. I think in my own district, while the district of Carbonear-Bay de Verde on the whole has shown a decrease since the last census, the town of Carbonear on the other hand had a decided up-surge of population. I take that as typical of what will happen in Newfoundland within the next few years, what is happening now, the processes are going on, Sir, and that, as a result the whole question of housing both is a financial and is a welfare concern of Newfoundland. I say this, from the point of view of public welfare I see the need of maintaining a considerable housing programme for many years. In fact any attempt to put into effect a sound plan of public welfare will always be frustrated as long as there is a housing shortage as serious as it is now, or anything like it. When I refer to the housing programme, I do not consider that it must be wholly Government sponsored. If however, private building or corporation building does not meet the need then it will remain of course largely for the provincial Government for the Government of Newfoundland in collaboration with the Government of Canada to assume that responsibility.

I move the adjournment of the debate, Mr. Speaker.

Committee of Ways and Means :

DEPARTMENT OF HEALTH :

1021 Fever Hospital, 1022 Sanatorium—Carried.

MR. CASHIN : In connection with the Sanatorium, I understand that a

new drug has been introduced during recent months. I think I understood that it is now becoming available to our people, I forget the name of it.

HON. JAMES R. CHALKER (Minister of Public Health) : So do I, as a matter of fact. I think, Mr. Chairman, that the honourable member is referring to this new drug which will be available in all our drug stores in the very near future. At the present time, at the St. John's Sanatorium, we have sufficient of the new drug here to treat ten patients and the results obtained to date, have been more or less miraculous. On the West Coast, there are twenty patients under treatment and the report from them is very fine. We do not know exactly what the results will be, whether they will be lasting or not, the medical section of the Department sincerely hopes so.

MR. HOLLETT : Do I understand the results to have been miraculous?

MR. CHALKER : As a matter of fact, one female patient who was very ill and actually just about ready to die has been given the drug, and in a matter of days had regained an appetite she had many years before, previous to the time she developed "TB" and she put on a considerable amount of weight and as a matter of fact, changed her whole position as regard to the possibility of death. At the present time, I heard today, she is more or less ready to get up and around. We cannot say if that drug is lasting, we hope it is, but we are not sure. As far as the Department of Health itself is concerned, it is still an experiment, but the results so far have been exceedingly good.

MR. HOLLETT : The reason I have asked this is that I should like

to compliment the Department and Government on the initiative displayed in getting in that drug in an experimental way. I have been watching and trying to follow the development of that drug in various magazines and I was honestly surprised to see the initiative of this Government in being able to get this drug so early, and I am now more than delighted to acknowledge that to the Department, and I am extremely grateful to them for the effort they have made along these lines. There is no question about it, this drug has done wonderful work so far, it is in the experimental stage and it will probably be some years before the results can be definite, but I am delighted to know that our Department of Health and the Government has taken the initiative in introducing it in this country.

MR. CHALKER: I may say I thank the honourable member. As soon as the press release appeared in New York, I was given permission by the Cabinet to send a doctor away immediately and Dr. Peters was sent to New York and was back within four days and seven days after his return started administering the drug.

MR. CASHIN: In St. John's too?

MR. CHALKER: In the St. John's and the West Coast Sanatoria.

1023 West Coast Sanatorium—Carried.

MR. CHALKER: I may say this Sanatorium at the present time has two hundred patients and will be open in June for the full complement, and at the end of this summer we hope to have 416 patients.

1024 Hospital for Mental and Nervous Diseases :

MR. CASHIN: In connection with this institution which is the largest one in the Department of Health and will have close to a thousand patients when the new wing is completed, Sir, I was wondering if there were any provisions for any of these nurses' aides included there. I understand there is difficulty in keeping them there, and I am just pointing it out, not to press the issue, but just to bring it to your attention. Furthermore, the next vote has been cancelled altogether, the Merchant Navy Hospital. What I am trying to drive at is if at some future date, the Department of Health, or the Government construct a proper nurses' home near the General Hospital, this Merchant Navy Hospital could be used in conjunction with the Mental Hospital. I understand at the present time, there are patients on the third and fourth floor of the General Hospital which is reserved for nervous diseases as the Mental Hospital is full. I know it would cost a lot of money to build that nurses' home down there, but the Merchant Navy could be converted again for cases of this kind. I just draw it to the attention of the Minister and ask if the opportunity arises something might be done in that respect.

MR. CHALKER: I may say that as regards the additional aides at the Mental Hospital, Dr. O'Brien has informed me they are having difficulty in obtaining their help or keeping their help. A lot of the personnel are going to Verdun Hospital just outside Quebec, and I may say the Government in conjunction with Dr. O'Brien are watching this very carefully and trying to solve the problem. We are not quite sure yet what is the cause, if it is the pay or the attraction of foreign places or distant

places, and Dr. O'Brien is not quite sure that wage adjustments would cure it. With regard to the Hospital for the Merchant Navy, the matter is being looked into, and when we do get our new nurses' home, I am not quite sure it would be suitable for what the Honourable Leader of the Opposition just suggested as we envisage in the future, or have hopes of building a psychiatric centre attached to the Mental Hospital in the present location so that it would be under direct control and on the same grounds as the Mental Hospital instead of separated from it. We know what is happening there, Mr. Chairman, and are watching very, very carefully and when we get sufficient money we hope to overcome all those difficulties.

1026 Gander Hospital—Carried.

1027 Botwood Hospital—Carried.

1028 Cottage Hospitals and Nursing Stations:

MR. CASHIN: In that vote, have you any idea if that Nursing Station in Trepassey is in operation yet?

MR. CHALKER: The Nursing Station in Trepassey is just about completed, as I understand from the Department of Public Works, and will be in operation, I should say, within six weeks.

MR. CASHIN: What is the idea?

MR. CHALKER: We hope to have a nurse, as a matter of fact arrangements have already been made.

1028 Carried.

1029 Grants to Non-Government Hospitals—Carried.

1030 Expansion of Present Health Services:

MR. CHALKER: That is the

grant, Mr. Chairman, we have to place in our estimates in order to obtain the grant from the Federal Government, for the Federal Health Grant. If they give us a Federal Health Grant we must vote it in the estimates and after spending it they will refund the entire amount to us.

MR. CASHIN: What will that be devoted to?

MR. CHALKER: Mental Health, TB. General Hospital and any new services to which we place it, we may this year give a new X-Ray Unit to the Notre Dame Memorial Hospital costing possibly fifteen thousand dollars and various other things in various cottage hospitals, and scholarships to train a lot of our nurses. There are about twelve away on the Mainland now under the Federal Health Grant taking special courses at the expense of the Federal Government who pay all expenses in connection with their travelling and training.

DEPARTMENT OF PUBLIC WELFARE:

DR. POTTLE: Mr. Chairman, if I might have the indulgence of the Committee I would prefer to make a brief statement, as brief as I can regarding the structure of the Department and our plans etc., so that we might more intelligently approach the estimates now under consideration.

I hesitate to state definite measures, but I think it might be said that public welfare is the promotion of the welfare of the people in all those matters that in the main are not already covered by provisions of health and education. Public Welfare has to do with remedy and prevention of distress in persons, families and communities concerned by financial assistance and in fact by every form which

can be carried out either by government initiative or private, or by both in combination. Indeed the organization of communities and the wakening of public opinion on welfare problems such as recreational facilities, delinquency, housing, family disorganization is a very significant part of public welfare. I would choose, Sir, to say that looking backwards and forwards the object of the Department of Public Welfare might be looked at from three stages, and we are now in the second stage. There are three stages (1) when we entered or when we became a Department of Public Welfare as such in 1949 following upon Confederation we then had a kind of emergency job on our hands to organize our Department to meet the needs of Newfoundland as we saw it, the welfare needs of Newfoundland and at the same time to take cognizance of the fact that we are as a Province of Canada and by that fact alone we are enabled to enter into partnership on certain statutory benefits, but it also involved provincial matters relating to other fields which were not covered by these such as Mothers' Allowances, and a large general class of individuals whom we embrace under the general title of the Department also so as to put our house in order, take cognizance of the fact that we are now a Province of Canada, and a new department of public welfare constituted as such. The fact that this was so might be regarded as the first stage in our development. Now, we come to the second stage having set our house in order in that respect. No sooner had we centralized ourselves in St. John's then where we could we had to find a way to decentralize it. Obviously in the economy of Newfoundland we could not

afford to put too great a portion in the south east corner of the Island.

HON. J. R. SMALLWOOD (Prime Minister): Does the Honourable Minister refer to St. John's?

MR. HOLLET: Mr. Speaker—

DR. POTTLE: I was looking for reactions across the House, but speaking abstractly the matter of Public Welfare administration applies to other centres and the Government should go out, so to speak and decentralize that authority into small departments outside St. John's. Because of our distribution of population we set up regional centres then for all practical purposes and there have been forty-five such centres set up outside of St. John's staffed by welfare officers. This second stage then is a stage of decentralization.

HON. E. S. SPENCER (Minister of Public Works): Mr. Chairman, I have to interrupt to draw attention to our friends in the gallery. There is nothing whatsoever against them, but they must just move back from the railing. The position is we have warned from time to time that we cannot have visitors lean over that rail, it is not safe enough, and we cannot guarantee a safeguard from accidents. I mentioned this previously and repeat it with all the good will in the world.

MR. CHAIRMAN: Visitors will please note the Honourable Minister's remarks and officer in the House, please see that this rule is kept. It is a rule of the House, in fact, visitors should not lean on that rail.

MR. HOLLETT: I might say one word on that. I notice the warning from the Minister of Public Works, I notice it is not in order for any one in the gallery to lean on that rail and

I do hope and trust the Honourable Minister does not expect to protect his department from any liability arising because some person did break that rail and fall down.

DR. POTTLE: Mr. Chairman, What I am saying is that this second phase of the organization of public welfare is noted for this; that it is a stage of decentralization into forty-five areas, and I say outside St. John's staffed by fifty welfare officers though we have more than one in some centres, in Grand Falls and I think in Corner Brook and Humber area. For the first time, Sir, in the history of Newfoundland, the relieving officer system has now for all practical purposes disappeared and in its place is a more diversified, broader system of public welfare. I could not let this occasion pass without paying a tribute to the relieving officers who for generations, or certainly, for many years they were first known as relief commissioners and later as relieving officers and they have served Newfoundland well. They were men taken in some instances from a trap boat and from many other vocations to do a part-time service for Newfoundland. They were paid not too well, but they did their work by large very well. My criticism is not of the men, but my criticism is of the system. For many years now I have been associated with this field, and I know whereof I speak when I say that public welfare to the ordinary individual in Newfoundland is an emergency matter, an unspeakable kind of public service and that the only people who profit from public welfare are the people allegedly who cannot help themselves, but rely on charities and other means of assistance not too respectable. We have tried, Sir, to spend some time on public education, tried

to indicate from the definition I gave just now as an example that all throughout our interpretation is not negative it is definitely positive. The relieving officer system was a part time system, and as I have said the system was essentially negative, had the tendency to withhold help until you have to help to relieve a situation and public welfare was only relief in the main. Within the last two years, we have found this one great difficulty that public welfare is still identified in the public mind as being a matter of relief and of course, relief tends to create the impression of what some speak of as dole in Newfoundland. The welfare officer system represents, each officer represents a cross-section of the department, a small scale pocket edition of the department of public welfare and wherever it stands it does in a small way all we do at headquarters, it represents the front line of public welfare wherever it stands and wherever it travels, it has to do with child welfare work including the care of neglected and delinquent children and such services as foster homes, adoptions, affiliations, domestic relations and assisting people in preparing for old age assistance, pensions for mothers and dependents and advice and assistance in all other forms of public assistance and to deal with regular routine investigations in regard to Federal and to help reorganize public reaction to the improvement of the Public Welfare. In regard to housing, it is not too well known to the intelligent public that a great deal of public welfare work is personal help applied to persons not necessarily financial.

Now, our welfare officers are between the age of twenty-five and thirty-five years of age, most of them have matriculation and many have

university standing, and some even have graduated from a school of social work. This year we are making arrangements with the University of Toronto whereby practically one-third of all our staff are going up there to take a six weeks course in generalized social services and I believe that is going to mean somewhat of a complete change of approach in this matter of training our welfare staff, they are arranging their courses to fit our need, courses are made for necessity not needs for courses and about twenty-five of our men and women who would do credit to any province will be in Toronto this summer and receiving this new training in social welfare. We have already about forty-five welfare officers, but these took the place of about one hundred relieving officers with larger coverage. We displaced a system where there were some fifty-five part time relieving officers, some thirty rangers doing part time welfare work and twenty-three constables. City welfare is a distinct function doing limited counselling duties, they are a sort of city welfare and we have eight child welfare officers in child welfare. If I may refer to a previous debate here in Committee the constant change of large populations to centres such as Grand Falls and Bell Island means we may have to put a disproportionate number of people in these areas while at the same time do what the schools and other services are doing, keep the old services going in the places back home.

Now, Sir, this decentralization has shown up here in these estimates, the picture is as we see it here under welfare services, I think it is under 1109.

Now, I go on to say that in addition there is a third stage. There have been provisions this year for old age assis-

tance and we dropped old age pensions when the Federal took over on April 2, and we came in with a system of old age assistance. We have had between forty-eight hundred and forty-nine hundred applications coming in and of these thirty-four hundred have been approved and twenty-nine hundred cheques have gone out, in the next day or so we will have five hundred more and it will go on until sometime in June because as anybody knows who has done analysis work any one of these applications is a very painstaking piece of work representing a family in some cases. The whole number will be taken care of by June and these cheques then will be retroactive to April and if not April at least May.

Now, Sir, another feature of the work is indicated here as family courts. Of that, I need not say very much except that it is an adjunct of the Department apart from the magistrates court for family cases and the bulk of the work comes to it from people voluntarily who need that kind of help and not through court action.

The third stage is not foreshadowed here, but it will be the stage where we shall try to consolidate all the ground we have broken I hope, not that it will cost us any more, but by the end of next year, we shall have a number of various divisions down there, boards and what not. We had to develop these as the need arose, one by one. Possibly within one family, there may be three or four different kinds of assistance, the mother, dependents and the family and our thought is that instead of having all these overlapping and creating some trouble sometime we would like to be able, when we have the staff to do it, to look at the family needs as a

whole and instead of two or three reports make one for the head of the family and call it general assistance. To do that, we will need some organization down there not necessarily more staff though, I will not say less, but I am safe in saying not more, but rather a consolidation of the gains we have made and a redistribution within the department to take care of the field men out there and rather than individual needs the needs within a family. Before very long, probably next session of the House, God willing, we shall present to the House for consideration a scheme, with the help of the Attorney General and his very capable and hard worked staff, I hope to present a completely new Department of Welfare Act so that it may be a department of which Newfoundland may well feel proud, public welfare as it ought to be step by step in three stages, in a five year plan. I appreciate your forbearance, Sir, during those long remarks.

1101 Minister's Office—Carried.

1102 General Office—Carried.

1103 Accounting Office—Carried.

1104 Registry :

DR. POTTLE : I may say, Sir, there is no increase except one person who is in charge of the addressograph down there, a machine I need not explain. Now, there were people doing registry work elsewhere, Sir, in various divisions now under 1109 and 1100, welfare is not all under 1110 and under 1105 we have a service shared with Public Health.

1106 Regional Welfare Services :

MR. CASHIN : Who is the director of City Welfare?

DR. POTTLE : That is a good question, Sir. The post of Assistant Director of Child Welfare has been

dropped and instead the post of Director of City Welfare has been created under 1106.

MR. CASHIN : Who is occupying that position?

DR. POTTLE : That position is not yet filled, but it may be filled by the present Assistant Director of Child Welfare. Another building was taken over and in that we are dealing with the centralizing of all city welfare work instead of having two or three types of workers all over, we are breaking it down into different zones and one worker will do everything in that zone so that she may get to know the area. All that has to be done under city welfare. Instead of coming to us, we should be going to them. When a longshoreman comes to us and looks for help, how can we know the circumstances unless we know the area. The area is constituted under the city welfare which is under the supervisor and he will be responsible to the superintendent of welfare, he will be the second in charge so to speak. That is not a new service so much as an extension of the service.

MR. HOLLETT : Mr. Chairman, this is regional welfare services we are on? There were a couple of things, Mr. Chairman, which struck me while the Honourable Minister was speaking. In the first place, he said he paid a tribute to the relieving officers, who had served faithfully over a period of years. I believe that some of these people who have been serving the country a great many years and were not getting good salaries, yet who were paid salaries whether civil servants or not, I am not quite sure. And I understand they have been told their services are no longer needed. I would point out that the same thing might happen to

the regional welfare officers, I hope they don't get the idea they might be subjected to the same treatment ten or five years hence. I may be wrong, but believe they were politely told their services were no longer needed. I suggest to the department and to the Government that there are a good many of these men and women I have known many of them a good many years and these relieving officers are deserving, I believe of a little better treatment when their services were dispensed with, the Honourable Minister may have some knowledge of this.

One other point I would raise is the salaries paid to these forty-five welfare officers, about two thousand dollars a year, \$38 a week, I believe and I suspect a good many of them have families. I would suggest that that is a very small salary on which to send a man out to some outport to cover districts like Grand Falls, Grand Bank, if you like, a man with a salary of \$38 a week to supervise the welfare matters in connection with the welfare department. These are the only two points I wish to make, the treatment given to the old relieving officers and the small amount of salary being paid to the new welfare officers, and I hope the Government may be inclined to increase these salaries.

DR. POTTLE: I appreciate the comments of the honourable member for St. John's West with regard to the relieving officers. As soon as we saw what the shape of things to come was to be, that is to say as soon as we saw welfare as such becoming necessarily regionally decentralized, many many months in advance, probably a year in advance we gave the relieving officers to understand that at a certain time, not too definite a time we did not cut the line definitely, that we were

going to set up the welfare officers. Now, nothing I can say I know will explain or clear up the complaint of these people. The fact is that from custom many of them looked upon the work as permanent. It was only a broken service as a great many of them could not go outside their own area and were involved in their own business, though patients in need were definitely taken care of. But it was only part time they had to give and I don't think it was completely satisfactory. The whole matter is still under consideration of the Government and we are up against the civil service act which provides that a gratuity cannot be paid to a man who is not an established civil servant.

1107 Mothers' and Dependents' Allowances:

DR. POTTLE: I may say that if you look at page 56, 1951, we budgeted for fifteen hundred thousand dollars and we paid out in fact seventeen hundred and fifty thousand, but we have budgeted this year for only twelve hundred thousand because a great many of them came over to the old age assistance, likewise for mothers' allowances, we budgeted for twelve hundred thousand, and we spent thirteen hundred and sixty-five.

1108 Child Welfare:

MR. FOGWILL: Mr. Chairman, may I ask if the Minister can give us an explanation of what is to be done under the new vote, education of handicapped children. I remember last year, when the debate was going on, I brought the attention of the Committee at that time to something in respect to children who were deaf and dumb and I was wondering at that time if the Government had any-

thing in view for the assistance of these handicapped children.

DR. POTTLE: The honourable member is coming back to a question which is one we just have not dealt with yet. The fact is that, defective, handicapped children are still an unmet problem in Newfoundland, as are the aged. In this year's estimates, we are now providing for an amount by which we hope an institution, I mention it as part of a total problem, Sir, we can't tackle every problem at once. There are two, as far as the public welfare is concerned, two unmet problems, one the aged and infirm.

Some of you have probably been into the institution and know what we have there, the less said the better, therefore, we are providing for a new institution this year, but the question of the care of mental and handicapped children is still one of the dark spots in Newfoundland Public Welfare. Now, whose responsibility is it? It may be a health responsibility, it is one that is plaguing us practically every day of our lives and we are taking care of it in a rather split up way. In Child Welfare in individual or specified care, I have to plead we have done practically nothing. It is a matter of trying to attend to needs as they arise, as soon as we can.

MR. CASHIN: Child Welfare in that vote I noticed we have cut out the Assistant Director of Child Welfare. Who is the Director?

DR. POTTLE: The Director is Mr. Cramm, and the assistant director Mr. Edward Murphy.

1109 Public Assistance.

MR. HOLLETT: Mr. Chairman, that is able bodied relief. I am surprised to see a vote of \$400,000 for

able bodied relief after I thought we were not going to have any in this country for a long time to come. I believe some member on the other side of the House insinuated so but not directly. However, I am glad to see it is reduced in the estimates this year to four hundred thousand dollars, and I sincerely hope the Honourable Minister won't have to spend any of that four hundred thousand, although we know he will. We always have some able bodied relief. I noticed a statement some time ago that able bodied relief was to be cut out around the 15th of June. Well, that is a hopeful outlook, we will always have some, but I am glad to know it is less than half this year.

1110 Old Age Assistance and Blind Persons' Allowances—Carried.

1111 Home for Aged and Infirm:

MR. CASHIN: In connection with this particular vote, this is the infirmary in St. John's, but we have several places in the outports.

MR. SMALLWOOD: They are part of this institution while affiliated they are in private homes.

MR. CASHIN: The people in those are an overflow I take it?

DR. POTTLE: The movable ones, ones capable of walking around and so forth.

1112 Infants' Home—Carried.

MR. CASHIN: Where is it located? That is a place I have not seen yet, the infants' home.

DR. POTTLE: Waterford Hall.

MR. CASHIN: I know the place, I lived there, I was an infant once myself.

MR. SMALLWOOD: And still should be in there.

MR. CASHIN: I graduated.

MR. SMALLWOOD: The honourable gentleman flatters himself.

MR. CASHIN: I might be flattered by a little further information by the look of things.

1113 Boys' Home and Training School—Carried.

1114 Girls' Home and Training School:

DR. POTTLE: I would like to have 1114 stand, I want to check on one salary there.

1115 Orphanage Grants:

MR. HOLLETT: The United Church has been cut one thousand dollars.

DR. POTTLE: There has been no discrimination. The population of the United Church Orphanage is away down, there are only eleven there at the present time.

MR. HOLLETT: That is a good sign.

1116 Miscellaneous:

MR. HOLLETT: Before you pass that, Mr. Chairman, I would like to know just how much is being done for rehabilitation of T.B. persons. I notice there is a vote of \$15,000, just what is the Department doing to rehabilitate them?

MR. SMALLWOOD: Mr. Chairman, that is an item with which I happen to be personally familiar. That vote is the result of a request made to the Government by the Newfoundland T.B. Association who called on me and asked for a grant. I

recommended it to the Honourable Minister of Public Welfare and at the same time recommended that the T.B. Association representative call on the Minister and when they did it was subsequently considered at a Cabinet Meeting and it was agreed to have it recommended here to the House, a grant of fifteen thousand dollars to go, I believe, to the T.B. Association. It is a vote granted to the T.B. Association, and they will spend it in their own way. They have the experience and are familiar with the problem and being a private organization are likely to do a better job than the Government department could do it.

MR. HOLLETT: Mr. Chairman, I would not like to see the Department wholly separated from the idea embodied in that grant. The Department of Welfare with all the experience which the officers are getting from day to day must have a good idea of how this money might be spent in the best interest of the various individuals towards their rehabilitation. I am not so sure of the T.B. Association, they may do a good job on that work, but I would like to see the Department keep itself officially connected with rehabilitation. For example some persons remain in the San for a number of years, I personally know some people who have been in the San from as high as eighteen months to ten years, and when such patients come out, I put it to the Honourable Minister, that to rehabilitate a person who has lain practically on his back in the San amongst so many other patients suffering from that dreaded disease, and to rehabilitate such a person is a very difficult job to my mind, it is bound to be difficult. I dare say they get some rehabilitation in at the San before they come out. It is essential that they

be given the best effort we can make anyway to rehabilitate them, therefore, I say the Department of Public Welfare ought to keep officially in touch with it.

DR. POTTLE: It is an undertaking sponsored by the Government and by private individuals and we both assist each other.

MR. HOLLETT: Does Welfare have supervision over rehabilitation?

DR. POTTLE: Not supervisions, that is done by them.

MR. CHAIRMAN: Six o'clock.

NIGHT SESSION

1117 Family Court:

MR. HIGGINS: Mr. Chairman, the other day whilst discussing the estimates for the Department of the Attorney General, I raised the question of the remuneration of the district magistrate of St. John's. At that time, the Attorney General had the matter stand. If I may, Sir, I would like to point out that apparently up until the time that the estimates for this year were prepared this particular magistrate was receiving \$3,900 and has been raised to \$4,500, I was wondering, Sir, if I might get this thing off my chest. Could I ask, Mr. Chairman, the Attorney General whether we are likely to have some statement on the Magistrate of the St. John's Court? He did mention it the other night, and said he would like to defer the matter and we are now come to the stage of the Family Court.

DR. POTTLE: We could allow that to stand.

1118 Detention Receiving Home:

DR. POTTLE: That is just a token vote, that is all.

Carried.

1119 Northern Labrador Affairs:

MR. SMALLWOOD: Mr. Chairman, in connection with this vote 1119, Northern Labrador Affairs, the total vote is \$41,300. The Committee will notice that nothing appeared under this vote. In this department last year or the year before this vote before the edition of these estimates appeared under the heading of the Department of Natural Resources. What has happened is that this vote has been transferred to the Department of Public Welfare. It was a decision of the Government to transfer it from the old Department of Natural Resources and the present Department of Mines and Resources, and there was a good reason for that decision. By the time the Government had gotten around to considering this whole question of Northern Labrador Affairs formerly known as the Northern Labrador Trading Company, and having had the whole matter carefully investigated and considered by a departmental committee consisting of the Deputy Ministers and other officials of the Department of Natural Resources, Public Welfare, Health, Education and Fisheries and Co-operatives, we came to two conclusions: First that it was the height of absurdity, it was just plain nonsense to treat the few Eskimos, people of the far Northern Labrador, numbering a few hundred only, I believe, as people with whom the Government should trade on the theory that a profit was or ought to be made from those trading operations. In fact no profit was ever made but rather there was an annual trade loss in those operations. There is an accumulated loss running into many thousands of dollars. But even if there had been a profit on those trading operations

between the Government of Newfoundland and these few hundred Eskimo people it would have been worse, to have the Government make a profit out of these people would of course have been quite scandalous, to say the least. The fact is, of course, no profits were made, but we had losses instead which were annually incurred.

The other conclusion to which we came was that dealing with these Eskimo people was not a matter of trading in the first place, but rather it was a matter of welfare. The Eskimos in the far northern Labrador are very fine people, they are exceedingly fine people, with a strong community sense and a very old tradition of tribal customs and manners, but they are not in every respect like our white residents of this Island or of the coast of Labrador, there are obvious differences. What the Commission of Government did some years ago was to go down there and take over the Hudson Bay Trading Post when the Hudson Bay Company stepped out. The Government of that day did it because when the Hudson Bay Company stepped out no one was left in that part of Labrador to deal with the Eskimo people and the Government quite rightly at that time decided to step in and take the place of the Hudson Bay Company and so it took over the stores and trading post of that famous company and began to substitute for the company, and indeed to carry on in place of that company in somewhat the same manner as the company had served so long without actually making a profit out of these people. Now, I am afraid that gradually over the years, what happened was that the goods sent down became more and more an assortment of shoddy materi-

als, cheap and shoddy, unsuitable material and so you had a shabby position, a shabby situation of a Government dealing with a few hundred Eskimo people down there. We found when we began to look into the matter about a year and a half ago, I might say as a result of a visit made on the spot by Mr. Harold Horwood, who at that time, was the sitting member of Labrador, we discovered that we were in the shabby position, the undefensible position of being a Government trying to trade with these few people and make a profit out of them. The fact that we made no profit was immaterial, the whole point was that the operation was based upon a profit making trading operation of cheap and shoddy goods being sent to them. This was clearly a welfare matter so that the Government transferred the whole operation to Welfare with the word "Trading" for a good reason eliminated from the vote and it now becomes Northern Labrador Affairs. The Government in transferring Northern Labrador Affairs to the Department of Public Welfare has created a new division of the department. I am not competent to explain to the Committee the details of this division, that is a matter with which the Minister is quite familiar. I wish only to say that is our basic reason for taking the operations out of the Department of Natural Resources and putting it where it belongs in the Department of Welfare. May I add that this new arrangement will be given a fair trial and if it does not produce the necessary results I will take the initiative as Leader of the Government to have the matter reviewed again because clearly, and I think the entire Committee will agree, clearly it is the duty of the Government, indeed it is

the duty of this Legislature, of every one in it, to try to make up for the failures and errors of those people down there during the past dozen years or so, we must try to make amends. I suggest that we owe it to those people that we must make an honest effort to discharge that duty. There is one final point I would like to make: We have as yet been unsuccessful in a long series of negotiations with the Government of Canada in connection with the Indians and Eskimos, and it has always been our contention that the Government of Canada through its old Department of Mines and Resources and the Indian Affairs Branch of another department, and later through the Department of Citizenship and Immigration which combines all the functions of these various departments now in one department dealing with Eskimos and Indians in Canada as a whole. We have never been, I say successful in our negotiations with these various departments. Our negotiations, I may say, aimed at getting the Government of Canada to do for our Indians and Eskimos no less than they do for the Indians and Eskimos of the Mainland of Canada particularly in the northern belt stretching across the Canadian Continent. Perhaps the reason for that is that the whole matter is in a state of flux and has been for several years in the Government of Canada itself.

Mr. Walter Harris the Minister of Citizenship and Immigration inherited a tangle of divided responsibility in the matter of the Indians' and Eskimos' affairs. I had personally gotten to the point where it was agreed by two divisions of the Government in Ottawa that they should take over all responsibility for Indian and Eskimo Affairs on the Labrador, that is to pay

the full cost but the administration there continue to be carried out by the Government of Newfoundland which would be fully reimbursed for all expenditures made on behalf of the Government of Canada. I had gotten to that point when suddenly the whole matter shifted again in the reorganization in Ottawa. Some members of the Committee may remember that Mr. Harris brought in a Bill, a new Indian Affairs Bill to the House of Commons at one session and it never was given second reading, it was given first reading and debated and sent to second reading stage but was never given the second reading. Later in the following session it was brought in with considerable amendments and was finally given the third reading, that has been fairly recently and up to the moment the Government of Newfoundland is still assuming virtually all the cost of the administration and welfare and education and health of the Indian and Eskimo people of Labrador. We are pursuing the matter and hope that we will succeed before long in getting the Government of Canada to foot the Bill for our Indians and Eskimos of Labrador as they do largely and almost entirely for the Indians and Eskimos of the Mainland of Canada. One of the difficulties was that in the Indian Act, and incidentally in the Indian Act of Canada Eskimos are classified as Indians for the purpose only of administration of the Act, it does not say an Eskimo is an Indian, but does classify them as Indians for the purpose of Canadian Government administration of that Act. There is no attempt at defining Indians as certain races but are defined as those who live on reservations and our Indians and Eskimos do not live on reservations, they are free citizens,

they vote, Indians on the Mainland of Canada living on reservations may not vote and may not purchase liquor and may not do certain other things which citizens may do. Now, it was Mr. Harrison who had the good intention of removing the restrictions that existed upon the Indians that prevented their becoming citizens, it is his good intention to have all Indians become citizens with the right to vote. Our Indians and Eskimos in this Province are free citizens, it is true that for the first time we elected a member for Labrador to the National Convention and subsequently to the first provincial election and also a little later in the first Federal Election they have voted three times, but they had never voted before that. Our Indians and Eskimos I say are free citizens and that was one of the things that stood in the way of having the Government of Canada assume full responsibility for them. I say these things, Mr. Chairman, so as to assure the Committee that we are very much alive to the problem, we have not been neglecting it, we have been pursuing the matter and we have expectations of success in our endeavour to bring to the Indians and Eskimos of Labrador the full benefits the Federal Government has conferred on Indians and Eskimos in other parts of Canada.

MR. HIGGINS: There is just one thing, Mr. Chairman, the Premier has told us that the word "Trade" is now being discarded. Are we going as hitherto to have the position of the Government trading with these people be a thing of the past, or will the Department of Welfare now trade with the Indians as hitherto the other Department of Natural Resources has done?

MR. SMALLWOOD: The depart-

ment will maintain a depot there where they will buy the products of the Eskimos and Indians and where they will sell the necessities of life to them, yes, that will be done. But it will be operated not for profit.

MR. HIGGINS: I presume we won't have these shoddy goods?

MR. SMALLWOOD: I may say here that I wish to correct my statement. I received a note from a gentleman in the press box, a gentleman who knows what he is talking about in these matters. Indians and Eskimos may not buy liquor in Newfoundland, that is not a matter of citizenship but a matter contained in the Liquor Act which forbids them to buy liquor. That is not a matter effecting their citizenship at all.

MR. HIGGINS: I might say it is an offense for a white man to give an Indian liquor.

DR. POTTLE: I would like to thank the Premier. The advisory committee to which the Premier referred recommended a full time Government representative who will understand and interpret the Government policy to them and there will be more co-ordination in St. John's amongst the various Departments of the Government having concern for these people, education, health and fisheries. I may say it is the policy of the Government not to infringe upon the rights of the several departments to carry on their services, but the advisory committee enables the various departments to get together to confer and integrate a policy. The question of resettlement is one of considerable concern. It is felt that there should be a full time representative of the Government to interpret and put into effect the policy of the Government. As a matter of fact a

welfare officer has been appointed and there may be others if the need so dictates. Mr. Decker has been appointed and is now in fact in the field. We feel we ought not to take any substantial steps until we get his report. One of the considerations is the question of the status of the Indians and Eskimos which are identical from the standpoint of the welfare of the native population there. There are two items apart from staff, one has to do with operating on a deficit of \$16,000 to cover the loss on the operation for the financial year ending March 31, 1952, this is the loss on the overall operation and includes expenditure for salaries. These operations will be conducted not for profit and it may be assumed that as long as anything like the present system is in operation there will be deficits. The House should observe that on the side of revenue under the general head, there is indicated a revenue of thirty-five thousand dollars. We have been receiving that amount ever since 1949 roughly each year as a refund on relief to Indians and Eskimos under 1151 (05) and I refer now to 1119 (02) which is the cost of Steamship Service, last year it appeared under 1422 (02) (01) and now appears here. It is a transfer in fact from Fisheries and Co-operatives and covers the cost of the Winifred Lee Service.

I may say in regard to the staff that an officer has been transferred from the Department of Natural Resources as one of the chief clerks in charge, and he is with us now as officer in charge of the accounting side of the operation at headquarters.

MR. HOLLETT: Mr. Chairman, I would like to make one or two remarks. First and foremost I drew attention this afternoon to the relief-

ing officers being replaced by welfare officers, and I pointed out that the department just said, thank you very much for your services you have performed over the years, and there is nothing more about it. Now, I understand a new organization who are occupied with this branch here, were once under the Department of Natural Resources, and I believe the Premier yesterday said the department said, thank you very much, you have done good work for us, but we won't need your services any more. Now, I would like to point out that is hardly the correct thing to do. I won't make any further remarks at the moment. I wonder if the Honourable Minister would point out just what will be the changes in the operation which will be carried on as between the Government and this company or what is the difference between the work that has been done by the Department of Natural Resources and now being done by the Department of Welfare? I take it one is too much private enterprise for the Government, was that it? I am not criticizing, but am just making a few perhaps trivial remarks in order to bring out the point. I think it is important, as the Premier, says, and I agree that the Indians and Eskimos must be treated as citizens. And another point strikes me is that he spoke of an effort that had been made to secure for the Eskimos of the Labrador equal rights and in the same breath he said they did not have the right of citizenship in Canada.

Now, I would hate to see our Eskimos deprived of the right of citizenship in order to procure certain other rights from the Government of Canada.

MR. SMALLWOOD: We would not agree to that for a moment.

MR. HOLLETT: I hope the Provincial Government would not agree to any arrangement with the Federal Government whereby they would lose their rights. Now, I wonder what big difference will be in the operations on the Labrador.

DR. POTTLE: If there has been any outstanding courtesy which has not been extended we do not know about it. We do know there was some dissatisfaction over the transfer of some personnel, but I am quite satisfied in my own mind we have discharged our responsibility. It is not easy in a matter of this kind to change the administration without some dislocation. The second question the honourable member raised was the difference between the approach by public welfare and that made by the former approach. It should not be taken that a new day has dawned, it is not a new day so much as an enlarged horizon. We have set up the present organization to work toward an answer to that question and instead of trading alone there will be concern for the general welfare of the people there engaged in industrial activity, sealing, trouting, furring, as the case may be, from one month to another. Our thought is our men in the field, not necessarily the field manager. They will still as before carry on their business as such but there will be men in the field trying to help the natives organize their lives to try to get the total good out of the resources that lie at hand and others that may be secured and to promote as much as possible local leadership so that people will be able to live, have their own cultural life without infringement on the part of white men, so that in this more sophisticated day the natives may carry out their

own general habits without being dictated to too much by what the white man believes to be good for him. The man who has been appointed is a man who has been there before and has made other reports to former Governments and I believe he is, as Lord Tweedmuir might say, aware of what is going on down there, and we will go along with the job, our aim being concern for the total life of the native, to bring him to full stature as far as we can.

MR. HOLLETT: Who is the white man?

DR. POTTLE: Mr. W. C. Rockwood.

MR. HIGGINS: Could you inform me if in that area it is proposed to establish trade or welfare work, call it what you will, if any individual private trader is competing against the Government in that particular field.

DR. POTTLE: By and large there have not. There have been private suppliers, but no traders in competition with our post.

MR. HIGGINS: And will not be, I presume.

DR. POTTLE: Will not be.

MR. HOLLETT: Can you prevent it?

MR. SMALLWOOD: There is no law against it.

MR. HOLLETT: I understood the Minister to say there would be none.

MR. SMALLWOOD: For rather obvious reasons, but there is not any law against it.

MR. HOLLETT: I am probably stupid.

MR. SMALLWOOD: The way we are going to handle it no one will make a dollar out of this, we don't intend to have anyone making a dollar, but there is no law against any trader who wants to go in in competition with the Government, they are welcome to go.

MR. HOLLETT: They might go in and pay more money.

I quite agree with the policy the Government has adopted up to a point, but I don't think that the Government in regard to the Eskimos should exercise monopolistic views and ideas even to improve the welfare of the individual or the tribe or the country. The Government is just going in and saying now we are going to treat you people as you should be treated. We are going to see you get proper prices for goods and so on, but there is no one else allowed to say I will sell cheaper. I don't think that is creating the right idea at all. I do think that the Department of Public Welfare will do a good job there, but it is not the right principle.

MR. SMALLWOOD: Mr. Chairman, to anyone with any knowledge of what in the past has gone on in that part of this Province so far as private traders are concerned, any one with any knowledge of that must view with some considerable amusement any suggestion that private traders might go in there and do better than the Government, that is really funny. If there were some philanthropist who wishes to go down there and engage in private trade, God bless him.

MR. HOLLETT: There are a lot of philanthropists said to be coming to this country.

BOARD OF LIQUOR CONTROL:

1201 Administration—Carried.

1202 General Office—Carried.

1203 Sales and Miscellaneous:

MR. HIGGINS: May I ask when these wage brackets for these men under 1203 (01) were set up. I refer to the six branch managers. It seems to me a small salary for men who are looking after a business which brings in a matter of two millions profit a year to the country, it seems a low salary, \$2,500 for men dealing with such large sums and such a large number of the public.

HON. G. J. POWER (Minister of Finance): Mr. Chairman, could we let that stand?

MR. HOLLETT: Mr. Chairman, may I just say a word on 1203. There was a sample of liquor exhibited here recently which definitely did not come from the Board of Liquor Control, which definitely contained liquor, I smelled it.

HON. P. S. FORSEY (Minister of Supply): From St. Pierre, I hope.

MR. HOLLETT: It was screech all right, I handled too much of it in my time not to know, it was screech in a small bottle with no Board of Liquor Control Label on it. It had a label of course. The Honourable Leader of the Opposition told the House what the label was. I would like to have some explanation given to the Opposition by the Minister as to how that could have happened under the present law relative to alcoholic liquors? That I understand was taken from this country to Canada, to the Mainland, to Toronto, and it was even brought back here again, some of it. I would like to have an explanation as to that.

MR. SMALLWOOD: Does the honourable gentleman know when it was taken to Toronto, how long ago roughly?

MR. HOLLETT: Only a matter of months.

MR. SMALLWOOD: How many months, 1, 2, 3, or 6 months?

MR. HOLLETT: I would say some months.

MR. SMALLWOOD: The honourable gentleman is misinformed. These bottles were taken to Toronto one month ago. They were taken empty and they were filled in Toronto and they were distributed to the delegates who attended from all parts of Canada a broadcasters' convention. There is an annual convention in some part of Canada of all the private broadcasters of Canada attended by the top personnel of all these stations as well as by executives of advertising agencies and by other professions concerned in broadcasting. This convention was held a month ago in Toronto, and I am informed that it is the practice of various private stations represented at that conference to attempt to interest the advertising department to turn their attention to their own broadcasting station in the hope, obviously, of having these advertising agencies place contracts with the station in question for radio programmes. Most national programmes on the radio are placed by advertising agencies and it runs into a very sizable amount of revenues. So that to draw the attention of these agencies these stations go to great lengths by way of making arrangements and advertising. For example, one station had live lobster there at one convention to present to everybody. I presume that attracted a lot of attention

to that station, and there are all kinds of advertising stunts used. The station which produced the bottles, one of which was produced in the House here yesterday or last night, that station knowing well that all across Canada, Newfie Screech is so well known as a result of the last war, conceived the idea of producing these small bottles at the convention with the label written on them "Newfie Screech." There is nothing unlawful about that, nothing unlawful whatsoever. I may say in passing this was a month ago, many weeks after the closing of the "Buy Newfoundland Campaign" and that it had nothing whatsoever to do with the "Buy Newfoundland Campaign." It is not unlawful, I may say, to take liquor out of the Island, but is unlawful to bring it into the Island. It is against the law of each Province to have liquor brought into that Province except by the Board or the Department of Liquor Control of the Province. There is nothing unlawful in taking it out of a Province, the unlawfulness arises when it arrives in the other Provinces unless it is brought into that province by the proper machinery of the Government.

MR. FORSEY: The person who has it in his possession is subject to summary conviction.

MR. SMALLWOOD: I believe so, I am not an authority on that. It is not unlawful for any citizen or any one not a citizen in Newfoundland to buy liquor here and take it anywhere he likes in the world. That is quite lawful and at Gander many passengers flying through buy one gallon of rum at Gander because it is lawful to bring one gallon into the United States and at Gander Terminal, many a passenger has the opportunity to buy some Newfoundland Screech

which they may take lawfully by American Law into the United States provided the quantity does not exceed one gallon.

MR. HIGGINS: Can you do that coming from St. Pierre?

MR. SMALLWOOD: No, certainly not.

MR. HIGGINS: If your ship stops at St. Pierre and you buy a bottle?

MR. SMALLWOOD: As a lawyer you are more familiar with the law than I am. I can only say I have never attempted to bring any liquor from St. Pierre to Newfoundland or from Newfoundland to St. Pierre, or from anywhere into Newfoundland or from Newfoundland out to anywhere.

MR. FORSEY: From St. Pierre you are allowed one bottle and one unopened.

MR. CHAIRMAN: At this point I should like to say this item was allowed to stand. The honourable member asked a question and the Chair relaxed its rules and allowed it though the question was out of order, but as the Minister of Finance wished to reply to the question it has been answered and there has been a considerable amount of latitude, I would suggest that consideration of this question should be taken up again in the proper place. Let us go back to the discussion of this item or put it to a vote.

MR. POWER: Mr. Chairman, the only thing that has to stand is the question of salaries.

MR. HOLLETT: Mr. Chairman, I brought up the question of salaries and thought it quite proper to bring it up.

MR. CHAIRMAN: The Chair did not rule on that point.

DEPARTMENT OF MUNICIPAL AFFAIRS AND SUPPLY:

1301 Minister's Office—Carried.

1302 General Office:

MR. FORSEY: On page 118, 1311 (3) Administrative Officers, I would like to have that item stand.

MR. HIGGINS: Is that a new appointment?

MR. FORSEY: Yes.

MR. SMALLWOOD: If the honourable Minister wishes to complete his estimates he need not, I think, have that item stand. The position is, the Honourable Minister wishes to fix a higher rate of salary. Why not have it passed and we can get the Committee, they might be agreeable to authorize the new rate as it will not be paid until the Cabinet agrees to pay it. All these items are authority from the Committee and finally the House to pay up to a certain amount for certain things, but there is no object except in the statutory salaries, that is the salaries of the Auditor General and the Comptroller of the Treasury, which are I believe the only statutory salaries we have. Now, apart from these authorities by the Legislature to pay up to a certain amount for certain things it is not an obligation upon the Government to pay as much as that, so that if the Committee were agreeable, so as not to have to come back to this again, the item does not follow unless the Government agrees as a matter of Cabinet policy that the amount inserted here in fact be paid. The case must be raised in Cabinet to get us to agree to it and see how it compares with the salaries, it may be upsetting

something in the Department and obviously this is not the time to do it. I move that the item be amended to \$3,800-100-4,200.

Carried.

1311 Municipal Affairs Administration—Carried.

1312 Local Government Affairs :

MR. FORSEY: I move that 1312 (03) (02) be changed to \$225,000 instead of \$200,000. This is due to the fact the estimates were prepared some time earlier, in December, and since that time several towns have been or will be incorporated this year and we will need the extra money.

Carried.

1313 Price Control :

MR. HOLLETT: Mr. Chairman, I would like to inquire about the matter of price control, I wonder if the honourable Minister would explain that, I understand there is some relation in the matter of price control accounts to the shortage of fresh fish in the stores.

MR. FORSEY: That case, Sir, was represented to us and upon inquiry from various fish companies they told us the price set was adequate and there was no relationship whatsoever between the scarcity of fish and the prices set by the ceiling.

1315 Housing: Carried.

1331 Supply Administration: Carried. Purchasing—Carried.

1333 Printing, Stationery and Office Supply Service: Carried.

MR. SMALLWOOD: Since the Minister of Fisheries and Co-operatives is not here, we could go on to the Department of Economic Development.

Now, that has been done, the next is the Department of Labour, that also has been done. Mr. Chairman, the Minister of Fisheries and Co-operatives asked me to hold his estimates until he got back, but he has been delayed and I don't know that he would mind our doing them. I can, perhaps, explain a great deal of it and what I can't explain might be allowed to stand until he gets back. If I can explain all of it the Committee might be agreeable to pass it all ways on the understanding that as a result of the visit and as a result of the conferences to begin on Monday with the Federal Minister of Fisheries, it may be necessary to amend certain items. We have a small vote in here on capital account consisting, I think, of \$100 which is a purely token vote which may indeed run into many hundreds of thousands of dollars depending upon the outcome of the conference that the Minister of Fisheries has held with the Federal Minister of Fisheries and that the Government here will hold in this coming week with the Federal Minister of Fisheries and his organization and the Fishery Development Committee. On that understanding perhaps we could proceed with the Department of Fisheries and Co-operatives with the understanding that we may have to go back into Committee of the Whole to consider it again and this passing now won't be a final one.

DEPARTMENT OF FISHERIES AND CO-OPERATIVES :

1401 Minister's Office: Carried.

1411 General Office: Carried.

1421 Fisheries Administration: Carried.

1422 Fisheries Engineering and Development :

MR. HOLLETT: May we have an explanation as to what happened to the director's salary, it was cut down to \$3,867 from \$10,000 last year? Also could you explain as to just what the work of the Fishery Engineer is?

MR. SMALLWOOD: The amount of \$10,000 was in the estimates last year, but was not an amount which was paid. No such amount was paid. The thought at the time was when we inserted the \$10,000 was to seek a man somewhere in the world to fill that position, but instead of doing so, we promoted Mr. Colin Storey to the position but not at that salary, but a much lower rate of salary. To be quite frank though, he is well worth the salary he is getting but the \$10,000 was to be paid if we could get the type of scientific man, fishery scientist which we were trying at that time to get. That is the explanation of that.

MR. HOLLETT: Mr. Chairman, I accept the explanation, but I don't like it. I may say I don't think anybody on this side likes it. Surely it must be possible, if Mr. Storey is not the man, to get the man. We voted the money, they could not get one and took one of the Newfoundlanders and gave him a smaller salary. Now, I am not saying Mr. Storey or any other Newfoundlander could measure up to the expectations of the Government, but at least it would be a Newfoundlander dragging down a good salary which would be a treat to see in some of the Departments of Government. Another question I asked was what is the function of the Fisheries Engineer, perhaps the Honourable Premier could explain that?

MR. SMALLWOOD: Yes, the engineer ties in with the one immediately following, Contractural Of-

ficer, that is Dr. Cooper. The function of both is, in the case of Mr. Storey a full time operation and on a part-time basis in the case of Dr. Cooper who is, as the Committee is probably aware, a professor of chemistry at the University. The function in each case is to have control on behalf of the Government over the technological side of fishery projects that come or may come to the Government's attention. These projects fall under the headings of (1) Commercial Firms who apply for financial assistance and we have to satisfy ourselves that the plans and specifications of the plant proposed are indeed sound. So we have these two men now, Dr. Cooper, whose particular function is to advise on the more or less scientific side. He is one of the greatest authorities of all Canada in fish plant design and fish plant construction, fish dragners design and construction. The Committee is probably aware that he is the Deputy Minister of Fisheries of Nova Scotia and aware probably that he is professor of engineering and chemistry at Dalhousie University, and that he is the father of the great Louisburg development. He is one of the greatest authorities in Canada on fishery from the technological side and the scientific side. As well he is the only Canadian who is a member of the American Society of Marine Architects, the only Canadian who has ever been made a member. He is quite a marine architect in his own right, so that Dr. Cooper's qualifications are highly scientific and technological. Mr. Colin Storey on the other hand is not a technologist, not a scientist, but he is a very knowledgeable man and a practical man in a knock-about, rough and ready way, a man who has not had the scientific training, but who nevertheless had a great deal of prac-

tical training and experience picked up in the hard school of experience and of hard knocks, so to speak. He is a man who is also well qualified to talk to people, meet groups of fishermen and Dr. Cooper together with Mr. Storey have a lot to do with the design of boats for this coming programme of fishery development which we expect to be recommended by the fishery development committee. So that the two of them together, one highly scientific and technological and the other with great practical rough and ready knowledge acquired here in Newfoundland, in many parts of it, in fishing himself, from operating various types of fishing boats on the coast of Labrador and on the North East Coast, and on the West Coast of Newfoundland and on the South West Coast, and from his visit made to Iceland, Norway, Sweden and Denmark where the Government sent him on that visit a couple of years ago and from six months' training he got with the American Fishery and Wild Life Organization at, I believe, Philadelphia, where he took a special course in fisheries' engineering, I think it was called. So the two of them together constitute an excellent team for the purpose of this great programme which we hope is to be recommended by the Fisheries' Development Committee. What the Department has endeavoured to do is to build up a small but competent staff of well equipped and well qualified men and we hope that in them together we have an excellent pair of men for the purpose.

MR. HOLLETT: I don't know who is boss in that particular department, whether it is the director or Dr. Cooper.

MR. SMALLWOOD: Neither of them.

MR. HOLLETT: I see then the director himself gets \$3,800 and the fishery engineer gets \$6,342. The salary was supposed to be \$10,000.

MR. SMALLWOOD: No, that was there last year and never paid. Dr. Cooper was brought here at a salary of \$12,000 a year of which the Department pays part and the University the difference. Incidentally, I might say, in connection with Dr. Cooper, he was head of the Fishery School of Nova Scotia, the outstanding institution of its kind in all Canada and such as we hope to have here with Dr. Cooper as its head along with other work.

MR. HOLLETT: Is he being paid the balance—is he teaching?

MR. SMALLWOOD: Yes, as professor of chemistry.

1422 Fishery Engineering and Development: Carried.

1423 Fisheries Economic Research:

MR. FOGWILL: Who is the director of Economic Research?

MR. SMALLWOOD: Mr. Bruce Feather.

MR. HOLLETT: Mr. Chairman, here you got Mr. Bruce Feather, a very fine type of man as director of fisheries economic research and he gets \$7,500 whereas our own director of fishery engineering gets \$3,800. I submit that I do not like the present government's policy to bring in people from outside and give them salaries away over what is given to Newfoundlanders. We are always being accused of an inferior complex and there is no reason why we should not, we are ignored, we are given smaller salaries compared to the people brought in from abroad. No wonder we have an inferior complex when we come in con-

tact with these people particularly when we find things like this here where one director is getting \$3,800 and I take it as fishery engineer he has a lot of work to do, but Mr. Bruce Feather—that brings me to another point, that inquiry has not yet been released to the people of this country. It has been sidetracked and an interim report was given which I believe was a very excellent report and some of the merchants got it, some of the newspapers got it, but the people did not get this Bruce Feather's report, this report for which Mr. Feather has been paid a salary of \$7,500. I don't know, Mr. Chariman, just where we are getting off with regard to this fishery department. If I were to try to sum up all the branches of the fishery department both Federal and Provincial, we have the Federal Department of Fisheries and the Provincial Department of Fisheries and here we have a director of fishery engineering, fishery economic research and vessel construction and fisheries administration and the fishermen's federation, and we have several inquiries being set up and Royal Commissions under Sir Albert Walsh and a half dozen others. Now, I submit, Mr. Chairman, all that is being paid for primarily, I was going to say by the fishermen who catch the fish and who are working at it. As I said before, I think we have the trappings of an elephant on the back of a cat, but I do object to finding here a director of fishery engineering whose only work so far, remember, is that Feather report which has never been released to the public. I believe it was set up by the Government to prove to the world in general that our fish merchants in this country were a bunch of crooks and that they were skinning the fishermen, depriving the fishermen of

a chance to make a decent living by taking too much profit, etc. Now, I have been told and I have reason to believe that the Bruce Feather Report more or less exonerated the fish merchants and I am only wondering why the Government has not seen fit to release that report to our Newfoundland people. Far too long have misunderstandings existed between our fishermen and our merchants and too long this present government has been exciting and engendering this difference of opinion between the fishermen and the merchants and by withholding this report they are only tending to prolong that unhappy relationship which should not exist. There should be a clearing of the air, and I submit the publication of that report is in order, Mr. Chairman.

MR. CHAIRMAN: As a matter of fact we are not now considering that item and the honourable member is straying afield there.

MR. HOLLETT: I may be straying afield, but it is time that report made by the director of economic research should be tabled to clear the air with regard to the present relationship between the merchants and the fishermen. That relationship must be made better as it is one of the main things to tend towards the success of our fishery. I don't want to be critical towards the Government, however, for good and obvious reasons, I cannot see the necessity for keeping this report on the shelf, there is no reason why it should not have been tabled. I have heard some remarks made about this report by people who have seen it, as a matter of fact, I believe the merchants have been more or less exonerated from these insinuations charging that they have skinned the fishermen. I did not get a chance

to read the report. Probably Mr. Bruce Feather is a pretty good director of research and probably worth the money he is getting but the main point I want to raise is the fact that our own Newfoundlanders are doing work just as important and are not encouraged to remain in this country. I have been told of the capabilities of Mr. Colin Storey, he can get around amongst our people and he knows the Island, etc. That sort of man is entitled to the same as any man you can bring in from London or Copenhagen or from the United States or any other place. I submit it would be a good policy, and I submit this idea to the Premier who expects to be there for the next twenty-three years, that he should start now to try to give Newfoundlanders who are directors decent salaries and by the time he has finished his twenty-three years he will have a great bunch of civil servants.

MR. SMALLWOOD: Mr. Chairman, I am a little surprised to hear the honourable gentleman condemn the size of this department of Fisheries and Co-operatives and describe it as the trappings of an elephant on the back of a cat, I am a little surprised to hear that.

MR. HOLLETT: I said the whole fishery idea.

MR. SMALLWOOD: The trappings of an elephant on the back of a cat.

MR. HOLLETT: On the back of a fish, in this case.

MR. SMALLWOOD: I say I am a little surprised. Actually I am a little ashamed of the size of this department but not in the way in which the honourable gentleman expressed it. I am a little ashamed of the smallness of it, a little ashamed of the fact that

this is one of the smallest of all our departments. I think if the Government ought to be upbraided it should be on the grounds that we have made this department only as big as it now is, and that we have not made great progress in building it bigger because clearly the Department of Fisheries and the Department of Mines and Resources and the Department of Economic Development ought to be the biggest departments. The biggest department is the Department of Public Welfare, no, the Department of Health is even bigger. These are important departments but those that lay the golden egg that pay for these is the Fisheries, Mines and Resources and Economic Development, and I hold that if anything we ought to be blamed that this department is not bigger than it is. Now, our defense is, if that charge were made, would be that we have not in fact as yet been able to get all the men of the type we have in mind and that we want to make a strong and powerful fisheries department for Newfoundland.

Now, I must say quite frankly that I have no sympathy whatsoever for the viewpoint the honourable gentleman expressed about bringing men into this Province, none at all, not the least bit. This I do say, the government that has the guts to look around the world for the best men to be found to do a particular job, regardless of what the race, their colour, or their religion, is doing the right thing by laying itself open to charges and accusations, I have no sympathy for that point of view whatsoever, none at all, not a scrap and some day the Government that replaces us in the dim and distant future will be very thankful to this Government that had the guts to go out and defy that type of public opinion and bring in the

right men wherever they may be found. Now, if they can be found amongst Newfoundlanders, then of course, Newfoundlanders will have the jobs. The honourable gentleman must realize that we employ thirty-four hundred people and he could make a speech that could last an hour or two or three, as could I, consisting only of ridiculing the foreigners we have brought in here, and what would they all amount to out of thirty-four hundred, enough to make a fine Opposition speech for a couple of hours, in number, what do they come to? Do they number a dozen out of thirty-four hundred? No, they do not.

Now of course here in Newfoundland, we have been in a very unfortunate position in years gone by in this regard that we have been a very small population, very small, we still are a small population of some three hundred and sixty thousand souls, you could drop all of us down into the heart of Montreal tonight, at 2:00 o'clock or 3:00 o'clock in the morning, after Montreal has gone to bed and the huge city is quiet (I see the honourable gentleman has been in Montreal and knows the hour at which Montrealers all go to bed) and unless they read it in the "Gazette" or other morning papers in Montreal tomorrow morning no one would know that the entire population of Newfoundland had been dropped into the heart of the city at two or three o'clock in the morning. We are still very small, we have been smaller, we are growing, our birth rate is a very high one, unfortunately so is our death rate, but not as bad as it was. We are a small country with a small population and everything we do is on a relatively small scale, obviously there are exceptions, but allowing for these exceptions most

things we did were done on a small scale, the opportunity to specialize was unfortunately not there. Now, there are certain things that you can do well on a small scale, the practice of law, I am told that our lawyers in Newfoundland rank with the best anywhere, certainly on this side of the Atlantic and averages a higher quality of lawyers than do the lawyers anywhere on this side of the Atlantic, not in so far as the best of British Lawyers in England, but a very high class. But speaking generally when things are done on a small scale, how can you acquire the specialized knowledge and specialized skills that you can in a wider field. That is why Newfoundlanders do so well when they go away, the stuff that is in them is such that when they get into a wider field they get ahead, but the field has not been here to give them the degree of higher specialization and higher skills that are needed in certain respects.

That is why we still have to go outside Newfoundland for certain types of men. Certain types of men still have to be brought in. We have the courage to recognize that fact, and so we have brought in four or five men and we hope to bring in four or five more, out of thirty-four hundred. We don't hesitate to do it, we dare to do it when we can't get them in Newfoundland. When we want doctors in Newfoundland, do we hesitate to bring them in from Ireland and England and Germany, do we hesitate? No, we do not. Should we hesitate to bring doctors in from Europe when we have not got them here, should we have hesitated and let people die, rather than bring them in from Ireland, England, Latvia and Germany?

MR. HOLLETT: That is different.

MR. SMALLWOOD: Why is it different?

MR. HOLLETT: We are on fisheries now.

MR. SMALLWOOD: I have been talking about fisheries and talking about bringing men in from outside, not Newfoundlanders and justifying it. We do it with doctors, we do it with others, why not carry this policy to the point where if a community concert is held, we refuse to go and listen unless they are Newfoundlanders and when a lecturer comes to give a lecture, everyone boycotts him because he is not a native born Newfoundlander, why not? Because it would be so silly as to be obvious to everyone. It ought to be equally obvious to everyone. It ought to be equally obvious that if a Government is trying to build a fisheries department, efficient and knowledgeable and cannot get the men they want to fill certain positions from amongst our own Newfoundlanders, for the reason that Newfoundlanders with these skills and training have not been trained, then we must go out and get them outside. Now, the third point is this, the honourable gentleman referred to a salary, he omitted to include the word that follows after the title (contractual). Can the honourable gentleman deny that the man in question is on a contractual basis, not established, no pensional rights whatsoever, what difference does that make? It makes this difference, in the first instance one is contractual and the other is established. He is naturally entitled, any one would be to have more salary than if he were established with pensionable rights. The other point, the position is not permanent. If and when we get a Newfoundlander who

can take his position out he goes and in comes the Newfoundlander. We can't expect to get these trained, but in time we hope our new University will be training men, we have strong hopes of that for this very Department of Fisheries, and also for our Department of Public Works where we have to bring men in now from the four corners of the earth, we cannot get them in Canada, so we have to bring them in from Germany, Latvia and wherever we can get them. So that we are hoping that in time our own University will produce our own men.

What is the other point, I don't mean to be offensive to the honourable gentleman, but a child can ask enough questions in four minutes that it would require an adult four days to answer, but you can answer all you like and the child still does not understand.

MR. HOLLETT: I still don't.

MR. SMALLWOOD: I appreciate that, I understand that fully.

MR. HOLLETT: I believe I can answer the Honourable Premier by saying we have enough engineers trained in Canada and in the United States and men in other professions to give us enough civil servants to run a country five times the size of this one, and I can tell you they don't get paid enough when they come back, if they are Americans, Dagoes or anything else they are paid double, that is the reason they don't come back.

MR. SMALLWOOD: That is contrary to the facts. Any Newfoundlander anywhere in the world who is a road engineer we would be delighted to get him to come back. We have asked one after the other, one

came down and went back, would not stay, we offered them the money.

MR. SPENCER: That is strictly true believe it or not.

1424 Shipbuilding:

MR. HOLLETT: He must be a Newfoundlander there, Mr. Chairman, by the look of the salary.

MR. SMALLWOOD: He is a Newfoundlander and that is about half the salary he receives the other half he receives from Lloyds of London. We share his services with Lloyds, he is Mr. Richard Harvey—

MR. HOLLETT: Director of vessel construction—On that point we can see down there off Job's Wharf these Icelandic Boats which we realize are very important pieces of construction. We realize this is a very important item, a very important phase of our country's work, our fishermen's livelihood and it is important of course that we have a good man there, and I am glad this man Mr. Harvey who has something to do with Lloyds—incidentally, I believe if the Government had listened to the man they sent to Iceland with regard to these Icelandic boats they would not have bought them at all. However, Mr. Harvey had nothing to do with that, he is a Newfoundlander, I understand.

MR. SMALLWOOD: I believe so, yes, a St. John's man, I believe, but we must not hold that against him.

MR. HOLLETT: He must have a good salary, he is down here as Director of Vessel Construction for \$3,500.

MR. SMALLWOOD: He works with us half time.

MR. HOLLETT: Like Mr. Don

Jamieson on the "Buy Newfoundland Campaign."

MR. SMALLWOOD: Exactly.

MR. HOLLETT: He must be a Newfoundlander, there is no question about it.

1425 Fishery Development Committee:

MR. HOLLETT: Before you pass that, Mr. Chairman, I just merely want to ask whether the Minister could tell us what time we could expect a report from the Fisheries Development Committee.

MR. SMALLWOOD: We have had an interim report submitted already. The Fisheries Development Committee have met the Government and discussed that with us, then went to Ottawa and discussed it with the Minister of Fisheries and the Minister of Fisheries is due here tomorrow or Sunday to begin discussions with us on the implementation of these recommendations, but the main body of the report is not yet ready and will probably come down in five or six weeks time, certainly not in time to allow the implementation this year of the main body of the report which is why they have made an interim report for use in the present year, and it is in connection with that proposed action that the Minister of Fisheries of Canada is due here in a day or so.

1452 Co-operative Extensions:

MR. HOLLETT: What is the idea of Co-operative Extension, of what, in what way, what does it mean?

MR. SMALLWOOD: That means education, propaganda out in the field.

MR. HOLLETT: Expanding the idea of co-operatives among the fish-

ernen? Might we have some idea of how you are succeeding in that, Mr. Chairman?

MR. SMALLWOOD: I don't know that the Minister himself would say this, but I rather expect that we would, I must say for myself, I am not too well satisfied with the results.

MR. FOGWILL: Who is the director of co-operative fish processing?

MR. SMALLWOOD: Mr. Menard.

MR. HIGGINS: How long has he been there?

MR. SMALLWOOD: About three years.

MR. HIGGINS: Is he a Newfoundlander?

MR. SMALLWOOD: No, he is from the Province of Quebec, a French Canadian. The reason we brought him here is this: We had plans for fish driers, artificial fish driers, artificial drying of fish and we asked the Government of Quebec. In Quebec Province they had three outstanding driers for light salted fish, standing plants for light salted fish, drying plants in Nova Scotia which are for heavy salted fish, at Gaspé and Three Rivers in the Province of Quebec, they had outstanding fish plants for drying artificially light salted cod fish. We asked for a man who had operated those plants, and who had training in those plants in the operation of a fish drying plant for light salted codfish. Mr. Manard was recommended and so we got him.

MR. HIGGINS: When you say, Sir, you are not entirely satisfied with the results, does that particularly apply to the director?

MR. SMALLWOOD: I am not satisfied as to the result in the field,

now whether that is a lack of the right type of organization? That is a big field, a big question: Why does co-operation not take firmer roots in Newfoundland? On that every Newfoundlander has his opinion. Every Newfoundlander knows how to run a radio though not exactly how to run a newspaper, and of course every Newfoundlander knows precisely to the last detail how to run a Government and surely every Newfoundlander knows how the co-operative movement should be run and why it succeeds or fails.

MR. HIGGINS: This man, you say, is competent?

MR. SMALLWOOD: A good man.

MR. HOLLETT: That is the beginning of the flood of French Canadians. But it is not enough money only \$3,900.

1453 Registry of Co-operative Societies

MR. SMALLWOOD: That is Mr. Dove, he has been in the department since its beginning. He is the equivalent for the Co-operative Societies of Newfoundland, of the Registrar of Deeds and Corporation etc. It means he has to see that Co-operative Societies keep accounts, and that they are properly audited and send instructors to them. He is responsible for the accounting of the bookkeeping side of the Co-operative Societies. Furthermore, he is in charge of the enforcement and operation of the Co-operative Act and his purpose is to keep the Co-operative Societies in line with co-operative principles under the legislation. I don't think this has passed Cabinet and the mere fact of passing it here does not mean a thing, and the mere fact that it is changed here does not mean a thing except that

the Legislature agrees that the Government may pay more if the Government feels it should pay more. He is a Newfoundlander, I think a Green Bay man.

MR. HOLLETT: Good.

Carried.

MR. SMALLWOOD: I move the Committee rise, report progress and ask leave to sit again.

MR. COURAGE: The Committee passed 1021 to 1435 inclusive omitting 1114, 1117 and 1203.

Adjourned Debate on Ways and Means:

DR. POTTLE: Mr. Speaker, I should like now to pass on to another aspect of Newfoundland's economy which has such a direct bearing upon public welfare and therefore, upon the destiny of Newfoundland. We take for granted that there is about this matter of fishery, especially the inshore fishery such hazards as we are all acquainted with and these have been covered often in this House, and often elsewhere, and to these I shall not refer at length now. One of what we might call the hazards as far as welfare in its relation to the fishery is concerned is that fishermen are not covered by unemployment insurance. Sometimes we know the fishing business is fraught with long periods of enforced idleness and that fact in itself, tends to engender habits which are not conducive to high living. It is clear from the records, Sir, that the inshore fishery as it is presently constituted and with the returns available, cannot insure for our fishermen anything like a dependable means of livelihood.

In 1945 a series of Dominion, Provincial conferences were held, and out

of these emerged the so called green book proposals. Amongst these proposals, which were many, the Government of Canada assumed responsibility for the relief of unemployment, but the general prosperity that followed since then, has meant that provinces have not found themselves obliged to call upon the Federal Government to assume what it rightly assumed in the green book. However, if a recess, or worse still, a depression in democratic economy takes place this House can imagine, it has had past experience as to what would happen to Newfoundland. Here is where the Government of Canada enters the picture should a series of events cause the failure of the fishery on any number of fronts, it would cause large scale unemployment and consequently a large scale need for able-bodied relief. Now, when I bring my remarks thus far, it seems to involve the Government of Canada in this matter, I hasten to say, Sir, that we are not looking for charity when it comes to the matter of pointing up the involvement of Canada in this matter which is one of life and death for the economy of Newfoundland. For let us ever remember the addition of Newfoundland to Canada changed the entire picture of the Canadian economy. As far as fisheries alone are concerned, it placed fisheries well up in the matter of relative importance of industries, and on the other hand, it is reasonable to say that Newfoundland should prosper in her own right as a result of belonging to a larger community. We as a Government recognize that second aspect or both of these aspects. We shall have in our own right to insure, we shall not wait necessarily for someone to come to our rescue. As far as we can, we shall set the stage ourselves as a Gov-

ernment and at an appropriate time to declare in practical terms our responsibility for the improvement of the fishing industry of Newfoundland. We have already committed ourselves as far as we can go in spirit and substance in the Walsh Commission and await with interest the development of that body's deliberations.

I say, Sir, summarily that time is passing quickly and it is already late. The Government of Canada's one great obligation to Newfoundland in this matter, is to help insure that the Newfoundland fisheries are placed on as sound and economic basis as possible, that plans may be adopted as fully as possible to meet successfully competition in the open world markets and thereby to help guarantee, as nothing else can hope to guarantee, the continued prosperity of Newfoundland.

I come now, Sir, more directly into the domain of public welfare where I shall refer a little more at length to this question of able-bodied relief, a public assistance. As everybody knows Newfoundland as a Government, took full responsibility, it had to do it traditionally, took full responsibility for the administration and for the expenditure of funds on able bodied relief, though in the situation all across Canada, the municipalities for the greater part in other provinces, do just that with assistance from the central Provincial Government. Here we carry the full load, yes, and at times it is very heavy. The cost, if it could be enumerated in full across the ambit of Newfoundland history how much able-bodied relief cost us, would be a staggering or revealing sum. Not once or twice in this whole Island's story relief has emerged as a nemesis to break the Government of Newfoundland. No

sooner was Responsible Government brought into being in 1832 a hundred and twenty years ago, when, I understand, the first petition that came to the first Representative Government was for relief. That is a pattern which has been repeated over and over again in subsequent history.

MR. HOLLETT: From your district, was it?

MR. SMALLWOOD: No.

DR. POTTLE: If so, it was merely a historical accident, Mr. Speaker. Now, every document that purports to tell the history of Newfoundland also has to give a great portion of its attention to this question of relief, and I refer here to a well documented story in the Royal Commission Report of 1933. In the early sections of that report it gives at length the morbid references from historians of Newfoundland, not Germans, not Latvians, but Newfoundlanders, telling their own story of successive periods of adversity and distress. To bring this up to date, I quote from "The Chatham House Study (McKay, Editor) on Newfoundland," as follows: "Though relief is not at present (1946) an important item of budget it is a continuous burden of very serious proportion. With the cessation of world War II the burden of relief is actually likely to become again the nightmare of any Government of Newfoundland.

Just a few months ago we had a very comprehensive study made of the welfare situation of Newfoundland in order to put our welfare house in order, and this unpublished report says: "It is, however, the opinion of this survey that until Newfoundland's present system of providing economic security for the able-bodied unemployed is corrected, the Province's fu-

ture pattern of social welfare services cannot properly be developed. Economic security and social welfare services are, in other words, two separate concepts. If unemployment relief can be separated from the total welfare programme for which the province is constitutionally responsible, the remaining needs can be more adequately met by the Province's present and predicted revenue. Now, the inclusion of able-bodied relief within the welfare budget creates a financial dilemma which is dangerous to the total economy of the Province."

We have over the past year conducted a thorough-going study of this whole question of relief. Amongst many general conclusions which, though tentative, can stand are these: (1) there is most relief where the people are the most dependent upon the fisheries; (2) there is most relief amongst people who are unskilled and who have little education, which tells a story in itself. Furthermore there are areas where there is a strong tendency for people to lean upon relief at certain times of the year; whereas, on the other hand, this pattern of dependency can be corrected when measures of employment are introduced, and we have seen that happen within the last few months. I say, Sir, that Governments can be judged and will be judged according to how they encounter this nemesis of relief and how they undertake to solve this persistent problem of relief by getting at the causes of relief which in itself is a sign that our economy is diseased. All I need to do, Sir, is ask the question, can not this House see how vital any undertaking for economic expansion of industry and revitalization means to a situation of that kind.

I come now, Sir, to my honourable

friend in the Opposition, the member for Harbour Main-Bell Island. Again, I have no special grudge against the member, but it so happens I hit on him, it so happened that there was not one logical argument used by the gentleman, therefore, he has exposed himself to the slings and arrows of criticism. I do not wish to deal harshly with him, I would not, anyway, but his absence perhaps makes me a little more tender-hearted towards him.

Amongst a number of things that he raised, I cannot deal with them all, nor shall I mention all of them, but I shall mention two. Of course, he raised the question that we had not gotten adequate terms. I am afraid that will be an after cry of the adherents of Responsible Government for a long time to come lamenting that we did not get sufficient terms. But I come to another point of another dimension, he said: "We have not been properly paid for our strategical position, we have not had the full benefit of our bargaining power as far as our strategical position goes." Mr. Speaker, you don't buy a defense position. When the American Base deal came into effect, it was a sort of barter, but it might have been even more one-sided than barter. When danger comes, it comes to us all, and at a time of danger, there can be no heckling, no selling to the highest bidder. The fact is that in those dangerous days to the world no one is immune wherever he is. We seem to have the idea, some of us that we can hide ourselves in a small country and look at the world as spectators. We never will be able to do so again, and we never could half as much as we thought. Newfoundland cannot defend itself, not even the Opposition can defend Newfoundland.

MR. HOLLETT: They can defend themselves though.

DR. POTTLE: We have more than ourselves to defend and when the time of danger comes, our own lives are saved in the process, or we hope so, and surely then we don't expect to have at once our own lives saved and to get paid at the same time. That is the utter illogicality of a position assumed by anybody who can presume we can place ourselves on a pedestal and cry out for someone to pay us for something which we presume we have, but which is a fiction.

Then, Sir, after sundry arguments he produces the piece of resistance that an election be called now, a piece de resistance of heavy artillery, and the proof that it was considered potent by the Opposition, was the fact that the Leader of the Opposition pounced on it as part of his argument too, and we received another volley when he came on his feet—that was the volley—

The challenge was thrown across to us—"Would you dare to call another election now when this three per cent tax has been put on food?" Now, Sir, I am just novice enough to accept that challenge, just novice enough and I am naive enough to see myself going over Saddle Hill saying, this is part of my manifesto. Strange as it may seem, I accept the honourable member's challenge. Is it not reasonable to assume—I would assume it, even though defeated on the issue—that the people of Carbonear would be prepared to pay one extra cent on a pound of beef to insure a new industry for Carbonear, is it not reasonable to assume that the people of Grate's Cove and Bay de Verde were willing to pay an extra two cents on butter if that is how it must be, providing thereby a fish plant or some

other facilities to guarantee stability for the fishery for the North Shore as a result. Yes, and I will go into the honourable member's own stronghold and meet him on the Green and assume that the housewife on the Green would be prepared to pay an extra cent for a pound of onions if, thereby, the housing situation on the Green would be improved. My criticism, Sir, as long as my voice holds, my criticism of the Opposition is not on any lesser grounds than this, and I say when I criticize the Opposition I am taking on more than the Opposition, I am taking on the mentality in Newfoundland which is sinister and, I think, bodes no good for Newfoundland; my criticism is that all the while Newfoundland is trying to grow up, trying almost with pains of travail to borders outside itself, but there is a class, a mentality that would have us enclosed within the compass of those walls marked out for us to carry on our own little business, our own medium of exchange, our own little concept, our own little system, enjoy our own little affairs, me and my wife, my son and his wife and ask for no more. Sir, Newfoundland's isolation was never splendid and to try to, suppose that we can maintain a splendid isolation or any other kind today in this world, is unrealistic thinking of the first order and to bring that mentality into this House and go on still talking of Newfoundland for Newfoundlanders is as archaic as inappropriate for this civilized level of society as anything I can think about. I hope that we do not presume that we are doing a service to Newfoundland by thinking that we can live within these forty thousand square miles as if the rest of the world did not matter. We have a responsibility to public education, to Newfoundland

ers which I am afraid we are jeopardizing every time we are trying to draw the garment of isolationism about us, and say, come not upon me, Latvians, Slavs, Danes, Dagos and so on, it is not for us.

So this matter of taxation must be looked upon in the same light. Are not our people beginning to realize of their own even in spite of us that taxation must come and that it will come, that we only get what we pay for, that our business is to see that the capacity of taxing power, taxation system is applied fairly and squarely and that those people pay who are in the best position to pay. What I am pleading for, Sir, in heaven's name then instead of talking down to Newfoundlanders we talk up to them for a change, talk up to them, help them to believe in themselves. Britain passed through her hour of chaos and crisis and there were men to speak for her, who will speak for Newfoundland?

MR. HOLLETT: Latvians?

DR. POTTLE: Who will speak for Newfoundland when we get comments like that. That is as eloquent as anything I know when it comes at this time when we are talking about the future of Newfoundland.

MR. HOLLETT: Give them a good salary —

DR. POTTLE: There were those who spoke for Britain of "Blood" and "Sweat" and "Tears" are we not part of that tradition? We belong to the West and we look to the East and the West and we have an inheritance of buoyancy and of greatness and we look East to the permanency of history, to the British and American Continents and to those who spoke for Britain when she was down and

out, or faced with new adjustments to make another sneer at her, there were those who said: "What kind of people do they think we are." Is there not someone to speak for Newfoundland, what kind of people do they think we are? Are we going to haggle over three per cent or are there bigger issues at stake? Who will help Newfoundland to come into full stature. I have no special mission to do it, I am not better than other men, but something tells me, a democratic voice, something tells me it is my mission for better or for worse, I can see it is for better, to declare this kind of message to the House, it is the only place at the present time I can declare it, and I think, coming back to my friend from Bell Island, I cannot understand how he can talk of handout social benefits, social security hand-outs on the one hand and criticize the Government for taxing the people, then in the same breath almost he criticizes the Government for giving too much. I should like to accompany the honourable gentleman to the Green again and let him go up to the house of the widow with seven children and when her cheque comes to the door, say here is your hand-out. There is that illogicality, Mr. Speaker, which runs throughout Newfoundland. I remember speaking to a man some miles from here on one occasion and he said two sentences (1), look at all the hand-outs we are giving here to people who don't deserve it, and (2) you asked me to be a member of the local road committee on a fifty fifty basis. On the one hand criticizing us for giving something that was deserving and on the other hand for asking something of the people themselves.

Now, I say, Sir, that our address in this Budget is in a large part to the people, that they can help us, we do

not stand alone. The Government as far as I have been able to help interpret the policy of the Government it has never presumed that we can stand on our own pedestal and create resources where there were no resources to create, that we could make bricks without straw. I have never presumed to be a party to a Government that would presume that our national wealth was independent of the people, our position has been we can only develop and use and invest what the people have or what we can enable them to have and so in this Budget we say; here are our plans, we spread them before you over and over again, here we ask you to help us to create in practical terms of dollars and cents a surplus so that in turn we can make that available to you in terms of services which in turn creates other revenue. We need the power to do that, both they and we together, then we can do uniquely what we can't and the two of us together make a combination that is irresistible that in more ways than one, Sir, is a power. It is not only the Government, but the people and we need both together in order to realize the industries which we believe are desirable industries. But having the power is not enough unless we have the courage to apply it, we have the power and the courage and we need them side by side.

MR. FOGWILL: Sir, these remarks are in line with what I have been saying all along. I am not going to detain the House one bit longer than I can help excepting to say again something which has been grandly true, which has been re-echoed by all men of good purpose in this House who know that Budgets may come and Budgets may go, but when you boil it down to the hard indestructible

core, the thing that remains is the people. The people is what remains, the people as you find them, the people as you leave them, people, just people. You may miscalculate in dollars and cents, may overspend, may get too enthusiastic, may put on a tax here and there and cause people to squeal, may interfere with the privilege of some person, but over and above all those considerations when you boil it all down it amounts to this: The Government is for the people. This Budget then Sir, is an instrument whereby the joint attention of the Government and the people towards the public interest is designed to achieve these ends which we believe are desirable both now and for the days to come.

MR. MERCER: Mr. Speaker, I move the adjournment of the debate.

MR. JANES: I second the motion, Mr. Speaker.

MR. SMALLWOOD: Mr. Speaker, the hour is of course late, but there is on the order paper, I believe, a private Bill, which has after it passes second reading to go to a select committee, I suggest we call it now and attempt to give it second reading.

Second reading of Bill, "An Act to Incorporate the Association of Professional Engineers and for Other Purposes Connected Therewith."

MR. MORGAN: The House will recall that on Wednesday last, I brought in a petition signed by some twenty-six members of the Association of Engineering Institute of Canada asking that a Bill be introduced to the effect that the prayer of the petitioners which was then an Act be passed giving legal effect to a Society for the Association of the Engineers in Newfoundland. The principle of the

Bill, as I see it, is merely to give that effect to the Association in Newfoundland. I am not familiar with all the applicants, but I feel that most of the members of the House know some of them. The ones that I do know are held in good repute in Newfoundland and they do not represent necessarily all the members of the Engineering Institute who are presently living in Newfoundland. I have been informed by the Engineers that the effect is actually the incorporation of the Engineers just as a company is incorporated. The shareholders are not included in the list of incorporators as the members here in this organization are not included in this corporation Bill. Further that there are in the other nine provinces of Canada, a similar Association and it is the intention, when and if this Bill gets the approval of the House, to have this Association become affiliated with the National Institute.

The objects of the organization when incorporated are set out on page five, section five. They are briefly, first to promote and increase the efficiency of the professional engineers in Newfoundland, to do all such matters as will protect and advance the interest of the profession and thus assure the general public efficient, competent engineers in the practice of engineering. Then there is a general clause that is contained in the articles of association of any similar organization.

It has been pointed out to honourable members that this second reading is more of a formality than it would be in the case of a Government Bill. I understand the Bill has to go to a select committee who will be empowered to hear evidence for or against the Bill, and who will be empowered to bring in recommendations

for changes in the various clauses and it will then come to Committee of the Whole House. So I will not prolong the time, but move the second reading of the Bill.

MR. COURAGE: I second that motion.

Motion is, this Bill is now read a second time.

MR. FOGWILL: Mr. Speaker, the principle of this Bill is to incorporate the Association of professional engineers. I oppose it on the grounds that some of the sections in that Bill, to me are objectionable.

MR. SMALLWOOD: Hear, hear.

MR. FOGWILL: In fact, it almost seems to me that they want to limit the particular work that they are engaged in every day to the members of this association. I am not going to debate this at length because, as we know, it has to go to a select committee and witness can come and object or otherwise, or give their support to it, but there are many things in it, Sir, that I do not like, really object to and probably at some later date when we go into the remainder of this Bill I can object to it then. This is not the proper time at all for objections of this sort.

MR. CASHIN: Mr. Speaker, I am going to add my two cents worth to what the honourable member has just said in his remarks and I also want to draw the attention of the House to the fact that there is one most outstanding engineer in the country, whose name is not in here at all, I refer to Major Lee who is probably the most outstanding engineer in Newfoundland, construction engineer in the Newfoundland Light and Power Company who has done

considerable development in Newfoundland, particularly on the Avalon. I looked for his name and did not find it here, but as it has to go to a select committee, I think the point can be ironed out by the Committee.

Bill read a second time, ordered referred to a select committee on miscellaneous private Bills, and before which committee any person or persons for or against the Bill may appear either in person or by counsel. I would suggest that honourable members make themselves familiar with the procedure dealing with private Bills in the book of standing orders.

MR. MORGAN: Mr. Speaker, in view of the fact that we are well on in this session, I wonder if with the concurrence of the House, if we could have standing order No 67 suspended in connection with this Bill.

MR. SMALLWOOD: I take it this is agreeable to everyone.

Leave is granted that Standing Order No. 67 be suspended.

MR. SMALLWOOD: Mr. Speaker, I move that the remaining orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow, Monday at 3:00 of the clock.

The House adjourned in the usual manner.

MONDAY, May 12, 1952.

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

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

HON. J. R. CHALKER (Minister of Public Health): Mr. Speaker, on March 24th a question was asked in the House of Assembly by the honourable member for St. John's West and was informed by the Honourable Minister of Supply that the cost of the mouth wipes was \$33,785.31. Most unfortunately that was a typographical error of ten thousand dollars and the total cost should have been shown at \$23,785.31. In the "Evening Telegram" May 7, a letter appeared signed "Public Taxpayer" with reference to mouth wipes based on observations on the cost. As indicated the cost should be twenty-three and not thirty-three thousand.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend Chapter 70 of the Consolidated Statutes, Third Series, entitled 'Of the preservations of Copies of Books printed in Newfoundland.'"

A Bill, "An Act to Secure the Development of undeveloped Mineral Areas."

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce three Bills:

A Bill, "An Act to Authorize the Government and the City of St. John's to enter into an agreement."

A Bill, "An Act Further to Amend the Fisheries Loan Act, 1949."

A Bill, "An Act to Amend the Public Utilities Act, 1949."

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Workmen's Compensation Act, 1950."

HON. DR. H. L. POTTLE (Minister of Public Welfare): I wish to make a report on behalf of the Committee on Private Bills that it has examined the Bill, "An Act to Amend the Maritime Hospital Association Re-Incorporation Act, 1949," and recommend it forthwith to the House.

Motion is, this Bill be deferred to a Committee of the Whole House on tomorrow.

Carried.

MR. FOGWILL: Mr. Speaker, could I ask a verbal question of His Honour the Attorney General with respect to Acts passed in the past sessions. I understand there is a consolidation of these Acts and I wonder if there are available copies for members. I think we have had a copy of the Acts passed on one session but the others I don't think we have had.

MR. CURTIS: The Acts have been published each year and I think the honourable members should have them, they are in two volumes one and two. Did not the honourable members get these, Mr. Speaker? I understood every member would have a copy. It does not come under my Department but I will see the Minister of Supply and see that they come to the House.

MR. SPEAKER: Several honourable members have asked me for copies.

Orders of the Day

Committee on Ways and Means:

Adjourned debate on the budget speech:

MR. MERCER: Mr. Speaker, I should like at the outset to join with the preceding speakers in congratulating the Honourable Minister of Finance on his masterly presentation of the budget. I have no doubt, Sir, but that it will be recorded in history as one of the finest budgets that have been presented by any Honourable Minister of Finance in this country. I sincerely hope, Sir, that this budget speech of his is barely the beginning of many, many more such budget speeches to be brought down and presented by the same Minister of Finance. The Honourable members of the Opposition were very generous in their congratulations to the Honourable Minister of Finance for his literary taste in his presentation of the budget. Sir, as good as it may have been I feel that the Honourable Minister will not be grateful to the honourable members of the Opposition for their congratulations in that regard because the budget is not a place for demonstrations of one's mastery of the language but rather a presentation of the Government's financial policy for the ensuing year. It is actually a forecast as to how the Government hopes to finance the existing services and to expand them and to increase them by establishing a surplus. From that point of view, regardless of what it does from a literary point of view the Honourable Minister has done an exceedingly good job. I am sure, Sir, that from the literary point of view the honourable members of the Opposition could quite justifiably congratulate the Honourable Minister on his liter-

ary taste in some of his work in some short days gone by.

Now, Sir, this budget speech has been scrutinized and criticized by the Opposition. It is the right and duty of the Opposition so to do. They would be derelict in their duty if they did not examine it thoroughly and bring out every detail that was to be brought out which was not right. They would be derelict in their duty if they did not do that. I say here now, Sir, that in my opinion this Province has a combination of one of the finest Oppositions that any country could ever hope for. It has legal talent, it has honest-to-goodness downright principles of labour, it has great learning and it has, last but not least, it has many, many years of experience in the person of the Honourable Leader of the Opposition, who can perhaps even be called the Grand Daddy of the present Newfoundland politicians. Now, with such legal, practical, learned and experienced combination, with all that combination it was to be expected that a very searching inquiry would be made into the estimates and into the budget speech. I am quite satisfied that no stone was left unturned in the inquiries made by the honourable members of the Opposition and I should like to reflect, Sir, for a few minutes to see how the budget speech as it was brought down has stood up under such a searching cross-examination by such a combination as we have today in the Opposition here in this Government.

The points discussed generally were:

- (1) Alice in Wonderland.
- (2) Vinegar.
- (3) Confederation.
- (4) Buy Newfoundland Campaign.
- (5) What the Government should have spent, all pre-union surplus on

the fisheries and a paper mill on the Labrador.

I have no intention, Sir, of discussing the speeches dealing with "Alice in Wonderland" or "Confederation" because I feel, Sir, that such speeches were an attempt to ridicule the Government's policy. But what I cannot see, what I have not been able for the life of me to see was what bearing they had upon the budget speech which is the only thing we are concerned with at the moment.

With regard to the accusations made by the honourable member in the Opposition for Harbour Main-Bell Island with regard to this being a "Vinegar" budget, I say here now that within a year or two the people of this Province will be referring to his speech as the "Vinegar Speech" and this budget as the "Sugar Budget." And it would not surprise me if at any time you might hear the Honourable Minister of Finance being referred to as the "Sugar Daddy." I make this statement because of his remarks with regard to the three per cent taxation. It was on that three per cent taxation that the honourable member founded his statement of it being a "Vinegar Budget," it was that part and that part only of the budget speech which apparently he found sour. That three per cent taxation, Sir, will help to build a surplus in Newfoundland, a surplus so that the Government can build more roads, more schools, more hospitals and nursing stations and finance more new industries and by financing more new industries give new jobs. Now, when you begin to think and inquire "What will the three per cent taxation mean to my grocery bill?" If I spent a hundred dollars a month, Sir, on groceries now with this three per cent taxation it will cost me one hundred and three

dollars or thirty-six dollars per year over and above what I have been spending. If I pay an extra five dollars a month on my groceries then what does the rest of the country including myself amongst the rest, but particularly what does the fisherman, the labourer, the carpenter, the farmer or whatever he is, what does he get in return for that three per cent or three dollars or four which he may spend and some may even spend five or some may even spend ten or fifteen, people with a greater income and more money in the bank, but what does the ordinary individual in this Country get for that three per cent taxation? More medical services, more schools, more hospitals, more new industries, more jobs, and greater earning power and greater earning power means more and better food and clothing. Is not this quite obvious, is it not quite easy to see the advantages of this three per cent taxation? Now, Sir, would we give up for the few paltry dollars more we have to spend on groceries, the welfare services which we are getting today and budgeting for more and more, give up more and more hospitals, roads, schools, more old age assistance and pensions and more widows' and dependents' allowances? Should we give up all these things, Sir, for the sake of the few extra dollars per month which our grocery bill must cost? We are this coming year in the estimates providing for the spending on mothers' and dependents' allowances, two million three hundred thousand dollars and for foster and handicapped children two hundred and ten thousand dollars, sick persons relief three hundred thousand and blind and old age assistance two million, a total of four million nine hundred thousand dollars without taking

into account the amount of money which will be spent in the administration of these services, the amount of money it will take to pay the salaries of people to look after these things, to see that old persons get old age assistance, to see that widowed mothers get their allowances. Without taking into account these expenditures we are spending almost five million dollars per year, this year coming and past. That does not take into account the amount that is budgeted for the old age and infirm and infants' home, the boys' home and training school and the girls' home and training school, to say nothing of these things we have budgeted this year for almost five million dollars, which I say, Mr. Speaker, is to help poor souls who cannot help themselves, five million dollars which will be spent, which will go into and upon the bodies of those helpless people. Would the Opposition have us give up that for the sake of the three or four or five dollars a month their families might have to pay on their grocery bill? Would those people who have been encouraged in the last few days to write letters to the paper and hold meetings, would they have us give up that for the rest of this country for the sake of three or four dollars per month which it will cost on my grocery bill. Well, Sir, when you begin to think it over seriously and see the small and infinitesimal amount which this three per cent taxation on food means to each family per month or even per year and when you think of the benefits, the great benefits which will accrue to a large number of people in this country who, as I say, cannot help themselves, when you think over that small amount it costs each family who can afford to pay it, because, Mr. Speaker, it must

be remembered that if you can only afford fifty dollars per month groceries it is only one dollar and fifty cents and if you can afford one hundred dollars it is three dollars extra, but if I can afford to pay five hundred a month then I pay fifteen dollars extra and if any person can pay that amount of money for groceries I cannot see why they cannot pay the extra to help those people in this country in every little cove and creek as they have never been helped before. I say, Sir, when it is considered seriously, if everyone looked at it not from a blind and bitter point of view but from a solid down to earth point of view the little it costs and the great good which it can do, then Sir, I say, after considering it in that manner you will only get objections, if you get any at all, from critics.

Leaving the three per cent taxation I would like to come to the fourth big point made by the honourable members of the Opposition with regard to this budget speech, that is in connection with the "Buy Newfoundland Campaign." And here, Sir, I find myself in agreement with the Honourable Leader of the Opposition when he said that the Opposition had one of the greatest legal experts with them. Now, I cannot, of course, Mr. Speaker, agree that he is the greatest legal expert and I look around here and see two or three good reasons why I can't agree to that, but I am willing to agree to this extent, they have one of the greatest legal experts in this country with them. They have all this, brains, plain dealing, learning, magisterial and scholastic that can be brought to bear upon this thing, they have political experience and astuteness and with all that brought to bear upon this "Buy Newfoundland Cam-

paign," the director was examined and cross-examined, and with all that brought to bear, Sir, what did they find? I quote from the address made by the honourable member for St. John's East when he says: "As far as he is concerned after all his thorough examination and cross-examination he is completely satisfied that there was no dishonesty on the part of anybody. I presume, Sir, since the Honourable Leader of the Opposition insists that the Government was in on that programme, that campaign, there the honourable and learned member for St. John's East must mean when he says there was no dishonesty that he is completely satisfied there was no dishonesty on the part of anybody connected with the campaign, he means the director and staff and any person connected with the Newfoundland Government or any Department concerned. Now, as the honourable member devoted most of his address to that campaign and found only two things wrong with that campaign (1) that the director had made a trip to Europe and it had been charged to the Buy Newfoundland Campaign, whereas the honourable and learned member for St. John's East feels that it should have been charged to some other Department of the Government. I cannot, Sir, supposing the honourable and learned member is right, I do not know, I have not gone into it specifically, but I cannot see that it will take away from the benefits that may be derived from that campaign the fact that it should have been charged to that Department or to some other as it would all come out of the same pocket. The only other thing he could find wrong, according to himself, he felt that there was some looseness for a short period of time in the early stages of the cam-

paign, some looseness for a short period of time in the early stages with regard to obtaining vouchers. These two things, according to the honourable and learned gentleman for St. John's East were the only things that he found wrong with the Buy Newfoundland Campaign with all the combined learning, experience, common sense and legislative experience and knowledge of the Opposition after many weeks of inquiry, all that could be found wrong were those two simple points. Now, of course, I do agree that the Honourable Leader of the Opposition said that he considered the whole thing was dishonest. Well, Mr. Speaker, I can only say the Government found it quite honest. The honourable member for St. John's East says he found the people honest. The honourable member for St. John's East said he was perfectly satisfied as to the honesty of all persons in connection with it, therefore, I don't know, Mr. Speaker, and for the life of me can't find out how the people of this country will be able to know whom to believe in the Opposition.

The one thing which the Honourable Leader of the Opposition did find wrong with the campaign was, he said, he thought that if the Government were going to sponsor any such campaign at all then the Government should have been a partner with the private individuals who were running it and that that campaign was combined with the show they had up there, the fair, and he finds (I don't know where he got the figures) he intimated that the people who ran that fair made from twenty to thirty thousand dollars and if the Government, he says, had been a partner in that, therefore the Government would have shared this amount and made ten or fifteen thousand dollars. So

that we come down to this: if the Honourable Leader of the Opposition is correct about that the Government would take in during these two years in which the campaign was on around ten or fifteen thousand dollars and should have been better off, if everything he says is correct, after a period of two years this Government only lost ten thousand dollars. That is if they should have adopted his policy of going into partnership with private individuals to run a fair. So that even if this policy were correct, Mr. Speaker, the Government is not out very much.

Now, one thing struck me, Mr. Speaker, above all else when the Honourable Leader of the Opposition and the honourable member for St. John's West were making addresses with regard to this "Buy Newfoundland Campaign" the one thing which impressed me more than anything else was that I noted that every member of the Opposition apparently went very assiduously into an inquiry to find out if anything were wrong, to find out if there were any graft in that "Buy Newfoundland Campaign," to find out if some monies had gone out for no work coming in and they could find nothing. "They were completely honest," said the honourable member from St. John's East. Now, there were two phases to that "Buy Newfoundland Campaign," Sir, one, was the campaign run properly; and was there any graft, were the moneys which the Government gave out spent properly? Number two, Sir, and I submit the most important of the whole thing, the purpose for which it was instigated—did it bring any benefits to the Newfoundland Manufacturers or our secondary industries? That was the whole purpose of the campaign, it was from them it stemmed because they were

getting after the Government wanting this thing done to sell their products. Because of that, Sir, the whole programme was instituted by the Premier in the beginning. Therefore, don't you think, Sir, that one of the main phases, the main phase I would say, of the whole campaign was to try to find out if any good came of it, were there any benefits from that "Buy Newfoundland Campaign" to the manufacturers, were more of their goods sold or not? To me personally, Sir, that was a most important phase of the campaign but when the honourable and learned member for St. John's East was giving the results of a thorough inquiry to this House, it was not any address on the budget speech, really the result of a thorough inquiry into the "Buy Newfoundland Campaign," one of the big dark secrets the Opposition told us at the beginning of this speech that they were going to expose. It was given as a result of that inquiry. He said nothing about whether or not any results had been arrived at and so on. So the Premier asked him, and rightly so, "Did you find out whether or not it had done any good?" "No," he said, "Did you ask whether or not there were any letters from the people interested in secondary industries?" He said, "No." "Did you know there were any letters received?" "Yes," he said. "The director told me he had received some. I did not bother to go into it." The most important phase of that whole campaign, Sir, and they refused to go into it. I would like now, Mr. Speaker, to read and table this letter from the Associated Newfoundland Industries, Ltd., which is the combination of the secondary industries here in this country, and this is what they say:

April 28th, 1951.

Hon. J. R. Smallwood,
Premier,
Canada House,
Circular Road,
St. John's.

Dear Mr. Premier :

At a recent meeting of this Association we received an oral report from Mr. Don Jamieson, Director of the 'Buy Newfoundland Campaign,' of the programme carried out during 1950 to stimulate and foster the sale of Newfoundland made goods.

The Association wishes me to convey to you our very high appreciation of this campaign. We are of the opinion that it was well carried out and that it could not but have been of value to local manufacturers generally, and thus to the Province as a whole. Your Government's interest in and support of Newfoundland manufacturing is a source of real encouragement to those who are sincerely endeavouring to meet and overcome the various difficult problems with which they have been faced in recent years.

We are particularly grateful to you, Mr. Premier, for your initiative in instituting the "Buy Newfoundland Campaign."

Yours faithfully,
Secretary.

MR. CASHIN: Who is the secretary?

MR. MERCER: H. T. R. Renouf, Secretary also of the Newfoundland Board of Trade.

MR. HOLLETT: What date?

MR. MERCER: April 28, 1951, if I remember correctly. Here is another

from Bowring Brothers, Limited, dated October 23, 1950:

October 23rd, 1950.

Mr. Don Jamieson,
Office of the Director,
Buy Newfoundland Products
Campaign,
P. O. Box E-5105,
St. John's.

Dear Mr. Jamieson:

We wish to thank you and your staff for the very fine co-operation given us during our recent Anniversary Sale.

From our own point of view the sale was an enormous success and we hope and believe that the Newfoundland Firms, who carried out demonstrations during it, shared in the success. They certainly created a great deal of interest and favourable comment.

We will be most grateful if you will convey our thanks to A.N.I. and the Farm Produce Marketing Board and, of course, to the individual firms who participated.

We can assure you that Bowring Brothers is 100% behind the Buy Newfoundland Products Campaign and will at all times be ready to discuss with you ways and means of increasing the sale of any Newfoundland product of competitive value and good workmanship. Please don't hesitate to call on us.

Thanking you again.

Yours sincerely,

Bowring Brothers Limited,
(Sgd.) FRED W. AYRE,
Director.

MR. CASHIN: Bowrings are not manufacturers.

MR. MERCER: They do in the seal fishery. They manufacture seal skins, I saw them myself in Toronto three years ago trying to sell seal coats, is not that "Buy Newfoundland Products"?

MR. SMALLWOOD: What is the difference.

MR. MERCER: I have seen them made up here and sold to Newfoundlanders.

Now, Sir, the honourable member in the Opposition for Harbour Main Bell Island—I was going to speak about it before but he was not here. He is here now so that I can talk about it. The honourable member said that the P.C. Party and by that I presume he meant the Progressive Conservative Party, Her Majesty's Loyal Opposition as represented by the P.C. Party he says, knows and feels that (1) they want family allowances (2) want old age pensions (3) want old age assistance (4) want mothers' and dependents' allowances (5) want widows' allowances (6) want more hospitals, schools and roads. He said the P.C. Party, knows, feels and advocates that if you want those things you must pay for them and that it can only be done by taxation. That was the statement from the honourable member. He said that his party agrees with that, believes in it and told the people so during the last election campaign. The big trouble he found with this Government was that as a party it did not say that there would be any three per cent taxation until now. But he believes, and his party believes and agrees thoroughly, apparently, that there should be a three per cent taxation.

MR. HOLLETT: It was only just started then.

But the trouble he finds wrong with that is that this Government did not present to the people of Newfoundland the 1952-53 budget in the Fall of 1951. That is the only thing he finds wrong. He agrees that if you want all those social services you must pay for them. How are we going to pay for them? He says his party, his party says it not only endorses but endorses the whole of the Social Security Act. Of course I should like to remind members of the Opposition too, Mr. Speaker, that this social security taxation was made law, was passed by this House with the consent of the Opposition two years ago. The only thing was that by regulation this Government exempted food from the tax for the time being. Now, to try and we are now trying to extend these social securities of which this country became so well aware to try to bring in more new industries, to try and get greater earning power and new jobs, to try and expand all road building, new schools, to try and give more hospitals you have to build up a surplus. It is only when somebody has pointed it out, Mr. Speaker, you will notice then how members of the Opposition begin to see the light and to agree with me.

Now, Mr. Speaker, the Honourable Leader of the Opposition had some worries about the budget this year and I tried to take down on paper here his worries. The first one that I took note of was that this Government had bought nine hundred thousand dollars worth of shares in the Newfoundland and Labrador Corporation.

MR. CASHIN: That was the last one. Tell me about the 1951-52 budget.

MR. MERCER: We will come to

that, Sir. Nine hundred thousand dollars worth of shares in the Newfoundland and Labrador Corporation. It was obtained he said by note and was not shown in the budget how the transaction was made. That, he said, was bad for the budget and it was no matter, he said, how good the transaction was, no matter if the Government did, by the way they did it, save eleven thousand dollars for the Treasury of Newfoundland and made eleven thousand for it, that is immaterial if they do it and do not tell about it until afterwards. Therefore the budget is bad. That is his big complaint about the nine hundred thousand dollars in the Newfoundland and Labrador Corporation.

Another complaint he had was that this House was opened at night when he was on the Address in Reply to the Speech from the Throne and not opened at night again until he was on the budget speech. I ask you what has that to do with the budget speech or Newfoundland's future?

He said there was nothing wrong with the budget if the financial position of Newfoundland were shown as of March 31, 1952. Now, would that make any difference to the overall picture? Would that make Newfoundland more prosperous? Would it put her any further in the hole? Or the famous words used by the Opposition—Would it do the people of Newfoundland any good? Would it give out any more widows' pensions, any more dependents' allowances, build more schools, more roads or hospitals, give more old age assistance if we came along and said to the Honourable Leader of the Opposition on March 31, we have so many million dollars and we owe so many? He says, because he is not able to see that from the budget he says the bud-

get is wrong, the whole thing is wrong.

He says also that the two million dollars in rentals was not received from the Federal Government until after March 31, 1952, and was credited for the year 1951-52. Now, that, he says, was scandalous. He says that was wrong, it is not a good budget. But it was immaterial whether it was credited or not, we got it anyway.

One of the important points made by him again was he said, when he came to the three per cent taxation, he does not find too much wrong except that it should have been in the manifesto during the last election campaign. Now, Mr. Speaker, I am not a very experienced election campaigner but certainly in the few that I have seen or heard of or read about I have never seen, heard or read of a manifesto with any statement in it that there would be taxation if they got in power. I believe, Sir, my honourable friend the member for St. John's East who unfortunately cannot be here today, if he were here he would agree with me that even when the councillors are running in the city elections instead of telling the electorate of property taxation increases they tell them there will be no taxation whatsoever. I believe, Sir, that the Honourable Leader of the Opposition will agree that as many manifestos as he has been mixed up with in his long political career he has never seen one where the party said that they were going to impose taxation if elected.

The other points, were, the Honourable Leader of the Opposition said the Government borrowed money on a three month note which was never heard of before. He said also, of course, that this Government that

is in power today have been doing a lot of things never heard of before. How true, Mr. Speaker. The Honourable Leader of the Opposition never spoke a truer word in his life because, we in Newfoundland never heard of a Newfoundland Government spending so much money on roads before, never heard of spending so much money on schools ever before, never heard of spending so much money on hospitals, social welfare, old age assistance, none of these things did we ever hear of a Newfoundland Government doing before as this present one is doing. And, Sir, did we ever hear of a Newfoundland Government spending so much money on mothers' allowances and dependents' allowances? And never, Sir, did we hear of so many new industries being introduced into Newfoundland as during the past three years. I doubt Sir, and I am subject to correction on this, any one who wishes can correct me if he wishes, I doubt, Sir, if we ever heard of or even had a Premier such as we have today, who spends so many hours out of the twenty-four each day, spends them so arduously, thinking nothing of himself, thinking of nothing except trying to bring success and prosperity and happiness to all the people of this country particularly the working class so long neglected. I doubt, Sir, if any Government ever had a Premier who has spent so much time doing that. So, Mr. Speaker, I say that the Honourable Leader of the Opposition is perfectly right when he says this Government is doing today unheard of things as this Government which was elected in November, 1951.

Again, Sir, the Honourable Leader of the Opposition spent some fair amount of time in telling this House how the budget should have been

prepared, not what was wrong with it, not what was wrong with the estimates, not what is wrong with what was spent in the past year, not what was wrong with what it does in the present coming year, but it was the budget as prepared. He spent a considerable amount of time telling this House how a budget should be prepared. In other words, Mr. Speaker, he feels, perhaps he is right, I don't know, that the budget should have been prepared differently. Perhaps the Premier was wrong in not inviting the Honourable Leader of the Opposition to become Minister of Finance. But at no time while showing where and how he would change the budget if he were making it up or his Government nowhere did he say what was wrong with this budget. The Honourable Leader of the Opposition, Sir, always regretted that when he was in office in 1932 that he did not take advantage of Canada at that time because, as he himself said, they, the Newfoundland Government in 1932 had Canada where they wanted it.

MR. CASHIN: 1932?

MR. MERCER: And now regrets that he did not do then what he realizes now he should have done. That may be perfectly right, I don't know but it has nothing to do with the budget, Sir, I mention it now merely for the purpose of showing the Honourable Leader of the Opposition that with all his vast political experience, he has had plenty I give him credit for it, but with all that he himself, Sir, admits that he can and has made mistakes in office.

The Honourable Leader of the Opposition then attacked Confederation on the grounds that a better bargain should have been made. Now, that

may be so, I was not there when the bargain was made. I left that to the Premier who was a member of that Committee to answer that question, but whether a few more million dollars could or could not have been gotten at that time regardless of how it could be arranged, the fact was, Mr. Speaker, a committee representative of the various parties fighting for and against Confederation and an Independent chairman yet they came back with this agreement apparently feeling that it was the best job that could be done under the circumstances. But supposing the Honourable Leader of the Opposition is correct and they could have gotten a few more one way or the other, what has that got to do with the budget being brought down three years afterwards?

He attacked in this budget speech, Sir, the "Sunday Herald" and Mr. Jamieson and Mr. Stirling. All these things, I say, Mr. Speaker, had nothing whatsoever to do with the budget speech but the honourable Leader of the Opposition felt they had something to do with the budget speech because he felt that Mr. Stirling was one of the promoters of the fair. Sir, I have known both of these gentlemen for a number of years. I have known Mr. Stirling since he was at least fifteen years of age and I find both of these gentlemen, Sir, fine upright gentlemen, progressive citizens. In the time I have been in St. John's merely a matter of fourteen or fifteen years, I have found them starting, in my time, starting from nothing and achieving a tremendous success in their various fields of endeavour and I sometimes wonder, Sir, if all this ridicule and dishonesty charges, I wonder if they may not be due perhaps to some little jealousy as to their success.

Then the Honourable Leader of the Opposition made what I considered as fine a point, one I considered, Mr. Speaker, as his most important point on the budget speech from the point of view of being constructive, from the point of view of having an important bearing on it and the economy of this country. He said that the Newfoundland Government, he may correct me if he wants to, but I got the impression from the Honourable Leader of the Opposition that had he become the Leader of any Government and could have gotten his colleagues to agree, what he would have done from the time of Confederation until now is, that from out of the pre-union surplus he would have spent twenty-five million dollars on a paper mill in Labrador or on the South West Coast and the balance on the codfish industry. Now, that is a good thought if with any degree of reason it can be upheld. But I submit, Sir, that no Government would be justified in spending any large amount, any more than was absolutely necessary to tide matters over in the salt codfishery in this country until they had received the report from the Commission of Inquiry which has been going on during the last year or more. I say that for this reason: I was born and brought up in a salt codfish settlement and my experience with it is this: The salt codfishery is the most complicated industry we have to deal with in this country. Sir, I don't think there is any industry you can think of which requires more thought to its development than the salt codfishery. I say that because every phase of the industry, we have no control over, the fishermen have no control over it and nobody has any control over it. You may go fishing this summer, last summer there

was a good catch of fish down in Fermeuse but this summer you go and there are no fish running. So you may find that happening all over the country. I don't need to dwell upon it we all know that different years the catch is not the same, but supposing it is a good fishery this particular year and there are plenty of fish to catch and you go fishing and catch plenty, now you have your fish in the salt tubs five or six days and you are supposed to take it out now as you want to make it, you are supposed to take it out of the salt then but in order to take it out and wash it out there must be sun and it must be absolutely right for it. If there is and the sun is too hot the fish is sunburned. You can't put it out if it is foggy, but suppose you can't put it out and let it lie there for a few more days it is likely to become sour, and then after a few more days fog which you often get in Trinity Bay from Placentia Bay, that horrible fog bound place, then a few more days' fog, you have to wash it and get it back and resalt it and the fish is spoiled. So that though you may get plenty of fish you may not get the perfect type of weather needed to cure that fish and still you are nowhere. But suppose you get the fish and get the perfect type of curing weather for two or three months while the fish is running then you look at the markets and may find there are no markets for it, you may find they had just the same season and have plenty in Norway and Iceland and the markets in Spain, Italy, Greece and all these places are glutted and so you have to give it away at a give away price. So that in all phases connected with the salt fishery industry in this country, Mr. Speaker, we have no control over any one of them, it is absolutely beyond our control.

Now, I make these remarks on this to bring up this point, that of course is the reason why all during the history of the codfishing industry in this country there has never been a Government, there has never been an individual, there has never been a group of individual merchants or a group of Government officials who were able to give an assurance of success to the salt codfishery. Since we have never been able to find a genius to give us the answer in all the history of the codfishing industry in Newfoundland would the Opposition have us go out and spend ten or fifteen or twenty million in two or three years on the salt codfishery if we did not know whether we were spending it in the right place or not. No, Sir, the best thing that this Government or any Government could ever do for the salt codfishing industry in this country is what this Government has done in combination with the Federal Government to appoint that commission of inquiry whereon they have representatives of the fisheries, the merchants, accountants, lawyers and under the guidance of the Chief Justice of the Country who are going around to the fishermen and the local merchants and finding out from them their problems, the why and wherefor. That, Mr. Speaker, in my opinion is the best thing which was ever done for the fishing industry in this country and then, and not until then, when the report of that Inquiry is received not until then would any Government be justified in spending more money on the salt fishing industry than that which this Government has spent viz. enough to tide over while waiting for that report. No, Mr. Speaker, we would not be justified in spending money in the dark on the fisheries. Then the Honourable Lead-

er of the Opposition says we would require about twenty-five million dollars to harness a paper and pulp mill for the South West Coast. There again, I say, Mr. Speaker, maybe the Honourable Leader of the Opposition is absolutely correct, maybe this Government's policy is wrong. His idea would be apparently to put all his eggs in one basket, and the idea of this Government is to put their eggs in many baskets. Maybe they are wrong, this Government who believed and still believe that it is right in their policy of spreading their eggs and not placing them all in one basket as suggested by the Honourable Leader of the Opposition. And I say Sir, that by spreading our eggs in many baskets as it has been done, this Government expected a good crop of chicken and in this case, Sir, if I may be permitted to say so, chicks mean cheques.

MR. SPEAKER: Before the next honourable gentleman begins, I wish to draw the attention of members to a rule of this House constantly being violated; It is that no honourable member must pass between the member who has the floor and the Chair.

MR. JANES: Mr. Speaker, it is the first opportunity, Sir, that I have had to take part in a formal debate here in this session. I therefore wish to congratulate Your Honour on again being elected to the office of Speaker of this House. I should also like to congratulate the Honourable Minister of Finance on bringing in here the budget which he has brought in and I join with all the members of the House both on this side and in the Opposition in offering him my congratulations. It is a most unusual thing, Sir, to find the members of the Opposition expressing congratulations

to the Honourable Minister of Finance on this side of the House for bringing down such a fine document. With all the other members I join in congratulating the Honourable Minister and hope he will be with us here many years to bring down similar budgets.

Mr. Speaker, one of the honourable members of the Opposition delved into "Alice in Wonderland" at the beginning of his address. "Alice in Wonderland" is a very famous book, it is a book about the common frailties of human people and since we all have those frailties, I am not going to discuss "Alice" very much nor do I attribute to the honourable members of the Opposition all that the Honourable Minister of Public Welfare attributed to them. As I have sat here in this House and listened to this debate, I see it as a drama, if it is that, a bit of comedy opera being enacted from the other side, it reminded me Sir, of one of Grimm's Fairy Tales even to the pattern of the bald heads. Out of it all has come what has been known to us all along that honourable members of the other side of the House are in disagreement amongst themselves as well as self-contradictory. They have disagreed with regards to the financial position of the Province as I shall later show, disagreed amongst themselves about this great scandal which was to blow to the roof of the House of Assembly, the "Buy Newfoundland Campaign." Then, Mr. Speaker, the member for St. John's West with his usual fire added that—All of this we have heard is a matter of rehash, rehash of the tale of blue ruin. I am sure, Mr. Speaker, nobody in the world would be delighted with that more than the wonderful members of the other side are delighted to keep on repeating

what I heard when I turned on the radio and listened to the first broadcast of the National Convention and have listened to since for three years and I suppose as long as he sits here he will go on and we will listen to this rehash and redishing up by the member for St. John's West who introduced into his address the word "Squandermania." Now, I take it, Mr. Speaker, that he was referring to a condition, a financial condition, a political and economic condition. He charges the Government with squandering not only the current revenue but also charges the Government with squandering the surplus. He proved nothing and did not even attempt to prove anything and we on this side of the House have to ask him, did the Government squander money when they built roads? If so, Mr. Speaker, go down on Cape Freels and tell the fishermen that the Government was squandering money when they were trying to build up new roads down there. It might not be populated as well as Avalon but these people are primary producers, people who have been contributing to the wealth of this country since this country has been here, they have lived without services, they have lived without the amenities of life. The Government squandered money in trying to build a road, so the honourable member states, from Lewisporte down to Summerville.

MR. HOLLETT: The honourable member jokes.

MR. JANES: That was squandering and a waste of money to build roads.

MR. HOLLETT: To a point of order, Mr. Speaker: I deny saying anything about squandering money building a road from Lewisporte to—

MR. SPEAKER: I have no recollection of the honourable member uttering that.

MR. JANES: The honourable member said the Government squandered its revenue and I am trying to find out now where it was squandered.

MR. HOLLETT: I see, you are attributing the statement to me.

MR. JANES: It was a squandering of money to have built hospitals. He should go to Fogo and tell the people that and to Springdale and Port aux Basques and tell the people there, and Trepassey. Go to these places where fish plants are being erected and tell the people there that this money is being squandered in putting up fresh fish plants. They should tell the trade unions, the members of the trade unions that this Government loaned money to local industry to maintain production, that too is a squandering of money. I would ask them to tell the workers who are going into the new plants which have been erected that it was a squandering of money, they should tell all the the generations which have gone before and have lived in considerable poverty in this Island that the Government wasted money in economic surveys which have been conducted, should go out and tell the people that the Government has wasted its money in building up the public services, public welfare services.

MR. HOLLETT: Why tell them all that?

MR. JANES: It was all squandered, the honourable member has said it.

MR. HOLLETT: You are saying it now.

MR. JANES: I am merely repeating what the honourable member said.

MR. HOLLETT: Mr. Speaker, I rise to a point of order: I said no such thing and demand that be taken back.

MR. SPEAKER: There is really no point of order. There was a private argument between the honourable members and words have been put in the mouth of each. I shall not rule on such a point. If the honourable member misquotes again I shall call him to order. If he attributes statements to the honourable member for St. John's West which he did not make, then I shall rule on that.

MR. JANES: Mr. Speaker, the speech was made here in the House, Sir, and the Government was blamed for squandering money and I can only interpret that as being the money they spent, I don't know how else to define it.

MR. HOLLETT: No, he did not.

MR. JANES: The honourable member did not prove anything and I have only to infer from his remarks and conclude that the present administration has spent its current revenue as well as the surplus and squandered these monies. As far as this surplus is concerned, Mr. Speaker, I have recollections of sitting here in this House some three years ago, I have recollections of the Honourable the Premier telling this House, how that surplus was to be spent. I have recollections of the alternatives being discussed as far as it was possible to examine into them at that time and consideration had been given to the various needs of the various services in this Province and that our surplus would be spent. Supposing it was all wrong, supposing the fifty million dollars was all gone, supposing it had been spent in the way which it was, sup-

posing the honourable member for St. John's West called it squandermania, we would still be happy, if we did not have it we probably would create—

MR. HOLLETT: Create it?

HON. E. S. SPENCER (Minister of Public Works): We are a very creative body over here, don't you realize it?

MR. JANES: Whatever our political opinions might be, Sir, in this House, whatever our party allegiance might be in this House or outside of this House there is one thing which is unanimous with us all. It has been said here, said on the other side, and I repeat it, that we have in the Honourable the Premier, the present Leader of this Government a man who has contributed more, given more of his time, more of his energies to the welfare of the people of this Province than any other man in the history of this country.

Now, Mr. Speaker, we have to leave the honourable member for St. John's West to come back to him a bit later perhaps. This squandermania is not so bad now, he admits, we did not squander it on roads, on schools, on hospitals and it has not been squandered on economic developments nor on public services. He objected to every statement I made in this connection and we have to wonder now where it was squandered. It was a little bit of comic opera, Mr. Speaker, being enacted and to take part in the opera the junior, or senior member St. John's East, the doubting Thomas, the born pessimist who gets up and makes the terrific announcement that because the plants are bolted instead of riveted there is a possibility that they will be removed from the Octagon. Mr. Speaker, he

has the distinction at least of being Newfoundland's first pessimist, not of being the first born but the great distinction of being at the top. He deserves a medal. Every time the honourable member gets on his feet a shiver goes down my spine, because, Mr. Speaker, if there is anything in this world that gets under my skin and sends a shiver down my spine it is a pessimist who sees no good in anything, sees no good that can possibly come out of anything. With that we have to dismiss everything that he said, the voice of doom.

Then his colleague the junior member for St. John's East—We have to assume that he took the leading part in the investigation, this tremendous investigation of vouchers and so forth brought down and laid on the table and given to the members of the Opposition who conducted a committee of inquiry on the Buy Newfoundland Campaign. As the honourable member for Port de Grave said, look at the talent they have there, we on this side if we were mixed up could never hope to produce what they have got. This great scandal was going to blow us all out of the House, and ended up by coming back here and reporting there was no dishonesty found. But, mind you, both the honourable member for St. John's East and the Honourable Leader of the Opposition picked up identically the same invoices and said: "Look, do you see this one for a thousand miles on a car with 14c. a mile charged?" 14c. a mile. It might be interesting to this House to know that the Commission of Government set that rate for the civil servants using their own car in rural areas a long, long time ago and particularly field men we had at that time attached to the Department of Natural Resources were allowed 14c. a

mile for the first thousand miles on his car. If anybody thinks you can operate a car for less than that in the rural areas, it just can't be done. What the scale is today I don't know but I think it is the same.

MR. HOLLETT: They have had to produce vouchers.

MR. JANES: Then he makes a point that of the estimated surplus being budgeted for next year some six millions of it will come from the sales tax. When the Act to set up that tax was brought in here it stated, I believe, that the purpose of the sales tax was to collect revenue to meet the cost of public welfare in this Province. We have already passed estimates, Mr. Speaker, for over six million dollars as the cost of public welfare services in this Province for the current year.

MR. HOLLETT: It was ten millions last year.

MR. JANES: It is only six this year. In other words we are spending what is estimated will be collected in sales tax. Now, I am not a person who likes to be taxed. I don't like to be taxed any more than any other citizen in the Dominion of Canada likes to be taxed but if the tax is not justified then we must begin by saying our regional welfare services are unjustifiable.

The honourable member for St. John's West, I believe, challenged the Honourable Minister for Public Welfare to go into his district and call a general election over the imposition of the three per cent sales tax on goods. I will challenge the honourable member to go into his riding.

MR. HOLLETT: To a point of order, Mr. Speaker, that is another

accusation. I did not make any such statement regarding a challenge to anybody in any district. I would like to have that taken back.

MR. SPEAKER: The honourable member said the honourable member for St. John's West made a certain statement and if the honourable member says it is not so, I am sure the honourable member for Fogo will make that correction.

MR. JANES: I correct it, Mr. Speaker, it was not the honourable member for St. John's West but rather the honourable member for Harbour Main-Bell Island who challenged the Government on the imposition of the sales tax.

MR. HOLLETT: Of course we all do it.

MR. JANES: You all join with it.

MR. SPEAKER: "You."

MR. JANES: Excuse me, Mr. Speaker. Now, it must be asked if the honourable members of the Opposition would go to the country and ask if they should remove the regional welfare services built up during the past three years, remove the welfare officers and replace them again with relieving officers. Go to the country and say we are now going to withdraw the Mothers' Allowances and Dependants' Allowances which will cost two millions, we must go to the country and say there is no necessity of a division of Child Welfare, we do not have to maintain children in foster homes when these children have no homes, we do not have to be responsible for handicapped children. I remember a question being asked in this House by one member of the Opposition regarding what is being done for handicapped children. We

do not have to make ourselves responsible for people who go through sickness or unemployment during the next twelve months which costs in the vicinity of eight hundred and twenty-five thousand dollars. We do not have to give assistance to those over the age of sixty-five and we can eliminate also the blind persons. There is no need for the home for the aged and infirm, no need for infants' homes and the boys' home and the girls' home and training schools.

MR. HOLLETT: Surely, you don't believe that.

MR. JANES: Where is the money to come from. The honourable member for St. John's East has said that six millions of the twenty-five millions surplus will cover the imposition of the sales tax. It will no such thing. The cost of public welfare in the Province of Newfoundland in the estimates passed without a murmur from the opposite side of the House is going to be more than is going to be collected under the three per cent social security taxation—part of the great comic opera.

Now, Mr. Speaker, we come to the Honourable Leader of the Opposition who as usual began by telling us again that by becoming Canadians the per capita debt was increased by one thousand dollars.

MR. CASHIN: Is that right?

MR. JANES: What matters to us if as Canadian citizens the three hundred and sixty thousand people in Newfoundland who are Canadian citizens has each one individually more than one thousand dollars per capita as a result of Confederation, Mr. Speaker, while we as individuals might have inherited a greater national debt we also inherit-

ed benefits—on one side our liability increased—but on the other side who is to deny in this House or outside that as citizens of Canada we became richer. We inherited the transportation system, we inherited great social services set up long before we became Canadians, we have inherited an increase of one thousand dollars in our national debt but, Mr. Speaker, we have three hundred and sixty thousand people today in Newfoundland who are proud to be Canadians—if that is all we lose because we have had it back a thousand times over.

Then of course building up again the old story rehashing—there was no necessity for us to impose this taxation, and there is no need for us to borrow ever, oh no never! Never in history as long as we remained here as Newfoundland—if we only had ransomed the military bases to the United States of America at the price of our own economic security we would have gotten that, we would have named this price and if the price were not high enough—in effect saying, we don't give the bases and we would buy our security at the expense in the final analysis in the blood of Englishmen and of Americans. It does not make sense to have a little people of two hundred and sixty thousand here saying we will put the price on our assets for this purpose. We could not do it, we all know we could not do it.

Then to add to it all—if we had gone off the gold standard—I will agree with him, Mr. Speaker, when he says that this Government has had the greatest chance of any Government in the history of Newfoundland, I would agree with him—But does he suggest that the Government has not embraced that opportunity? As far as

we are concerned the people of Newfoundland consider the opportunity has been embraced and though they may have all the qualities which the member for Port de Grave attributed to them, I do not think, Sir, that those qualities surpass the qualities of those who administer the affairs of this Province today. The Government, I would say again, has embraced the opportunities which it had and the people of Newfoundland are richer because of it.

This paper mill down in Bay D'Espoir. I am not going to call it Bay Despair any more but Bay of Hope. He would have gone down with twenty-five millions and put it there. Sir, was he satisfied that this thing was a sound financial venture—How does he know, Sir, how does he know?

The steel mill he dismissed with a wave of his hand and proved to us that they have steel mills up in Ontario or somewhere which operated under similar economic conditions as those we have here. Then, Mr. Speaker, as part of the great comic opera, as I see it, the climax was reached, the rose bowl is almost theirs but then at exactly sixteen minutes past ten o'clock on the night of May 8th, the Honourable Leader of the Opposition in speaking of the IBEC Report said: "I have not seen it nor don't want to see it." Two months ago he had read the report in New York before it reached Newfoundland at all.

MR. CASHIN: To a point of order, Mr. Speaker; I never made any such statement, the honourable member insists on misquoting again and again.

MR. JANES: What are we to believe, Mr. Speaker, what are we to understand by it all?

MR. CASHIN: You will get the leading part next time.

MR. JANES: The Government has entered into a condition of "Squandermania" so they charge—and yet they support this policy of squandermania because the estimates have gone through this House with very, very little opposition. There was no move made to take any part out of these estimates except to reduce one Minister to one dollar, the rest of the millions have gone through and they have agreed with it, they have agreed with economic development, with public welfare services and extending them, they agree with the extension of public health services and public works, they agree with them all, and yet they are all squandermania.

MR. HOLLETT: You said it, we did not—You must believe it.

MR. JANES: Then that pessimistic voice of doom, Mr. Speaker, voiced fears of the removal of the machinery plant, dishonesty occurring in the Buy Newfoundland Campaign and startling disclosures of invoices held up for inspection to show they received 14c. a mile for the use of a car. Mr. Speaker, I once heard the Honourable Leader of the Opposition when he was a private member saying that Colonel Drew wore corsets. If Colonel Drew, Mr. Speaker, never wore corsets before he will have to wear them now to contain hansard which is to go from the Loyal Opposition in Newfoundland.

MR. HOLLETT: You don't put hansards in corsets.

MR. JANES: He will still need to wear corsets to contain them. What is the true appraisal of the position, Mr. Speaker? The position is this and I still regret this budget has to

be brought in in terms of money, that we have to discuss these things in terms of money rather than in terms of service and people. Ten million dollars is easily said, easily rolled off the tongue, easily passed and criticized. These things whether services or people are things that have not been measured and the condition which we are in today, I have tried to analyse these things not in terms of money, not in terms of money at all.

MR. HOLLETT: When?

MR. JANES: Mr. Speaker, if the honourable member keeps interrupting, would the Honourable Leader of the Opposition rub his bald head and keep him quiet?

MR. SPEAKER: The honourable member could object to that. I was about to answer the honourable member. If the honourable member overlooks the Chair and decides to settle it upon his own, he may understand why the Chair makes no comment.

MR. JANES: Mr. Speaker, what I have tried to understand with respect to the budget in the final analysis is this, what I have tried to understand in the world in which we live, the Province of yours is this, if the fish in Fogo Island means three thousand hospital days for the hospital at Fogo, and the fish at Cape Freels and the lumber in production at Carmenville and Gander Bay mean, a road to the Straights Shore, do Buchans and the other mining centres, Bell Island and the rest in full production mean a Trans-Canada Highway? Just to make sure that in this thing we do not get too provincial minded, do better crops in the Maritimes mean a better housing situation on Bell Island? Does high productivity in Ontario mean better railways and better roads?

These are the things that are not told in the budget, these are the things the working people earning their own livelihood are interested in and through which a condition is being brought about which brings some happiness to the lives of people, if I were to quote the Honourable Minister of Welfare, of people and things. It is a very difficult thing to tell the story in dollars and cents, it is a difficult thing to tell the story of patients in hospitals where there were no hospitals before, to tell the story in terms of dollars and cents. It is a difficult thing to tell the story of old age pensions for persons who had no pensions before in Newfoundland in terms of dollars and cents, it cannot be done. Yet these are the important things which are not contained in the budget. If we could some day or other measure a quintal of cod or a ton of ore against how many salaries or how many homes they mean then we are probably getting down to the fundamentals. I have seen several war budgets, the budgets of all the nations that engaged in war, take them in terms of dollars and cents and divide them up, and as someone said, that amount of money would build a thousand universities, build paved roads all across the continents of Russia and Europe. With that amount of money we could have built millions of homes. These things can be measured in terms of dollars and cents but the things that are arrived at are not measured in dollars and cents and that is where any budget must fail to give us an understanding of what is taking place in our lives, in the lives of the people of this Province and of every Province, is taking place in the Dominion of Canada. Most people have always tried in the management of their af-

fares to set aside a little but the Government is criticized for having set aside a little. We are told the Government does not need a surplus, in fact we need to do nothing more than what we have done because it could not be done without capital and the Government is criticized for building up, having spent a part of the surplus now they try to recover a part again to reinvest and they are criticized for it. It would be right to say that our services in public welfare and health are an investment in the future and in the present in this Province. If we are not going to have a surplus in effect we are saying we do not require any factories or industrial development and it can stop where it is now, we don't need any fish plants we don't need new fishing boats, we don't require any more roads. I would like the honourable members of the Opposition to put that in that manifesto when they go to the country again. Of course, Mr. Speaker, we don't expect to see their manifesto, we have not seen one in the last couple of years and don't expect we will ever see one now.

Oh yes, Mr. Speaker, we are also bankrupt—we will soon have to go to the money markets now to raise a loan, as if the raising of money were the greatest crime the Government of a people ever committed. I suppose one hundred per cent of the people whom we represent in this House, every one of them, have gone either to their merchants or to the banks or to the loan associations themselves to obtain loans for capital investment. And yet because a Government should ever contemplate such a thing, it is wrong, cruel, it is a crime. It does not make sense. In order to invest it might be necessary to borrow and we are not placing the burden of that

borrowing completely upon ourselves if that investment is used for capital investment, there are other generations to help pay for that as the citizens of Newfoundland are now helping to pay for capital investment in Newfoundland which took place years ago. Progress is not being made by sitting pretty, spending nothing whatsoever and saying we can't have any more progress. Progress was never made like that. You have to dip a little into the future and haul back some into the present, do it now and others who will come after us who will use what we have created and go on to do more, that is the way in which we have lived, that is the way in which the public services of this and of every Province of the Dominion of Canada and the United States were built, that is the way industry is built. Yet if this Government should contemplate such a thing it has gone crazy, but that, Mr. Speaker, is part of the great opera.

Now, I have to touch for a moment on fisheries: It will be recalled that I was the saucy boy who was supposed to have hauled up the boats. There was one thing, Mr. Speaker, which I learned and that is that in order to get a chicken for Sunday dinner you don't have to spend all day Saturday chasing around the back yard with an axe in hand, there are other ways to kill a chicken than that and if the honourable members of the Opposition did not understand me the fishermen of Newfoundland did and I trust, Mr. Speaker, when the Honourable Minister of Fisheries, the Federal Minister of Fisheries arrives here in a few days time he will launch the boats with champagne and all. The Government has been criticized for lack of interest in the fisheries. Again I can only say, with the honourable

member for Port de Grave we have had no Government that approached the problem of the fisheries of Newfoundland with such objectivity as this Government of Newfoundland has. And it is to their undying credit that this Government have not used the fisheries of Newfoundland to their political advantage as had every political party in Newfoundland promising to do this for them and that for them and the fellow who made the most promises is the fellow who was elected. This Government has not done that. It has been objective in its approach, they have withheld from doing things until they might have assurance that those things would be right, they have withheld doing these things because this thing is so big and the lives of so many people are involved and it is going to cost so much money that it is not something to play around with, not four or five million dollars, it is not only going to cost more than the machinery plant in at the Octagon but more than the whole lot of them put together. Would the Government be justified in launching into a fishery programme without having properly prepared the way, without properly drawing up a policy, without knowing what they were doing. I have heard so many stories go around Newfoundland, one fellow tells you one thing and the other fellow another until before you get half around you are mesmerized. Who amongst us is capable of taking all these things and disseminating them and listing them?

MR. HOLLETT: The Commission of Inquiry let us hope.

MR. JANES: That is why it was set up, to bring its report to the Government to help the Government plan its policy.

MR. HOLLETT: I hope they don't get mesmerized.

MR. JANES: The Government would not be justified in doing more for the fisheries than it has done without a practical investigation which it is hoped will be of value in the new policy which must emanate from the development committee. I hope, Sir, that there will be built up an inter-Provincial-Federal relationship with regard to our fisheries which will leave no doubt in the minds of any of us that this problem is being tackled with everything which we have.

MR. HOLLETT: Hear, hear.

MR. JANES: I think, Sir, the future of Newfoundland is bright, I think our immediate hopes as a Province of Canada are high and that never before in the history of this country have we been as well off as we are today. We have spots of unemployment, have them in my own district of Fogo and all over the country. I have travelled this country more than any other member of this House and I know it, and know where it is but taking the thing on the whole we see new homes going up in communities where there had been nothing more than shacks. We have seen people who have almost gotten up from their graves, if that is the way to put it, and again become human beings. That transformation has taken place, regardless of what members of the Opposition have to say, during the past three years and is continuing and being accelerated by the policy of this very administration. We are not pessimistic, Mr. Speaker, when we talk of people and services and we need men who are not only good men but men who can be effectively good, and again I will repeat

we have these men in the present administration. If you are looking for quotes, Mr. Speaker, we don't have to go to "Alice in Wonderland" nor "Grimms Fairy Tales." I think we can get all we need, this House and the people, they can quote for the next twenty-five years from the speech which was delivered in this House a few nights ago by the Honourable Minister of Welfare.

MR. SMALLWOOD: Mr. Speaker, I move the adjournment of the debate.

Second Readings:

A Bill, "An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada."

MR. SMALLWOOD: Mr. Speaker, I think the Honourable Leader of the Opposition has the floor?

MR. CASHIN: There is very little, Mr. Speaker, we have to add to this particular legislation. We would like to see a copy of that agreement which has not been tabled here, a copy of the Tax Rental Agreement.

MR. CURTIS: The new one has not been drafted yet. This Bill will authorize us to sign it when completed.

MR. CASHIN: You have not any agreement prepared—Well we should have a copy of the agreement which you are to sign.

MR. CURTIS: I might answer by saying that all we have received from Ottawa, Mr. Speaker, is the first draft of the agreement which is in many respects identical with the agreement which was signed in 1949 the only difference being that the new agree-

ment makes no reference to any five per cent Provincial income tax. That disappears. If the Federal Government is to collect this income tax they will collect it by their own legislation and we will not be asked to provide five per cent tax to be collected on the Federal level. The only other change Mr. Speaker, is that the figures have been altered, as the Honourable the Premier has told us on introducing this legislation. The rest of the agreement is exactly the same as the present agreement. But as I said, we have only just received the first draft and not the final draft.

MR. SPEAKER: I would suggest that would be more properly discussed in Committee.

MR. CASHIN: All right, Mr. Speaker.

MR. HOLLETT: Mr. Speaker, I don't intend to take up much of the time of the House on this matter. One thing strikes me is this matter of a five-year period. I am just wondering—I am hoping that it is not indicating mistrust which the Government might have in their economic development. To sign an agreement which is to last five years is an indication on the part of the Government that the prosperity of the Dominion of Canada as a whole has reached the maximum for some time to come and they are hoping that by signing an agreement for five years to arrive at the greatest amount of revenue to be obtained during that period. Now, Mr. Speaker, the other agreement lasted for a period of years and it is a fact that the revenue increased from year to year from this particular source. In the tax rental agreement the amount which we got was based upon the minimum annual amount and I was of the impression the min-

imum amount included the amount which was statutory. If that is so I fail to see how under paragraph 3 of sub-section 2 there is stated the guaranteed minimum annual amount shall be nine million one hundred and forty-two thousand. I fail to see how the Government—it looks to me that would include the statutory amounts as well, how the Government would put down under item 452, page 14 of their revenue the figure of \$10,674,900. I know we can't go into detail at the moment and just raised the point to bring it to the attention of the Government. We know on this side of the House we can do absolutely nothing to alter the Government's opinion of this Act but in here it is evident naturally that they think it is the best thing for the country for the next five years. The Premier did, I think, admit he was taking a chance. He has taken a good many in his time and some of them he has won and some he has lost. I do hope he wins out on this one. It is a dangerous thing. I know, of course, he has to do something and I am not trying to put blame on him for the decision made on that point but, as I say, it seems wrong to look five years ahead and sign an agreement that we are going to get just this and no more for the period of five years in view of the present increase which the Premier has pointed out. It has increased, I think from four billion to twenty-two billion estimated for this year gross national product of the Dominion. Is there any reason why we should doubt that the gross national product should not continue to increase year after year. If that is so we are going to lose quite a bit of revenue as time goes on because you are bound to approximately that amount for a period of five years.

Now, personally, I see nothing on the horizon, I am not much of a financier I admit, but there is nothing on the horizon to indicate that this great Dominion to which we now belong is likely to suffer any great recession over any long period of years and therefore I doubt the wisdom of signing a contract for a period of five years. But that will probably be explained by the Government and I don't wish to take up too much time. I believe this Act was put up for the Government and more or less they had to sign without much demur, but I would like to have some explanation of the whole of section 3, whether that can be given in second reading or has to wait for Committee of the Whole, Sir, I would not know but it will have to be explained somewhere or another. That is how under sub-section 2 where the guaranteed annual amount is referred to, the sum can be made to read ten million in our current estimates for the current year. If we look at section 2 we find the Government of Canada under this section will be liable to pay to the Government of Newfoundland an annual amount in respect of each of the fiscal years for which the agreement is entered, for five years, which annual amount will not exceed the amount by which nine million dollars exceeds the amount payable by the Government of Canada to the Government of Newfoundland in respect of statutory subsidy, during the fiscal year in respect of which the annual amount of compensation is payable. I raise that point merely in the hope that somebody from the Government side of the House will explain that section 3.

MR. SMALLWOOD: Mr. Speaker, the honourable gentleman has apparently forgotten what I said in introducing the Bill. I now remind him

that I said that the agreement itself is for five years, we have no choice in that matter, it is an agreement for five years, we sign it for five years or not at all, we may not then sign it for any period less than five years. The old agreement was a five-year agreement which we signed for three years because the agreement was two years old when the opportunity came to us as a Province to sign it. That is why the old agreement insofar as we were concerned was a three-year agreement. Now, the new agreement is for a like time, that is to say five years. If we sign it we must sign it for five years. The main point with which the honourable gentleman dealt was the fixed amount payable to us under the agreement. That part too I explained, I thought fully, when I introduced the Bill. That minimum figure is not determined in any way by the gross national product of Canada or the population of Canada or the population of Newfoundland in relation to the population of Canada as a whole. That is what it says, a fixed minimum annual amount which we are to receive regardless of the state of Canada's finances or economy, in the old agreement there was also a fixed minimum below which Canada could not go. In fact during the years of the life of our tax rental agreement with the Government of Canada the payment in no one year to us fell as low as the fixed minimum, indeed it ran ahead of the fixed minimum by millions of dollars a year. Finally the point made by the honourable gentleman as to how we could reconcile the amount shown in the estimated revenue for the current year under the tax rental agreement with the fixed minimum amount in the present Bill. The explanation is of course obvious. The amount named in the Bill is the

fixed minimum and the amount in the estimates is the amount which we will in fact receive in the current year. Now, I hope that is clear. If there were anything I could add to make it clearer I would do so gladly. But I think that is perfectly clear. The amount which we will receive this year is estimated by the Government of Canada, by the tax experts in the Department of National Revenue and the Department of Finance, and in doing so they estimated the revenue for each Province under this agreement not for the Province of Newfoundland alone. These estimates appeared in print in the official document published by the Government of Canada for all Provinces. They have appeared in Hansard of Canada, they have appeared in the various budget speeches of the Provinces. I referred only two days ago to the budget speech of the Finance Minister of British Columbia and in his budget speech there is a table showing this very figure which we had in our estimates as revenue in the current year to Newfoundland from the tax rental agreement and that same table shows the figures estimated by the Government of Canada of what each and every Province will receive if the Province concerned signs the agreement. The figures are given also for the Provinces of Ontario and Quebec which Provinces may or may not sign the agreement but there is a strong belief that they eventually will sign.

MR. CASHIN: You have not a scale showing how they make these up?

MR. SMALLWOOD: I am at least familiar with it in the sense that I have read it but I have never in my life attempted to work it out. It is one of the most complicated calculations formula that you could want to

meet. Incidentally it is given in full in the budget speech of the Premier and Finance Minister of the Province of British Columbia which I received a few days ago. I shall bring it along and pass it to the Leader of the Opposition to see for himself. I don't think personally that he will be very much wiser after seeing it, an ordinary individual would find it extremely difficult to say the least to work it out. It would take a mathematician to work it out. I gladly pass it across the floor.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Second Reading of Bill, "An Act to Amend the Wild Life Act, 1951."

MR. SMALLWOOD: Mr. Speaker, I move the second reading of this Bill which is one to make some amendment to the existing Act of 1951 by inserting after paragraph (a) as paragraph (b) the words: "Fish means fresh water fish and the anadromous fish (that is to say fish which run up from the sea into inland water)—That is merely adding to the definition.

Then by amending sub-section (1) of section 5 of the said Act by inserting immediately after paragraph (b) as paragraph (bb) to provide for the issue of licenses or permits to fish for, take or kill any fish and for the issue of badges to be worn by the holders of such licenses or permits and to prescribe the fees to be paid by the applicants for any such licenses or permits; and the fees may be varied in respect of different classes of applicants or different periods of both;"

By inserting immediately after paragraph (x) as paragraph (y) the following:

"(y) to amend, vary, alter, revoke or cancel any regulations, proclamation, rule or order or any provision of any of them

(i) under the wild life Act 1947, or any other statutory provision of Newfoundland which was repealed at the time of the coming into operation of this Act;

(ii) Relating to any matter or thing in respect of which regulations may be made under the provisions of subsection preceding this paragraph, and

(iii) in force at the time of the coming into operation of this Act,"

There is nothing very controversial in this Bill.

Read a second time. Ordered referred to a Committee of the Whole House on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move the House now go into a Committee of the Whole on items three to eight on the Order Paper. I don't suggest we are going to put them all through but to see how we get on.

Committee of the Whole: (Items three through eight).

Bill, "An Act Further to Amend the Act 47 Vic. Cap. 6. entitled "An Act to Incorporate the Carbonear Water Company."

Bill passed without amendment.

Bill, "An Act Further to Amend the Act 26 Vic. Cap. 5, entitled 'An Act to Incorporate the Harbour Grace Water Company'."

Passed without amendment.

Bill, "An Act Further to Amend the Local Government Act."

Stand for the present.

Bill, "An Act Further to Amend the Mining Tax Act, 1950."

Passed without amendment.

Bill, "An Act Further to Amend the Department of Public Works Act, 1950."

MR. HOLLETT: Under clause 3, will the Honourable Minister explain how that land is expropriated?

MR. CURTIS: It is in the Public Works Act here on my desk. I will look it up. We are just substituting a clause here for the clause in the amendment or amending Act.

MR. HOLLETT: Has the person any right of appeal?

MR. CURTIS: Mr. Chairman, it is here in the last paragraph which says: "Whenever the Minister deems it necessary that he is satisfied that land or property is required for the public authority of Canada or Newfoundland as a townsite or as a site for housing development the Minister may expropriate such land or property in the manner following. That is placed in the Act, but, speaking from memory, when land is required in such manner an effort is made to obtain it by contacting the owner, and if the owner cannot be contacted or is absent from the colony or cannot be located the Act authorizes the Minister to place notice on that land and, I believe the period must be ten days and if then no one may be found the Minister has the right to enter upon or have his workmen enter upon or take possession of it. But with regard to the settlement or payment of such land, if and when the owner is located and an agreement cannot be reached between the two then expropriation proceedings may be entered into and in that case it is carried on in the manner

which I take it the honourable member is well aware, the Department of Public Works will appoint an arbitrator, really a board of assessors, and the owner can appoint an assessor and they too appoint an assessor and in that way the findings of the board are final and binding on both parties. That is the everyday procedure in the expropriation of personal property and I might add that in almost every case the Crown as far as the Public Works Department is concerned bends over backwards to endeavour to be as reasonable as possible. There can be no such thing as expropriation unless there be a real necessity and if it has to be paid for by assessment of assessors appointed by both parties.

MR. CHAIRMAN: Passed without amendment.

It being now six of the clock the Committee is adjourned until 8:00 of the clock.

NIGHT SESSION

MONDAY, May 12, 1952

The House resumed at 8:00 of the clock.

Committee of the Whole;

"An Act to Amend and Consolidate the Law Relating to the Sale of Securities."

Clause 1 through 26 carried.

Clause 27:

27. The Attorney General may at any time require any broker's auditor to make any general or special audit or report upon the whole or any aspect of the business or affairs of any person or company and all of the expenses of every adult shall be paid to

the broker's auditor by the person or company audited.

MR. HOLLETT: Does that section mean that the Attorney General may require any broker's auditor to make an audit of their books at any time?

MR. CURTIS: Yes. This I might add, Mr. Chairman, is a copy of the Nova Scotia Act, and we have been asked to adopt it because several people who come here selling securities have asked us what our local situation was and the Department feels we should adopt an Act similar to theirs so as to have uniformity in each Province.

MR. HOLLETT: Why, I point it out is because it gives to the Attorney General power to look over the books of every firm or person doing business in the country at any time.

MR. CURTIS: Only in the matter of selling securities.

MR. HOLLETT: "Any aspect of the business or affairs of any person or company."

MR. SMALLWOOD: Look at the definition in the front.

MR. HOLLETT: That may take care of it.

MR. CURTIS: The whole part deals with brokers only.

MR. HOLLETT: It does not, according to this section here.

MR. CURTIS: Look at the word broker's in the second line.

MR. HOLLETT: Apparently you can require any broker's auditor to look into the affairs of any company in St. John's or any company in the country—it may be all right. I am not objecting to it, just drawing it to

your attention. The clause seems to give the Attorney General absolute power to scrutinize all local corporations at any time he so desires if that is the intention of the Act.

Clauses 27 through 35 carried.

MR. HOLLETT: Clause 35. No action whatever and no proceedings by way of injunction, mandamus, prohibition or other extraordinary remedy shall lie or be instituted against any person whether in his public or private capacity or against any company in respect of any Act or omission in connection with the administration or carrying out of the provisions of this Act or the regulations where such person is the Attorney General or his representative, or the registrar or a broker's auditor appointed under the provisions of Section 27, or where such person or company was proceeding under the written or oral direction or consent of any one of them, or under an order of the Supreme Court or a judge thereof made under the provisions of this Act.

In other words, no company has any right of action against any registered broker's auditor when he does something apparently which is not strictly in accordance with what he ought to do. In other words he is protected all along the line.

MR. CURTIS: It is limited to injunction, mandamus, prohibition. As my honourable friend knows the injunction would stop the Attorney General.

MR. HOLLETT: If he does nothing—I refer back to section 27—the one to which you referred a moment ago. In other words this Act gives the Attorney General absolute control

over private matters of any company, corporation or person any time he so desires, it is almost like a gestapo to me.

MR. CURTIS: It is obviously limited to the sales of securities otherwise the words "broker's auditor" would not come into it at all. I think you would find the Attorney General would not get very far if he visited a private company. Certainly I think you are reading section 27?

MR. HOLLETT: It may work out in practice but to me does not look very well in print.

Clauses 35 through 38 carried.

MR. HOLLETT: Clause 38 (3) "Where any company is convicted under this Act the magistrate may direct that, in default of the penalty imposed, proportionate parts thereof shall be paid by such officers, directors, officials, or employees of the company, and in such amounts as he shall designate, and in default of payment by any person so designated the court may impose a penalty of imprisonment for a term not exceeding six months."

I note it says the employee of the company where any company is convicted under this Act. It looks rather strong to make the employees pay a part.

MR. CURTIS: Employees may be fully responsible. If not the court would not make them liable, at least I hope not.

Caluses 39 through 40 carried.

MR. HOLLETT: Mr. Chairman, it gives the right there to take a person anywhere in Newfoundland or outside of it. We are going through this Act at such a rate it is impos-

sible to follow any section or give any sensible comment on any section. I am not objecting mind you but I did make some notations on this Act some days ago and there has not been time now to go into them. It would allow a magistrate in Newfoundland to send a person back to Nova Scotia?

MR. CURTIS: Yes, and they do the same for us.

MR. HOLLETT: That used to be possible for judges but I did not know a magistrate ever had that authority under the old system.

MR. CHAIRMAN: I wish to state that the Chair is in no hurry and has not any desire to rush the Bill, the Chairman is merely carrying out the standing order and anyone wishing to speak will be given ample opportunity.

MR. HOLLETT: Thank you, Mr. Chairman, you are always considerate to all of us, it was my mistake in the first instance.

Is there something new in this country where magistrates today can accept a warrant which was signed say by a magistrate in Nova Scotia for the arrest of John Jones, a Newfoundlander here in Newfoundland, and have him carried to the Mainland?

MR. CURTIS: Of course my honourable friend must know that since Confederation there is a difference. We are all now one country but before we were a separate Dominion, therefore had to restrict the execution of warrants by others. Before Confederation Canada was an outside country just the same as England or India or any other part of the Empire. Now, we are a part of Canada and all Provinces are united to give facilities each to the other and for that reason

each Province facilitates the other in the cases of affiliations and of dependent and neglected children and deserted wives, by enacting legislation so that it would not be difficult for us in this country to issue proceedings against those in other Provinces.

MR. HOLLETT: I am quite aware that there is some difference there since we are in Confederation.

MR. SMALLWOOD: Several differences.

MR. HOLLETT: There were two or three which I noted recently.

MR. SMALLWOOD: All good.

MR. HOLLETT: I have no comment at the moment. Now, Mr. Chairman, it seems to me it is easy now for a magistrate say in the North West Territories to sign a warrant for arrest of anybody here in Newfoundland and have him sent if he likes from Goose or Burin or Green Bay or anywhere without any further inquiries at all and take him to the North West Territories. What worries me here is that such matters were usually handled by the judges of the Supreme Court.

MR. CURTIS: The judge of the central district court, not an ordinary magistrate.

Clauses 42 and 43 carried.

The Bill passed Committee without amendments.

Committee of the Whole:

Bill, "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947:"

Passed without amendments.

"An Act to Amend the Loan and Guarantee Act, 1947:"

Passed without amendments.

"An Act to Further Amend the Local Government Act,"

HON. P. J. LEWIS (Minister without Portfolio): There are some small changes in paragraphs 7 and 8 and a new paragraph or sub-paragraph (f) providing for the days and hours during which shops in an area which is not a shop closing area under the Shop Closing Act shall not be open to customers.

Clauses 8 and 9 carried.

MR. HOLLETT: Incidentally, Mr. Chairman, there is one other change since we went into Confederation, not under this section, but every local Government in the Island can tax consumers coal \$1.00 and on oil 1¢ a gallon and everyone who sells becomes an agent of the Government and collects tax. I am sure everybody in the House is very proud of this as one of the changes since 1949 and some of them who said there would be no taxation should jot down in their note book this \$1.00 on coal and 1¢ a gallon on oil which every local Government has the authority to do that. I just want to mention that, Mr. Chairman.

MR. SMALLWOOD: I accept the honourable gentleman's comment as being very true when he says the Government is proud or wonders if the Government is proud of this legislation, the answer is, yes, we feel exceedingly proud. This is a piece of legislation which, if it passes into law, gives local self Government all around the Island authority to levy taxation on coal and fuel oil for the purpose of raising revenue in those communi-

ties to be spent in those communities to bring about improvements in those communities. Why should we not be proud of it? We are exceedingly proud of it and of our record in the last three years in leading people in many communities to organize themselves into town councils. That is one of the most constructive, creative pieces of work any Government has ever done in all the long history of Newfoundland.

MR. HOLLETT: They were started long before this Government ever came to power.

MR. SMALLWOOD: But like everything else this Government does, since we came to power we have done with gusto and enthusiasm and with the result that today after three years you have more than twice as many town councils as you had after ten years of Commission of Government. We are very proud of that, it is a very grand and constructive piece of work. In England which most of us in Newfoundland, virtually all of us look on as the Mother country and the country to which we look, England, Scotland and Wales, in those countries you have the greatest democracy in the world, which the world has ever known and if you have there the greatest democracy the world has ever known it is chiefly because local self-Government existed in many many hundreds of town councils and city councils and borough councils and other types of local Government. It is the great training ground of democracy in any land and until you have greatly decentralized the power and functions of Government by having local self-Government, that is what we are trying to do in this Government, and the Honourable Minister of Municipal Affairs and Supply has had brilliant success in the last three years and

we have high hopes that within the next three years we will double the number of local self-governing communities that we have at the present time. Now, if you are going to have local self-government, local town councils and the like, you must give them the right, in logic, in common sense, practical logic, if you are going to create successful self-government in our Newfoundland communities you have no choice but to give them the authority they need, that they must have, to raise the revenue with which to carry out these functions. Now, town councils can be wholly and solely creatures waiting for handouts from this legislation and from the Government or it can be a semi-autonomous body with the Legislature keeping kindly watch over its work, but otherwise semi-autonomous, raising its own revenue or it can be just an absolute creature and nothing else of the Government and that would not be democracy. I say, Mr. Chairman, that if the honourable gentleman is trying to make politics, if he is trying to score a point against this Government he chooses his ground very badly. We were never on surer grounds than we were when we set up here, when this Government recommended to this House the broadening and extending of the town council movement. We could not be on safer ground, and long after the honourable gentleman has gone and we are all gone and forgotten this movement of local self-government will be bringing its message to the people of this Province. It is up to us here in this House to be big enough, to be statesmen enough, not just politicians, not just cheap and shabby politicians, it is up to us to act as statesmen in the matter of local self-government and look ahead with vision and imagination

and see the need for more and more decentralization of Government.

MR. FOGWILL: Mr. Chairman, are we discussing the principle of the Bill or the section on oil and coal?

MR. CHAIRMAN: I think the Honourable Premier is discussing section 11 and is not out of order.

MR. SMALLWOOD: The inconsistency of accusing the Government on the one hand of being dictators and on the other hand trying to stop us when we make a proposal that will put power into the hands of local self-government—I draw that inconsistency to the attention of the committee, inconsistency arising out of an unsuccessful attempt to make a bit of politics.

MR. HOLLETT: I believe that, but if you just touch a boil it hurts like the dickens and the mere mention of taxation to the members on the other side of the House makes them scream and squeal, they can't take it. Merely because I drew attention to the fact the Government is giving local town councils authority to put an extra dollar on coal, in Lamaline if you like, and on oil in Flower's Cove, merely because I drew attention to that the Premier gets up and shouts what a wonderful job they are doing for town councils in this country and we who would dare to mention this taxation are cheap and shabby and all the other ugly adjectives the Premier could find when we mention this taxation they are putting on the people in these small places.

MR. SMALLWOOD: Then vote against it.

MR. HOLLETT: We don't have to ask anybody on that side of the House how we will vote, not even the

Premier, we can vote how we please, thank goodness. But I object, Mr. Chairman, to being called cheap and shabby, simply because I rise to draw attention to something cheap and shabby, simply because I rise to draw out those words on the head of these whom they fit and take note of what they say in the future.

MR. SMALLWOOD: I just want to say one word in reply: There is nothing in this legislation or in this clause or any other clause in the Bill which forces any town council to impose a taxation on coal or oil. This Act is not mandatory but permissive or which authorizes such town councils as care to impose the tax to do it. The honourable gentleman is strictly incorrect when he says this Government are imposing that taxation. They are not.

MR. HOLLETT: We have already given the city council of St. John's the right in another Act passed in this very Chamber. Now, the other outport councils have the same right.

MR. SMALLWOOD: But we are not imposing it on any one, merely giving the right or authority to do it.

MR. HOLLETT: Simply because they have no other answer but taxation. Just as we had Acts before us here this evening where it was admitted to us here that they were told to bring in a certain Act and had to bring it in, only this afternoon. We have no self-government. That does not make self-government particularly when the Government are told in connection with the tax rental agreement what they shall do and must do and they can't do anything else.

MR. SMALLWOOD: The honourable gentleman may not be aware of

the fact but for long years in Newfoundland, Harbour Grace, Carbonear, Placentia and possibly several other places had identically the right to impose this tax but they were not town councils but water companies.

Section 11 passed with minor amendments. Section 12 through 22 passed without amendment. Bill passed without amendments.

Bill, "An Act to Amend the Memorial University Act, 1949."

Passed without amendments.

Bill, "An Act to Amend the Co-operative Societies Act, 1939."

MR. HOLLETT: May I speak to section No. 3, Mr. Chairman? I notice there that the co-operative societies are allowed to introduce the idea of credit. I thought the whole idea of co-operation was to endeavour as far as possible to eliminate credit. I wonder is that in conformity —

HON. P. S. FORSEY (Minister of Supply): It refers to credit societies of the co-operatives.

MR. HOLLETT: Thank you very much.

Bill passed without amendment.

Bill, "An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation."

Passed without amendment.

Bill, "An Act Further to Amend the Town Council Bond Guarantee Act, 1951."

Passed without amendment.

Bill, "An Act to Make Provisions for the Raising of Moneys by Certain Local Authorities."

Passed without amendment.

Bill, "An Act to Amend the Slum Clearance Act, 1950."

MR. FORSEY: Mr. Chairman, I believe the honourable member for St. John's West has some questions in mind with regard to clause 2. I think Mr. Chairman, the honourable member raised some question as to the assessment being final and binding when speaking to the principle of the Bill. The procedure is this: The only principle the Minister referred to is the fact whether or not a piece of land which has improved in value by development—in other words if a person has a piece of land along which a sewer line has been built or installed, the only thing the Minister does is give his opinion, or the opinion of the engineers of the Department stating that in his opinion the land has been improved by virtue of the fact the sewer line has been installed, is within ordinary reach of the owner of the land. The Minister has nothing to do whatever with the amount that has to be paid, all he has to say is this, that the land has improved in value by the sewer being installed nearby.

MR. HOLLETT: That is quite all right, Mr. Chairman, thank you.

Bill passed without amendment.

Bill, "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951."

MR. HOLLETT: I wonder if we could have sub-section (3) of Section 38 read? We can then see what we are amending.

MR. SMALLWOOD: Subsection (3) of Section 38 of The Crown Lands (Mines and Quarries) Act 1951, is repealed.

"In computing the fifty days' work

referred to in paragraph (a) of Sub-section (1) work done during the period from the first day of November to and including the fifteenth day of May in any calendar year shall not be counted."

MR. HOLLETT: Could we have some explanation as to the reason for the repeal?

MR. SMALLWOOD: Mr. Chairman, if I read the whole clause perhaps that will give us the clue. I think that the reason is that obviously in the winter work cannot be effectively done. This whole part of this Act is based upon the idea that a certain amount of work must be done on a claim, and for that purpose the winter period is excluded.

MR. CASHIN: You would allow it to count in this amendment?

MR. SMALLWOOD: Exactly. This section eliminates these days whereas the amendment restores them.

Bill passed without amendments.

MR. SMALLWOOD: Mr. Chairman, I move the Committee rise, report progress and report having passed certain Bills, after which, Mr. Chairman, we might go into Committee on Supply and tackle the estimates again.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have passed the following Bills:

"An Act Further to Amend the Act 47 Vic. Cap. 6, entitled 'An Act to Incorporate the Carbonear Water Company,'"—without amendments.

"An Act Further to Amend the Act 26 Vic. Cap. 5, entitled 'An Act to Incorporate the Harbour Grace Water Company,'"—without amendments.

"An Act to Amend the Mining Tax Act 1950," without amendments.

"An Act Further to Amend the Department of Public Works Act, 1950,"—without amendments.

"An Act to Amend and Consolidate the Law Relating to the Sale of Securities,"—without amendments.

"An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1947,"—without amendments.

"An Act to Amend the Loan and Guarantee Act, 1951,"—without amendments.

"An Act to Amend the Loan and Guarantee Act, 1950,"—without amendments.

"An Act to Amend the Local Government Act, 1949,"—with some amendments.

"An Act Further to Amend the Memorial University Act, 1949,"—without amendments.

"An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation,"—without amendments.

"An Act Further to Amend the Town Council Bond Guarantee Act, 1951,"—without amendment.

"An Act to Make Provisions for the Raising of Moneys by Certain Local Authorities,"—without amendment.

"An Act to Amend the Slum Clearance Act, 1950,"—without amendment.

"An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951,"—without amendment.

Ordered read a third time on tomorrow.

Committee goes into Supply.

DEPARTMENT OF LABOUR :

MR. BALLAM : Mr. Speaker, there will be no change in the vote. You will notice from last year that items are practically the same. I would like to go over briefly some of the work that has been done. I think we are all very anxious to see the business remaining will be gone through as quickly as possible and I will refrain from going into any detail on the work of these various boards. The office is the same and the vote of the various boards is the same, the only difference is in 1605 where we have augmented or intend to do so, the Apprenticeship Act which was last year brought in. We could not find it convenient to inaugurate it until this year and not until this year have we requisitioned staff for this particular division, even as yet we have not the staff that we think necessary to conduct this particular division. That is one of the things that has been lacking in this country and it is something we hope we will become more interested in and that we will be able to do something about the situation. The Canadian Government are also, this year, taking a great interest in apprenticeship training and we hope to go along with them and as time goes on try to bring in some kind of a good apprenticeship scheme so that we can train some of our people in various skills and trades. It is coming home to us that that is more necessary than ever on the various jobs that are being done around the country and in the north. Where defense jobs are concerned the great demand is for skilled workers and they could employ as many of that type of person as we can find, but unfortunately most of our skilled workers are employed and we find that we have a backlog of labour for which we cannot find

employment. So that it becomes very necessary, and it is too bad it has not been done years ago, to try and do something in the way of apprenticeship training so that we will have more of our people going into the trades rather than stay as just labourers.

The other votes in the Department are practically the same and I would suggest that we would carry on with the estimates in their order.

1601—Ministers' Office. Carried.

1602—General Office. Carried.

1603—Labour Boards, Committee and Inquiries. Carried.

1604—Boiler Inspection.

MR. FOGWILL : Who is the boiler inspector?

MR. BALLAM: Mr. L. R. Cradwell. He is not a local man; we engaged him from Ontario. Another importation.

MR. CASHIN : Who was the boiler inspector?

MR. BALLAM : He has been the only one since we came into office. The boiler inspector here previous to Confederation went over with the Federal Government. All the boiler inspectors went over to the Federal Government after union and it has been necessary for us to set up a new and complete staff besides the boiler inspector who is a very competent fellow and we were fortunate to get him.

MR. HOLLETT : The same man as last year?

MR. BALLAM : Yes.

Carried.

MR. FOGWILL : Mr. Chairman, you have three boiler inspectors there,

would the Honourable Minister name the gentlemen?

MR. BALLAM: No, we have just one but we anticipate having three and have been advertising more than a year now for competent people. We have one with us since we started the branch and there is another one just about to be engaged and we are still looking for a third inspector.

We have the chief inspector and Mr. Seward and there is another to be engaged, I forget his name right at the moment, but he should be joining the branch approximately this week.

MR. FOGWILL: Is he a local man?

MR. BALLAM: No, but he has been in this country several years, and his wife is a local person, but actually he is an Englishman, I think.

1605 Apprenticeship:

MR. HOLLETT: Who is the supervisor of apprenticeship? Is that a Newfoundlander?

MR. BALLAM: The post has not been filled as yet.

MR. HOLLETT: He will be a Newfoundlander, I expect?

MR. BALLAM: If we can get one suitable, if not we will get one from mainland Canada.

MR. HOLLETT: \$2,800?

MR. BALLAM: Yes, plus the cost of living.

Carried.

MR. SMALLWOOD: Mr. Chairman, in addition to several items to which we must refer in the current account estimates we have still before us the capital account estimates.

Now, in introducing the estimates

for the Department of Fisheries and Co-operatives, in the absence of the Minister, I pointed out to the Committee, we would have to go back to them after the Minister returns. The Minister has been grounded at Halifax for four days and sometime today or tonight following his return we will know if he has changes for this Department.

Then again in the Board of Liquor Control there is an item held over to which we may have to return, and in the Department of Mines and Resources there is definitely need to come back. I am not in a position to move the Committee back to it at the moment because I did not bring it in. In the printing of these estimates which is the final edition for the House there was dropped a whole block printed in the draft and passed by the Cabinet. This whole block had to do with game and wild life, and it was just simply dropped by the printers. That has of course to be restored. I have not got it here with me, so that these items will require our coming back over one or two or three Departments.

MR. CASHIN: In the Justice Department too there were items allowed to stand.

MR. SMALLWOOD: So that with that in mind I suggest that we move on to capital account expenditure.

Capital Account Department of Finance: Sub-head 408:

MR. CASHIN: There is a revote there. What is that, Mr. Chairman?

MR. SMALLWOOD: There is a vote not handed over to the board and therefore an amount that became a drop balance and is now voted again.

MR. CASHIN: Is this the vote under the chairmanship of Mr. Baxter? Now, I would like to draw again to the attention of the House these three boards I spoke of the other night in the budget. According to the figures tabled in the House these three boards spent approximately three hundred thousand dollars. I remember that distinctly. They have been in existence two years, if my memory serves me right, probably a little more and it cost forty thousand a year to operate them. That is eighty thousand dollars to loan three hundred thousand, or forty thousand for two years to loan three hundred thousand. That is quite a high rate. However, I would point out the salaries are paid out of capital votes and are not in as individual salaries. These corporations our borrowing money from trust companies figure it costs them one per cent for administration and we are paying about ten or twelve or fifteen for administration. I don't think the jobs are warranted at all. If you loan money it can be loaned by the Finance Department. I know there is a lot of investigation and they may be saving money but that does not justify the existence of that office at all.

MR. SMALLWOOD: I can only say that whilst it is perfectly true that the overhead cost of making these loans has been quite high in the year and a half or so during which these three boards have functioned, that is only because the amount of money loaned has been small and not because the overhead is actually too high. But it is too high in relation to the amount of money they have lent and not actually high but only relatively high. Now, the amount they lend must depend upon the creation by the Government of a

policy that will call for lending of money and these policies have not in the main, as yet, been brought into effect. The main board, I think, there of the three is the Fishery Loan Board, the Fishery Development Loan Board. That is the one of the three that will be lending most money to fishermen and groups of fishermen but they are not ready yet to lend that. That is not their fault.

MR. CASHIN: There is nothing in here at all.

MR. SMALLWOOD: There is no revote in any other Department. Now, in the fisheries Loan Board we hope that Board will be lending money to fishermen in many, many hundreds of thousands of dollars, several millions is what we hope for. Certainly we would never encourage Fishery Development Loan Boards to make large loans to fishermen or anyone else until there is defined clearly, carefully a policy of development for that. We have been waiting for the report of the Fishery Development Committee. In short we have set up these three Loan Boards, especially the Fishery Development Loan Board, to be in readiness for the report of the Fisheries Development Committee and any development programme that should follow the acceptance by the Government of that Fisheries Development Committee's report. The loan boards are there functioning, not doing very much in the way of loans but functioning, and getting the feel of this thing. Obviously the overhead would be high for that reason, but not actually but relatively.

MR. CASHIN: Also, Mr. Chairman, if my memory serves me but maybe I am wrong, I often am according to some members of the Government in answer to a question the

other day I noticed an amount for industrial development. Now, there is no vote here worth speaking about for industrial development except for the office itself. For what is the three hundred and fifty thousand I speak of?

MR. SMALLWOOD: For the information of the honourable gentleman I would say there are three boards.

MR. CASHIN: I know.

MR. SMALLWOOD: With one chairman, one secretary, one stenographer but with different members on the boards except the chairman and the secretary. Now, the overhead is the overhead for the three boards and between the boards they have about three-quarters of a million dollars capital lent them by the Government.

MR. CASHIN: Mr. Chairman, I know the original vote was a year or so ago and was somewhere around a million and a million and a half all told. But that was put on the books of the Finance Department creating so to speak these particular boards. Now, that money is in the consolidated account, is it not taken out of that consolidated account and put in a separate account?

MR. SMALLWOOD: I think not.

MR. CASHIN: And suppose these accounts were short of money due to the fact there was no money in the bank? That is what I am getting at. If the Chairman would pardon me for two or three minutes I will be back and can carry on from there.

MR. HOLLETT: While waiting for the Honourable Leader of the Opposition—The Premier has said

they cannot go ahead and spend a lot of money in those loan boards until they know where they are getting off and know what to do. I hope now the Honourable Premier won't accuse me of playing politics if I refer back to various expenditures such as the Icelandic Boats which I think only cost four hundred and fifty thousand dollars. Of course it is apparent the Government did not wait there before doing something. I would refer to the Matthew II, I don't know what that boat cost but it was many thousands of dollars—I believe the Government has abandoned it to some private corporation. There is also the Charlotte II which I believe cost somewhere around twenty-five thousand dollars and sold for probably about one-third of that. So I don't believe the Government has wasted very much time; they have been spending considerable amounts of money trying to experiment. I don't blame them. As a matter of fact I appreciate the fact and believe they are honest in an attempt to find some way to get a solution to the trouble in the fisheries. But, I did not like the idea of the Premier stating that they had to wait before they loaned money to fishermen. The Honourable Leader of the Opposition has pointed out that in order to loan three hundred thousand it cost forty thousand and I note also from the question which my honourable friend the Leader of the Opposition has been referring to when they wanted some money to loan to the fishery they had to create an overdraft at the bank or borrow money after having forty millions in the bank when they set up these three loan boards. It looks kind of funny to me, the money disappeared some way or another, I wonder if that is the reason why the Fishery Loan

Boards and the others did not loan more money, I wonder if they had it?

MR. CASHIN: What I am trying to get at is this: When this amount was voted for these three particular loan boards, I am pretty certain they make out three cheques, put it that way, and pay them over to these particular loan boards and then these particular loan boards deposit them to their credit in separate bank accounts.

MR. SMALLWOOD: No.

MR. CASHIN: At the present time there is no such thing.

MR. SMALLWOOD: Not cheques in the full amount but in various amounts, so much for this board and so much for that from time to time.

MR. CASHIN: But who drew against them, for instance Tom Jones gets a cheque for seventy-five thousand dollars, who makes out that cheque for Tom Jones?

MR. SMALLWOOD: The Loan Boards, they have an account of their own separate and apart from the consolidated revenue fund, they have their bank accounts separate and apart from the consolidated revenue fund.

MR. CASHIN: Well, then that is contrary to the answer I have already received, Mr. Chairman, sometime ago. The answer I received was such that I was given to understand in this House that recommendations by the Industrial Loan Boards were passed on to the Government who passed the necessary minutes of council and the Finance Department paid out the cheque.

MR. SMALLWOOD: There were no minutes of council, it never came

before the Government, good, bad nor indifferent, direct nor indirect.

MR. CASHIN: Therefore, the Industrial Loan Boards do not consult the Government before making a loan. Now, the Industrial Loan Board will pass a loan and requisition against the vote and the Finance Department issues the cheque and charges it up on the books against that vote.

MR. SMALLWOOD: The honourable gentleman may be right, it has to be one or the other. The House votes, say a certain token sum to the boards (a), (b) and (c). That is the first step. The Department of Finance passes over to the boards either in cash or credit on the books the amount voted for (a), (b) and (c) and in the meantime the money is either apart from CRF and goes over to the board or goes over as a credit to them in the Finance Department books in the amount the Department hands over to them, which it is I frankly do not know.

MR. CASHIN: I don't think any of you know.

MR. SMALLWOOD: It does not matter anyway.

MR. CASHIN: It does matter.

If there are separate accounts for each of these three boards, then who is the signing authority against that bank account or these three bank accounts? Either you have a credit balance in the bank to each of these boards or a debit balance, but to me at least I think that is the way it is done. We vote the amounts in the House, three amounts totalling one-half a million or whatever it is, make it three hundred thousand for the purpose of argument, one hundred thousand to industrial development, one hundred thousand to fisheries

and one hundred thousand to co-operatives. Now, we vote that in here and the Finance Department knows that it is voted and it makes an entry in its books crediting each loan board which has been created by statutes with one hundred thousand dollars.

MR. SMALLWOOD: I don't think they did that.

MR. CASHIN: If not they passed over the money to the loan boards.

MR. SMALLWOOD: I don't think they did that.

MR. CASHIN: Even if they did not pass over the money to the loan boards they were entered into the account in the Department of Finance. There were three amounts really and they credited each amount to each particular loan board, and then the loan boards which are statutory, lend it to Tom Jones or someone in the regular course of business and the Finance Department will issue that cheque. That is one way it could be done. The other way, as you said, the Finance Department issues a cheque to each loan board for a specific amount; it need not be the full amount but an amount to carry on in the meantime. In that case each loan board has its own bank account and what I am trying to get at is this: Someone in the Government should be able to tell us now whether that is true or not, I am not saying I am right but am just looking for information.

MR. SMALLWOOD: The Act itself should say that.

The Honourable Minister of Public Works has just showed me the estimates for last year showing that for 1950-51 an amount of three hundred thousand dollars voted by the

House to the Industrial Development Loan Boards, and in the estimates for the year just passed there was a vote of one hundred and fifty thousand revoted which indicates that of the three hundred thousand voted by the House they used only half and last year we voted the unpaid amount and actually they only got seventy-five thousand and this year we are voting the remainder.

MR. CASHIN: That is quite all right but it does not say in these estimates whether or not these cheques were paid to the Loan Boards, whether the cheques are issued by the Finance Department or by Mr. Baxter—that is what we are trying to get at.

MR. SMALLWOOD: It is not necessarily passed over, it is credited but probably not passed over in cash.

MR. CASHIN: I know you don't issue your cheques today as in the old days when each Department issued its own cheques to pay its own employees, but all cheques are issued from the Department of Finance even for fifty cents, and whatever the vote is here charged to the Department concerned in the Finance Department, but there are three loan boards which are entirely different from Government Departments and what I am trying to get at is if they established three separate bank accounts and passed over the specific sum at any time.

MR. SMALLWOOD: The answer is, I don't know. It is simple to find out.

MR. CASHIN: I know but I am trying to get information, and don't want to be fighting about it.

MR. SMALLWOOD: I will get it tomorrow.

505—Housing: No vote.

DEPARTMENT OF EDUCATION:
606—Library Services.

MR. CASHIN: Could the Minister give any information to where these library buildings are to be located?

HON. S. J. HEFFERTON (Minister of Education): We can't give it off hand. Bonavista is one, I am told, and St. Lawrence another. There are three places anyhow.

610—Grants:

MR. CASHIN: Have you any idea where the school buildings are going?

MR. HEFFERTON: Before we pass on to that I want to make a comment on 606. A few days ago when running through the estimates we put in an amount for regional libraries and that should go into the amount of this vote, it should be under capital. It is for building libraries and that is capital.

MR. CASHIN: Have you any programme for school building this year?

MR. SMALLWOOD: That is for the religious denominations, we merely pay the money over.

MR. CASHIN: It would not be any harm to see the programme.

MR. SMALLWOOD: They do that. We hand the money over and don't interfere or ask questions.

MR. HEFFERTON: All I could produce is a tentative programme. The total programme outlined by the Department this year is something over a million dollars for this particular vote. It will be divided between them.

DEPARTMENT OF MINES AND RESOURCES:

MR. CASHIN: Mr. Chairman, if you will permit me a moment, I have now discovered in the public accounts that these loan boards have their own account.

MR. SMALLWOOD: I was pretty sure of that.

MR. CASHIN: But at the present time we might be able to find out how these bank accounts stand.

MR. SMALLWOOD: I was pretty certain each Loan Board had its own separate account but the amount they get is not the amount, necessarily, voted in this House.

MR. CASHIN: I know that.

MR. SMALLWOOD: It is passed over from time to time as the need arises and furthermore if they have a large amount on hand at any one time and the Treasury needed it it takes it back again, takes it and gives it back, etc., within the year because obviously the Government revenue does not come in in a steady, uniform flow for six days a week, maybe for as long as three months the Government would probably not get a hundred thousand dollars worth of revenue and then three months later several millions. Don't forget seventy per cent of our revenue comes from Ottawa in four amounts a year and while waiting on the next amount we are probably short of money. That happens to every Government not only ourselves.

MR. CASHIN: Up to six months or a year ago you had considerable capital account.

MR. SMALLWOOD: We could not draw on it for current account.

MR. CHAIRMAN: The Chair would like to see the members rise and address the Chair.

804—Forestry. No vote.

805—Agriculture. 801 (02) carried.

809—Carried.

811—Wild Life:

MR. HOLLETT: How is that \$27,000 to be spent?

MR. SMALLWOOD: For advances to fur farmers and fur farm societies.

MR. HOLLETT: Loans, are they?

MR. SMALLWOOD: Yes.

Carried.

MR. HOLLETT: Why would that not be under Industrial Loan Boards?

MR. SMALLWOOD: Because the Loan Boards are not equipped to handle them, they are very small amounts. That goes through the Department itself, the Financial Department is quite familiar with these mink farms, etc.

MR. HOLLETT: Has the Department authority to loan money?

MR. SMALLWOOD: The farmers' loans are made by the Department of Mines and Resources and they can loan out money, yes, I think there are very few Departments that can, the Department of Municipal Affairs and Supply do to Town Councils.

MR. HOLLETT: What is the idea of an Industrial Loan Board if the Departments can loan out money?

MR. SMALLWOOD: Every Department cannot.

MR. HOLLETT: I thought you said they could.

MR. SMALLWOOD: No, I did not. It is provided for in the Act that set up the Department of Mines and Resources, to loan out.

MR. HOLLETT: Any money they wish?

MR. SMALLWOOD: No, they are limited by the amount voted by the House.

MR. HOLLETT: It is not voted to them yet.

MR. CHAIRMAN: The Committee is getting a bit away from the point under discussion.

MR. HOLLETT: I only asked why the Industrial Loan Board did not handle loans like that, they are not equipped to loan \$27,000?

MR. SMALLWOOD: That would involve probably twenty or thirty loans.

MR. HOLLETT: Do you mean to tell me the Department of Industrial Development and the Loan Boards are not equipped to handle small amounts?

MR. SMALLWOOD: Not as well as the Department of Mines and Resources. The Department handled them and each case is carefully reviewed by the Minister who has been at that work for years in the Department, now one in the Loan Board —

MR. HOLLETT: Has the Department ever loaned money before?

MR. SMALLWOOD: Yes, for many, many years back, at least fifteen years.

MR. HOLLETT: I have never heard of it before. There are a lot of things I have never heard of in this Government, they are creating precedents every day. It seems in every

Department the Government lends what money they want for anything at all.

MR. SMALLWOOD: What evidence has the honourable gentleman got for that statement. I just said no, and now I say it again, the honourable gentleman is entirely wrong.

MR. HOLLETT: I am right, I say.

MR. CASHIN: You are starting vocational schools—I take it that is to be in St. John's.

MR. SMALLWOOD: There is no final decision on that, it may be in the Memorial University, it is under serious consideration whether to put it in Grand Falls or St. John's.

MR. CASHIN: \$9,000 for a drill hall for the Attorney General's Department. That will be very appropriate.

MR. SMALLWOOD: There is a revote since last year for the Department of Public Works and the T.B. San at Corner Brook wants \$15,000 to complete it, equipment and stuff.

MR. CASHIN: That nursing station in Trepassey is finished, I understand and if it is finished it must be paid for.

The Home for Aged and Infirm is a very necessary thing because the one up in St. John's West is nothing more nor less than a fire trap, but it is going to cost more than \$250,000.

MR. SPENCER: We are afraid of that, too, nevertheless we'll try to get something done as quickly as possible.

MR. JACKMAN: Mr. Chairman, could I find out when the Boys' Home at Bell Island is to be closed down.

MR. SPENCER: I am afraid we can't tell exactly when that will be, but we assume before the cold season of this year we will have the boys transferred. That is the hope but a lot depends on the necessary equipment. Certainly we do not anticipate having the boys cared for in the home on Bell Island over another winter.

MR. JACKMAN: Thank you.

Carried.

907 (02):

MR. SPENCER: Actually, Mr. Chairman, the vote for improvement and construction of roads is \$525,000. If I were to give what I thought to be the straight facts I would say it is about twenty-five per cent of what we require. The same thing applies to the construction of new roads. There is not an honourable member in this House representing a district that does not want new roads built and I fear the vote is entirely inadequate. Nevertheless as far as we can go with revenue available unless we add still more to the cost of living and honourable members of the Opposition have been trying to show us we should not add anything to the social security assessment. The list of demands the Department of Public Works presented to the Government this year were about three times that amount. I think that is one thing everyone will agree on, we have not got enough roads. The Committee will note that last year there was \$2,000,000 in this vote and this year it is \$525,000 but the two of these votes were together last year. Surveys are just one of the necessary evils in the building of roads and in some cases roads are built without surveys where they are not of such great importance. But where the terrain is

not so well known we have to plan for surveys. This year we have a vote for \$80,000. In most cases these surveys are contracted for but not in all, we do a certain amount with our own staff.

MR. HOLLETT: Mr. Chairman, we know of course the vote this year is much less than last year. We all know there is no more money this year to be allocated to public roads, we only have to look at the estimates here and see the amount of 4.8 millions on new industries etc. to realize that a lot of money that might be used for public roads the Government thought better to use in financing new industries.

MR. SPENCER: We are not discussing that at the moment.

MR. HOLLETT: We are discussing this one and while we are on this I might ask the Honourable Minister of Public Works how much has been done on the road from Buchans to Badger.

MR. SPENCER: Seven miles.

MR. HOLLETT: I have been informed that road is not completed and only seven or eight people are working on it, and the people are very dissatisfied that more has not been done. I made other inquiries and discovered one of the reasons was that the contract given was not large enough to get enough machinery to do a complete job.

MR. SPENCER: I am afraid that is true.

MR. HOLLETT: Will that happen again this year?

MR. SPENCER: The honourable member asks a very justifiable question, Mr. Chairman. I will say only today I was in touch with the con-

tractor on that job and he informed me by long distance this afternoon that his heavy equipment would be moving off that job within ten days. Then it only remains for the surfacing and hauling out of the gravel to cover the last mile and a half which will complete that seven miles. The reference the honourable member made to the contract not being sufficiently large to move in heavy equipment—as you know, it would not pay any contractor to move in heavy equipment, say one hundred and fifty thousand dollars worth of equipment to do a job that paid one hundred and twenty-six thousand dollars. This year we hope to let another portion of that contract and are negotiating with the contractor in question, a well known firm that has done quite a lot of very valuable work in this country, and has acquired enough equipment to undertake a contract of that size, far better equipped this year than last. Partly the reason is that equipment is more easily obtainable at the present time than it was last year. Last year we placed an order for a shovel in March and received the shovel in January of this year. This situation has improved a little and we hope we won't be so handicapped. However, within a week we hope to call for another contract to do another section of that Buchans road.

MR. CASHIN: It costs eighteen thousand dollars a mile?

MR. SPENCER: Not quite. As a matter of fact the contract is for far less than that, some of it will cost that perhaps, the cost per mile of roads in this country varies but averages in that section sixteen thousand.

MR. CASHIN: That Trans-Canada Highway, Mr. Chairman, how much do you expect to do this year?

MR. SPENCER: We can't say exactly.

MR. CASHIN: None of it has been paved as yet?

MR. SPENCER: None whatever except what was paved before. There was a very small section paved between Grand Falls and Bishop's Falls.

908 (03) Ferries.

MR. CASHIN: What does that mean?

MR. SPENCER: That is one big ferry the Honourable Leader of the Opposition will be proud of and he won't be saying the next time he asks a question about that famous bridge proposed across Placentia Gut. This vote is to take care of a ferry on Placentia Gut.

MR. CASHIN: I am glad to hear it.

MR. HOLLETT: Mr. Chairman, we had an answer to a question the other day with regard to structural steel which was around five hundred thousand dollars last year.

MR. SMALLWOOD: I think the honourable member will recall we paid fourteen thousand five hundred for that structural steel which was at that time badly needed—

MR. SPENCER: What are you referring to?

MR. HOLLETT: To the purchase of structural steel, I am pretty certain we had an answer to a question the other day which says we paid fourteen thousand five hundred dollars—where is it now?

MR. SPENCER: In the highroads shed.

MR. HOLLETT: I was wondering what that is going to be used for.

MR. SPENCER: For reinforcing concrete bridges this year, it is going to be used.

MR. HOLLETT: While I am on my feet, as this is the last vote of Public Works, I would like to say a word of praise to the Honourable Minister of Public Works because I believe with the money he has had at his disposal he has done an excellent job, even if I do say it, on this side of the House. He has done an extremely good job and I believe he is more competent to do his particular job than any other person on the other side of the House, of course any of us on this side too. He has done an excellent job and I am delighted to pay this compliment to him.

MR. SPENCER: I appreciate the good will of the honourable member.

DEPARTMENT OF HEALTH:

1028 Cottage Hospitals:

Carried.

1029—Carried.

DEPARTMENT OF MUNICIPAL AFFAIRS AND SUPPLY:

MR. CASHIN: Could you give us some idea of where that \$600,000 for slum clearance is to be used.

MR. FORSEY: There is a project for Gander, Buchans and Corner Brook and the co-operative housing is also for St. John's, Gander and Corner Brook.

MR. HOLLETT: What do we get back from the Federal on that vote?

MR. FORSEY: Our part is twenty-five per cent.

MR. FOGWILL: I would like to ask the Honourable Minister in re-

spect to housing if he would care to give some details of the plans the Government have for this co-operative housing scheme?

MR. FORSEY: The Government is advancing five thousand dollars a unit, when the Government has spent five thousand dollars on a particular house and the roof is on or may be in complete stage of construction, the Central Mortgage and Housing repays us what we spent and takes a mortgage on the house and finishes it up to twelve thousand dollars.

MR. FOGWILL: Besides that, is this money to be used to assist co-operative societies?

MR. FORSEY: Certain groups yes, I think there is a group in St. John's who have been studying it for some time.

MR. FOGWILL: I heard something about it, they plan to put in a couple of thousand dollars worth of labour themselves on holidays and after hours.

MR. SMALLWOOD: I would like to say a word on this. The co-operative housing group have been meeting for about a year studying and planning. They are not in a position to meet the Central Housing and Mortgage Corporation's conditions requiring that a certain minimum amount be paid down on a house before the Central Housing and Mortgage will make the loan. Because the members of the co-operative societies have not themselves got the money individually, the Government has stepped in to lend them the amount necessary to meet the conditions of the Central Mortgage. They are not organized as a co-operative society just a study group.

MR. FOGWILL: I understand—these study groups will eventually organize themselves and be registered as co-operative societies, and it will be done on a co-operative basis.

MR. SMALLWOOD: I move the Committee rise, report progress, and ask leave to sit again.

MR. COURAGE: Mr. Speaker, the Committee sat and passed items 1601-1605 and also on Capital Account Heading 408-1300 inclusive, and asks leave to sit again tomorrow.

MR. SMALLWOOD: I move that all remaining orders of the day stand deferred and that the House at its rising do adjourn until tomorrow; Tuesday at 3:00 of the clock.

TUESDAY, May 13, 1952.

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

Presenting Petitions

MR. MERCER: Mr. Speaker, I ask leave to present a petition on Your Honour's behalf, as the honourable member representing the District of St. Barbe. The petition, Sir, prays that a road be built between Port aux Choix and Port Saunders. It may be necessary to remind this House that there has probably been less money, public money spent in public works in the District of St. Barbe than in any other district in the country, barring none, even the District of Ferryland.

This road which the people require now runs between those ports through a point known as Point Riche and that is a long point sticking far into

the sea and water is the only connecting link between the two. They are both very busy, the industry being chiefly fishing, lobster, halibut and of course the great cod. The nursing station is at Port Saunders and yet the people of Port aux Choix have only that very dangerous and at times absolutely impossible means of getting from there to Port Saunders. The people consider it absolutely necessary to have that short connection made by road.

This petition has been signed by 105 of the residents of these two ports and it has the blessing of all the clergy there and is endorsed by Your Honour as the representative of the district. I heartily endorse this petition, Sir, and table it and feel sure that the Honourable Minister of Public Works will not have it to be said that Your Honour should not be able to report back that the construction is as good as already begun.

Petition tabled and referred to the Department concerned.

Presenting Reports of Standing and Select Committees

HON. P. S. FORSEY (Minister of Supply): The standing committee on Municipal Affairs have considered the Bill, "An Act to Amend the St. John's Municipal Act" and they recommend the Bill for the consideration of the House.

Moved and seconded this Bill be referred to a Committee of the Whole House on tomorrow.

Giving Notice of Motions and Questions

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice

I will on tomorrow ask leave to introduce a Bill,

"An Act Respecting the Revised Statutes of Newfoundland."

"An Act to Provide for Change of Name."

"An Act Respecting Urban and Rural Planning."

"An Act to Vest the Property of Dissolved Corporation in the Crown."

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Welfare of Children Act, 1944."

Notice of Questions

None.

Answers to Questions

None.

Orders of the Day

Third Readings:

"An Act Further to Amend the Act 47 Vic. Cap. 6 entitled 'An Act to Incorporate the Carbonear Water Company:'" Read a third time. Ordered passed and title be as on the Order Paper.

"An Act Further to Amend the Act 26 Vic. Cap. 5 entitled 'An Act to Incorporate the Harbour Grace Water Company.'" Read a third time. Ordered passed and title be as on the Order Paper.

"An Act to Amend the Local Government Act." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act to Amend the Memorial University Act, 1949." Read a third

time. Ordered passed and title be as on the Order Paper.

"An Act Further to Amend the Mining Tax Act, 1950." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act Further to Amend the Department of Public Works Act, 1950." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act to Amend and Consolidate the Law Relating to the Sale of Securities." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act to Amend the Loan and Guarantee Act, 1951." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act to Amend the Loan and Guarantee Act, 1950." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act Further to Amend the Co-operative Societies Act, 1939." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act Further to Amend the Town Council Bond Guarantee Act, 1951." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act to make Provisions for the Raising of Moneys by Certain Local Authorities." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act Further to Amend the Slum Clearance Act, 1950." Read a third time. Ordered passed and title be as on the Order Paper.

"An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951." Read a third time. Ordered passed and title be as on the Order Paper.

Adjourned debate on the Budget Speech :

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I should like first of all to offer very hearty and sincere congratulations to the Honourable Minister of Finance upon the budget that he brought down in this House a couple of weeks or so ago. His, Sir, has been the privilege of bringing down the greatest budget in all Newfoundland history. No budget since Newfoundland had a Government, and that includes the period of Commission of Government, ever equalled the budget which the honourable gentleman brought down in this House, no budget in Newfoundland's history was able truthfully to paint such an encouraging picture of Newfoundland as his did. As the House already agreed his handling of it was quite masterly. It is a particular personal pleasure for me to be able to congratulate my honourable colleague upon the fact that it was he who brought the budget down. The honourable gentleman whom I regret to say is ill in bed today is one of the closest friends I have ever had in this world. We have been together from the very commencement and when we fought the campaign to

make Newfoundland a Province of Canada we were then closely associated and I have had good reason to know his loyalty, to know his brilliant mind.

I wish, Sir, also to congratulate the members on this side of the House who have spoken in this present debate. Without exception they have been constructive and thoughtful in their speeches. Never in all the House of Assembly's history have members raised a debate to greater heights. I am proud to be the Leader of the Government and a party with such men. By contrast the members of Her Majesty's Loyal Opposition have been, I submit, small and petty, trifling, trying to make a few political points. Nobody listening to them would ever suspect that what they were debating was a great budget, they sounded often like ward politicians, not a word they uttered helped the people to understand the budget, they failed completely to rise to the occasion. The Opposition sounded like, this is not meant to be offensive, like busybodies leaning over a fence watching a busy farmer at work and criticizing the way he was working, or a nagging wife to a hard-working husband. The burden of their song was that the Government was no good, everything the Government had done was wrong and to prove it they talked long and loudly about the Icelandic Boats, the Seigheim Deal, the Sennewald Affair and white-tailed deer and of course their greatest effort of all was to harp on the Buy Newfoundland Campaign for hours and hours on end. They talked about the Buy Newfoundland Campaign in an effort to suggest scandal, dishonesty, graft. They never actually said there was dishonesty, indeed they carefully avoided saying so. They even went so far as

to state time and again, that there was no dishonesty, and every time they said so they went on with statements which although they might not have been intended to convey a suspicion of dishonesty undoubtedly had that very effect. Not once, did one of the Opposition members praise the Government for the Buy Newfoundland Campaign, not one single word of praise fell from their lips. They were called upon to debate a great budget and they spent half of their time on the Buy Newfoundland Campaign—Why? Is there any need to ask?

Now, Sir, the financial critic of the Opposition is the Leader of that Party. He is their financial expert, and as might have been expected, he did most of the criticizing. He was himself, Minister of Finance once, so obviously he possesses special qualifications to understand and analyze a budget, having himself brought down three budgets in his time, he knows all about it.

The first budget he brought down was for the year 1929-30. Now, I have heard him myself in this Chamber, telling the House that the late Sir Patrick McGrath helped him with the first budget. That is to say, the honourable gentleman on his own admission was not wholly responsible for his first budget, and that may explain what happened. He budgeted in that first budget for a deficit, he forecast a deficit of \$178,000 and when the year was over he had a surplus as big as the deficit he had forecast. It might be interesting to work out the percentage by which the honourable gentleman was wrong on that occasion. A favourite word of the honourable gentleman, the present Leader of the Opposition in the old days when he discussed budgets on

the other side was the word "padding." He was very fond of calling budgets padded. It was a word that sounded less harsh than falsified, a word incidentally, applied to minutes of council. And after he had gone out of office as Minister of Finance the word "padded" was used against him by other Ministers of Finance who declared that his surplus of \$144,000 was entirely fictitious. That was his first budget, and we must not judge it too severely as it was his first attempt, and perhaps some of the blame must attach to his co-author. But when coming to draw up his second budget he had of course the benefit of his previous experience and he boldly forecast a surplus. He had just ended the year with a surplus although he had forecast a deficit, and now at the beginning of the second year he quite boldly forecast a surplus, a modest one it is true, but a surplus none the less. He estimated it down to the very last dollar and the very last cent \$27,361.14. Lo and behold, when the year was over he had not a surplus, not even that odd dollar and not even the 14c. but he had a deficit instead, a beauty, \$3,242,000, three and a quarter millions. But now when he came to draw up his third budget he had become a financial expert by that time, and he presumably drew upon all his experience and skill with admirable realism and high statesmanship, he budgeted this time for a deficit and when the honourable gentleman budgeted for a deficit, a deficit it was, the real McKoy and no nonsense about it. He forecast a deficit of nearly one half million dollars, to be exact, \$1,456,000. Well, the year passed, the accounts were audited and added up and he had a deficit of four million dollars. Then he crossed the floor and spent the rest

of his time in the House criticizing the Government and he has been criticizing the Governments ever since. He has never been in a Government since that time, and seeing he had no more budgets to draw up he became Newfoundland's foremost financial critic and expert, and his criticism of other budgets have never been less accurate than were his own three budgets. In his criticism of Governments he was always every bit as accurate as he was in drawing up these three famous budgets—Newfoundland's foremost financial critic and expert.

Here is what the honourable gentleman said about the financial policy of the Commission of Government: It was on February 26, 1947, in this very Chamber and these are his exact words—"The financial policy of the present Commission of Government is to dissipate the Treasury of this country in a manner so reckless and so unexplainable as to defy the understanding of the ordinary Newfoundlander." The House of course will remember the characteristic restraint of the gentleman's words. He went on to say that same occasion—"This wild rampage and dissipation of a country's Treasury." Nor did the honourable gentleman wish to leave Newfoundlanders in doubt as to the reason why the Commission of Government in that wild rampage were dissipating the Treasury—I quote again—"This is a part of a callous and deliberately planned campaign to bleed the finances of this country"—In one form or another the honourable gentleman made that statement not once, but dozens of times, when the National Convention was held, during the life of the convention and after the convention was ended.

MR. P. J. CASHIN (Leader of the

Opposition): Submit the budget you made at that convention.

MR. SMALLWOOD: I have brought down two in this House which have been astonishingly accurate. I suggest to the House that these statements of his, on the financial record and policy of the Commission of Government are every bit as accurate as his three budgets and every bit as accurate as his comments on this present Government's financial policy.

Now, I am sure the honourable gentleman would not forgive me if I failed to remind him of his oft repeated statements about that surplus we had on deposit over in England. Again and again in the first session of this House following after Confederation he told us that we could kiss goodbye to that money. It was gone, he used to tell us, never would we see it again. I still remember the look on his face when I stood in this Chamber and announced that this Government had gotten it back and that we then had it in the bank here in Newfoundland.

MR. CASHIN: And now it is gone.

MR. SMALLWOOD: The honourable gentleman never thought very much of any Government in Newfoundland. Here is what he thought of the Monroe Government, you will find his words in Hansard, May 20, 1927, and I quote: "I want to tell the Prime Minister right here and now" (that sounds familiar) "that his Government is a disgrace to any self-governing colony under the British Flag with Ministers of the Crown prostituting their position in every shape and form." Now, I can quote his words, Mr. Speaker, but I am not up to quoting his manner which I greatly regret and of course the House

will note again the well known restraint of the honourable gentleman. Six days later he uttered these words: "This is the most indecent Government ever took charge of affairs in this country." That was the Monroe Government. Now, there is just a slight chance that these words might be misunderstood by not fully revealing what the honourable gentleman really thought of the Monroe Government so he added this additional expression of his feeling about them: "I say now, Sir, without fear of contradiction that no Minister of the Crown at the present time knows the first thing about the management of the affairs of this country; I say that the present administration are the most dishonest bunch that ever took office in this country and as such should be immediately thrown out."

Now, I hasten to add that if there is one characteristic above all others the honourable gentleman has in calling down Governments in Newfoundland it is his utter impartiality, he displays no favouritism whatsoever, he does not pick and choose between them, they are all bad. From the end of the first war to the present day we have had six elected Governments and one Commission of Government and the honourable gentleman has attacked them all with majestic impartiality, attacked their financial policy in particular. Always the honourable gentleman comes back to the financial policy and the budget seems to have a fatal fascination for him, he returns again and again to the scene of the crime, he just cannot stay away from it. If he had only once come out right in his own budgets the subsequent history of Newfoundland, I suggest, might have been altogether different. We have all paid a high price, I fear, for his three

unfortunate attempts to bring down a budget.

The honourable gentleman seems to be very fond of making prophesies on financial affairs, he has always, it appears, a fondness for making forecasts about taxation. In his remarks in this debate he spoke much about taxation. Many people have shuddered at his forecast of the taxation which would be heaped upon them if ever they should be so short-sighted as to put their country into Confederation with Canada. He said on June 9, 1948, and I quote: "In short the whole thing means that the people of Newfoundland would be taxed to death, the dole days of 1939-40 would be considered luxurious and opulent in comparison to the manner in which the people of our country would be forced to live in Union with Canada." Turning his gaze to the fishermen he used these words: "The fishermen, and I hope they hear my words, will have to pay taxes on every stick and article that he owns, his boats, his nets, his house, his barn, his cattle and his meadows. That is the price the Newfoundland fishermen will have to pay for the privilege of calling themselves Canadians."

Now, in view of my familiarity with the honourable gentleman's pronouncements on Governments and their financial policy, of his experience with drawing up budgets and his forecasts of what would surely happen if we entered Confederation, you can perhaps imagine, Mr. Speaker, the anxiety with which I awaited his verdict on the present budget. It was all very well for the Honourable Minister of Finance to bring down the budget here, the Honourable Minister is not a financial critic, he has never brought down three budgets, of course, I was prepared to listen to his budget but

to suspend judgment until I heard the verdict of the Honourable Leader of the Opposition. Once we had that verdict I would know, the House would know, the people would know whether all was well or whether the Province had gone to the dogs. And what was his verdict? It was just about as bad as it could be imagined. Newfoundland might not be broke entirely, not perhaps entirely insolvent but bad enough with only four thousand dollars in the Bank of Montreal on March 31.

MR. CASHIN: That is what you told us.

MR. SMALLWOOD: I found the verdict a bit puzzling at first, the year had just ended with a surplus of over one and a quarter million dollars, we had eleven million dollars in the Bank at Ottawa, we are budgeting for a surplus of over six million dollars, and we are budgeting to spend seventeen million dollars out of surplus this very year—a bit puzzling. Well, it is an interesting occupation that of financial critic, financial expert for the Opposition and I do hope our people will pay as much attention to the honourable gentleman's verdict as they do today to his prophecy that the fishermen's boats, nets, barns, houses, cattle and meadows would be taxed under Confederation. I say I was a bit puzzled at first, but that perhaps is because I am not a financial critic or expert, I never brought down three budgets, I brought down only two and it is that third budget which does the trick in turning one from a political amateur into an expert whose opinion and views must ever after be taken.

Mr. Speaker, we have heard from the honourable gentlemen on the other side much about the Germans

and German industries that have come to this Province. I wonder if when they give expression to those jeers and sneers toward those Germans, I wonder if His late Majesty King George VI of beloved memory could have known of our Tory Party's objections to dealing with Germans when His Majesty, last Fall—

MR. SPEAKER: I don't think the honourable member should mention the Sovereign's name in debate—

MR. SMALLWOOD: His Late Majesty is now passed away, into history.

MR. SPEAKER: It is a delicate point.

MR. SMALLWOOD: When Chancellor Adenauer of Germany and the Prime Minister of Western Germany was received in Audience at Buckingham Palace last Fall, surely Prime Minister Churchill also must have been in the dark about our Tory Party's attitude about the Germans, when he received Chancellor Adenauer at No. 10 Downing Street, and I feel the members of the British House of Commons could not have known of these objections when they received him in the House of Commons and heard him address them. Our Tory Party in Newfoundland can't have heard surely that the German's are now our allies; that hundreds of our own Newfoundland soldiers are now stationed in Germany; and that German and Newfoundland soldiers will shortly be marching together, shoulder to shoulder, against a common danger of communism; they can't have heard surely how pleased Newfoundlanders are to be working side by side in a German factory at Carbonear; with Germans in a machine plant at the Octagon or of the Newfoundlanders who are to

get employment in a German textile mill in St. John's West. They can't have known how pleased the fishermen are in the great fishing town of Bonavista to see a German company joining with a Newfoundland Company to establish a modern fish meal plant in the town of Bonavista. When they sneer at Germans they little know how anxious are the people of Bay Roberts and Spaniard's Bay, Coley's Point and Clarke's Beach to see a German company establish a steel mill over there. Our Opposition does not seem to realize that there is not one settlement in all Newfoundland today that would not be delighted to have a German factory to give them jobs and cash wages. Don't they know that there is not a Province of Canada, nor a State of the American United States, a part of Australia or South Africa, that would fail to welcome German industry with open arms.

MR. HOLLETT: Fire arms.

MR. SMALLWOOD: No, Sir, our Newfoundland people want Newfoundland to be developed, they do want industries, they want jobs; our Newfoundlanders will accept the jobs gladly no matter who gives them, Germans, Swedes, Danes, Dutchmen, Swiss or any one else. This is the great overwhelming fact that makes the Tory anti-foreign talk so foolish, so puerile and so short-sighted for politicians. Why can't the Tories look ahead a little? Right now at this present moment they may be able to capture an occasional approving sneer from some yokel minded hater of this Government, see in our papers an occasional anti-German letter, but that is just now—later when these German industries are employing thousands of Newfoundlanders for cash wages our Newfoundland people

are going to remember the Tory's views, the Tory wise-cracks, the Tory's attempts to cut down these industries and their oft expressed prophecies of doom and disaster, our people will remember at the right moment. Sir, the first great industrial development ever to take place in Newfoundland was the building of the railway around Conception Bay and across the Island. At that time in the 1880's and 1890's we had here in Newfoundland no railway men, I am not saying there was not one, but we had no railway men, so that in the building of that railway the contractors had to bring railway men experienced men from England, Ireland, Scotland, Sweden, Germany and from Canada and the United States. Then Newfoundlanders were hired on in the building and later in the operation of that railway in more or less menial capacities because all of the key jobs were held by foreigners. Today some forty-five hundred men and women work on that same railway and 99.99% of them are Newfoundlanders, native born Newfoundlanders, good railway men and good railway women. It was not so when the railway was first built.

In 1905 or 1906 the late Lord Northcliffe came to Newfoundland and built a paper mill at Grand Falls and one hundred per cent of the skilled personnel who built that mill and then began to operate it were foreigners brought in from Sweden, Germany, Norway, Denmark, Scotland, Canada and the United States because there were no Newfoundlanders then who were skilled in the art of making paper. Today, nearly half a century later that vast industry is headed by a native born Newfoundlander, Mr. Philip Grouchy. His assistant General Manager is a Newfoundlander, the heads of all his departments are

Newfoundlanders, and virtually the entire personnel of the AND Company in Newfoundland are native born Newfoundlanders. It was not so, when this industry was first begun. In 1923 when the great Humber enterprise was begun the position was somewhat better but not very much so, they still had to bring in from Canada, as it was then, the United States and England, Scotland, Ireland, Sweden, Germany, Belgium, Holland, into Corner Brook, but they were able to get some skilled papermakers and skilled paper mill workers, men who had received their training in the Grand Falls mill. When the Cement Mill was built at Corner Brook, and the Gypsum Plant and Plaster Wall-board Mill at Corner Brook and this machinery plant at the Octagon, and the leather tannery at Carbonear and this new cotton textile mill is ready to operate in St. John's West and the new press-board industry at Donovans and other industries begin to operate in Newfoundland, they must import men from other countries because they have not got here in Newfoundland the kind of men with the special skills required to operate these factories. I suggest that it will not be long before native born Newfoundlanders will be just as able to operate the cement mill, plaster-board plant, tannery, cotton textile, press-board, machinery, etc., as they are today able to operate the railway, the Grand Falls Paper industry and the Corner Brook Paper industry, and I might add that great and wealthy mine at Buchans and where virtually everyone employed today, ninety per cent and more of the personnel are native Newfoundlanders.

Sir, I ask this question—If the United States of America had an anti-foreign sentiment sponsored by the

Opposition, and if that policy of anti-foreign and anti-German sentiment had been adopted in the United States officially and they had not been willing to receive new blood, new European blood from the Continent of Europe, speaking so many tongues, would the United States have become the modern tower of Babel, if they had not adopted that policy of the open door to all the hordes of Europeans, where I ask you would the United States be today? Would she be the arsenal of democracy in the coming fight against communism that she is today? Would she have been able to finance and supply the British Nation and her own in the defeat of Germany in the First World War and the defeat of Germany and Japan in the Second World War, if they had never admitted new blood and new skills and experience within their borders from the Continent of Europe? Why the next president of the United States is more likely to be a man of German descent, General Eisenhower or Dutch descent and a man who has just been appointed to command the North Atlantic Treaty Organization Powers in Europe is General Ridgeway, which if I mistake not is a German name. Where would Canada be today, this proud nation, this coming power in the world to whom belongs the twentieth century, where would Canada be today if you took out of her the German skills and experience that have contributed so much to the building of that nation. If you were to take away from Canada all the foreign blood, all the foreign natives of the prairie Provinces of British Columbia, Ontario, do you suppose that you would have the mighty power today that Canada is and has become? I say, Sir, that so long as it is not the Devil himself

and he comes from some country on this side of the Iron Curtain, Newfoundland and the Government of Newfoundland will take exactly the same stand towards the Germans as do the Government of Canada. The Government of Canada has announced publicly, not once but many times, that they welcome German immigrants, and it is not by accident that last year, 1951 the largest single racial group amongst the immigrants into Canada were Germans, thirty-two thousand of them, the largest single group that entered Canada last year were Germans. Sir, it stands to reason, twice in my lifetime, Germany all but conquered the world, a nation of sixty-million, we know well what danger the world incurred in 1914-18 and again in 1939, men in this House on both sides and all around the world under the Union Jack who shed their blood and offered their very lives and many gave their lives to prevent Germany in that First World War from conquering the earth. They must be a great people, God knows, they have been badly led by the Kaiser and by Hitler, and pray God no new Hitler will arise to mislead them again. It is a heart-breaking thought to contemplate what the history of the world might have been since 1941, if the German and British had been allies instead of foes, if that great skill, organized skill of the German with that unperishable, democratic spirit of the British, had been linked in a common cause for peace on earth, how different the history of the world might have been. Certainly, today I preach no new or novel gospel, the whole democratic world without exception are pleading with Germany to line up with them. Does anybody doubt that? Does anybody doubt that? The United States

policy from the moment the war ended was to link up the Germans with them and shortly after the British joined in that same policy, Canada has joined in it, the only nation that hesitated at all, and is still hesitating is France who suffered most, of course, on both occasions from German military aggression. Who can doubt that they are a great race, a great people, who can doubt that if they come to Newfoundland to establish industries, these industries will succeed, there is not a Province of Canada, not one, Nova Scotia, Prince Edward Island, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan, Alberta, British Columbia, all of them are charmed and delighted whenever they get a German industry to come in, and what do we do? What do we do in Newfoundland, we that need industries more than any of them, what do we do? Jeer and sneer.

MR. HOLLETT: Give them the surplus.

MR. SMALLWOOD: That is what the Government does gladly, but what does the Opposition do? Rise as statesmen far-visioned and far-sighted do they rise and say in the name of God though we fought them, though they were our enemies in the two world wars and shed our blood too, but in the name of God, if even the Germans can help the Newfoundland people to get a living, let us have them in here, forget the war, two wars, let's have them, forget the two wars, let us have any one short of the devil himself and so he comes from this side of the Iron Curtain, anyone who will help to develop Newfoundland and give our people the work they are waiting to get for four and a half centuries, four and a half centuries they have been waiting and never did

get that break and any one who can help them to get that break, let us welcome them with open arms. I tell the Opposition today, if I know anything of politics, if I know anything of the history of politics, if I had any feeling or sense of politics, I tell them today, on that authority that never did they make a more fundamental mistake, than to raise their voices against the prospect of industrial enterprises to be established—By whom? By Swedes, by Italians, by Germans, raising doubts about the possibility of success of the industrial enterprises established by Germans, of all people.

MR. JACKMAN: The Opposition is listening to a German speech now, Mr. Speaker.

MR. SMALLWOOD: They are listening to a speech, period.

MR. HOLLETT: Typewritten.

MR. SMALLWOOD: It is not typewritten, not even written. Does the honourable gentleman think I have to write my speeches or get somebody to write them. Is that his experience of my speeches? I don't need people to write them for me. Which reminds me, as I said a child can ask enough questions in ten minutes to keep an adult three days to answer. The honourable gentleman on the other side have raised so many doubts about these German industries, Mr. Speaker, I don't intend to let the honourable the senior member for St. John's East to forget his question here addressed to me as to whether the machinery plant was riveted or bolted. I don't intend to permit nor propose to permit him or the people to forget that and when before another twelve months are over five hundred Newfoundlanders are

checking in and out of that plant each day as they will, and when within another two years another vast building as big as that one, or several, are in course of construction, and when by the time of the next general election Newfoundlanders will be checking in and out of that plant not in hundreds but in thousands and I will have great pleasure in reminding the honourable member of the honourable gentleman's fears that they might wake up one morning and find that vast structure gone. Now, the honourable gentleman is a good Newfoundlander and wishes Newfoundland well as we all do, we may vary on different sides as to the best way to realize Newfoundland's good, but we all share the desire in common for Newfoundland's good, of this there can be no doubt. As a good Newfoundlander, I am going to appoint the honourable gentleman here and now, I do it officially as Premier and Minister of Economic Development and Minister of Mines and Resources, as leader of the administration and of the House, in my full official capacity, I now appoint the honourable gentleman special Newfoundland watchman in that plant to see that it does not disappear, that they don't unbolt it some night and carry it away when we are all dead asleep in our beds.

MR. FOGWILL: You may need a watchman.

MR. SMALLWOOD: I don't expect the honourable gentleman to knock off everything else and spend his nights in there watching, he may if he cares, appoint his own deputies, but he is now official Newfoundland watch dog to see the plant is not unbolted some night and carried back to Germany.

MR. HOLLETT: Who gave you that authority?

MR. SMALLWOOD: I take it, and give it. If President Truman can take over all the steel mills of the United States and run them surely the Premier of this Province can appoint a watchman, and now I appoint him, a special watchman over that plant.

MR. SPEAKER: Order.

MR. SMALLWOOD: Mr. Speaker, I noticed some attempt on the part of the Opposition to throw doubt on the statement made in the budget speech that Newfoundland is enjoying tremendous and even astonishing prosperity. Sir, I would have thought that the prosperity was so obvious as hardly to need the statement and certainly astonishing as the prosperity is I find it even more astonishing to find honourable members of this House standing in their places to deny that statement. Last year, 1951, saw a truly astonishing increase of prosperity over 1950 and indeed any year preceding 1950. The CNR carried forty-six thousand car loads of freight, that was a lot of freight carried into this Province, in 1950. I don't know how many tons a car carries, fifteen or twenty tons, multiply forty-six thousand by fifteen or twenty and it runs into a tremendous tonnage, but last year, 1951, the CNR carried fifty-three thousand car loads of freight or fifteen per cent more in one year. That is not talking prices nor values but that is talking in terms of physical volume of actual freight handled, clothing, hardware, building materials, raw materials, the things you can feel and see and lift and weigh, fifteen per cent more in one year—Does that indicate prosperity? Life insurance last year bought by our Newfound-

land people jumped up fifteen per cent in one year—is that prosperity? Last year two thousand five hundred additional motor cars were bought over the year before, worth six million dollars. Our people last year spent over six million dollars to buy new cars, the figures for 1950 were one thousand five hundred, up twenty-five per cent in one year—is that a sign of prosperity, and this year the jump will be even greater since they have removed the credit restrictions that closed down instalment buying and I look for a jump of thirty or thirty-five per cent over last year in the number of cars. Who thought ten years ago that we would live to see the day when in one year twenty five hundred cars would be bought by our people at a cost of six million dollars in one year? All the indications point to an astonishing prosperity in Newfoundland last year and all the indications point to an even more astonishing prosperity this year—the like of it has never been known in our history, it has never been dreamed of and contrasting last year and this with fifteen years ago it is almost beyond human credulity. I have seen the majority of our Newfoundland people hungry and naked but not so today.

Now, it is of course obvious to every member of this House that the prosperity is not shared by every last Newfoundlander, that is obvious. Still my honourable friend the Minister of Public Welfare has to pay out considerable sums from the Treasury to relieve destitution, still every member of this House is approached by dozens and even hundreds of people seeking work, seeking jobs. Sir, no matter how prosperous a country is or state or province, you have, and you will have, and always had, and

always have a minority who are still poor, who still in prosperous times are still unemployed. In the United States with a prosperity such as the world has never seen they have never fewer than two to three million persons unemployed and in Canada notwithstanding the almost unbelievable growth and prosperity they have rarely fewer than one hundred thousand people unemployed. Oh yes! you can point to spots in Newfoundland today where the prosperity is nothing to boast about to say the least the prosperity is not universal—there are people in Newfoundland who are not sharing in the prosperity but the number is small compared with what it was, the improvement in the position is quite remarkable—but to deny that Newfoundland is prosperous today beyond her wildest imagination of the past is futile and can surely be advanced as very poor political propaganda because it is a practical, ordinary fact that we can't blink it out of sight. I don't suggest we should be satisfied, far from it, far indeed from it. We must improve the situation, we must make it even better than it is. Now, while there is this prosperity which still grows, still increases and probably will be greater next year than this year as this year is greater than last, now is the time to seize the opportunity to create, by this prosperity by means of taxation, to create all the surplus we need to build more schools, to build more hospitals, to build more roads and to improve our public services by capital expenditure out of surplus, now is obviously the time to do it.

Sir, let me remind the House of what this Government has done or will have done at the end of the fourth year of Union: By the end of the fourth year we will have spent

out of surplus; and in passing may I remind the House that the surplus is not a static thing, it is a dynamic thing, rises and falls, fluctuates, changes in amount; by taking from it and adding to it the total is never the same for months running in the whole four year. It goes up and down, fluctuates, but by the end of the fourth year of Union and the fourth year of this Government, the two are synonymous, they overlap; we have spent out of the surplus money on education \$2,358,000. What has that money accomplished? We have built new schools in Newfoundland, will have in this four years, (if I say will have done, will the House please understand a verbal slip) but will have done to the end of the four years one hundred and twenty-four schools. In all Newfoundland's history there has never been anything like it, never. The Commission of Government built far more schools than any other Government up to then ever built or ever dreamed of building, but we out-classed them and left them far behind and have built one hundred and twenty-five new schools, built out of our surplus and these schools have two hundred and forty-five classrooms. Then we have taken two hundred and forty-seven other schools and renovated them, rebuilt them and enlarged them and they contain three hundred and sixty-three more rooms. Mr. Speaker, if this Government had done nothing else in its four years, if it had nothing else to point to with pride, nothing at all except to build one hundred and twenty-four schools and rebuild two hundred and forty-seven others, if that were all, it is more than any other Government in all Newfoundland's history had to its credit. There are today more than four thousand

students attending school over the number when we took over, the number has gone up by four thousand students.

MR. CASHIN: How many have we altogether?

MR. SMALLWOOD: Sixty-four thousand.

MR. HEFFERTON: The figure should have been eight instead of four thousand since we have taken office.

MR. SMALLWOOD: During that same period of four years on current account, not out of surplus but just current account, we have increased in our four years our expenditure on education by fifty-six per cent. Fifty-six per cent in addition to building these schools and rebuilding all these other schools.

In four years on health and hospitals we will have spent six million out of surplus, in four years. Here is how we will have spent it: We finished the nurses' home at the Mental Hospital; the Western General Hospital at Corner Brook, the Western Sanatorium at Corner Brook; we have built a cottage hospital at Springdale, a cottage hospital at Fogo, a cottage hospital at Port-aux-Basques, a nursing station at Lamaline, a nursing station at Trepassey, a nursing station at Jackson's Arm, a nursing station at LaScie and a nursing station at St. Albans. Before we took office there were in this Province eight hundred hospital beds, we have brought it up to two thousand five hundred beds, that is to say we have built seven hundred and fifty hospital beds in this Province, an increase of forty-three per cent in four years, out of surplus.

Since we came into office already in the four years not up yet the infants' death rate has improved seventeen per cent, the maternal death rate, the death rate of mothers in childbirth has improved twenty per cent, the T.B. rate has improved thirty-six per cent in three years and on current account expenditure the expenditure is up fifty-three per cent since we came into power, on current account, not surplus.

Roads and bridges, again out of the surplus twelve and three-quarters of a million dollars in the four years out of surplus. Remember, Mr. Speaker, this is the surplus we flung away to the Germans, this is the surplus we dissipated, wasted, gave away to the Germans to start factories—Roads and bridges twelve and three-quarter millions in the four years. Of course here I include what is to be done in this forthcoming year as well as counting what has been done in the past three years—Roads, built and rebuilding four hundred and seventy miles; snowmobile roads built by us two hundred miles. Admittedly snowmobile are not high class highroads but are serviceable only in the winter to link communities by snowmobile. What has to be done is that the trees are cut out and the stumps removed and what you have is a rough unfinished road over which snowmobiles can travel in comfort bringing patients to hospital and other passengers who wish to travel to and from work and for other purposes as well as conveyance of mail and freight to the shops from the shipping centres. And on current account we have increased the expenditure on roads and bridges by forty per cent since we took office.

Now, Mr. Speaker, add it up and you get about twenty-two million dollars. 22.3 million dollars. Actually

to the end of the fourth year we will have spent out of surplus, forty-five and a half million dollars on everything. Out of that what, Mr. Speaker, do you suppose is the amount lent to the European industries, to establish factories in Newfoundland? Out of that forty-five million dollars, six million and a quarter is the answer. Yet from all the talk heard on the other side you would imagine that all this Government has done is to take hold of the peoples' surplus and fling it in handfuls at the Germans to start dubious factories only bolted together and may disappear tomorrow. Six and a quarter millions out of forty-five millions in four years. Let me give the House an account of how the surplus has been spent to the end of the fourth year. Public service I have just noted three, education, health, roads and bridges, but here is the total. Roads and bridges, hospitals and schools, housing and slum clearance, town councils and loans to housing associations twenty-three and a half million dollars. Call that to improve and extend the public services \$23,500,000. Public services were operated by the Government of Newfoundland or town councils, still a public service, and we lent moneys or gave moneys to town councils to improve their public services, and it is admittedly an improvement in Newfoundland public services.

Now, I will account for the rest of it: First of all we have placed, invested in the Newfoundland and Labrador Corporation nine hundred thousand, and in the Asbestos Company seventy-five thousand. That is nine hundred and seventy-five thousand, so close to a million that we might call it a million dollars. We have lent to the three development loan boards three hundred and twenty thousand

and to industries coming from Europe six million three hundred and fifty thousand—total seven million dollars, I will drop the odd dollars. That is returnable to us, they must pay that back and pay interest on it pending repayment of the principal. Three Government plants, one million seven thousand dollars. That is: the cement mill, the gypsum plant, and the birch plant. That is actual cash invested. Then we have economic surveys of mining, minerals and water power and forests, six hundred and sixty-three thousand dollars. That is a total of seventeen millions. Twenty-three and a half millions plus seventeen million is what we spent in four years out of the surplus. Now, I ask the House to take particular notice of that seventeen millions of which we get back the amount for the three plants, and fifteen millions of the seventeen millions are merely lent.

MR. HOLLETT: You have to borrow to get it back.

MR. SMALLWOOD: We don't borrow that, the Corporation does and we guarantee it. If the honourable gentleman cares to regard it that way we do not care, it is not a direct debt, that has been brought out in the debate. We have seventeen millions lent and twenty-three and a half millions spent to improve roads and bridges, build hospitals and schools, housing and slum clearance, town councils and loans to housing associations.

Now, take this very year, the fourth year, the figures I have given here, of course, include the figures for the four years, but here I will segregate the fourth year from the other three years. Here is what we are spending this very year out of the surplus—School buildings, \$1,100,000, that of course includes University and Vocational

Training school, I am giving the net figures, I am deducting what we get back from Ottawa and not counting that at all, ignoring that and giving the net figures, \$1,100,000; roads new and rebuilt, \$2,825,000, which brings it to a round figure of three millions net, that is ignoring the fact that they contribute some also; we spent more than that, but out of our surplus we ourselves spent net this year on roads, three million dollars; on construction of hospitals and free grants to hospitals—you see we make a grant to St. Anthony Hospital this year of one hundred and seventy five thousand dollars. Just in passing, it is not important, but I wonder if the citizens of St. Anthony who met the other night to condemn our three per cent on food were aware or took into account the fact that this very year this Government are spending one hundred and seventy five thousand dollars in St. Anthony on the hospital alone, leaving out roads and town councils and everything else, on this one item alone one hundred and seventy-five thousand dollars. We must get it from somewhere to pay it to them and we are glad and proud to do it. Housing and slum clearance six hundred and eighty-five thousand dollars. Now, the total out of our surplus this very year is 5.8 millions, out of surplus this very year. Then people ask us why we need to go piling up surpluses, six million dollars this year. The answer is that all but a million of it, all but less than a million is being spent this year on schools, roads, hospitals and housing.

MR. CASHIN: On current account?

MR. SMALLWOOD: No capital account. I am not counting there what we are also spending on current account, this is capital, out of surplus.

MR. HOLLETT: You will have six millions left over after you have spent it.

MR. SMALLWOOD: We will have five millions in the kitty besides the eleven millions in the kitty for a rainy day, at Ottawa.

MR. CASHIN: Your budget does not say that.

MR. SMALLWOOD: It does, I have taken these from the figures.

MR. CASHIN: No, Sir.

MR. SMALLWOOD: Mr. Speaker, here is something which perhaps not all members of this House have done, I have compiled a simple table here showing the sources of the Government's revenue in this current year, the sources of all the revenue that will come into the Government this year under all headings on current account: From the Government of Canada \$22,000,000, an astonishing figure.

MR. CASHIN: That is not actual revenue, part of it is for highroads.

MR. SMALLWOOD: No, this is current account. Taxes on the Newfoundland people \$7,500,000, fees, licenses or profit and payment for services that the Government renders to various people and groups \$4,350,000. The total is \$34,850,000. Now, I will give you details of that seven and a half million dollars taxation, out of thirty-four and three-quarter millions we only take seven and a half in taxation from our people and here is where that comes from: Gasoline tax 1.7 millions, SSA 5.0 millions; now, do we need it, do we need to tax food? The answer is that out of all the taxation put on all the Newfoundland people that one item alone, the SSA on everything, alone accounts for

five millions. The tax on fire insurance companies \$125,000, inland revenue royalties \$258,000, motor car and truck and drivers' licenses \$625,000; eight and a half million dollars.

MR. CASHIN: Mr. Premier, would you mind telling the House, how you estimated the amount coming from Canada, it is \$19,100,000.

MR. SMALLWOOD: That is the Finance Department. If you go through the whole estimates on current account what we get from the Government of Canada in other departments you will see that the grand total from the Government of Canada is twenty-two million dollars. Public Welfare alone is a million right off. And twenty-five per cent out of every dollar we get from revenue is contributed in taxes by the people of Newfoundland to this Government.

MR. HOLLETT: Surely our people contribute to the Canadian revenue.

MR. SMALLWOOD: I said this Government. Don't try to make petty political—I tabled a figure here in the House a few weeks ago which I had gotten by cable from the Minister of Natural Revenue of the Government of Canada showing under various headings, sales tax, excise duties, excise tax, income tax, corporation tax, succession duties, how much money the Government of Canada collected from the people of Newfoundland. Does the House remember what the total was? Speaking from memory, twenty-two million dollars, now add to that customs duties collected by the Government of Canada on those goods coming into Newfoundland that were dutiable from places other than Canada and call it another five millions, Canadian import duties average ten per cent, that is the average. Now,

of course a lot of them are duty free and many of them run twenty and twenty-two and twenty-five per cent but taking all in all the average is ten per cent, so that we will say five million dollars paid in customs duty to the Government of Canada, that would mean we had imported into this Province fifty million dollars worth of dutiable goods from places other than Canada itself. I doubt that we did it, however, call it five million, that makes twenty-seven millions. Now, we paid more than we appeared to pay because we paid taxation to the Government of Canada on goods purchased in Canada. This tax is levied by the Government of Canada at the point where goods were produced and the tax is added onto the price which is paid when they are bought. So that here in Newfoundland actually we paid another ten millions for that, another ten million dollars which would bring it up to thirty-seven millions, add a couple of millions onto it for luck and make it forty millions including everything. Forty million dollars we pay to the Government of Canada in taxation, all of us Newfoundlanders, and seven and a half million to the Government of Newfoundland, forty seven and a half million dollars. It is a lot of money, but I saw the day in Newfoundland when sixty per cent of all we produced in Newfoundland was paid to the Government of Newfoundland in taxation. I saw that day, and now it is fifty million dollars to both Governments, which is not fifty per cent of all we produce in Newfoundland, not twenty-five per cent; we are not in Newfoundland today paying to both Governments together more than twenty-five per cent of all we produce, we are not doing it. The Government of Canada is paying into Newfound-

land at least two dollars for every dollar they take from us, at least two dollars for every dollar, the Government of Canada is paying that into Newfoundland.

MR. HOLLETT: How do you figure that?

MR. SMALLWOOD: I do a little adding up. Twenty-two millions to the Newfoundland Government right off, if they did not do it we would have to collect that, there is no escaping it, the Newfoundland Government must have it to carry on public services and if they did not pay that we would have to collect it from the people as we have to collect six and a half millions from them, eleven millions come in for family allowances, thirty-one millions in old age pensions for their share of what we pay in the 65 to 70 age group and the full amount of the pensions over seventy years and up, the two together is about thirty-one millions, making forty-two millions, veterans' allowances 2.8 millions, call it three because they just raised it twenty-five per cent or some of it, that is forty-five millions, three millions for housing, forty eight millions.

MR. CASHIN: That is on capital account?

MR. SMALLWOOD: It comes in, is spent and gives labour; four millions on public works, Federal Works, that is fifty-two millions.

MR. HOLLETT: Some of that is included in the twenty-two millions.

MR. SMALLWOOD: We have already gotten back from the Government of Canada more than we pay, we Newfoundlanders, to both Governments together, we are already two millions better off. Add eleven mil-

lions to that for civil servants' salaries, Federal employees here in Newfoundland, if you don't include that you can't count what the Government is voting here to pay our civil servants—that is sixty-three million dollars. Now, the losses on the C.N.R., and their wages twelve and a half million right off, that is sixty-six millions, now marine works—lighthouses—no, I have already counted that. Trans-Canada Highway, another million dollars, sixty-seven millions. Now, we are thirteen million short of double what they collect from us, and if I could stop talking and just think a little I could soon bring it up and account for that thirteen millions. I have done it dozens of times, I keep track of it, and I say this: for every dollar that the Government of Canada takes out of Newfoundland in taxes they pay back into Newfoundland two dollars, which is, incidentally, the answer to my honourable friend's argument. Just follow it. The public debt of Canada was "X" amount at the date of Union, divide that into the population of Canada and it was thirteen or fourteen hundred dollars per head. At the same date the population of Newfoundland was so much and the public debt of Newfoundland so much; divide one into the other and you get so many dollars per head. Then, what Canada should have given us was the difference between the two. Say their debt was thirteen hundred dollars a head and ours two hundred dollars a head, that is a difference of eleven hundred dollars, they brought it down to a thousand a head and multiply that by the population and it came to three hundred and fifty million dollars, and five-eighths per cent on that or entering it up as it is today call it two per cent on three hundred and fifty

millions. Now, the House is familiar with the story of King Charles's Head in Charles Dickens, and the Order of the Gip. Some English king or queen said when she or he died the word "Calais" would be found engraved on his or her heart, Queen Mary I, and when the honourable gentleman dies we will find he has this million dollars we were done out of on his heart. But were we done out of it? Mr. Speaker, we did not assume one single dollar of the Canadian public debt, not one, not even a dollar, for this reason: Just follow this—What we have to pay was the amount of the expenditure. We have to spend this year two hundred and ninety-three thousand dollars less seventeen to service our public debt, now we have to find the money to pay interest and the sinking fund on our Newfoundland public debt which this year is around two hundred thousand dollars. Now, what do we do, take the population of Newfoundland, three hundred and sixty thousand souls and divide it into the three hundred thousand which comes to so much a head. Is that the way we go about it, tax the people, say every living soul in Newfoundland is to pay that much a head? We collect six and a half million dollars in taxation from our Newfoundland people, how do we get it? I will just read it out.

Gasoline tax 1.7 millions. Who pays that? If you don't use gasoline in Newfoundland you don't pay any of that. Sales taxation on fire insurance companies, \$35,000; forest and timber licenses and so on; that is where we get taxation, we don't say we must get "X" amount of money from every head in Newfoundland, we don't do it, neither does the Government of Canada, the Government of Canada has so much a year to pay on the pub-

lic debt, do they say we will collect "X" amount from every citizen of Canada from St. John's to Vancouver? Do they say that? No, they impose their taxation hewed to the line and let it fall where it may, let those pay on whom it happens to fall; the manufacturing profits pay it, but there is no fixed flat amount fixed for each individual citizen. We don't contribute anything to the public debt of Canada for the simple reason that Canada contributes to us more than she gets from us, therefore, we contribute nothing at all to the servicing of the debt of Canada, therefore, we have not had any of the burden of the public debt of Canada and instead we are getting thirty-five to forty million dollars from the Treasury of Canada over and above what we contribute to the Canadian Treasury.

MR. CASHIN: Mr. Speaker, if the Honourable the Premier would permit me a question, could he tell the House what rental, if any, the Canadian Government are receiving from the American Government for these bases?

MR. SMALLWOOD: Not a cent.

MR. JACKMAN: Is that a fact? Just a point of information.

MR. SMALLWOOD: Not a cent—They don't rent the military bases but are friendly allies.

MR. JACKMAN: No fee in any way?

MR. SMALLWOOD: None whatsoever, not a cent. Mr. Speaker, I can't possibly hope to finish before six o'clock and we have a great deal of business to do, so I think I will adjourn the debate in the hope we can spend the rest of the day until eleven o'clock tonight doing business. The

House I hope will meet each night this week and we can probably accomplish quite a bit. I will have to leave on Sunday for New York in connection with important business. Whilst I don't welcome the need to go abroad I must, and whilst I don't have any intention in the world to rush anything, yet I do think that if we work hard we will still be able to give all the time any honourable gentleman may want to debating anything still to be debated and probably be able to prorogue by Saturday afternoon. I don't know if it is possible or not. If that is not feasible we will have to go on into next week. I think if we all work hard we can finish up the business this week, but we don't have to do it, and can go on into next week. I move the adjournment of the debate.

MR. CASHIN: Mr. Speaker, I second that. I might say that we are just as anxious as the Premier to see this work wound up and we are prepared to go ahead tonight and tomorrow and all the rest of the week. On Thursday night the House is closed, but as far as we are concerned there is nothing very contentious on the Order Paper.

MR. SMALLWOOD: There is one Bill which I gave notice of yesterday or today which is pretty important.

Committee of the Whole:

A Bill, "An Act to Amend the Maritime Hospital Service Association Re-Incorporation Act, 1949:"

Passed without amendments.

"An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada:"

MR. HOLLETT: I wonder if the Honourable Minister would explain that section 3. I must confess I am pretty much confused over the matter and can't see how the authorities at Ottawa could arrive at the guaranteed minimum amount referred to in the Act, that includes also the statutory subsidy, I can't see how in the estimates of revenue we can place ten millions down there.

MR. CURTIS: I understood that one is guaranteed amount and the other is the estimated amount, the guaranteed amount runs for the whole five years, the estimated amount is what we are going to get for the next year.

MR. SMALLWOOD: The amount mentioned in the Bill being the fixed statutory minimum we will get in the five years. The actual amount we get varies according to the formula.

MR. HOLLETT: Who makes that estimate, Ottawa or the Government here?

MR. CURTIS: It is made at Ottawa.

MR. HOLLETT: In other words Ottawa makes out the estimates for us?

MR. CURTIS: I think all these figures come from the Dominion Statistics Division.

MR. HOLLETT: I would like to know where that estimate comes from, I can hardly think that the Finance Minister in Ottawa would make an estimate for this Government on this particular issue. They can give us the guaranteed minimum amount but doubt that they can make an estimate as to your revenue.

MR. CURTIS: Mr. Chairman, the amount mentioned in the Bill is the fixed minimum.

MR. HOLLETT: Who made the estimate?

MR. SMALLWOOD: The Government of Canada and they made them for all the Provinces as I explained here yesterday. It is based upon the formula.

MR. HOLLETT: Then they assisted on making up the estimates for this Government, is that right?

MR. SMALLWOOD: That is exactly right, and for every Provincial Government of Canada in that regard, that is so.

MR. HOLLETT: One other point. When we imposed this food tax of three per cent, I am given to understand on very good authority, but the authority may be all screwy, that it is the desire of the Federal Department that we are to put a three per cent social security assessment tax on it all, it is their desire that we should include everything in that tax.

MR. SMALLWOOD: That is not so. The Government of Canada is not in any sense or degree concerned with our Provincial taxation.

DR. POTTLE: It has been already in force a year.

MR. HOLLETT: Did not they insist you should now put it on everything?

MR. SMALLWOOD: Not at all, they would soon be told to mind their own business if they even dared to hint at such a suggestion.

MR. HOLLETT: I hope you would.

Mr. Chairman, would it be correct if we could just have some idea as to what amendments have been made in that agreement, how they affect the Province, we have asked for that and

have not been able to get a copy of the agreement.

MR. SMALLWOOD: I forgot it completely and will bring it down after supper. I have not a copy of the agreement but I shall call Finance.

Passed without amendment.

A Bill, "An Act to Amend the Wild Life Act, 1951."

Passed without amendment.

MR. COURAGE: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have passed the following Bills:

"An Act to Amend the Maritime Hospital Services Association Re-Incorporation Act, 1949" — without amendments. Ordered read a third time on tomorrow.

"An Act to Authorize the Execution on Behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada". Ordered read a third time on tomorrow.

"An Act to Amend the Wild Life Act, 1951". Ordered read a third time on tomorrow.

Second reading of Bill, "An Act to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies'."

MR. CURTIS: Mr. Speaker, I beg to move the second reading of this Bill which I do not think will prove to be a contentious matter. For some time past the Government have been receiving requests that the Companies' Act should be altered as to permit companies to register their capital and their shares without any par value. Honourable members know now the shares of all companies have a nom-

inal value and that every company has so much shares at so much per share and the capital of the company is a multiplication of the two. We have been asked to provide for non par value shares and the object of sections of this proposed Bill is to amend the Companies' Act as designated for that purpose. It provides that notwithstanding anything to the contrary in this chapter dealing with companies the memorandum of organization of any company may provide for the issue of or sub-division of any or all the shares of the capital without any nominal or par value. Then following out that idea sub-section 2 says each share of the capital stock without nominal or par value shall be equal to every other such share of the capital stock subject to the preferences, restrictions or other conditions attached to any class of shares. The Bill further provides, Mr. Speaker, that all shares shall be deemed fully paid and non-assessable and none of the shares need to have any distinguishing number. Honourable members will note, Mr. Speaker, at the present time that shares of a company are all numbered and that they are evidenced by certificates held by the holder. The object of this amendment is to do away with the numbering of shares and in future the certificate will state only that the owner is the holder of so many shares and these shares will not be numbered. Paragraph 4 provides an amendment which provides that the original paragraph (d) of the sub-section shall not apply where any such shares to be redeemed were allotted and issued pursuant to, and satisfactory as to consideration by, the application of undivided profits of the company which were kept for the purpose of such issue. This section deals, Mr.

Speaker, with redeemable preferred shares concerning which we had legislation during our last session, and the idea was that these shares would be paid for out of subscribed capital, now they may be paid off not only out of capital subsequently subscribed but by profits which had been put away for that purpose.

This particular section has an intangible advantage which does not affect us as Provincial Government. Section 5 is a simple amendment, Mr. Speaker, which makes it unnecessary for a company issuing a mortgage to register that twice. At the moment if a limited liability company registers a mortgage it must be registered first with the Registrar of Deeds and then with the Registrar of Companies. That is an unnecessary duplication and the object of this section is to do away with that. The next section need not be explained.

I would move, Mr. Speaker, second reading of this Bill.

MR. HOLLETT: Mr. Speaker, I wonder, if the Honourable Minister could say why it has to come into effect, what is the purpose of that section 4 there.

MR. CURTIS: I do not know why that particular date should be selected, Mr. Speaker, except that some mortgages in which the Government were interested have been executed since that time. One came up very recently on some fish plant in connection with this Local Guarantee Act. I think the object is in those cases they are registered with the Registrar of Deeds and have not been registered with the Registrar of Companies, and it is the idea of this Act to make it unnecessary for them to be registered the second time.

Read a second time, ordered referred to a Committee of the Whole on tomorrow.

First Reading:

Honourable the Premier asks leave to introduce a Bill, "An Act to Amend Cap. 70 of the Consolidated Statutes (Third Series) entitled 'Of the preservation of Copies of Books printed in Newfoundland.'" Read a first time. Ordered read a second time on tomorrow.

House recesses at 6:00 p.m. until 8:00 p.m.

NIGHT SESSION

The House resumed at 8:00 of the clock.

Second Reading:

A Bill, "An Act Further to Amend the Gasoline Tax Act."

MR. SMALLWOOD: Mr. Speaker, this is a Bill Further to Amend the Gasoline Tax Act, 1949." To be quite honest with the House I am not sure we are happy about the Bill as it reads at the present moment.

The Bill would have the effect of striking out paragraph (a) and substituting therefore another paragraph to read as follows: "Gasoline of a low octane classification coloured with purple dye, used by bona fide commercial fishermen for the operation of a boat or vessel used by him solely in catching of fish for human consumption; used by bona fide farmers for operating a tractor used by him solely in the production of farm crops, livestock or livestock products." We are not too happy about it because as drafted, it may be different from our intention. It appears from first sight of the Bill that it may have the

effect of confining the use of "acto" to commercial fishermen and farmers for operating a tractor or used by them solely in the production of farm crops, livestock or livestock products. Now, that is not what we had in mind. If a farmer has a tractor and on that tractor has a power take-off to which he can attach a belt to drive a saw mill why should he not be permitted to use this equipment and this cheaper gas, lower cost gas, subject to a tax, I think, of one cent a gallon for that purpose.

If a farmer is operating a small saw mill whether to saw lumber for his own purposes alone or even for sale, it won't be a very large saw mill operation in any case, and why should he not have the right to that concession? That, it would appear, destroys this right.

Now, similarly, I remember for years past hearing the contention of saw mill operators who use gas, most of them for the operation of a saw mill engine and they too should have the right to use gas which costs much less because it is, at least off the Avalon Peninsula, eleven or twelve cents less than acto. While I am not prepared without further examination and reflection to say that they should have that right, on the other hand I am not prepared without that further reflection and examination to say they should not have it. Certainly in that amendment as the Bill reads at the present time, they are not even mentioned.

Now, I will read to the House a clause in the original Act of 1949, paragraph (a) of that Act and indeed the whole Act:

(a) "Commissioner" means the Commissioner for Finance.

(b) "consumer" means any person who, in Newfoundland, purchases or receives delivery of gasoline for his own use or for the use of any other person at his expense.

(c) "gallon" means an Imperial gallon.

(d) "gasoline" means any liquid, by whatever name known or sold produced from petroleum, natural gas, shale, or coal, which is capable of being used to generate power in an internal combustion engine, but shall not include fuel oils, naphtha specialties, or kerosene.

(e) "license" means a license issued, valid and subsisting under the provisions of this Act.

(f) "Licensee" means any person who holds a license issued to him under this Act.

(g) "outlet" means any station, shop, establishment or other place in which gasoline is sold or kept for sale by retail.

(h) "person" includes a partnership or corporation.

(i) "regulations" means regulations made under the authority of this Act.

(j) "Retailer" means a person licensed under this Act to sell gasoline or keep gasoline for sale direct to consumers.

(k) "sale" includes barter or exchange.

(l) "wholesaler" means any person, other than a retailer, licensed under this Act to sell or keep gasoline for sale.

(m) "wholesaler-retailer" means a wholesaler who is also a retailer.

2. The Commissioner may issue to any person:

(a) a license, to be known as a retailer license, authorizing such person to sell or keep gasoline for sale direct to consumers at such outlet as may be therein specified;

(b) a license, to be known as a wholesaler license authorizing such person to sell or keep gasoline for sale otherwise than direct to consumers; or

(c) a license, to be known as a wholesaler-retailer licence, authorizing such person to sell or keep gasoline for sale to any persons.

Now, the effect of this would be to amend (a) of this section: Subdivide (a) into two: Bona fide commercial fishermen for the operation of boats or vessels used by them solely in the catching of fish for human consumption. Then with regard to tractors put in much greater detail here. Used by bona fide farmers for the operating of tractors to be used by him solely in the production etc. The amendment is suggested because we realize that some farmers use acts to saw up a bit of lumber. The question in my mind is; why not use this gas to saw up a bit of lumber, so that I am not too happy about the amendment. I say quite frankly that amendment is one of those things coming up from time to time to the attention of the Government and the House, originating with the officials of the Government. Whilst we have every possible respect for and confidence in the people, the officials, it is not they in the last analysis who make policy, and this is a Bill, frankly, which has not been considered in Cabinet, considered to be just a formal Bill originating from the civil servants of the Government and so reached the Order Paper in this way. Now, I think perhaps I could move the second reading of the Bill on the clear understanding

that the principle embodied there may require amendment in Committee of the Whole, and if the House is agreeable to give it second reading on that understanding it may wish to modify and amplify it in Committee of the Whole. I think as a matter of fact this would be the sentiment of the whole House on both sides to give the farmer that little break to saw a bit of lumber if he has a power take-off on his tractor or even if he has a small mill or even a tractor or old motor car or tractor engine rigged up to drive a saw mill, or even if he has a regular saw mill stationary engine to do a bit of sawing why should he not? Should the hundreds of saw mills operating in Newfoundland have the privilege of using acto gas? Now, many things will have to be looked at in answering that question. One is how much would the Treasury lose by giving all saw mills that right. What revenue, that is clear. If it does not through that. The other question is very vital, very fundamental. Taxing production is economically a very bad principle. A Government has to raise revenue that is clear. If it does not raise revenue it cannot spend money. But there are many ways of raising revenue (now that we are a Province not too many) but there are still a number of ways by which a Government can raise revenue by Provincial powers of taxation and certainly it will be a pity that we should adopt a law to tax production, to put a direct tax on basic production, production of fish and production of lumber, which is involved in this question before us now.

It would be far better to put a tax on the lumber that is produced at the point where it is offered for sale than to tax it in the process of production. A tax on gasoline or other

fuel used in mills to produce lumber is a direct and immediate taxation upon production. So we will take a look at this Bill; we will find out just what is the amount of revenue coming to the Government by taxing gas used in saw mills, and if it does not represent too large an item of revenue to the loss of the Government—we would be delighted if we did not have to collect any taxes—but if that amount is not too large I think I would be prepared to recommend to my colleagues in the Cabinet the advisability of remitting that taxation. It is, I believe, fourteen or fifteen cents on the Avalon Peninsula and off Avalon two cents less.

Now, Mr. Speaker, another point while I am speaking—if saw mills are paying that gasoline tax, and are paying one rate for Avalon and one rate off Avalon, we would have the position where a saw mill operating off the Avalon is paying two cents a gallon less than would a saw mill operating on the Avalon Peninsula. Now, whatever the justification for the two cents a gallon difference off the Avalon Peninsula for tractors, that justification certainly would not apply to a saw mill, as the saw mill operating on the Avalon has no advantage over a small mill operating off the peninsula from the standpoint, at least, of justifying a lower taxation to the mill off the peninsula.

So, Mr. Speaker, if the House is agreeable, I move second reading of the Bill, but on the clear understanding that the House is agreeable, that we will amend it if necessary in Committee of the Whole.

Bill read a second time.

MR. CURTIS: Mr. Speaker, earlier in the session we passed a third read-

ing of a Bill, "An Act Further to Amend the Rent Restrictions Act, 1943." I would ask the permission of the House, Mr. Speaker, to have the third reading of that Bill rescinded and the Bill recommitted for the purpose of moving a nominal amendment.

MR. FOGWILL: Mr. Speaker, is that ordinary procedure after third reading?

MR. SPEAKER: Yes, provided the third reading is rescinded by the House. It is in order if motion is put to the House than any order of the House be discharged. Is the honourable member satisfied?

MR. FOGWILL: Page 45, Sir, 6th paragraph states:

A Bill, when passed and given Royal assent, becomes an Act and may then be amended in the same session, but a Bill which has passed and has not received Royal assent cannot be amended in the session in which it was passed.

MR. CURTIS: If the House insists, Mr. Speaker, and want a new Bill, all right, but this would save a lot of trouble and time.

MR. SPEAKER: A purely verbal, nominal amendment can be given to a Bill on third reading, but if the amendment is more than nominal it is against parliamentary procedure to amend Bills given a third reading in that same session, Bills passed and given Royal assent but Bills passed and not receiving Royal assent cannot be amended in the session in which it is passed. We can only do that with the unanimous consent of the House and the only other alternative would be to have His Honour assent to the Bill tomorrow and then bring

the Bill back the same afternoon and have it recommitted.

MR. CURTIS: I would ask the unanimous approval of the House. The Bill contains nothing contentious, but a point has arisen since the Bill came before the House and I think it would be in the interest of the country to have the change made.

MR. HOLLETT: What is the nature of the amendment?

MR. CURTIS: It just provides against greater hardship. The Minister may withdraw it if he subsequently finds it was given in error.

Consent of the House given to having third reading rescinded.

Committee of the Whole on Bill, "An Act Further to Amend the Rent Restrictions Act, 1943:"

MR. CURTIS: Mr. Chairman, if the honourable members will look at the Bill that was passed they will find that there are a number of corrections and alterations which should be made. In the first place the original Act was amended in 1948, therefore the first change would be in the title. The second amendment is on the first line of paragraph 2. The Rent Restrictions Act, 1943-48—The word "further" will come out and the words "as amended" in the first line will come out. Then the word on the first line of paragraph 2 comes out, so that the new section will read "The Rent Restriction Act, 1943-48, are amended by inserting the following therein as 12 (a) and 12 (b). The side note is amended. At the end of the first paragraph the quotation marks come out and the following will be added as sub-section (b) Where a certificate of greater hardship is issued by the Minister under section 12, the

Minister may, if in his opinion it is necessary or desirable so to do, amend or revoke the certificate or issue a new certificate in substitution for the revoked certificate.

Sub-section 1 shall be deemed to have come into effect the 29th day of November A.D., 1943.

Apparently, Mr. Chairman, the difficulty has been that ever since this Act has come into force the court has been giving the Minister this right, in other words if certification of hardship has been issued the courts have been giving him the right to rescind and recently have discovered they were in error and the Minister has no such authority. So that the object of this section is to make this possible as from the date of the original Act so that it will legalize what has been done and has been the practice for the past eight or nine years. I would move this amendment, Mr. Chairman.

Committee sat and reports having passed the Bill with some amendments. Ordered read a third time now. Read a third time. Ordered passed and title be as on the Order Paper.

MR. SMALLWOOD: Mr. Speaker, today the House gave first reading to a Bill, "An Act to Secure the Development of Undeveloped Mineral Areas." I am going to ask the forbearance of the House, the consent of the House to my moving the second reading of this Bill now, not necessarily with a view to having it read a second time tonight but rather for the purpose of enabling me to explain the Bill so that members of the House on both sides may have that explanation in mind when they come to consider the Bill and take part in the debate. The reason I ask for permission to do that tonight is so that honourable mem-

bers of the House may the sooner thereby be enabled to understand the Government's purpose and object in bringing this Bill before the House. I have already consulted the Leader of the Opposition who is absent at the moment, but will be here later tonight, and I understand there is no objection to my moving this on account of his absence. I am quite sure his colleagues will take sufficient notice to be able to explain thoroughly to him the principle and objects of this Bill.

I suppose it would be in order for me to make a motion that the order for second reading be rescinded and move that the Bill be now read a second time.

Leave granted.

MR. SMALLWOOD: Mr. Speaker, this is a most important Bill. The title of the Bill is; A Bill, "An Act to Secure the Development of Undeveloped Mineral Areas." Sir, in this Province today we have literally thousands of square miles of land which have been given, sold, leased or granted in some form or another to private parties. That is to say to companies, partnerships and individuals—thousands of square miles of areas believed or suspected to contain minerals, many thousands of square miles. It is true that some few hundreds of square miles of those areas have in the last half century or so been prospected, surveyed, explored for minerals, but only a relatively small part of the total mileage so held by private parties.

Now, in the past there was perhaps no special driving, urgent reason for getting excited about that fact, because down through the years the opportunity to bring people in to pros-

pect and explore and drill for minerals was not a very bright one, there was not a very intense interest shown in our mineral possibilities by mining companies around the world. So perhaps Governments in the past could be excused for doing nothing to bring about active exploration of those many thousands of square miles by outside interests or indeed any interests. But, Sir, the situation in the world today is entirely different from what it has been in the past. Today there is a world-wide scouring for base metals, and also a powerful, urgent drive for minerals such as the world has never seen. In the United States for example they are spending thousands of millions of dollars, many billions stockpiling materials of all kinds especially minerals for a possible future war. That stockpiling of minerals by the United States is all the more urgent on their part because of the fact that the United States itself lacks a sufficiency of such metals. So throughout Canada and other parts of the world, America and South America, many companies are engaging in a tremendous drive to find, search out and develop base metals, copper, zinc, lead, asbestos, uranium, and many other base metals so essential in war preparedness. That drive to find new resources of base metals presents Newfoundland with the greatest opportunity in all her long history to procure the active interest of American and Canadian mining companies in our mineral resources.

Sir, that opportunity is gravely impaired today by the fact that wherever you turn on this Island and almost wherever you turn in the Great Labrador you are confronted by the fact that many, many companies and individuals some of whom cannot ever be traced, some of whom have no

address that we know of, are the owners of these vast tracts of undeveloped lands, confronted by the fact that wherever you have a piece of crown land still owned and unincumbered by the Crown and possibly containing minerals, beside such a piece of mineralized land is a piece of mineralized land privately owned so that if you do succeed in bringing a mining company into this Province to explore and prospect for minerals on a piece of Crown land and they find minerals there, it is almost inevitable that their findings lead directly to that piece of privately held area and that the privately held piece is perhaps the principal source of the mine or minerals in question.

Now, we had a case very similar to that last year when the Government geologists discovered in the Gander Valley, on Crown land, a deposit, or two deposits, one of asbestos and the other of chromite from which Chrome is made for hardening of steel. It is a very essential material and we have been prospecting there all through last fall and this past winter and again in the summer trying to prove up the material in question. Sir, that property is surrounded almost entirely by privately held areas not belonging to the Crown and just as surely as night follows day the search for minerals will lead into these privately held areas. All right, we bring in a mining company to come and take a look at these two deposits on Crown Land. They look, they are impressed, let us say, but immediately they ask who owns the land there and then and there they find it belongs to John Jones. Well, then, can you make a deal with John Jones to continue the mine into his property from Crown Lands? We don't know. Well, where do we find John Jones? In this case,

we tell them he is in St. John's so they go to St. John's before they begin development of this mine on Crown property which is a small compressed area and they know they are going to be working the mine on John Jones' property and got to make a deal with John Jones. John Jones (I am using an anonymous name) knowing that to make that mineral workable his property must be worked and he is in the position, where if he desires to do it, he can constitute himself a highwayman with a pistol pointed at the head of the mining company that wants to bring about development and say, "stand and deliver." "Before I permit you to enter on my property you must pay me so much." Well, that might not be so bad in a case where the John Jones concerned is a reasonable man, not blinded by greed or avariciousness, but in a case where the John Jones concerned is greedy he can quite effectively prevent the development of a mine and thereby strike a severe blow at Newfoundland. Now, Sir, there is also this aspect of it, John Jones has folded his arms down through the years and has done nothing, he has not spent a dollar to prospect on his property, he has not spent a dollar to interest someone else to come in and prospect his property for him, he has not spent any energy to interest any mining company, he has done nothing, he has just sat on his property idly and has contributed nothing to building up Newfoundland, which is bad for Newfoundland, because clearly, after you have considered his right to have that property, he acquired it legally in years gone by, twenty, forty, fifty or seventy years ago—after you have considered that right to him, that it is his property, the fact nevertheless

remains that the minerals or oils, if there be oils, underneath the surface of that property is a Divine-given gift to the people who inhabit this Province and it is his in trust and only in trust for the public of Newfoundland and Labrador. Concede all you will to him so far as his title is concerned, he owns it, he acquired it lawfully, nevertheless it remains a fact that he has not got the right in the light of Newfoundland's public interest to allow that piece of valuable property to remain idle and undeveloped, he does not possess that right in the eyes of God nor in the eyes of any thoughtful citizen. If he has the right—put that statement to the test—has he got the right to say this is my property and these minerals underneath but I will not allow them to be developed now. Put that statement to the test, he has no such right. Suppose there is a war or preparation for a war and it is clear as daylight that we must have that mineral for the preparation of war, for national defense, surely nothing could be clearer than the fact the public has the right, the Government has the right to say, we need it for national defense and his own private right ceases right there the moment it comes in conflict with the public interest and the public right.

Now, Sir, the Bill does not propose for one moment to take that authority from him, the Bill does not touch his title in that property, which is believed to contain minerals or suspected to contain minerals, the Bill does not touch his title at all, leaves his title undisturbed, unlike the Bill we passed here a year or so ago with regard to forest timberlands in this Province. In that Bill it was provided that where a man has been given timberland under conditions laid down by

the Crown at the time of giving them, that he was to pay certain taxes to the Government on the one hand and on the other hand that he was to perform certain things by way of development of the timber. It was provided in the Act that became law that where he had fallen down on either one of these two conditions, to pay taxation or develop the timber where he had failed to observe and carry out the conditions, the title to the timber lands in question ceased to vest in him and vested in the Crown, on the 31st day of December, 1951. On that date some thousands of square miles of timber land did indeed revert to the Crown and become public property in the default of the holders of the timberlands in question to carry out the original conditions laid down when they were granted the timber land concessions. Unlike that Bill, quite unlike it, this present Bill does not touch the title. Now, I can conceive of a very strong case being made and presented for cancelling the title, I can conceive of a very powerful case indeed to justify the Government, or rather to justify this House to step in and expropriate for the public mineral areas which have not been developed. That would not be too difficult. I can also conceive of taxing such undeveloped land to the point where the owners would come running either to the Government or hurriedly to mining companies and saying to one or the other, here, I believe there may be minerals on my property, will you come and prospect? Here is a deal I will be reasonable about it, I am paying taxes on these properties now and taking in nothing, just paying out taxes to the Government. I can conceive of a very powerful case being presented in favour of such action, because that

is exactly what was done in most of the States of America and in the early days of American history, relatively early at least, back in the 18th century hundreds of millions of square miles or at least hundreds of thousands of square miles of public lands were given away by the various Governments, Federal and State to private individuals. Later on in 1880 and 1890 and in the early nineteen hundreds virtually every State Government of the American Union tackled that bad situation and got those lands back to the public by taxing them to such an extent that the owner finally gave in and the land in question ceased to be privately owned and became publicly owned. There is a powerful case to be made for that. We are not doing it in this Bill, not expropriating, not cancelling the rights to have ownership, we are not taxing the land in question with a view to forcing them back to the Crown. We are doing none of these things, we are not touching the title. I want to make that thoroughly clear and for a good reason. It would not be good for Newfoundland in its effort to bring mining companies into this Province to do prospecting and developing for our minerals if in the one breath we were going to grant mining concessions and invite them in here for that purpose, and in the other breath expropriating and even taxing out of existence private ownership of such lands. The companies in question would be quite justified then in saying, well how can we expect to make a deal with a Province in which a Legislature does not regard as sacred private ownership in property, which it would mean if you cancel rights, cancel title to land so that we may use that land. How do we know that five years hence, if it suits your pur-

pose that you will cancel the rights that you have now proposed to give us? No, Sir, we dare not monkey with title, we dare not think even of cancellation, of expropriation or even of taxing aimed at bringing these lands back to the public. The Bill does no such thing. What the Bill does is this: First it deals with one particular, defined kind of land. What kind? Lands which the Minister of Mines and Resources certifies to the Governor in Council as land upon which in the ten years preceding, in his opinion insufficient money has been spent on prospecting, exploration or development. The Minister of Mines and Resources goes to the Government in effect and he says: here is an area where there are excellent indications that there are minerals.

MR. HOLLETT: Did you say ten years?

MR. SMALLWOOD: Yes, ten years preceding. Here is a piece of land owned by John Jones, geological surveys show it probably contains valuable minerals. John Jones has done nothing about it, he is only sitting on it, doing nothing about it, the world is passing him by, he evidently does not know that there is a world wide search for minerals, he evidently does not read the papers, is doing nothing about it. There it is, that area, where we have good reason to suspect there is mineral and in the last ten years he has done nothing, or he has done something that is only trifling, made only a piffling effort. If we allow another two or three years to pass the boom may be over, the great mining boom, in the sense at least that for some years after that there won't be any great, mad, urgent drive to find new metals. If we don't get that mineral developed in the next year or

two we may have to wait ten years. The Minister of Mines and Resources goes to the Lieutenant-Governor in Council with that report, whereupon the Lieutenant-Governor in Council may certify that area as an area to come under this Act. Now, when it comes under the Act what is then the position?

The position is that the Government at that point, when that area is so certified becomes from that moment the sole controller of the area in question. It does not take the area from the owner, does not destroy the ownership or title but it does take control over the area, for what purpose? For the purpose of bringing people in to prospect, to explore, to do drilling on it, to develop it. Now, Sir, this is not a piece of theory; this is a very practical matter at this moment. We have a considerable number, relatively speaking at least, considerable number of very large and important mining companies, most of them on this side of the Atlantic, most of them American though not all, who are actively negotiating to come in here and begin prospecting now, this year; Anaconda Copper, a great American concern, as the House will be aware, is probably the second greatest of all mining companies in Canada, Consolidated Smelting, American Lead and Zinc and Smelting of St. Louis, Miss., Reynolds Metals, a huge concern, so huge that at the moment they are building an addition to some of their plants, aluminum plants at an additional cost of five hundred million dollars. Freeport Sulphur—they want to come in. There has been induced to come in a number of others who have been contacted, some by Sir William Stephenson, some by Dr. Valdmanis, others by Littleton Gould, and still others by myself, and

others by Mr. George Thomas, as secretary-treasurer of our Newfoundland and Labrador Corporation and still others by Mr. Claude Howse. Between us all we have succeeded in interesting some very, very, important mining companies to come into Newfoundland and Labrador. But now the minute we do that here is what we are up against: Anaconda Copper, Freeport Sulphur, American Lead, Zinc and Smelting are not interested in fifty square miles or a hundred square miles. They would not bother with so small an area, just would not be bothered. If they are going to come into Newfoundland at all they must have sufficiently large areas to make it worth their while to justify their spending the amount of money below which they would not be interested. So that they want five, six, seven and eight hundred or a thousand square miles. Does that sound like a lot, Mr. Speaker? The last thing the Commission of Government did before they went out of office was to give Buchans Mining Company sole right to prospect and explore for a certain number of years, five thousand square miles, or something over six thousand square miles running diagonally across the heart of Newfoundland roughly from Buchans itself southwest out to the coast near Ramea and Burgeo. Five or six thousand square miles for one company, a good company admittedly, a Newfoundland company. So when we talk of a thousand square miles tonight when considering such a company as Anaconda Copper, we are not granting a huge area. Remember that we gave the Labrador Mining and Exploration Company twenty thousand square miles. Now, when we have a number of companies displaying active, really genuine interest in coming into this Province

to prospect and develop, we find ourselves for the first time in Newfoundland's history up against the fact that we have not enough to give them, it is an astonishing situation, and a strange situation. Mr. Thomas, who as the House knows, is one of the most knowledgeable mining men we have in this Province today, indeed one of the most knowledgeable mining men in all Canada today, just recently resigned as manager of Buchans Mining Company and is now secretary treasurer of our own corporation; Mr. Thomas in recent weeks has been going over geological maps of Newfoundland and Labrador Corporation's area of this island with mining companies and he has had to try and stage off this mining company with one hundred square miles and that company with two hundred square miles and another with one hundred square miles, and this one with five hundred square miles and there just is not elbow room to accommodate these great companies if we have to confine them to the area granted to the Newfoundland and Labrador Corporation. Now, in the meantime the island of Newfoundland is forty-two thousand square miles, and out of this the Newfoundland and Labrador Corporation has nine thousand square miles and within that nine thousand square miles nearly half is privately owned and in the remaining area the corporation is trying to jam a large number of great mining companies to do exploration and drilling, when in fact all the rest of the island, some of which of course is already under active holding—you have Dosco, you have the two mining companies at St. Lawrence, the Buchans Mining Company, who are actively carrying on the business of mining, but you still have left in the remainder of Newfound-

land huge tracts of land which are not under development and are not under exploration. Yet the Newfoundland and Labrador Corporation cannot invite a company in to look at anything only what it controls itself.

Now, the Bill does this. The Bill gives to the Government the sole right over any areas so certified, as I have previously described, the sole right to give permits to prospect, and permits to develop, and says that with regard to any profits that may come to the Government from any development that arises, that these profits shall come to the Government before any taxation is levied. Let that be understood clearly, the Government does not propose to share its revenue from taxation on any mineral development with any one, but the Government would get a share of the profits arising out of any actual mineral development brought about by this Bill and out of any such share of the profits as falls to the Government, the Government in turn would pass over one third of such profits to the owner of the property. Now, it may be held that is too generous toward the owner, a man or company who have sat idly on a piece of valuable mineral property down through the years, should not when the Government is the means of bringing about development, should not get any share or so large a share as one-third of the profits coming to the Government. But, Sir, I think there is a good answer to that. If it is held that one-third of the profits is too much to pay to the owner, if that contention is put forward, I think the answer to it is that any lesser share would be uncomfortably close to expropriation or bad faith.

So, Sir, really the Bill is simple. But what is more complicated is the

general background of why we do it. This is a Bill which a Government would not think of bringing in here five or six or eight years ago, there was not the urgency, the necessity to do it, as there is now in the world. We don't want to miss the boat, we want every square inch of Newfoundland to be explored and every last bit of minerals to be developed to make Newfoundland more and more prosperous, to provide jobs for our people, we don't want to miss the bus in this world-wide drive for minerals and we are in grave danger of missing the bus because of the fact so many areas around the island are all tied up in private, futile hands, hands that are not energetic, tied up in the hands of people, of companies, of persons, who just sit there doing nothing. The Bill says that where the Minister of Mines and Resources certifies to the Lt. Governor in Council that in ten years preceding not enough has been spent on an area, the Government may then itself or through its agent, and its agent needless to say would be the Newfoundland and Labrador Corporation, may take the sole right to give prospecting permits and development licenses on the area so certified. It also specifies that of the Government's share of the profits that would arise from any development that took place as a result of this Bill the owner would get one-third.

Now, there are some obvious exceptions which must be made. Under section 13 it says that this Act does not apply to the following:

- (i) Buchans Mining Company Limited.
- (ii) Anglo Newfoundland Development Company Limited.
- (iii) Falconbridge Limited.
- (iv) Frobisher Limited.
- (v) Newfoundland Labrador Mining

and Exploration Company Limited.

- (vi) Dominion Steel and Coal Corporation Limited.
- (vii) Nova Scotia Steel and Coal Company Limited.
- (viii) St. Lawrence Corporation of Newfoundland Limited.
- (ix) Newfoundland Fluorspar Company Limited.
- (x) Newfoundland Asbestos Limited.
- (xi) Independent Mining Company.

This is a list of companies which may not be complete and to which we may have to add. These are companies which now already are operating or if not operating are energetically pursuing a policy of exploration and development. Obviously then these should be exempted and there may be a need to add to this list.

Now, there is one other point I ought to make before I sit down, that is that this Act, if it is passed by the Legislature, will be carried out by the Government with one thought and one thought only in mind, to procure the advancement of the public interest and to avoid any injustice to the owners. Let any owner of mineral land in this Province come to the Government and say: it is perfectly true that in the past years we have not done very much about this area, and have neglected it, but now are really trying to do something, or let him say I have in recent weeks or months, and establish the fact that he has in recent weeks or months endeavoured to bring about exploration, prospecting or development or improvement, that within recent days he has made an honest to goodness effort to bring about prospecting, exploration or development, even then the Government, keeping in mind the public interest, will keep in mind also

the thought that justice must be done even to the owners of public lands who have sat on them and done nothing about them in the past, if they show genuine desire to do something about them now.

Now, Mr. Speaker, it is only dire necessity and in the public interest would cause us to bring in such a Bill as this. Perhaps if we had full regard towards the public interest we would bring in a Bill which would be much more drastic, affecting title. But I say this in conclusion, let us not miss the bus, let us not lose this opportunity, this unprecedented opportunity that faces Newfoundland today, let us take maximum advantage of the hungry hunt for minerals going on in the world today. At last we are going to get big concerns interested in us, at last now that they are interested, let us take all the steps that are in our power to bring them in and keep them here and give them something to look for. We feel that we are better equipped to do it than the owners themselves. I have had in the last year various owners of these mineral areas come to me and ask me, can't the Government do something about this or that, here is a piece of property I inherited from my great grandfather or grandfather, or here is a piece my father owns title to and nothing has happened on it for twenty-five years, can't you do something about it, get somebody interested? Many of these areas are held by men without means, and if it is left to them I fear that the amount of development that would take place on such areas you could contain in a thimble. They just have not got the means, have not got the know-how, to attract the concerns that might be interested in development. A Government on the other hand or the Gov-

ernment's agent, the Newfoundland and Labrador Corporation have the means, they can go and talk to people, they can interest them and so we say that we are better equipped to bring about exploration of these areas than are the actual owners, themselves. We are very proud of the fact that we don't touch title notwithstanding all possible temptations. I have heard hot arguments to the effect that we should wipe out, cancel, expropriate these areas, they are held long enough by people doing nothing, take them over and see what the Crown can do with them. I have heard that put hotly, but I am proud as a Government we take the moderate stand and yet a moderate stand which should bring about exactly the same result. We don't want to take the mineral areas away from the owner, we have left title. If these profits or any profits come out of them to the Government they will get their share. Now, we think that is fair and practical. Mr. Speaker, and I move the second reading, not at all with any thought that honourable gentleman on the opposite side are now ready to debate but rather with the thought that having heard the explanation they may mull it over, sleep on it, so to speak, and when they are ready to debate it we will be ready to continue the debate.

MR. HOLLETT: Mr. Speaker, I would like to adjourn the second reading.

Debate adjourned.

Committee on Supply—The Estimates:

1425—Fishery Development Corporation:

MR. SMALLWOOD: Mr. Chairman, the Honourable Minister of

Fisheries returned quite late last night from a visit to Vancouver, British Columbia where he attended the annual conference of the Fisheries Council of Canada which represented all the fishing interests from St. John's to Vancouver, and as he has been absent from the Province for a couple of weeks I think he is now slightly out of touch with the latest development within the Government here in Newfoundland. It is for that reason only that I rise to offer some brief comment on this vote in the Department of Fisheries and Co-operatives for capital development. This amount was the Committee will note is merely a token vote of \$100. We hope this one hundred dollars will swell eventually into many millions of dollars, indeed I think perhaps that I am not revealing anything that I should not reveal when I say that in the next ten years an amount of probably fifty million dollars will have to be spent under this heading, say twenty million dollars for direct expenditure on fishing plants and boats and gear and equipment, and thirty millions on harbour improvements, housing, schools, streets and roads in those places where for the most part the twenty millions would have to be spent on actual fishing plants, boats, gear and equipment. Now, I do not suggest that that huge sum of money could be spent or should be spent by the Government of Newfoundland. That is a huge sum of money even in a period of ten years which would run to an average of five million dollars a year, a truly tremendous amount of money. I do suggest that half of it should be spent by the Government of Canada and half by the Government of Newfoundland.

Mr. Chairman, now that we are part of Canada, it is to this Govern-

ment and I feel to this House inconceivable that the necessary reorganization of the fisheries of Newfoundland should lack the active financial participation of the Government of Canada. The Government of Canada, in many parts of Canada, has spent and is spending scores of millions of dollars on the development of various primary industries, wheat, potatoes, hogs, apples, cheese, iron ore, coal, tree fruits, beef, the latest now out of Ottawa being that of a great new deal made in recent days by the Government of Canada jointly with the Governments of Great Britain and New Zealand whereby the Government of Canada will spend an amount of twelve to fifteen million dollars to subsidize the production of the cattle growers of the prairie provinces who in number scarcely exceed the fishermen of Newfoundland. So, Sir, I say that it is inconceivable that the Government of Canada should not share with us the financial responsibility for the necessary, the unavoidable, the imperative reorganization of our fisheries. The Government are now awaiting the full report of the fisheries development committee under the chairmanship of Sir Albert Walsh. That committee, Sir, was set up jointly by the Governments of Canada and Newfoundland. Its setting up was announced jointly in Ottawa and St. John's. Prior to that the Minister of Fisheries of Canada had in a public announcement declared that Canada would have to assist the fisheries with capital aid, and this Government in agreeing with the Government of Canada to set up the joint committee headed by Sir Albert Walsh did so on the clear assumption by us that what was involved was a sharing by the Government of Canada of the financial responsibility

involved in the reorganization of our great fisheries. Now we are awaiting the report.

We cannot place in this vote any amount to be voted for the very good reason that we don't know how much we should ask the House to vote. We cannot do it until the report of the fisheries development committee is in our hands. What we can do is seek from the House legislative sanction in the form of a token vote, and that, Sir, is what lies behind this microscopic amount of one hundred dollars, an amount which we hope will grow into many millions in the course of the next few years. For, Sir, we might as well face up to it now—Newfoundland can never be enduringly prosperous with an unprosperous fishery, it just cannot be, it would be a contradiction in terms to speak of an enduringly prosperous Newfoundland while you had lagging fisheries and fishermen. We might as well face up to that. The fisheries of Newfoundland, notwithstanding our vast pulp and paper industry, our mining industry, railroading, Federal and Provincial civil servants, new industries, defence projects, is still an industry out of which twenty thousand families, almost a third of the families of Newfoundland try to snatch a living. We might as well face up to the fact that a thoroughgoing reform and reorganization are needed in the fisheries, and Sir, we might as well face up to the fact that that will cost many millions of hard cash, many millions.

So, this vote of one hundred dollars is just a little cloud no bigger than a man's hand, but a cloud that shows how the wind is blowing and that is why we have entered it—to get legislative sanction for a vast programme of fisheries development. The House, we expect, will adjourn this week or

next, and each of us will go off to his job in other walks of life and when we reassemble the Government will have the report of the fishery development committee. What shall we do? Shall we wait until the House meets again in January or February of next year before coming into the House to seek legislative authority to implement the recommendations of that committee? Obviously so to do would delay by a year and possibly longer the beginning of the implementation of the facts of the committee's report and recommendations. I say possibly longer, because in all really big programmes it is necessary that commencement should be made not after the opening of the House possibly in February and the passing of the estimates probably in March or April, but should be made quite possibly this coming Fall to be in absolute readiness for a programme in 1953. That is why we have this small token voice entered in the estimates for this year.

I have only one other thing to say, we are deeply disappointed that Mr. Mayhew, the Minister of Fisheries of Canada, had to return to Ottawa yesterday or Saturday instead of continuing his trip to St. John's. As the Committee is aware, he was coming for discussions with the Government of Newfoundland and the Fishery Development Committee on the matter of implementing the interim recommendations of the committee, interim recommendations of action for this year, 1952, in connection with the development of the fisheries. Mr. Mayhew got as far as Montreal when he was grounded, he then got as far as Moncton on Saturday where again he was grounded, and having the necessity to be back in Ottawa on Thursday of this week felt that that would

not leave him sufficient time in Newfoundland for the discussions he was so anxious to carry on with us. So he telegraphed me on Saturday saying that he was sorry but he had to return to Ottawa and would come back to Newfoundland to take up these discussions in ten days or a fortnight from then. So we are in the position that we did not expect to be in when this vote would come up for discussion in this Committee. We expected to be in the position of being able to tell the Committee something in some detail of what is proposed to do this year, 1952, by way of reorganization of the fisheries. In the absence of discussions with Mr. Mayhew and an agreement with him, we are not in that position, so we have to ask the Committee to bear with us and vote us this one hundred dollars as a mere token, nothing but a token of a much larger amount which we will undoubtedly have to spend.

MR. HOLLETT: Mr. Chairman, is the Fisheries Development Corporation already set up?

MR. SMALLWOOD: No, it is not set up.

MR. HOLLETT: Then that is a token name for the corporation.

MR. SMALLWOOD: Yes.

MR. HOLLETT: I am sure, Mr. Chairman, we are all delighted to hear there is a hope of the Government that they will get the Federal corporation of the Federal Department of Fisheries on this matter. I am not so sure the terms of Union will allow them to do so much as I would like them to do. We must feel that if they are to do something for our fisheries they must also do something for the fisheries in the Maritimes.

MR. SMALLWOOD: There is nothing wrong with that.

MR. HOLLETT: There is nothing wrong with that, I am quite sure there is nothing wrong with it. I do hope that the Fisheries Committee which has been set up now a year and a half, or something over a year, that they will be able to bring in something which will be of some assistance to our fisheries. Personally, I do not anticipate that they are going to make the fishery something that is like a game, something that can be enjoyed by anybody who wants to take up the fishery. I am old-fashioned enough to believe if you get fish you got to work for it and work hard for it. I also believe using all sorts of large nets and machinery to catch fish must of necessity do certain damage to the fishing ground itself. I am sure the Committee which has been set up will undoubtedly bring in an excellent report to the Government, and I am quite sure the Government won't have the courage to put it in a pigeon hole as it did the IBEC Report, I am quite sure they will have to table it and I am very hopeful that they will be quite proud to table that report. I believe something good will come out of it. I must repeat, however, that I have never had too much hope from reports of commissions, simply because I have never seen very much arising out of commissions for the benefit of the people, but most Commissions are to their detriment in that they have to pay quite large sums for these expenses.

In this case, I am sure, we on the opposite side are only too happy to agree to the vote of at least one hundred dollars. We also regret that Mr. Mayhew did not get here and was grounded, the Premier says, I hope that the Committee's report won't be

grounded. That is the obvious thing to say. I don't believe the fishermen of this country will wish this Government or even the Federal Government to allow it to be grounded. I am quite sure the honourable member for Fogo will agree as the numbers who have hauled up their boats are becoming greater and as that number becomes greater so the whole concept of Newfoundland will change as we know we have twelve or thirteen hundred settlements around this coast, and when I think of these settlements, most of them vanishing because these people are not strong enough to reorganize our fisheries in this new age, when I think of it it makes me hang my head, bald as it is, Mr. Chairman, in shame. I have travelled quite a bit around this country, as have most of the honourable members and I have been in a good many of the fishery settlements and most of us were born in a fishing settlement, and I think must love the fishing settlements, a good many of the older generation perhaps look back with a feeling of nostalgia on some of these settlements as they were, as we know them years ago, and as some of them are today. I feel sure that it will be a sad day for this country of ours without fishermen, we won't have a Newfoundland without fishermen, as I have said before, we can never become a great nation without sailors, and unless we have fishermen we can't have sailors, I am quite sure it is our greatest natural resource. You can talk about all the mines and minerals and bases being built in the country until doomsday, but here we have one of the greatest national resources that nature could endow any country with in our fisheries and we are just practically doing nothing whatsoever about it, the amount of money which is being

spent on our fishery development is altogether too small. I agree it is not only this Government but the Commission of Government and indeed every Government here before have endeavoured to do all they could, but they are not doing enough, letting markets slip away from us primarily because we are not spending a few of these dollars on the fisheries as we have spent on other things. The more dollars we spend there the better. I am not going to say any more on this vote, Sir, only wish there were a greater vote there so that in some way some of our fishermen this year won't have to leave the fishery and go to the mines or woods or to Seven Islands and work and labour day after day only wishing they were out in their boats and bringing in their fish, and so holding onto the sea and making of this a great country. I don't think this country is going to be made great by a textile factory or a machine plant.

MR. SMALLWOOD: We need it all the same.

MR. HOLLETT: I dare say we need it all. One thing is certain we need our fishery if this island is going to remain a decent adjunct to the Dominion of Canada. Yes, we certainly agree to this token vote and hope the Government will be in a position to have surplus funds to supply to this Corporation which I take it will be set up, and even if they have to tax the food to get it, I believe it would be even fair to do that to help the fishery. I am not prepared to see the people's food taxed for any other things, no need to mention what, but I am quite sure the Premier understands what I mean. We will support this vote as I am commissioned to say by the Leader of the Opposition.

There are another few things I would like information on, the Fishery Development Committee last year was voted fifty thousand dollars and it is not voted this year.

MR. SMALLWOOD: Yes, fifteen thousand dollars in the current account.

MR. CASHIN: Mr. Chairman, I notice here in answer to a question I got the other day a treasury note for \$150,000 was given in favour of the Fisheries Development Loan Board, that is the Baxter Organization, I take it. Dated March 20, 1952, interest one half per cent, matures 20th September 1952. I take it that what happened on March 20th, this Loan Board under Mr. Baxter's chairmanship, received a note or something and turned it into cash and on September 20, 1952, that note matures and is to be redeemed at some bank or some place. Now that expenditure was really incurred in 1952, and I take it it would be charged up in the estimates of expenditure in 1952-53. I would like some explanation on that vote.

MR. SMALLWOOD: The honourable gentleman himself has it now. That is an amount that has been advanced to the Fisheries Development Loan Board by the Treasury and returned to the Treasury on a Treasury note and will be paid back to the Fishery Development Loan Board as and when they need it, in any case not later than September, the date of the maturing of the note.

MR. CASHIN: What year is that charged up to?

MR. SMALLWOOD: It does not need to be charged up to anything, it was never out of the Government's possession.

MR. CASHIN: The Government has to redeem that and has got to enter in some part of the expenditure in the budget whether next year or last, it is being paid over and passed back.

MR. SMALLWOOD: The same thing applies exactly to nine hundred thousand dollars in the Newfoundland and Labrador Corporation, it does not need to appear in the estimates in the budget.

MR. CASHIN: It will have to appear ultimately.

MR. SMALLWOOD: I don't think so, so the Auditor General advises us.

MR. CASHIN: I can't agree in that respect. Here is three hundred and fifty thousand dollars being spent by the Loan Board.

MR. SMALLWOOD: No.

MR. CASHIN: Not being spent at all, what is the idea?

MR. SMALLWOOD: May I explain again. It was passed over to the Loan Board, the Loan Board had it. The Treasury needed it and borrowed it back and gave the Treasury note from the Treasury. Just one of cash transfers back and forth going on in any Government from one pocket to another, it happens in every Government in the world, just a matter of ordinary accounting.

MR. CASHIN: One day that got to stop.

MR. SMALLWOOD: Merely accounting, I don't even think the money actually ever was passed over to the Board but credited to the Board and the Board not needing it and the Treasury needing it, the Treasury then gave a Treasury note, it is only a bookkeeping entry that's all it is.

MR. CASHIN: Then this Loan Board has not any money?

MR. SMALLWOOD: Yes, all they need.

MR. CASHIN: How much is that?

MR. SMALLWOOD: It depends on how many loans they make and they won't make many yet until the programme of the development committee is being carried out.

MR. CASHIN: Is this what might have happened? There was a certain amount of money voted for this Loan Board, they had it, received it and passed it back to the Treasury again because the Treasury needed the money and they did not?

MR. SMALLWOOD: Actually there was no passage of money, only a fountain pen making entries in a book.

MR. CASHIN: Therefore the Loan Board got nothing. That is the point I am trying to make, they did not get a dollar. However, it is very interesting to hear the Premier explain about the fisheries. As a matter of fact I was struck by his remark that the great prosperity of Newfoundland depended on the fishery. I have pointed out in this House and I think was criticized indirectly that it is regrettable that at the present time so many of our young men already are leaving the fisheries to go into other employment, for the simple reason that the fisheries, they think at any rate, are not too remunerative. Nearly every day every member in this House on both sides are besieged by crowds of fishermen coming to them to look for jobs on the bases and so forth. I have many times pointed out that this great prosperity, which I agree we have at the present time, based on defence work cannot be per-

manent because if it is permanent there is only one result, and that result a great big war. The greater part of our fishermen are leaving the fishery and going to work on bases and in Greenland and Iceland, and to re-establish them, in my view it will cost many many millions of dollars to get back the fishing again. If Canada ever gets back to normal, which may not be in my time, the Canadian farmer will have to get back to the farm and the fisherman to the fisheries, the bases will be finished, the manufacture of ammunition and guns, etc., will be all over and we will have to get right down to brass tacks and produce something that we can sell. At the present time the manufacture and production of machinery for war is not economic, it is artificial. That is why I say that we ought to try with all our energy to keep as many of our young men at the fishery as possible, so that when the time does arrive when we get back to normal, if we ever do, that these young fellows will be prepared to continue to fish. On the other hand if they leave now and go to these various jobs they are getting away from the productive industries which build up the economy of a country. I think I read something by Wayfarer this morning with respect to the actual earning power of our people; true at the present time there is a lot of money in circulation because of these defense contracts and the American Bases and everything else to drive the earning power of our people away up but when we get down to brass tacks we have only three or four industries, mining, fishing, pulp and paper, these are our three staples ones and these are the ones we got to concentrate on and it is good to hear we have to have so

many million dollars to devote to the fishery, and it makes me wonder where it is all coming from. I hope it is going to be there. The Federal Government may be able to put up many millions of dollars, and I hope we will be able to match them dollar for dollar, I don't want to be pessimistic, I have been accused of that from the floor of the House, but present indications are that we are to have a hard struggle to get this many millions of dollars, it is hard to get them today, we can't tax the people and I am not trying to make any reference to taxation, but there is only one way a Government can get money and that is by taxation.

MR. SMALLWOOD: Or borrow.

MR. CASHIN: We borrowed a lot of money in our time and you know where it ended in the depression of the thirties, cleaned us out. So I am glad, Mr. Chairman, to hear that once this wonderful report is produced it will be a newer and I hope happier day for the fishermen in Newfoundland.

MR. JANES: Mr. Chairman, I think the Honourable Leader of the Opposition struck the note correctly when he said—producing something that will sell. I have to agree with him in that, but as far as the young men of the fishery leaving the fishery, for years even for generations the number of young men leaving this Province, continued to leave before we became a Province and went to the United States, then the generation of the 1940's who enlisted in the war and who drifted away from the fishery and have never gone back and are not going back, and it is just as well to make up our minds and it is just as well for those concerned with the development of the fishery pro-

gramme to know they are a lost generation insofar as the fishery is concerned. Most of the people in the fishing settlements today are middle aged, a generation has been lost to the fishery and that generation has been lost because the young people feel they should not be condemned to the fishing boats. While it might be desirable that we hold these young people there, I believe these people should have the same right as any other people, if they want to leave the fishery they can leave it, certainly there is nothing to encourage them to stay in it, and when we learn to produce something we will have no difficulty in selling, and then you will find the sons of fishermen will stay there and will fish, but I think it is hopeless, Sir, to talk about expecting either now or at any time our younger people as they grow up and are given a better education, from better schools, and better teachers to stay at home contented as they were a few years ago, but when we have produced in this Province a fishery policy I think these people will stay in the fishing boats as they have stayed in the other Provinces. Yet until such time as that policy is ready, Mr. Chairman, I don't think for one moment we are going to stop the drifting away from the fisheries and the drifting away from the smaller communities which probably is not so undesirable as some of them should not exist at all. I am certain, Sir, we can't stop the young people from drifting away from the fisheries until, as the Honourable Leader of the Opposition says, we have at our disposal the means of producing something we are able to sell.

MR. HOLLETT: I take exception to the statement of the honourable member that the young people today

are wiser than yesterday. I don't think they have any more sense today than then, not as much in fact. Once they did have sense enough to stay at home, now they wander far afield and come back in their old age to die. Another thing he mentioned is education. Anyone looking at the education system today can see it is certainly not designed to keep our young men in the fishing boats. I think the Minister of Education would be well advised to consider educational programmes in this country, which in my opinion, are not designed to take them out, send them further afield and put on a white collar, and so on. People do not wear a white collar, when going fishing.

MR. SMALLWOOD: Certainly not squid jigging.

MR. CURTIS: It is agreed to put the magistrate of the central district court on the same scale as the judge of the Juvenile Court but one increment ahead of him.

MR. CASHIN: I hold, Mr. Chairman, that the district magistrate here should be entitled to back pay because he should have been getting the scale three years ago, he is a senior man, I understand some twenty years a lawyer, and this other young man while he may have qualifications only a year ago came in and was put on a salary scale higher than the magistrate here.

MR. SMALLWOOD: No, not a higher scale.

MR. CASHIN: I know, the other man should get that back pay. What I am trying to get at is there was a difference there for the three years of eighteen hundred dollars which he should get as back pay.

MR. SMALLWOOD: That is a pretty dangerous principle. We are adjusting the scale now by putting him on the higher scale established for the Juvenile Court and then we are putting him one increment ahead of that judge.

MR. CASHIN: In other words he gets eight hundred dollars increase at once.

MR. SMALLWOOD: We have had many requests for retroactive pay but we have had to reject them all, we remedy a situation as of the moment.

MR. CASHIN: In view of that, he is no friend of mine, but why not make it \$4,900 now and that would be three increases. It is only fair after all, the other man went in at \$4,500. In the meantime, Mr. Chairman, there was supposed to be appointments made of county judges at six or seven thousand dollars a year when we became a part of Canada.

MR. SMALLWOOD: They have not been made yet.

MR. CASHIN: We are three years behind the times.

MR. SMALLWOOD: That won't make any difference in the number of magistrates.

MR. CASHIN: I know, but I would take it anyhow that the magistrate of the St. John's Court would be one of these, at least he should be when such an appointment came about.

MR. CHAIRMAN: I would like to clarify the point, thus enable members on both sides to see the point under discussion. The judge of the Family Court is well known to many as the judge of the Central Court. I

believe that the judge of the Family Court obtained his position not only on account of his knowledge of law but because of the fact he already had a very distinguished career in the field of education, is a B.A., a well known and highly successful teacher and had already put in some twelve or fourteen years as a distinguished educationalist before he was admitted to the bar, so that he has an educational background plus a legal background.

MR. CASHIN: This other man, I think, has a pretty tough job in the Magistrates Court.

MR. SMALLWOOD: It is a tough job.

MR. CASHIN: I am not against that but thought it might stand. I am certain Hugh O'Neil handles that job efficiently.

MR. SMALLWOOD: He is a good man, we decided to put him on a new scale and jump him one increment, and now to raise him two increments would produce a pretty awkward precedent throughout the civil service which would result immediately in a clamour of 'you did it for him and why not for me' and I have just canvassed briefly here and find that it would not do for that reason only.

DR. POTTLE: There are one or two remarks I would like to make without any reflection on either party concerned. In the first place the district magistrate's salary which has been changed was originally \$3,300-100-\$4,500, and has still six years to go before it reaches the maximum of that scale, so what we did was raise it to the next scale \$4,500-200-\$5,400 to be uniform with the judge of the Family Court, and raised it one increment. That is the first point.

MR. CASHIN: What did Judge Browne get?

MR. SMALLWOOD: Too much.

DR. POTTLE: He was getting the District Magistrate's salary.

MR. CASHIN: He was getting five thousand if I remember.

DR. POTTLE: The second point I wish to make is this. The Family Court has taken a great load off the Magistrates Court by taking over all family work, which relieves the central district court of this and that, I think, is a very big item to be considered. The normal work of the Magistrates Court may not have declined in volume as a man works there all day and there is always something to do, but I am quite sure the work of the Central District Court must be made much more simple administratively because of that.

MR. CASHIN: I am sorry the honourable member for St. John's East is not here as he probably knows more and has had more experience in that Court than any honourable member of the Committee.

MR. SMALLWOOD: We have made a good start.

MR. HOLLETT: I fail to see why the House wears itself out over the judge of the Family Court or the judge of the District Court, they are both young bachelors who had not the courage to take on family obligations, not heads of families, and the head of the Family Court is getting forty-five hundred dollars a year, we could look further down the list and see constables who after serving ten years still get seventeen hundred dollars a year and who spend much time thinking about the wherewithal of bread and butter. I know constables

in that group who have five and six in family and have been in the service fifteen years and are on a salary scale of eighteen hundred dollars. I would point out if you are to do any increasing in this particular vote here do it to some of these poor underpaid constables who are at it day and night through all sorts of hardships, who are in St. John's today not getting much consideration, with all due respect to the Department of Justice, and not too much from the general public. I say this for those we still have left who have not put on the gilded uniform and are driving around in motor cars. Some of them managed to get in the RCMP, but we have quite a number of constables who have served for a large number of years on a salary of eighteen hundred dollars and are trying to raise a family on it. I would say, Mr. Chairman, the Government would be well advised to think about at least a slight increase for these police officers. How can you expect these men to be satisfied, with the present cost of living, the present cost of upkeep to families particularly in view of the three per cent tax on food.

MR. SMALLWOOD: We have given some consideration, not enough but some, this very year there are two things we have done, I speak now from memory, we have incorporated into their basic salary what they were getting as cost of living bonus and increased the salary, the basic rate to ten per cent in their pay. Now, that is the beginning, we won't stop there—We are very sympathetic with the police. Actually I made a promise to the police force, to a number of them during Confederation, I told them you fellows don't lose by Confederation, I will see to that. Not one policeman has been laid off and actu-

ally we have more police than we need, but not a man has been laid off and the force has been reduced only by recruitment to the RCMP or other Government positions. This has happened in a number of cases. What we are not doing now is recruiting men and hope that in the course of the next eight or ten years by the ordinary course of things it will be reduced to a reasonable size. We have a larger police force in St. John's today probably than any city of Canada, except Montreal, Toronto, Winnipeg, Vancouver; I think have a larger force. We have as large as the city of Halifax, Sydney, St. John and Charlottetown put together and they are operated by the city Government. We have made a beginning, but it is only a beginning.

Committee sat and reports having passed items, 1400-1600 on capital account, and asks leave to sit again.

DR. POTTLE: Mr. Speaker, I wish to report the Committee on private Bills, considered the Bill, "An Act to Incorporate the Association of Engineers and other purposes connected therewith," and beg leave to recommend it for the consideration of the House.

Referred to Committee of the Whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move that all further Orders of the Day do stand deferred and that the House at its rising do adjourn until tomorrow Wednesday at 3:00 of the clock.

WEDNESDAY, May 14th, 1952.

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

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Notice of Motion

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Highway Traffic Act, 1951."

No Notice of Question.

No Answers to Questions.

No Private Members' Motions.

Orders of the Day

MR. P. J. CASHIN (Leader of the Opposition): Mr. Speaker, a few days ago, I gave notice of a motion which is on the Order Paper. Mr. Speaker, it is not my intention at this time, to make any lengthy talk, we had considerable discussion on the facts, which came out, and in order to clear the atmosphere of the whole thing, I moved that a competent and impartial firm of auditors be appointed to go into the matter thoroughly and report on it one way or the other, and give a complete report. I make that motion now, Mr. Speaker.

MR. FOGWILL: Mr. Speaker, I second this motion of the Honourable Leader of the Opposition, and I feel, Sir, that motion is quite in order, because of the fact that the audit should be published in respect to the campaign. I met the gentleman, the director of the campaign, and from interviews with him and other members of the Opposition, it does appear to me that this whole campaign was operated under very haphazard meth-

ods. In the first instance, there was no firm contract of employment by the Government of this man, and certain sums of money were provided each week on requisition from the gentleman concerned on vouchers or bills for which the amounts were covered by cheque, and for the first four or five months, during the first period of the campaign, from July 1950 to December, there was absolutely no check or method of accounting, no bank account, ledger, expenses or credits or anything of that sort. In seconding the motion, I agree entirely with the Honourable Leader of the Opposition that for the benefit of all concerned and particularly the director of the campaign, I believe the motion ought to be adopted by the House, so that the whole thing would be cleaned up and finished with. But I will say this, Sir, that there did not appear to be any auditing at all, and we have no knowledge that this gentleman was appointed by letter, and no evidence to prove he was appointed or employed in any way by contract and if he was so employed by contract, and in charge of the expending of this money, then the necessary book-keeping should have been set up to see the money was expended properly and the gentleman concerned, should have audited his accounts himself and presented the results of the campaign to the Government with the audited accounts. That did not happen, and it appears the whole thing was haphazard. As a matter of fact, a schoolboy could have done better than this thing was operated. I second the motion.

MR. JANES: I have to go against this motion, Sir, and I do it because the Government has to pay the cost of the audit, and we have in the office of the Auditor General, chartered

accountants and surely we can depend upon him and his office to audit officially the accounts of the Government. We have received the Auditor General's statement for the two years, and any discrepancies that appeared are shown in his Report. To set up an audit to do what the Auditor General must do in auditing the account, is only a waste of money. I don't see why the motion was made.

Motion put and lost. Division requested.

In favour of the motion: Mr. Cashin, Mr. Hollett, Mr. Fogwill, Mr. Jackman.

Against the motion: Honourable the Premier, Hon. Attorney General, Hon. Dr. Pottle, Hon. Mr. Chalker, Hon. Dr. Power, Hon. Mr. Keough, Hon. Mr. Ballam, Hon. Mr. Hefferton, Hon. Mr. Spencer, Hon. Mr. Lewis, Hon. Mr. Courage, Mr. Janes, Mr. Norman, Mr. Morgan, Mr. Canning.

Motion lost: four—fifteen.

Adjourned Debate on the Budget Speech

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, there has been a lot of talk from members of the Opposition on the matter of the inclusion of foodstuffs in the Social Security Assessment, whereas, as the honourable member for Port de Grave has already pointed out to the House, that Act imposing the three per cent on foodstuffs and other articles was passed here in this House two years ago without a dissenting voice, there was no opposition to the Bill putting the tax on food and other articles from the present Honourable Leader of the Opposition, nor for the present senior member for St. John's East, and from the honourable (I know not

whether he is senior or junior) at least the honourable gentleman from Bell Island.

MR. CASHIN: We were told at the time, it was not going on food.

MR. SMALLWOOD: Mr. Speaker, I said no such thing, and no one on this side said any such thing, there was no such statement made. It was brought in including food and there was no opposition. The honourable gentleman may now say that they were told that it was not going on food, but the Government itself did not know it was not going on food. The decision not to put it on food was taken long after.

MR. FOGWILL: You told us it was not going on food. You did not introduce the Bill anyway.

MR. SMALLWOOD: Whoever introduced it, I was aware of it, and I can say now that the Government itself did not decide for many weeks afterwards to exempt food from the Act for the time being. The point is that it passed this House unanimously, and the honourable gentlemen who are talking about it now, did not talk then, said nothing, and tell us now they were told. I say now they were not told from this side of the House.

MR. FOGWILL: Where is the Honourable Minister who introduced the Bill. Get the Hansard and find out.

MR. SMALLWOOD: We were all present, nearly everyone here today was present then, and knows if it was told.

MR. FOGWILL: We got short memories.

MR. SMALLWOOD: Now, Sir, I want to say something about that

Social Security Assessment taxation of three per cent—Surely no taxation ever imposed on any people anywhere was popular, this tax is not popular, we do not need to be told by the Opposition it would be unpopular, we did not need to have letters appear in the newspapers to tell us that the tax would be unpopular, we did not need three or four public meetings to be held in Newfoundland to learn that the tax would be and was unpopular. With our eyes wide open, in the Cabinet, with full realization of the fact that it would be unpopular, we decided nevertheless to impose it, we decided to bring in under the Act, items we had exempted from the Act, we decided to reimpose or bring back under the Act and have it collected on food. That was a deliberate move made by the Government in full knowledge, it was an unpopular taxation, and we quite deliberately decided to impose that unpopular tax. Why? From any sadistic instinct? Obviously not. From any desire to hurt the Newfoundland people? Obviously not. Why then did we decide to impose that taxation? We decided to impose the taxation because the people in effect demanded that the taxation be imposed. I say, in effect, demanded that taxation be imposed—They demanded the imposition of that taxation by demanding that money be spent by the Government on their roads, their schools, and on their hospitals. The Government could not wave any magic wand to create money. The Government could not set up a printing press and print counterfeit money. There are only three possible sources of revenue for this Government, or any other Government that I know of in the civilized world, one is to borrow it, the other to spend it out of surplus, accumu-

lated surplus or earned surplus, surplus which you earned deliberately for that purpose, and the third way is by taxation. Now, we have decided that we will not borrow for these purposes, we will not borrow money to build roads, build hospitals, build schools. If ever this Government borrows it will be for the fisheries, the development of the fisheries. We are quite convinced that if ever we borrow to finance our share, the Government's share, of a fishery development programme, if we ever do that, we will have the support of, certainly, the fishermen and probably most of the people of Newfoundland, apart from the fishermen altogether. So, having decided we would not borrow, we had left in theory at least two possible sources remaining for obtaining money with which to build roads, schools, and hospitals, one was surplus and the other was taxation. Now, I have already given an account of the surplus in my remarks yesterday, and I pointed out that to the end of the four years since this Government came into office, we will have spent out of surplus, forty-five millions of which twenty-three millions are for extension and improvement of the public services and seventeen millions for economic development. Of the seventeen for economic development, some nine millions or more than nine millions have been lent and will draw interest and the principle will come back to us. I pointed out we have on deposit in the bank of Canada at Ottawa the sum of eleven million dollars, which we propose to keep there, for the proverbial rainy day, eleven million dollars cash which is paying interest to us every year now at the rate of two and five-eighths per cent which we are leaving there on deposit in the Bank of Canada as

a nest egg for this Government, for this Province against a possible rainy day.

Now, Sir, it may be asked by the public—You have eleven million dollars in Ottawa, and why don't you use that money to build roads, schools and hospitals, and other public services, instead of putting a taxation of three per cent on foods? That question, no doubt, has occurred in the minds of many people. Of course the answer is perfectly obvious, perfectly simple to anyone who knows anything. In the first place, even if we were able to spend the eleven million dollars on capital account, schools, hospitals, roads, even if we were permitted to do it, even if we had authority to do it, it would be stupid to do it, and short-sighted. Far better, even if we had any choice in the matter, to leave it on deposit in Ottawa drawing interest for the proverbial rainy day. But, Sir, we have no choice under the Terms of Union, we have no choice, we must leave that money there whether we like it or not, we must leave it on deposit in Ottawa until the day comes, if ever it does, that rainy day when we will be permitted to draw it out from deposit at Ottawa to spend on current account, and only on current account, not on capital account, or not, as we say, on surplus account. The Terms of Union provide that must remain in Ottawa for that rainy day and we can draw it only for current account purposes.

Now, we had our choice as a Government as to what we would do, the alternatives were crystal clear, and they were these: This year spend nothing except the ordinary current account expenditures that every Government makes, that is pay the civil servants' salaries and pay the civil

servants' pensions, pay to run the various hospitals and the various Government institutions, just carry on the ordinary day to day work of Government and nothing else; build no roads, build no more schools, rebuild no more schools and build no more hospitals; spend nothing this year, not a cent on capital account. If we decided to do that, it would mean that we would not need to build up any surplus in this year's account, we would not need to collect more revenue this year than we would spend on current account. But, Sir, we decided to spend in this year on schools \$1,200,000, on the building and rebuilding of roads three million dollars and on hospitals nine hundred and twenty-five thousand dollars and on housing and slum clearance, six hundred and eighty-five thousand dollars, a total of five million, six hundred thousand dollars. We decided to do that this year. Now, remember that has to be spent as capital account, surplus account and not ordinary expenditures of the Government at all. We have eleven million dollars in Ottawa which we can't touch except for current account expenditure, can't use for capital account, so that it is just as though we did not have it in so far as this five and a half million dollars are concerned—It was as though we did not have a dollar on deposit in Ottawa, and we had already spent forty million dollars out of the surplus in three years, we have had to decide between two courses, to have no capital expenditure this year, none at all, or else to build up the surplus so that we could spend it and spend it this year to improve the people's schools, the people's roads, and the people's hospitals. So we set out quite deliberately in the Budget this year to create a surplus, that is

to say to take in more revenue this year than we will spend this year on current account, and the surplus that we will create this year on this year's account to use that surplus to pay the cost of making improvements in the people's schools, roads and hospitals. In other words, when the people pay a three per cent taxation on some of their goods, not all of it, it has never been suggested the tax will be on all of it. It will not be collected on flour, for example, not on barrel beef or barrel pork, it will not be collected on milk whether whole or canned, and there may be other items.

MR. CASHIN: What about bread?

MR. SMALLWOOD: There may be other items, I said. When the people pay that three per cent taxation on some of their food, what they are doing is this: They are giving the Government this year, more money than the Government needs for all the ordinary purposes of Government, just to carry on the ordinary public services, to run what we have now, to operate the hospitals we now have, the schools we now have, and to maintain the roads we now have. By paying this taxation, the people are giving the Government more money this year than the Government needs to run what the Government now has, and the difference is to be used as I have just shown to build new schools and rebuild old schools, to build new roads and rebuild old roads and to build hospitals and to build homes and to clear out our slums. Now, would the Opposition say no to that? They have not said no, it is in the estimates and they voted for it. The Opposition do not say, don't build any new schools this year, do not say don't build any schools this year—They have not, and I will challenge them now to say to the Government,

don't build any schools this year, I challenge any one in Newfoundland to advise the Government not this year to build or rebuild any schools, any one in Newfoundland. Do the Opposition tell us to build no new roads this year? Do they advise us to rebuild no roads this year, do they? Echo answers they have already voted in the estimates for this three million dollars to be spent this year to build and rebuild roads. Do the Opposition advise us not to spend this nine hundred and twenty-five thousand dollars this year on hospitals over and above the millions we will spend just to keep up the hospitals we have? Do they advise us not to spend this year nearly one million dollars? They do not, they voted for it here in this very session in the last few days, for us to spend that money on hospitals. Does the Opposition advise us not to spend this nine hundred and eighty-five thousand dollars on housing and slum clearance, do they? They did not and will not. The Government came before the house and asked the Opposition to vote us authority to spend five and a half million dollars this year on schools, roads and hospitals over and above, mark this, over and above the many millions they have voted to us to spend just to keep up the hospitals, roads and schools we already have. Now, if the Government are to please the people and please the Opposition by building these roads, schools and hospitals this year in the amount of five and a half million dollars, we must have the money to do it with.

MR. HOLLETT: You can do that without the three per cent, you got six million.

MR. SMALLWOOD: The surplus is brought about by that three per cent. Surely the honourable gentle-

man with the financial expert sitting beside him for the last ten minutes, can understand why we have to create that surplus, and I have explained for ten minutes how we set about creating this surplus.

MR. HOLLETT: It will take another ten minutes.

MR. SMALLWOOD: I fear the honourable gentleman would not even then understand—I can explain but only the good God in Heaven can give the brain to understand it, the intelligence, He is the Creator—

MR. HOLLETT: You are creating nothing but discord.

MR. SMALLWOOD: I created a Province and made the honourable gentleman a Canadian, let him grin and bear it, he is a Canadian whether he likes it or not, he is a Canadian and I made him one.

MR. HOLLETT: What a job.

MR. SMALLWOOD: Quite a job, the honourable gentleman did all he could to stop it, as when he said in the National Convention for all the people of Newfoundland to hear, when he said this on the 12th, of December 1947, and I quote him exactly: "Are we, he said, to freely and of our own volition, abandon this position, enter into union with Canada and budget for a deficit of five million dollars and thereby have to tax still more . . . are we mad? There can be no other answer, otherwise we would not waste the time we have on this thing." (This thing Confederation) "Of what use is a baby bonus?" I wish the House could hear his voice when he said that—"What use is a baby bonus if we are to be taxed still more, more taxes going on our land, taxes on our homes, on

our cattle, boats and . . ." The honourable gentleman fought hard against becoming a Canadian, but I licked him and won out, made him a Canadian and he has been grinding his teeth ever since. He may not like it now, but he has got to lump it.

MR. SPEAKER: This cross fire has gone far enough.

MR. HOLLETT: Who is doing the cross firing?

MR. SPEAKER: Both honourable members.

MR. SMALLWOOD: Mr. Speaker, in the House of Commons the other day, the member quoted from Premier Frost of Ontario. Premier Frost is the Premier of Ontario, and he said this: "Almost two centuries ago an English author, Abraham Tucker, wisely admonished people to save for a rainy day, it behooves us, he wrote, to provide against a rainy day while the sun shines." This was sound advice when these lines were penned and it is equally sound advice today. Premier Frost himself raised this point in his Budget Speech. "Credit," he said, "should be soundly used, it is a real asset which should always be conserved as the time comes in the life of a Province when, because of recession or other conditions, when it is necessary to increase the national debt but in times of buoyancy it is the way of prudence to pay as much of our capital costs as we can from current revenue." Now, Sir, that is exactly what this Government are doing, paying as much as we can of our capital account on schools, roads, hospitals and the like from current revenue, not merely to ask the people this year for enough revenue to enable us to balance our accounts, but to ask them rather for more than that

and to use the difference on capital account to build them these public services which they clamor for.

I had a telegram today from the people in Baie Verte asking if the Government would agree to build a road for them to connect with the Trans-Canada Highway. Now, the Honourable Minister of Public Works does not need to say a word and no member of the Cabinet needs to say a word for me to know that proposition will strike any member of the Government or indeed any member of the House. If you look at a map of Newfoundland and see where Baie Verte is and measure the distance from Baie Verte to the Trans-Canada Highway at its nearest point and see the staggering distance and the staggering cost of building that road, the House will realize what a task it would be. Never a week passes, never a week, when there are not demands made upon us to build roads and more roads still and to rebuild the ones they have, to improve them, to build bridges. It would take a hundred million dollars to meet the demands that have so far been made by the people for the building of roads in Newfoundland. Now, either the people will pay in taxes for the building of these roads, or we will have to go out and borrow or discontinue building roads. It is as simple as that, it is just that simple. But, Sir, I have been greatly interested in the remarks of the Opposition about this three per cent taxation, greatly interested indeed, three cents on this, and three cents on that. When I think that the honourable gentlemen on the opposite side, every one of them was a strong advocate of the return of Responsible Government as it existed in 1930, and I have a recollection of the honourable gentlemen opposite

without a single exception, not one, clamoring, arguing and fighting a campaign and holding meetings and carrying on an endless barrage of propaganda in favour of Responsible Government as it existed in 1930, unfortunate phrase, not just Responsible Government, and the honourable gentleman and his Tory colleagues in this very chamber in the National Convention introduced it, not the Commission of Government and the honourable gentleman voted for it, that is exactly what the honourable gentlemen voted to put on the ballot paper, as it existed in 1930, that is what they voted to put on the ballot paper in the referendum, all of them, it was, as it existed in 1933." I am out a bit. Now, I am coming to that and showing what it has to do with this, with no twisting, it is not done on this side of the House, but plain facts are hard to take, I admit, but nevertheless, plain facts. They fought hard, I pay them that credit, I pay them that tribute, they fought hard for Responsible Government as it existed in 1933. I am not blaming them for fighting for it, they were at least as sincere as I was in fighting for something else, and the thousands who fought in Newfoundland for Responsible Government as it existed in 1933 were just as sincere as the other thousands who fought against it and fought for Confederation. It is not a question of sincerity at all. I wish only to remind the honourable gentleman of the battle that raged to bring Newfoundland back to Responsible Government as it existed in 1933. Now, how did it exist in 1933? I will tell the House how it existed, here is the tariff, the Newfoundland tariff. Now, I will read this and it is not three per cent, but in some cases so much per pound and in some other cases, so much of

the value. Here is what the honourable gentleman fought for and now their hearts are bleeding for the people because of three per cent, not thirty-three per cent, here it is now: Fresh meat 2c. per lb., poultry and game 5c. per lb., bologna sausages 1c. a lb.

MR. CASHIN: It is more than that now.

MR. SMALLWOOD:

Ham and bacon 10% plus 3c. per lb., canned corned beef c. a tin, biscuits 3c. a lb., it is quite a big difference in paying three per cent and 3c. a lb. for biscuits, quite a difference. Cake 10c. a lb., butter 3c. a lb., cheese 5c. a lb., cocoa 40% and then after paying 40% of the value, 3c. a lb. on top of that again.

MR. JACKMAN: What was the price?

MR. SMALLWOOD: Yes and people starved to pay these taxes, yes, out of the people whose bellies clung to their back with hunger. The difference is when we take the three per cent tax now the people are prosperous, more prosperous than they have been in all their long history. Eggs 7c. a dozen.

MR. FOGWILL: They sold for 30c. a dozen and the people were too poor to buy them at 30c.

MR. JACKMAN: There are a lot who are too poor yet.

MR. SMALLWOOD: A few still are too poor to buy them that is true. Lard 40c., pickles 50c., sugar 4½c., a lb. That is what these gentlemen fought for so hard. Sheets, cotton towels and piece goods 50%, rain clothing 45%, oil clothing 35%, boots and shoes 55%, sole leather 45%, baths and bath tubs 55%, window glass 45%, and all other glass 55%,

brooms 70%, to sweep up the floor, common soap 2½c. a lb. That is what the honourable gentlemen fought for and now their hearts are bleeding for the poor people whom they wanted to bring that back on.

MR. FOGWILL: They could get groceries at that time.

MR. SMALLWOOD: If they had any money. The people then were empty bellied living on brown bread, mouldy, maggoty dole bread, the cost of living then could have been half what it was, and they still would not have been able to buy anything, living on the dole. That is what the honourable gentleman were willing to lay down their lives for, their very lives to bring that back, and now their hearts are bleeding for the people, the defenders of the people against this tyrannical Government, the crowd that wanted to bring that back on the Newfoundland people, Responsible Government as it existed in 1933 with their tariff, with hunger and destitution and disease. The honourable gentlemen lost, they lost the fight against Confederation and we made Canadians of them, they lost the general election and they lost the federal election, and lost the provincial election and they will go on losing, they may not like it, but we will make them like it.

MR. HOLLETT: That is hard stuff to take. But we are not a bit scared here.

MR. SPEAKER: I called order twice and will not call it another time. I allow quite a lot of interruptions because the Honourable the Premier has not made any serious objections to them, as the Honourable Leader of the Opposition has not, but there is a difference between interruptions and heckling, when the in-

terruptions come to the point of calling personal names, then I can only name the members who do it if it occurs again. If the honourable member wishes to make a point let him rise as you have seen both the Leaders do and say, if the honourable gentleman will permit—

MR. SMALLWOOD: Mr. Speaker, we have heard an awful lot in this House about the terrible scandal of the "Buy Newfoundland Campaign" this terrible scandal which, as the honourable member for Fogo, said, was to blow the whole sky out of this House and bring this Government toppling down, the terrible scandal, the "Buy Newfoundland Campaign" which I hear, I did not hear him speak but am told, was described on the radio by the Honourable Leader of the Opposition in terms that would make your blood run cold. At last they have caught us right in the act, looting the Treasury, at last they had the goods on us, and what they were not going to do to us in the General Election last Fall and what they were not going to do to us when this House would open and in the by-election this winter, what they were not going to do to us when they got their hands on us, they could not wait until the House opened to hold us up in the eyes of the people of Newfoundland, this horrible, this blood-curdling scandal. Now, what happened: Honourable gentleman tabled a question, I answered it, on the "Buy Newfoundland Campaign" a perfectly normal course of events. Then they were getting off remarks here in the Chamber, hinting, so I got up one day and said, if the honourable gentlemen have any doubt about it, I invite them now, with the consent of my colleague, the Minister of Finance, to go up in a body or appoint a Com-

mittee of their own members to go up in to the Finance Department and look at all, everything that was up there, look at and examine it themselves. I made that offer, and that was a voluntary offer on my part, and this Government's part for them to go up in a body or a committee of their own members and examine everything right in the Finance Department. Did they go? They did not, they did not. So, what did I do then, without being asked, I said to the Minister of Finance, send me down everything you have and I will throw it at them, which I did by laying it on the Table, and said, now take it and find out what you can. Now, does that sound like the action of a guilty man, a guilty Government? First we pleaded with them to go look at it in the Finance Department and when they would not, and did not go, then we brought it down and gave it to them. Then what happened next? What happened next was that Donald Jamieson came back from a visit abroad and he himself at once contacted the Opposition, voluntarily, I don't know whether the Opposition were surprised by it, but the fact is that Donald Jamieson approached the Opposition and said, anything you want to know about the "Buy Newfoundland Campaign," I will gladly tell you. So, for two nights, I don't know whether it was two nights running, but for two different nights, they met Donald Jamieson and examined him and cross-examined him closely and they were helped in that by the fact that one of their members was a lawyer, the honourable the junior member for St. John's East. Donald Jamieson told me subsequently that, if he had been in court he could not be examined any more closely, nor cross-examined any more

closely than he was. He said, you would not know but I was a criminal in the box at the bar of justice, when the Opposition questioned me.

MR. CASHIN: Mr. Speaker, I rise to a point of order, that is untrue. Jamieson never made such a statement to us. We treated him decently, and if he said he would never be cross-examined like he was by us, if he were a criminal at the bar, we did not treat him as such, my colleagues can back me up and we resent the statement that we treated him like that. We treated him decently.

MR. SMALLWOOD: The honourable gentleman himself, the Leader of the Opposition told us in this Chamber the other night.

MR. SPEAKER: The point raised by the Honourable Leader of the Opposition was, and I heard the Honourable Premier say that Mr. Jamieson told you he was treated as though he were in a court of law. That is the point being objected to, I am sure the Honourable the Premier on that statement will have to accept that statement as a mere allegation of fact.

MR. SMALLWOOD: Certainly, Mr. Speaker, I accept your word and not his.

MR. SPEAKER: The Honourable Leader of the Opposition's word was made on honour.

MR. SMALLWOOD: I accept his word—Mr. Jamieson came and told me they examined and cross-examined him like he was a criminal, but as the honourable gentleman said it is not true I have accepted that. The honourable member however said himself that if ever he saw a man with a case of jitters, Donald Jamieson had them when he met the Opposition, notwithstanding the fact that Donald

Jamieson himself was not asked by the Opposition to go, but volunteered and the Opposition said, well we will consider it and let you know tomorrow, and on tomorrow they let him know that they would receive him, and he explained to the Opposition.

MR. CASHIN: Mr. Speaker, I rise to a point of order. He did not explain five months of expenditure of upwards of eleven thousand dollars, no vouchers to show for it, did not explain it, and further, if all this is so good, why did not the Government and the Leader of the Government second the motion before the House.

MR. SMALLWOOD: When this Premier allows the Leader of the Opposition to work a Squires or an Alderdice or Monroe on him, he is a sharper man than he is today, he is not dealing with Squires, Monroe, or Alderdice not any more.

MR. CASHIN: He knows that.

MR. SPEAKER: These personalities are really uncalled for and unnecessary, and I point out that the "Buy Newfoundland Campaign" is a very delicate point to discuss at this point. A motion was before the House and discussed just recently and we should refrain from getting back to that discussion. The time for comment on that was when the motion was before the House. I am afraid we may not have a discussion on it now.

MR. SMALLWOOD: Mr. Speaker, if you would allow me to protest that ruling, I am willing to put it to a vote of the House now on the grounds that the Opposition talked, and talked and talked and the honourable the junior member for St. John's East talked of nothing else but this "Buy

Newfoundland Campaign" in his speech, and I am going, with your permission to discuss this "Buy Newfoundland Campaign" at this moment.

MR. SPEAKER: I thought I said distinctly that the point was delicate. The "Buy Newfoundland Campaign" was thoroughly discussed in this debate on the Budget, and therefore, must not be referred to now, but I am not going to have now a discussion on this motion, which was before the House and which every member had ample opportunity to discuss, and it will not be discussed while I am in this Chair.

MR. SMALLWOOD: I accept that willingly and gladly.

MR. SPEAKER: Furthermore, allegations as to how Mr. Donald Jamieson felt on such and such an occasion has no proper part in the debate, merely allegations of fact. Mr. Jamieson said one thing and the Honourable Leader of the Opposition said another and they have an entirely different impression of what occurred and there is no value in arguing it whatsoever.

MR. SMALLWOOD: I agree, Mr. Speaker, one hundred per cent with what your honour said.

MR. SMALLWOOD: Now, Sir, I want to point out this fact, that I laid on the Table of the House voluntarily without any request for it from the Opposition all the vouchers concerned. I never laid eyes on them to this moment, never saw them in my life and I doubt if any member of the Government has. The only gentlemen in this Chamber who have seen the vouchers are the honourable members of the Opposition. They were in a Cabinet about two and a half or three feet long and I lifted

them the day I laid them on the table and they appeared to me to contain many, many hundreds of sheets of paper, bills and vouchers and records, many hundreds. What did the Opposition do? Presumably they looked through them all, they have had them now about a month. We have not even asked to have them back, and do not know. I am not very much interested whether they were back or not, it is not very important. The point is this, the Opposition presumably went through them carefully with a fine tooth comb having the advantage of a trained legal gentleman to help them do it, the very gentleman who spoke here one day in this debate about nothing else but this "Buy Newfoundland Campaign" and who, Mr. Speaker, said they had found no dishonesty. Now what did they do? They referred here in the House to three or four vouchers, or maybe six or seven, I don't know the exact number, and made no reference whatsoever to the others, not a syllable about the hundreds of others. Now, my understanding is that at the very beginning of that campaign Donald Jamieson retained a lady, a Miss Handrigan, I don't know the lady, and never laid an eye on her to my knowledge. I understand that Miss Handrigan was an accountant and had for years been an accountant in some firm on Water Street, a bookkeeper, accountant, and that he retained her and that she kept whatever records and accounts there were. Mr. Jamieson is not an accountant and he is not a skilled businessman in the technical sense of the word, still less is he an accountant, so he retained Miss Handrigan for that purpose from the beginning of the campaign to the end. Donald Jamieson threw himself into that campaign to help promote the sale of products

made in Newfoundland, from the fishery, farms and factories, with the enthusiasm and the energy for which he is so well known, a man with rare gifts of organization, there is no doubt of that.

The honourable member for Port de Grave read out the statement of "ANI" (Associated Newfoundland Industries") signed by the secretary, H. T. Renouf.

MR. CASHIN: Of the Board of Trade?

MR. SMALLWOOD: Also "ANI," Mr. H. T. Renouf.

MR. CASHIN: Johnson is secretary of "ANI."

MR. SMALLWOOD: Mr. Johnson did not sign it, it was signed by Mr. Renouf, at the instigation of Mr. White, the President of "ANI." Why try to draw Mr. Johnson into it? There has been enough damage done to him already. I notice that the very gentlemen who signed it is present in the Chamber, I just caught sight of him a moment ago.

At the instigation of the president of "ANI" Mr. Renouf wrote me a letter on behalf of the manufacturers and local factories of Newfoundland thanking the Government very sincerely and with some enthusiasm for the "Buy Newfoundland Campaign." Did the honourable gentlemen opposite ask Mr. Jamieson about the results of the campaign? They did not, they did not want to know about the results, but just wanted a scandal and tried hard to do it. But I asked the honourable member for St. John's East, in making his investigation had he tried to find out from Mr. Jamieson about that campaign, whether it was good for Newfoundland. He did

not bother, of course, he did not bother very much about it. Now, I am going to tell the House something of the campaign: This is Mr. Jamieson's report. I don't know if it has been tabled, I don't remember if I did table it or that I did not—I tabled it—and honourable gentlemen know what is in it and still never said a word to praise the Government for the "Buy Newfoundland Campaign." I say, Sir, lest I forget this, the "Buy Newfoundland Campaign" is to be listed amongst the many good things this Government has done. Now, the honourable gentleman laughs, but does the honourable gentlemen know what the campaign did?

MR. CASHIN: I know how the money was handled.

MR. SMALLWOOD: Yes, the financial expert again, he always comes to the fore since he has brought down three budgets and talks finance and knows where the money went, but he does not know what the campaign accomplished. If he does know how can he laugh when he listens to the good things this Government has done. In Newfoundland unfortunately we have many of our people who have a sort of inferiority complex about Newfoundland, the fact that a thing is manufactured in Newfoundland condemns it right away, in the eyes of many Newfoundlanders, it can't be any good, it must be second or third class, it can't be as good as those things manufactured in Nova Scotia, Prince Edward Island, or in New York or anywhere else, it can't be any good. There is that attitude in Newfoundland. At the same time we have some thousands of Newfoundlanders who are working hard trying to make a living working in factories, competing with the products of larger factories on the mainland and finding it dif-

difficult to do so. One of the great obstacles these factories and farmers have to contend with is the fact that so many of our Newfoundland people look down on anything produced in Newfoundland, some of them go to extremes of looking down on anybody who is a Newfoundlander. Well, this Government and I personally were besieged for a while by "ANI" people in my office night after night for a number of nights, by the farmer groups night after night, and I said: "all right, gentlemen, we will start something." I called a meeting of the members of the Newfoundland Board of Trade, and the members of the Importers' Association, the members of the Associated Newfoundland Industries, the members of the Agricultural Association and the members of the Retail Grocers' Association, and the Newfoundland Federation of Labour. In short, Sir, I called a conference in the USO building and there were some five hundred people came and attended, consisting of the producers of factory products, farm products on the one hand and the organized labour movement on the other hand, and the importers and manufacturers and retailers in the words the shopkeepers and producers. I brought them together and we talked about it there at that conference in the USO. I said, "Gentlemen, let us really start a high pressure campaign to awaken Newfoundlanders to the fact that it is only common sense to spend their dollars where they can on Newfoundland products, when it circulates and finally comes back again." And I pointed out that Newfoundland can't be prosperous and won't unless we back up each other and buy Newfoundland products. They all agreed and everyone thought it was a fine idea. I said the Government would be prepared to finance

this thing to a large extent, but we would expect the manufacturers, at least the ANI to make a contribution to the cause of the campaign.

They agreed that would be done and incidentally it never was done. So the meeting ended in the appointment of the committee representatives of these groups that I have mentioned and Mr. Russell the Minister of Natural Resources, who was in on it from the beginning and took a keen interest in it and played an active and valuable part in it, Mr. Russell and I both attended and again held meetings out here at night in the next chamber with this committee. It was agreed without demur that Donald Jamieson was the man to handle it and a salesman and advertising man and he could put the thing on the map and sell it to the public, a born salesman, there is no question about that, everybody will admit that. They said he was the man for the job and asked him if he would take it. He said he was fairly busy at other things, the man had his living to make, he was writing for the Sunday Herald and writing publicity for other organizations, but he said he would take it. We asked him how much salary he would want. He said, "Well, if you want me to do it you want me to do a good job, is it worth five hundred dollars a month and that was agreed. Now, at that point I dropped out, I had other things to do, quite a number of other things to do in the Government beside engaging personally in that campaign. I just did not have the time, and I left it to Mr. Jamieson. Now, what did they do? They put on the greatest advertising campaign Newfoundland has ever known and we have heard of the result. I say that the sales made of farm products, factory products as a result of that

campaign amounted to half a million dollars, more than would have been made if the campaign had not been held. That campaign resulted in the Newfoundland people buying half a million dollars worth more of Newfoundland products than they would have bought if there had been no campaign. Donald Jamieson at once set up an organization and was at it night and day, and I may say such a man is a man after my own heart in this respect, he is a driver. We fought each other politically, he is a driver, a fighter—like the Leader of the Opposition, he is a fighter. I don't like his politics and never did, but I like the man. I should not say this publicly but I like a scrapper, like a fighter and he and I will be scrapping here as long as he is here, and as long as I am here, there will will be a battle going on.

MR. CASHIN: You tried very hard to keep me out.

MR. SMALLWOOD: I will try again—that is my job to keep the honourable gentleman out of this House if he goes getting saucy, it is my public duty to keep him out and far better for Newfoundland if he were not here—don't lead me on, not because I get a little soft and admit liking the honourable gentleman —

MR. SPEAKER: I suggest that at this very soft and tender moment we take a recess.

House recessed.

MR. SMALLWOOD: Mr. Speaker, I was talking about the "Buy Newfoundland Campaign" and I had gotten as far as to say that Mr. Jamieson threw himself into the campaign with great energy and very genuine enthusiasm and proceeded at once to organize the campaign. It took a number of forms some of the more obvious

ones for example: advertising in the newspapers, in the "Evening Telegram" and "Daily News" and others, the "Sunday Herald" and some of the radio stations. I regret to say that the CBC at first would not permit any "Buy Newfoundland Campaign" advertising on the ground that as it was a Federal body serving all Canada, it would not be right to allow their facilities to be used to boost one particular province against the rest, because that was what the campaign was doing, it promoted the sale of Newfoundland products in preference to the sales of the products of other provinces. That difficulty, however, was overcome and the CBC did permit advertising for the campaign, the advertising was also carried on on VOXM.

That was a more obvious form of advertising, the newspapers and on the radio and cost many thousands of dollars which went to newspapers in advertising and every member in this House as well. They well remember the advertising appeared continuously in all the newspapers, "Buy Newfoundland" and "What Newfoundland makes makes Newfoundland." We all remember that. Then in addition to that more conventional kind of sales promotion, there were other forms not so obvious, for example: they made a trailer, a movie picture which was shown in all the movies, a trailer, short but fully done and possibly many people in this building at the moment have seen the trailer in the movies, which implanted the idea in people's minds that they should buy Newfoundland products. Then they started a contest to get a slogan for the campaign and they advertised on the radio and in the newspapers for a slogan. Twenty-six thousand people entered the contest, completed slogans,

and you could not submit a slogan without producing at the same time a sales slip from some shop showing that you had bought a Newfoundland product. So that there were twenty-six thousand people who bought Newfoundland products and made their entry in that contest. They came from all parts of the Island, I have a list here of the districts from which they came. Most of them of course, came from Avalon because on the Avalon Peninsula, most of the newspapers have most of their circulation and we find from St. John's West, 7,700 who bought Newfoundland products, got their sales slips and entered the contest with a slogan, St. John's East 4,432, Bell Island-Harbour Main 2,345, Humber District 2,000, the reason being they had an exhibition out there and the "Buy Newfoundland Campaign" went into that fair with its boots on with an exhibition of their own and also had radio and newspaper advertising in Humber District and the same at Grand Falls. Carbonear had 1,950 entries, Grand Falls 859, Bonavista South 204, Placentia, St. Mary's 328, Bonavista North 316, Port de Grave 202, Trinity North 207, Trinity South 160, Twillingate 135, etc. Total 26,126 persons who entered that contest. Now, obviously that is nothing new, nothing novel, it is a well-established technique arousing public interest and you will find it is often done, but this is a little bit different in this regard, a person to qualify to enter had to buy a Newfoundland product and produce a sales slip. Then in addition to that, they awarded prizes to the winners for the ten best slogans, and again this famous mink coat, I am using the word advisedly, the famous mink coat which was in fact a seal skin cape, but nevertheless a mink coat. Now, Sir, one of the

most evil features of this criticized campaign is that thousands of people were lead to believe whether intentionally or otherwise, I don't know, thousands of good, decent people were lead to believe that Donald Jamieson had bought himself or his wife a mink coat and charged it up to the "Buy Newfoundland Campaign." At this moment there are thousands who think that.

MR. CASHIN: No one ever said it.

MR. SMALLWOOD: No one said it—that is perfectly true—nobody ever said on the air nor in the newspapers that Donald Jamieson bought his wife a mink coat and charged it up to the "Buy Newfoundland Campaign"—it was never said — nevertheless — Mrs. Jamieson had a fur coat long before the "Buy Newfoundland Campaign" started and is ashamed to wear it on the street. Now, let any man picture his own position, who had bought his wife a fur coat, some can afford to do so, and some cannot, he could and bought her a coat, not a mink coat, and that man, because of propaganda which put his wife in the position where she dared not to wear the coat on the street. Now, the first prize was this seal skin cape, just a cape which comes down over the shoulders, a Newfoundland seal skin cape made by Ewings. That was the first prize. As the campaign was to promote the sale of Newfoundland products obviously the prizes were going to be Newfoundland products.

I am afraid to say who won it, I feel a little scared about it as there is a relative of someone in the building at this moment, there was no favouritism about that it was awarded for the best slogan out of 26,000 that were submitted in the contest. All

the prizes were worth altogether a thousand dollars, ten prizes were valued at one thousand dollars and the "Buy Newfoundland Campaign" bought these products and put up the prizes in that contest. That is smart promotion, good advertising and was done to encourage the people of Newfoundland to buy Newfoundland Products—there was nothing wrong with that, it is what any commercial firm does in North America, send a box top or something or other and submit a slogan, or fill in a missing word, but you have to send the box to show you bought the product. The "Buy Newfoundland Campaign" adopted the same technique, horrible, scandalous, someone got away with murder, someone got away with a mink coat, mink coats, it sounds like Washington and deep freeze scandal, money going down the drain, a crowd of racketeers in the Government, mink coats, now what next? That was the slant that was put on it. Smart, yes, smart politics. But I would not indulge in that sort of politics, if I did not have something solid and sound and true I would not use it and never did.

Now, another thing they did, they took two thousand five hundred shops in Newfoundland, after all that is where the stuff is bought, that is where the public goes to buy Newfoundland products, or imported products, in the shops, so they took two thousand five hundred shops in Newfoundland and distributed in those shops fifteen thousand pieces of visual advertising, show cards and signs. Then in addition to that, as soon as you entered the store there was a big sign. I have photographs here of some of those signs, a beautiful big sign, and I wish the whole House could see it "Buy New-

foundland Farm Products," "The Best" and with a window full of Newfoundland vegetables. No wonder the farmers thanked us for the "Buy Newfoundland Campaign," no wonder they pleaded with us to keep it up, keep on. Then in addition to that, they put up nearly two hundred outside bill boards and signs around St. John's, today you can still see them "Buy Newfoundland," "What Newfoundland makes, makes Newfoundland." I pass down Prescott St. occasionally, and on the side of a grocery store there is a big sign five or six feet across and four feet deep, and there are nearly one hundred in strategic positions around the city where most people pass to remind them as they go up to shop that they should ask for Newfoundland products. They had all kinds of advertising schemes, I don't know half of them myself. They employed a large staff and the House got a big kick out of the fact that there were ten or twelve office boys listed on it, these boys could perhaps be better named messengers, they went around as messengers taking these signs, these advertising placards and bill boards and putting them up in places, in shops in windows. Then in addition, they sent men to Corner Brook, Grand Falls, up on the Burin Peninsula and Bonavista and practically every settlement on Avalon that could be reached by road putting up these signs and posters seeking the good will and support of the people, the dealers, the shopkeepers, and doing other promotional work. When it was not possible to call on dealers and shopkeepers personal letters were sent soliciting support for the campaign, and then finally a very large calendar was printed boosting Newfoundland products and containing the name of

every factory making up the "ANI" Association which were sent out in thousands all over Newfoundland and aroused a great deal of interest and support for the campaign. Then in addition to all this advertising, they put up three dimensional displays especially made up and placed. Quite massive three dimensional advertising which were placed in key outlets in St. John's as well as in the theatres. Members may remember going to the movies and in the lobby as you go in there were three dimensional displays drawing attention to the "Buy Newfoundland Products" encouraging people to buy them, in the theatres and in the schools.

Now, there is the campaign recapitulated. The campaign made a personal contact, Sir, in more than two thousand shops, they went personally to more than two thousand shopkeepers and said to them. "What stands in the way of your selling Newfoundland products, what is it, in your opinion, you are a shopkeeper, you are dealing with the public, in your opinion why do our people not buy more Newfoundland products?" They established that contact to learn the public's reaction trying to encourage people to buy Newfoundland products. Then they distributed fifteen thousand pieces at points of advertising in more than two thousand five hundred shops, then they erected two hundred outdoor billboards, they then put five hundred displays of Newfoundland merchandise in key locations where a large number of people passed. They called on every local manufacturer and discussed the problem and made suggestions on how to promote their sales and worked with them in that regard. They put out one hundred and seventeen separate window displays that they arranged

for special displays of Newfoundland products. On one occasion on Water Street in Bowring's window, they had a live pig with five little ones and thousands of people stopped and looked in the window where they had the young pigs and the big sow and where the window was otherwise filled with Newfoundland products. These are smart advertising ideas. That is what big firms pay advertising men many thousand of dollars a year in salaries to think up, ideas like that, and it is the sort of thing Don Jamieson is so well able to do. Then they had the one hundred three dimensional signs and the movie trailer which went into practically every movie theatre in Newfoundland. They distributed to the children advertising balloons on which were printed "What Newfoundland Makes, Makes Newfoundland," thousands upon thousands of these and writing paper printed with slogans for thousands of Newfoundland children and then they had these very large advertising calendars, and as I said twenty-six thousand people entered into the slogan contest. On VOCM they had a fifteen minute daily programme and constant newspaper advertising in Newfoundland's leading daily and weekly newspapers. In addition to that paid advertising they got thousands of dollars worth of free advertising, that is to say they would write up catchy phrases and submit them to the newspapers and they would print them and in that way they got thousands of dollars worth, they got three thousand five hundred column inches of free advertising in that way. Then they contacted the Federal Government purchasing agencies and tried to promote the idea of the Federal Government wherever possible, buying Newfoundland pro-

ducts and giving these products the preference. Donald Jamieson himself appeared before various civic organizations and service clubs and women's organizations to talk to them on this matter of Buy Newfoundland Products. We all know he is a good speaker, we all know he makes a good impression and has a good appearance. They put advertising signs in the buses and taxis around the Bay again to remind people in from around the Bay, I suppose every week several thousand people come into St. John's on these very buses and taxis they had the signs to remind them to buy Newfoundland products and in every shop they went into, the very first sign they saw reminded them of it again. It could not be guaranteed they would buy Newfoundland products, but by this kind of advertising, they did encourage them to do it. Then in some of the big shops on Water Street, they organized special sales featuring, specializing in Newfoundland prospects. They assisted certain manufacturing firms to change the design of their containers or packages to make them more attractive, brighter to appeal to the eyes of the housewife when she goes in to buy something. So it goes, the greatest campaign of salemanship and advertising ever carried on in Newfoundland, and it cost only seventy thousand dollars and resulted in the sale of half a million dollars in Newfoundland products which would not otherwise have been sold.

Now, Sir, if Don Jamieson had been available, or someone else as good as Don Jamieson, this Government would be carrying on that programme right now, and I feel it is the Government's duty to carry on that Buy Newfoundland Campaign, it is our duty to do it, to spend thousands of dollars a

year to carry on that programme to encourage our Newfoundland people to buy Newfoundland products, to make our Newfoundland people realize that what Newfoundlanders make, makes Newfoundland, that every dollar you spend on Newfoundland products keeps somebody to work and buy your products so that both can pay taxation to the Government so that the Government can build roads and schools and bridges and hospitals and carry on and improve the public services. Every man that goes to work in Newfoundland is building Newfoundland, every man that is unemployed is a loss to Newfoundland, as he is a loss to himself, to his own family. The way to keep Newfoundlanders working is to buy their products, Browning Harvey, The Butter Factory, the Foundries, the Nail Factories, the Ham and Bacon Factories, the farmers will prosper if we Newfoundlanders will buy their products, then that will give them money, and with that they can buy other Newfoundland products and keep Newfoundlanders working and put money in their pockets, and so the dollars circulate and Newfoundlanders keep working instead of being thrown on the street. That was the idea behind that campaign—is there anything wrong with that? Suppose it was true, and I think it was true that in the first rush of starting that campaign it was very, very slipshod in keeping accounts. There is no doubt of that at all.

MR. CASHIN: The Government is to blame.

MR. SMALLWOOD: I am not going to say we were not. This I will say, in so far as I was personally concerned I have not even to this minute seen anything in that campaign except this report, I did hear there was

something on the radio, I don't have much time to listen to the radio. I take a quick look at the Telegram and the Sunday Herald and the Daily News and the Western Star, and I did see the advertising and heard some on the radio and that is all except this report which I accept as true, I don't see any reason to doubt it.

Now, Mr. Speaker, I was right, I did table that report and this copy here is the one I laid on the table for the Opposition and they know what I just read from this, they had the report, yet in spite of that, they never gave us credit for one single thing nor Donald Jamieson, who carried on the greatest advertising campaign ever carried on in Newfoundland. Would it surprise the Honourable Leader of the Opposition to know that Donald Jamieson could have had fifteen thousand dollars a year salary from private interests to carry on that same campaign.

MR. CASHIN: Why did he not take it?

MR. SMALLWOOD: He was already tied up in broadcasting on CJON.

Now, there is one other thing I must make clear: The first year we came into power, I think it was 1949, Donald Jamieson and Jeff Stirling decided as any two citizens might, or any one or any fifty, decided to start a fair and which they held that summer up in Buckmaster's Meadows in the Drill Hall of the Canadian Forces, as a matter of fact, I was instrumental—when they said they wanted to conduct a fair they came to me and I encouraged them to do it, and as I was the one capable with a little effort on my part getting the Drill Hall I got it for them, and they paid for

it. They got the Drill Hall in Buckmaster's Meadows and held the fair. That was by the way, where the "Come and Meet Joe" originated. That had nothing to do with this campaign.

MR. CASHIN: They put in a Bill to the Government and they paid for it—to "Come and Meet Joe," I read it out here.

MR. SMALLWOOD: Now, the Government had this much to do with that fair and exhibition, we gave them a grant. The Cabinet discussed it and talked it over and said all right, it was a private enterprise, they probably would not make any money especially the first year. We felt they should be encouraged, we should really be conducting it ourselves and they were doing it and taking all the work and responsibility, so we made them a grant and in the next year we did the same thing. It was held this time in the C.L.B. and we still gave them a grant.

MR. HOLLETT: Did you know if in the first year, they made money?

MR. SMALLWOOD: They lost the first year, on what they lost on the first fair and made on the second fair, it averaged up at three thousand dollars for the two years. Now, that means they must have made more than three thousand on the second since they lost on the first.

MR. CASHIN: They had a good show at the second.

MR. SMALLWOOD: The circus from the Mainland—The GWVA or the Canadian Legion and other groups had them in Corner Brook and in Grand Falls, it was the same story. That Mainland circus comes down here and some organization brings

them down and get the skimmed milk and the circus gets the cream, and I am afraid that is what happened with the circus they bought down in the C.L.B. Armoury. Now, the point I am making is this: The Government had nothing to do with these two fairs except in the first one, 1949, to give a grant for their expenses and we used up that grant by taking booths. The Government had five or six booths in the fair and gave one to the Jubilee Guild and they put on an exhibition of their products. Now, in the second fair, we also gave them a grant and we went a step further. Donald Jamieson came down to me, knowing what a popular figure I am except among the "Tories" and he said: "Mr. Premier, we have this Buy Newfoundland Campaign on and we are running this fair, why not tie in the two—if you would send out a personal letter all over Newfoundland and invite the shopkeepers in, the people who do the buying for the customers in Joe Batts Arm and they can only buy what the shopkeepers stock in their shops.

MR. CASHIN: That is the time this advertisement was put in?

MR. SMALLWOOD: No—Joe was an anonymous character in the first fair and a prize was offered to citizens at the fair to identify this anonymous character named "Joe." There were thousands who went there to find out who "Joe" was, I was not the one concerned in that. All right, he said, would I write a personal letter to every shopkeeper in Newfoundland and invite them in to attend the fair? I said all right you write it and I will sign it; so one day he came in and said; here is the letter. I asked him what was in it and he told it was to invite them all in to attend the exhibition and he sent them all out. I

never read the letter until I heard it read in the House, never read it in my life. That was sent to all shopkeepers in Newfoundland. Now, when they came in to St. John's all the members of the Cabinet went up to the USO, I don't know but the honourable gentlemen were there themselves, I don't know, but I think the members of the Opposition came along at the same time. We stood in line and received all the shopkeepers and all gathered around and had a drink, that is a terrible thing. I know it was made to sound terrible—A lot of Newfoundland people do not like drinking and a lot more do like it—said, what a Government, handing out rum and whiskey and liquor, and to the temperance people that sounded pretty bad. But I would like to know what function the honourable gentleman goes to in St. John's in the last few years where there was not a drink served—I only know one place they don't serve drinks and that should be nameless now for obvious reasons. Go to a function at the Newfoundland Hotel or an official reception and there is always a cocktail for you—personally I never take it, but am I to say to the man who likes it—you shall not have a drink? Has the honourable gentleman, the Leader of the Opposition a right to say it.

MR. HOLLETT: Was that at the fair?

MR. SMALLWOOD: No, it was not at the fair, it was in the Gaiety Theatre, that was where the reception was held. Now, after we received them all and shook hands with them, I got up on the platform and I talked to them about the "Buy Newfoundland Products." I explained how it was good even for the workers in White Bay if the workers in St. John's were kept employed and good

for the shopkeepers in Joe Batts Arm and the fishermen in Joe Batts Arm, if the farmers in St. John's East or West could sell their products and good for everyone of us in Newfoundland if our Newfoundlanders could sell their fish and farm products and their factory products. I made that speech, and if I say it myself, it was a fine speech, Don Jamieson as manager of the Buy Newfoundland Products had it printed and circulated all around the Island. This is the big scandal that everybody is talking about.

Now, I have one other thing to explain and that is the trip that Jamieson made to Montreal, Ottawa, Toronto and New York. First of all, may I say that in those places, he had private business of his own to do as well as the Buy Newfoundland Products business. As far as his private business was concerned, we don't need to discuss that. Remember Jamieson was not a full-time employee of the Government. He was employed as director of the campaign, but that did not mean he was compelled to drop everything else. If we employ a lawyer to do a piece of work, it does not mean he is not to touch anything else. That is why he charged the Government of Newfoundland, the Buy Newfoundland Campaign half his expenses, the other half the charged to himself and paid out of his own pocket, or it was paid by those he represents, I don't know, but we did not pay the other half, we paid half out of the Buy Newfoundland Campaign because half of his work was for the Buy Newfoundland Campaign—Now what was it? There are certain products made in Newfoundland that could be sold on the Mainland of Canada just as well as here in Newfoundland, I will give a

practical example: Large department stores on Water Street were, around that time, selling seal skin coats made in the United States. They were not made of whole skins I don't want to say anything that is going to hurt anyone. There are more ways than one to make a fur coat, one is to take what I might call scraps and sew them together, and make a coat, and the other is to take the whole skin. Obviously, one is better than the other. Now, the seal coats made in Newfoundland by Ewings and Bowrings are made of whole skins, good wearing and will last, but those made in New York and shipped in here and into Toronto, Ottawa and Montreal, do not last, and the people who have bought them know that, but still more important they were using the products of the Newfoundland seal hunt, and it could be a blow to our seal hunt, not perhaps a fatal blow, but still a blow—So Don Jamieson went to talk to newspapers, to shopkeepers, to department stores, in these cities. That is the explanation of why he went on that trip. So far as his trip to Hamburg was concerned, somebody said, I think it was the honourable member for Port de Grave, what matter if it came, if it were charged to the Department of Finance or the Department of Natural Resources or the Department of Economic Development, what did it matter if it were charged to the Buy Newfoundland Campaign, or any other campaign, he went to do a job for the Government, and it all came out of the one pocket.

That is logical, coming from an honourable gentlemen who did not know the real facts. The fact is this: the making of that filmed projects report was as much a part of the "Buy Newfoundland Campaign" as advertis-

ing in the daily papers anything that built up Newfoundland, built up the morale in our people, that sells them on the idea of Newfoundland, that strikes a blow at this inferiority complex, that is good for Newfoundland and that is exactly what was done by that film, and we sent Don Jamieson to make the commentary wherever the movie was shown. Nobody will deny he has a good radio voice.

MR. HOLLETT: Why pay only two hundred dollars?

MR. SMALLWOOD: I don't even know. Did he get a full salary for it?

MR. CASHIN: He did, yes. He got a full salary and another two hundred dollars, I don't know what for.

MR. SMALLWOOD: We paid his fare over and back, I presume we did, he must be pretty soft if we did not. We had to pay his fare over and back and his board while he was over there. That can not be blown up into very much of a scandal. Now, when it all boils down, what does it amount to? We have heard from the honourable Leader of the Opposition some pretty bitter remarks about Geoff Stirling and Don Jamieson, the honourable gentleman does not like them apparently.

MR. CASHIN: Any blackmailer I hate. I like a man that is square.

MR. SMALLWOOD: He called them rogues and everything under the sun, and I am not going to dispute his right to do it, and can only say what I think. I, like the honourable member for Port de Grave, have a high regard for Donald Jamieson and Geoff Stirling, we have not always agreed and don't expect I always will

agree with them, or they with me, but I like to give credit where credit is due, even to a man who hates me, even him I admire, if I find something in him to admire, and I will give praise even to my bitterest enemy if I find anything to praise. They are clever and even brilliant men and Newfoundlanders both of them, young Newfoundlanders, and Don Jamieson especially came up the hard way. He was an orphan, I knew his father, and he and I slugged it out politically. The late Charles Jamieson was a clever and able journalist, he edited the Tory paper and I the Liberal, his the "Watchman" and mine the "Watchdog". We slugged it out and Don Jamieson and I were on opposite sides most of the time, nevertheless, one has to be blind not to recognize Don Jamieson as an able man, a credit to Newfoundland—a Newfoundlander you can send anywhere in the world and he will uphold Newfoundland's name and make a good impression, and the same can be said of Geoff Stirling.

MR. HOLLETT: Did we say anything against Don Jamieson?

MR. SMALLWOOD: You did not say anything about either one, but pretty bitter remarks were made.

MR. CASHIN: Yes, I said it, I also want to see that file you got—

MR. SMALLWOOD: The honourable gentleman has hardly been attacked in the Sunday Herald any more than I have been.

MR. CASHIN: I don't care politically, but when he rakes into personal and family affairs, filthy and dirty sneers in that paper about decent people—if I took on the job, I would slaughter him.

MR. SMALLWOOD: The only thing I read is Don Jamieson's column and I wonder how he gets so much information, and if people think he gets it from me — if you say one thing he is able to guess the rest and the next thing a piece appears in his column. Mr. Stirling —

MR. CASHIN: A low reptile.

MR. SMALLWOOD: He comes from one of the finest families in Newfoundland, one of the finest Newfoundland ever produced, Geoff Stirling comes from and he is a credit to his family.

MR. CASHIN: Must be a very poor family, I would say.

MR. SMALLWOOD: He is a credit to his late father and to Newfoundland, and I am proud that Geoff Stirling is a personal friend of mine, though politically he owes me nothing, and I owe him nothing, he may be taking me to pieces but that is his right as a journalist. As for the man himself I find him a clever and an able man and good company when he sometimes comes in and practically drags me out away from the office at dinner time or between times to have a cup of tea.

MR. CASHIN: I would not be found dead alongside of him.

MR. HOLLETT: How do you like the editor of the "Evening Telegram?"

MR. SMALLWOOD: I never did like him. He was my school master and somehow or other ever since that he seemed to believe, quite sincerely, I say quite sincerely, that I was a paid agent of Lenin and subsequently of Stalin. I believe he really thought that. He had strong hints to that effect in various editorials in the

"Evening Telegram." Well, so far as the editor of the "Evening Telegram" is concerned, I don't like him and don't dislike him. He too is a Newfoundlander, he can slam me and I will get mad, then forget it and forgive, but he apparently never forgets and never forgives, he has the memory of an elephant. Sometime or other in Bishop Field College, I must have given him a rash or saucy answer, or done something or other, and apparently he is not able to forgive me for it. Now, that is too bad. He comes from a fine Newfoundland family, one of the finest and he himself has fine qualities, but he can not seem to be able to forgive me for something, I don't even know what it was. I never tried to hurt the man in my life, he is not like the honourable Leader of the Opposition and myself, he sees no good whatsoever.

MR. CASHIN: I want that file you got on me.

MR. SMALLWOOD: Did I say I had a file on the honourable gentleman?

MR. CASHIN: Yes—over the air. You have my political and personal file, you said that over the air—I listened.

MR. SMALLWOOD: The honourable gentleman never heard me refer to anything personal in connection with him nor anybody else in public life. If there is one thing I feel strongly it is this: begin with yourself, Your Honour, and come right around this room and go out amongst the citizens and wherever you go you won't meet in ten thousand men very many with a perfect record, I don't know but I venture to say there is something in even your honour's life since your honour was a boy up to

this minute which you would not like to have blasted out in this —

MR. SPEAKER: Nothing, I assure you. For most surely I would not be seated here selected by two such honourable members. Might I suggest now that members keep off personalities, and continue with the speech.

MR. SMALLWOOD: With the exception of your honour, there are very few men around who would welcome having every blemish in his private life placed before the public.

MR. CASHIN: I don't care.

MR. SMALLWOOD: I feel very strongly about that, and never hit below the belt. I will hammer a man's politics, I may hammer and might call him inconsistent just as I expect to be hammered myself, but leave a man's private life alone, leave his personal beliefs, his religious beliefs, his personal character, his personal conduct, leave it alone. I will never be found guilty of using that against the honourable gentleman, or any other honourable gentleman. That does not mean to say there is not plenty in his political life I can hit, and I will liven things up from time to time by reminding the honourable gentleman of it many, many times. I have already admitted he has been right two or three times in all his life, but he is wrong more often than he is right in politics. What I like about him is the amazing faculty he has of always putting himself in the position where he is attacking and never defending, always making the other fellow defend himself and always making the attack.

MR. HOLLETT: You are defending yourself this afternoon.

MR. SMALLWOOD: Not defend-

ing myself. I have nothing against which to defend myself. This Government's record in the past three years has been unparalleled in the history of governments in Newfoundland. I told you yesterday of the schools we have built, the roads and the hospitals we have built, the improvement in the disease rate in Newfoundland, never in the history of Newfoundland did any government accomplish as much as that.

MR. CASHIN: They never had the money.

MR. SMALLWOOD: We had the money, but the point is we did it, the Commission of Government had the money and they did not do it, they piled up the money.

MR. CASHIN: They got the money during the war and piled it up and did not spend it.

MR. SMALLWOOD: And they let roads go down, the bridges go down, and they let public works go down, they let the institutions go down, and that made it all the more difficult for any government that would follow them. We had an awful lot to do in Newfoundland and still have an awful lot to do to make up for the omissions of former governments including the Commission of Government. We are spending this year five and a half million dollars still further to improve our public services in Newfoundland and the thing I like about it is that even the Opposition can't find it in their hearts to say a word against our programme of improving the public services, even with this taxation to be put on to raise the money to do these things. They cannot find any words to say against the new roads we are going to build this year. In fact, there is

not one of them that would not like to have more money spent especially in their own districts and the Honourable Leader of the Opposition pleads not only for St. John's West, but another district with which he is familiar, the District of Ferryland. They are not satisfied to see three million dollars spent on roads and rebuilding of roads but would like more and would like a good slice to go to Ferryland and St. John's West, so that in one breath, they condemn us for raising the very revenue which we need to do the very things they want us to do and praise us for doing, now if that is not inconsistent, there never was such a thing.

Mr. Speaker, I have covered practically all of the ground I intend to cover. The unfortunate part is that the Opposition has not given me very much to which to reply to. There is one other point, however, I want to make before I sit down. This social security assessment or sales tax has been imposed to cover the cost of social security expenditures and the House knows what they are, old age pensions, widows' pensions, dependents' allowances, child welfare, infant welfare, relief of the utterly destitute which all comes to about five millions a year and the social security assessment will raise just about enough all together to pay for that. Now, that is the first point. The second point I wish to make.

MR. CASHIN: I thought it was to build roads and create hospitals and schools.

MR. SMALLWOOD: Is not that a matter of bookkeeping, all the taxation imposed brings the money into one treasury, the honourable gentleman knows that as well as I do. Now, already we have exempted the taxation

on certain things. We don't collect the taxation on boats, vessels, schooners, engines, batteries, fishing nets, fishery salt and other fishing apparatus and supplies used in the catching and processing of fish for human consumption. We don't collect it on medicines and x-ray pictures and plates, we don't collect it on artificial limbs or orthopaedic appliances or equipment for the use of cripples or chronic invalids, we don't collect it on dentures, hearing-aids and optical appliances, we don't collect it on seeds, feeds, lime, fertilizer, insecticides, farm equipment and machinery either horse drawn or propelled by muscular power or otherwise bought or used by farmers, all these things are exempt from taxation and have been right along from the beginning when the tax came into effect.

MR. HOLLETT: So was food.

MR. SMALLWOOD: This year insofar as flour, barrelled beef, pork and milk are concerned and possibly other items when the decision is finally taken on that, they will be exempt also.

Now, in conclusion, Mr. Speaker, I want to say this, there have been pretty shabby attacks, I would say pretty disgraceful attacks on members of this House, regarding pay or sessional indemnity.

MR. CASHIN: You can't attribute that to the Opposition for taking it.

MR. SMALLWOOD: Not the Opposition—every member of the House gets the same pay regardless, we all get three thousand dollars a year whether in the Cabinet or private members on the Government side or in the Opposition. Now, in common fairness, is that too much money to

pay a man who is a member for a district in the House of Assembly, is it too much? The "Evening Telegram" has sneered at us for it, for raising it from twenty-five hundred to three thousand dollars. How many of the "Evening Telegram" in their whole staff get less than three thousand dollars a year, how many? I would say very few. Three thousand dollars a year for a skilled mechanic is not excessive pay. The honourable the senior member for St. John's East can tell us how much senior men up around the railway are getting and how many are getting less than three thousand dollars a year.

MR. FOGWILL: Not a big lot.

MR. SMALLWOOD: No, not a big lot. The longshoremen in St. John's are not earning a much lesser rate than that today.

MR. CASHIN: A lot of them don't, you know.

MR. SMALLWOOD: A lot of them don't get a chance to work, but the pay rate they get goes away over three thousand.

MR. CASHIN: If they got continuous work at their rate of pay, they would get six or seven thousand dollars a year, I suppose.

MR. SMALLWOOD: The honourable member for Bell Island could assure us, I am certain, that there are not very many men on Bell Island getting less than three thousand dollars a year.

MR. JACKMAN: Not too many certainly.

MR. SMALLWOOD: At Grand Falls, Corner Brook and Buchans skilled labour makes three thousand dollars a year. Now, what kind of cheap tac-

tics is it to sneer at the House of Assembly because the twenty-eight members who run the Newfoundland Legislature for Newfoundland get three thousand dollars a year? Is a member of the House of Assembly worth as much as the Editor of the "Evening Telegram"? Is he worth as much as the editor of the "Evening Telegram"? Any little commission agent can make as much as ten or twelve or fourteen thousand dollars a year in St. John's, is a member of the Legislature of this Province worth a third as much as a commissioned agent? Now, the honourable member for Fortune-Hermitage pointed out that he is in this House today at two thousand dollars a year less than he would be making right now as principal of a school in Gander. How many outport members in this House get away with less than a thousand dollars a year for telegrams and postage, how many? The telegrams pour in from the districts and they have to reply to them, many of them come in pre-paid, but some are collect, but all they send out are pre-paid, and I would imagine that Your Honour has to spend a thousand dollars a year on telegrams and postage to keep in touch with your district. All right, that cuts it down to two thousand a year. What kind of argument is it to talk of a part-time job? Any member of this House of Assembly who regards his job as a part-time job won't be a member of the House very long, because the people in his district will soon fire him out. If a man is going to be faithful to his duties as a member of a district in the House of Assembly he will quickly find that far from being a part-time job, it is a full-time job day and night, Sunday and Monday. No member knows at any time when tele-

grams will come from his district and when a voter comes in here from his district he has to drop everything and has to attend to that constituent or that telegram or that letter, he has got to visit the departments, got to see the ministers, got to see the deputy ministers and woe betide the member of the House of Assembly who does not attend to these duties all through the year. Then to be told that it is a part-time job of two or three months a year, and the rest of the year forget about being a member—Oh, yes! You can forget it all right, and very soon the people in the districts will forget it as well. In any case the Government of Canada votes a hundred and eighty thousand dollars a year to this House of Assembly. We don't use up all that. We could take the whole \$180,000 for this House of Assembly, but we don't take it from the people of Newfoundland at all, but from the Government of Canada and they have to pay it to us under the British North America Act, one hundred and eighty thousand dollars a year. We have been reasonable about it. Why does not the "Evening Telegram" go out and attack the Cabinet for drawing the same salary, with our sessional pay added on to it, the two together making the same salary as the Commissioners drew, with a House of Assembly pay now of three thousand dollars and our pay as ministers, of seven thousand dollars, making ten thousand dollars a year. That is exactly what the Commissioners got.

I never saw the "Evening Telegram" attacking the Commissioners for getting too much pay, never once, but they attack us, and that is the big statesman-like thinking of the "Evening Telegram." Members of the House of Commons draw much more than we do, is that a full-time job. Mem-

bers of the House of Commons in Ottawa draw six thousand a year, every man of them, is that a full time job? It is not a full-time job any more than ours is, that is a twelve months job, just the same as ours is. There is not a word about that, but they must attack us. Well, I say that the people of Newfoundland are not worried too much about the bit of pay the members of this House of Assembly get, the only thing is that they may be surprised that it is all we do get. I am afraid a great many people in Newfoundland rather think that working in the Government means rolling in money, you have lots of money if you are in the Government. I bet members of the Opposition have that thrown up to them, too. They get the same pay as we do.

MR. HOLLETT: They get more abuse.

MR. SMALLWOOD: Only because we are capable of delivering more, but if the honourable gentlemen were capable we would get more.

MR. HOLLETT: We don't fatten on it.

MR. SMALLWOOD: Mr. Speaker, I think I have said all I want to say, but in case there is something else I want to say, I doubt it, but there may be something I have forgotten to deal with, so I move the adjournment of the debate with the thought in mind that if I do speak it will only be for a few minutes, but I doubt it.

Debate adjourned.

House recessed at 6:00 P.M. to meet again at 8:00 P.M.

NIGHT SESSION

WEDNESDAY, MAY 14th, 1952

The House resumed at eight of the clock.

MR. SMALLWOOD: Mr. Speaker, before calling the orders of the day, may I be permitted to say this: Mr. Mayhew cabled today to say that he is leaving Ottawa on Tuesday for St. John's for the discussions that he had to interrupt last week.

MR. SPEAKER: Before we proceed with the Order Paper, may I remind honourable members that as today is Wednesday, the next items we must call are Nos. 12, 13 and 14, private bills, which can only be set aside with the approval of the sponsor.

First Readings:

Honourable the Attorney General asks leave to introduce a Bill, "An Act Respecting the Revised Statutes of Newfoundland." Bill read a first time.

MR. SMALLWOOD: Mr. Speaker, I don't know if the honourable Opposition is ready to proceed with the debate tonight on the Mineral Areas Bill, and if they are, how long they are likely to take, in the absence of that knowledge, I wonder if it would not be agreeable with regard to some of these Bills to be introduced now, possibly to give second reading tonight. Some of them are quite unimportant and by advancing a stage tonight, we could save time. Therefore, the motion in each case might be that they be given second reading presently, and we may or may not do so tonight, but it could be so moved.

Honourable the Attorney General asks leave to introduce a Bill, "An Act to Provide for Change of Name." Bill read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Respecting Urban and Rural Planning." Bill read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Vest the Property of Dissolved Corporations in the Crown." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Public Welfare asks leave to introduce a Bill, "An Act Further to Amend the Welfare of Children Act, 1944." Bill read a first time, ordered read a second time on tomorrow.

Honourable the Attorney General asks leave to introduce a Bill, "An Act to Authorize the Government and the City of St. John's to Enter into an Agreement." Bill read a first time, ordered read a second time now.

Second reading of Bill, "An Act to Authorize the Government and the City of St. John's to enter into an Agreement."

HON. L. R. CURTIS (Attorney General): This is, as the title says, a Bill to authorize the Government to enter into an Agreement with the St. John's Municipal Council in connection with the Housing Corporation. The position is that the St. John's Housing Corporation was created jointly by the Government of Newfoundland, and the St. John's Municipal Council which contributed to that project, in three ways and three amounts. One was an outright grant, the second was an interest free loan and the third was an interest-bearing loan and it is in connection with the interest-bearing loan that this Bill is presented. The loan was in the amount of \$741,263.28.

The City borrowed that money, and lent it to the St. John's Housing Corporation and the City has paid interest on it ever since. The interest is at the rate of three and a half per cent, and it has paid also ever since

a sinking fund for the repayment of the principal. Now, the Government proposes to buy out the City's interest in the Housing Corporation at cost. That is to say to take over the bond issue of \$741,263.28 or rather to assume responsibility for the servicing and eventually the redemption of that bond issue. That would mean the Government would then become the sole owner of the Housing Corporation, and the City would cease then, I believe, to have any interest whatsoever i.e. financial interest in the Housing Corporation as they have already wiped out the other advances or loans made to the Corporation, in the amount of, I think, something in the neighbourhood of a quarter of a million dollars that was owed to the City which was cancelled when the City received a certain amount of property belonging to the Corporation. The other amount, I think, was a gift to the Corporation in return for which the City received nothing. So that the Government would then become sole owner of the Corporation and the City would cease to be owners in any sense or degree. Now, that will enable the City to free itself at once of an annual liability of \$33,350.00 which they propose to use to service the cost of a new loan they would raise, the proceeds of which would be used to install a new water system in this city, at a cost, I understand, of something of the Order of six hundred thousand dollars capital outlay.

Now, we are informed by the City that their engineers retained especially by them in New York, I believe, report to them that the city water supply is today dangerously inadequate, that the water pressure in certain parts of this city, more especially on the higher levels, is such that were

a large fire to take place, there would be grave danger of a spread of the fire, due to the absence of sufficient water pressure. I believe it is the intention of the city to harness Petty Harbour Long Pond and lay mains into the City and tap that large new source of supply of water for the City and all of that will cost about six hundred thousand dollars, I believe, and they will be enabled to do it by our relieving them of that annual charge they presently bear of \$33,356.00 interest and sinking fund on this bond issue. In relieving the City of that, the Government gets good value, gets the City's interests in the Housing Corporation and these interests are worth more, considerably more than the \$741,263.28 concerned. As a matter of fact, it is extremely likely that the Government will pay out \$33,000.00 on the one hand and will take in on the other hand some amount fairly considerably greater than that on account of the property in question.

That is all there is to it, Mr. Speaker, quite a large matter but fairly simple. The Bill is a permissive Bill not mandatory, it merely permits the Government to enter into the Agreement.

There is to be a slight change in the schedule and wherever the figure of \$741,000 appears and we wish in Committee of the Whole to make a slight amendment to insert the words, "Not exceeding \$33,000.00."

I move the second reading of the Bill, Mr. Speaker.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Honourable the Attorney General asks leave to introduce a Bill, "An

Act Further to Amend the Fisheries Loan Act, 1949." Bill read a first time, ordered read a second time now."

Second reading of Bill, "An Act Further to Amend the Fisheries Loan Act, 1949."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, the Attorney General was kind enough to give notice of this Bill during my absence. The Bill proposes some slight amendments to the existing Fisheries Loan Board Legislation, neither of them amounting to very much. With regard to the first one set forth in Section 2 as the existing legislation stands companies engaged in the fish business, that is the handling and processing of fish can obtain a loan from the Fisheries Loan Board for plant expansion and to acquire boats. However, companies engaged in the fishery, but limited to the construction of wooden vessels cannot obtain such loans, and since there is a close interest between the two, it is now desirable such companies should have access to loans from the Fishery Loan Board.

The effect of Section 3 is to make the Secretary of the Board not a member of the Board. As the legislation presently stands the secretary is a member of the Board. That puts the secretary in an awkward position; as a member of the Board, he passes his judgment on loans and casts his vote on the same basis as the Chairman, but in the day to day administration of the Board, as an employee of the Board, he is not subject to the directions of the Chairman and so it is thought preferable for the purpose of administration that the secretary should not be a member of the Board.

The effect of Section 4 of the proposed Bill simply effects this change:

Presently the secretary and the chairman are required to sign the financial returns and this amendment will provide that for the future the chairman and one other member of the Board will sign the financial returns. I think that about covers it, Mr. Speaker, and I move the second reading of this Bill.

MR. HOLLETT: Mr. Speaker, I would like to ask one question. I agree with the Honourable Minister, but wonder why Clause 2 cannot be taken care of by the Industrial Loan Board. It is an industry, I take it, constructing wooden vessels, why should it come under the Fishery Loan Board?

MR. KEOUGH: Actually, Mr. Speaker, that is the thought, preferably, since these companies will be concerned with the construction of fishing vessels they should have access to the Fisheries Loan Board rather than the Industrial Development Board.

MR. HOLLETT: They will construct other kinds as well.

MR. SMALLWOOD: They might not get loans for them, though.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Honourable the Attorney General asks leave to introduce a Bill, "An Act to Amend the Public Utilities Act, 1949."

Bill read a first time, ordered read a second time now.

MR. CURTIS: Mr. Speaker, I beg to move second reading of this Bill. Honourable members will remember, that is any of us who were here in 1949, that in 1949 towards the end of the session, we enacted the Public

Utilities Act, and in the year 1951, we amended that Act, and provided by Section 4 thereof, that the Board shall fix, establish and determine a rate for annual assessment being passed on and borne by various public utilities that carried on business during the whole or any part of the preceding calendar year on gross earnings to the amount of one thousand dollars or more for the whole or such part of the year. Now, the Board, Mr. Speaker, in carrying out the provisions of that Act, found that it had to assess taxation on ferrymen and other small public utilities who might during the previous year have gross earnings of one thousand dollars. Now, obviously, it is unfair to tax such small private public utilities such as a taximan or a ferryman, so the object of the amendment is to strike out the words one thousand and make it read six thousand dollars so that public utilities making less than six thousand dollars would not be required to make any contribution towards the cost of the Board. The cost is not a very heavy one, and is not worth the cost of collecting it. The other part of the section amends this section as of the date of the Act, which is the 7th day of September, 1949. Section 3 provides, Mr. Speaker, that where a public utility has gross earnings of less than one thousand dollars in the year 1950 and paid assessment to the Board, the Board may without application refund the amount paid, which, I think, is a fair and reasonable solution and I don't think this will be opposed by the House. Section 4 deals with the prosecutions under the Act (reads sub-section 2 of the original Act)—"Sub-section (2) of Section 109 of the said Act is amended by striking out the words "one year" and substituting therefor the words

"Three years." The Board has found that one year is rather a short period, Mr. Speaker, and they have asked us to make it three years. So the effect of the amendment is to extend the period from one year to three years. I move the second reading of this Bill.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Honourable the Minister of Labour asks leave to introduce a Bill, "An Act Further to Amend the Workmen's Compensation Act, 1950."

Bill read a first time, ordered read a second time now.

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, for the most part, this Bill is intended to straighten out certain deficiencies in the main Act which have been shown up by experience, and also to provide for an increase of compensation in certain cases. We have had representations to the department for increases and various amendments in our Workmen's Compensation Act. Representations have been made through the Federation of Labour and through many other sources, and we have seen fit to agree to some of these recommendations, but not to all of them. We have agreed to go along in certain cases, as I mentioned before, and in others we did not agree to go along with them, because they were not practical. We have gone through the Act again, and we have readjusted it and these amendments we have here will correct the little difficulties we have had, and which will, in the main, make the Bill for all workers in Newfoundland, who may have to receive workmen's compensation better for them. It will be improved by the introduction of these amendments to the Act.

Sections 5 and 2 say that the Board pays (I mean by the Board the Workmen's Compensation Board) pays the Board, lodging, cost of injuries of workmen receiving out-patient treatment away from home, and the amendment to Sections 5 and 2 of the Bill specifically authorize this. It was not specifically authorized in the Act, but that amendment will make it so. There is no need to provide for compensation to United States personnel employed in construction work here, because they are covered by U. S. Compensation Law. Section 3 of the Bill excludes those persons from the scope of the Bill. All persons working on construction are covered by our Act, but because the United States Government pays their compensation on their nationals, they do not consider they should pay it twice nor that we should cover them. As a matter of fact, we have no desire to do so, and by agreement and arrangement decided to leave these persons outside the scope of the Act.

Section 4 is a more contentious one, but I think it would be of greater benefit to the Newfoundlander. Under the original Act, an injured workman must be off more than six days before he gets compensation for the first three days. Where the total time off is five days, compensation is paid under the Act for two days only and if a workman is off seven days or more, payment will be made now for the whole period. Section 4 (a) the amendment proposes to set up the waiting time at a flat four days, then if a man is off work for four days he will get full compensation, previously it was seven, now if he is off four days or more, he is compensated for all of the time. It was suggested that we should set it right down to the hour, but that is

not done anywhere in the world. Our four days' waiting period will be comparable with any of the Provinces of the Dominion, and perhaps better than some of them, if there are any better than the others. I don't mean to infer that there are any provinces better than others, except Newfoundland of course. This will give workmen a better chance than they had before, and it is going a long way in the direction of making our Workmen's Compensation Act the best in the world, as a matter of fact, it is the best now, but this will definitely make it the best.

Section 4 (b) deals with hernia cases. The Board found that present provisions for dealing with such cases is impractical, and this amendment states that these cases will be dealt with by the Board. It makes it better, as a matter of fact, for such cases as the Board with their medical advisors, etc., will decide definitely whether it is a case or not. Section 6 refers to recoverable advances to the Board. We have in the original Act, a set-up that if in times of trouble or distress the Government would advance to the Board such sums, not less than twenty-five thousand dollars, to help them over. Last year, if you will notice in the estimates we have \$125,000 in there from the Government to the Board in order to get them going. We did not use one cent of it, and that was a drop balance. Not one cent of that money was used by the Workmen's Compensation Board. We got on so smoothly and so well, it was not necessary to call on the Government for one cent, but it is in the Act, and in case of emergency, a flood or disaster, or something of that kind, the Board may call upon the Government for help. There was nothing in the Act to say this should be an-

nual. Section 7 increases the allowance for burial from \$125.00 to \$200.00. We think that is pretty fair and it is comparable with other Boards across the Dominion. The same section also increases the monthly allowance to the dependents and children following a father's death by accident from \$10.00 to \$12.00. In many cases, it is \$15 and \$20 but we thought in order to be a bit conservative (don't misunderstand me I don't mean progressive conservative) we thought \$12.00 was pretty fair for a start.

Section 8 provides or proposes to increase minimum weekly compensation from \$12.00 to \$15.00. That is in line with most of the bonds in the provinces across the Dominion.

Section 9 and Section 10 remedy typographical errors in the Act and involve no changes whatsoever. Section 11 merely authorizes the Board to set up a reserve fund for what they call secondary injuries or after accident casualties.

Mr. Speaker, I move second reading of this Bill.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Third Reading of Bill: "An Act to Amend the Maritime Hospital Service Association Re-Incorporation Act, 1949." Bill read a third time, ordered passed and title be as on the Order Paper.

Committee of the Whole on Bill, "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof."

Committee deferred.

Committee of the Whole on Bill, "An Act to Incorporate the Associa-

tion of Professional Engineers and for other purposes connected therewith."

Passed without amendment.

Committee of the Whole on Bill, "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Statutes) entitled 'Of Companies'."

Passed without amendment.

"An Act to Incorporate the Association of Professional Engineers and for other purposes connected therewith."

MR. BALLAM: In connection with Section 7, I would like to raise a point there: We have many engineers in this country who did not graduate from Universities and got their education by correspondence courses and they are accepted as engineers. Would that sort of people be acceptable to this society?

HON. E. S. SPENCER (Minister of Public Works): Mr. Chairman, in regard to No. 7 which reads: "Any person shall be entitled to be registered as a member of the Association upon filing with the registrar satisfactory proof that such person is resident of the province, has tendered the fees and dues prescribed by the by-laws, and . . ." There is one point I want to raise on (a) and (b) and (c)—I would like to see wording included there whereby "the council of engineers" should be added to that "With approval of the Lieutenant-Governor in Council." I am not exactly making of that nature should be included there, and I think it would cover the point raised by my honourable colleague with regard to many men practicing engineering in this country for many years. I have within the last day or two discussed this with them and some of the members of the

organizations listed on the front page there, and they agree entirely. I don't think for one moment there is any thought in this to discriminate against some of the practising men, who may or may not have their degree from any University. But if we permit them to make regulations then it may be impossible for present practising engineers to pass the examination they may set. I contend, therefore, the Lieutenant-Governor in Council should have power to approve of this particular classification. That is what I would like to see placed in there.

MR. CURTIS: We could let that stand over.

MR. SPENCER: Mr. Chairman, the same thing applies in Section 8-1 (a) and I think that should stand as well, and if it were properly worded I think it would be more acceptable.

Clauses 7, 8 and 9 stand.

MR. SPENCER: Mr. Chairman, I don't want to delay this thing too long, but I would suggest that this Bill be referred to a Committee so that these few little things might be ironed out, if that could be done without delaying the matter too long, I suggest that is the proper procedure. It is quite true the Bill is before the House some little time, and there have been expressions of opinion for and against it, and I think the proper thing to do is to have it presented to a Committee, and let them decide.

MR. MORGAN: This Bill has already passed through the Committee, and it has been advertised since the 5th of March and there has been no objections either from the engineers or anybody outside the engineers. I am perfectly agreeable to have the ruling of the House on it of course.

MR. CHAIRMAN: This Committee can not recommend this Bill to another Committee.

MR. MORGAN: That was the very point I was going to make.

MR. CHAIRMAN: This Committee has not authority to do that.

MR. BALLAM: In connection with section 10 (e) while employed in the operation of boiler plants and pressure vessels in accordance with the provisions of the Boiler and Pressure Vessel Act, 1949.

MR. CURTIS: That means they are exempt from this Act, if they meet the requirements of yours, that is all.

MR. MORGAN: It actually means if they wish to become members they may, and if they are not interested it is left to their own discretion, that is all.

MR. HOLLETT: Mr. Chairman, I can't quite understand the purpose of this Act, if it applies at all, it may not be covered by persons covered by the other Act—they should be covered by this Act as well.

MR. SMALLWOOD: The Committee is losing sight of the main point. The real purpose of this section, as it says, "persons are exempted," but then it goes on to, "the provisions of this Act do not apply to any persons, etc." It really means that these persons are exempted and it intends to exempt them. Remember the whole purpose which we in this Committee of the Whole can discuss. The principle of this Bill (correct me if I am wrong), the principle of it is very good, any group of professional men should have a right to organize themselves into a professional group and having done so, should have the right

to apply to this House to incorporate themselves—That is all very well, there is nothing wrong about that, but we must be very careful in seeing that the organization so incorporated by us is not too exclusive and too monopolistic, and I suggest that the heading here, persons exempt really means persons excluded. Now, look at the various clauses, jump over to page 13 to Clause No. 14: "The Council shall, in manner provided by the by-laws, appoint annually a board of examiners consisting of members who are residing within the province and may at any time fill any vacancies on the board, replace any member thereof and add to its number." Then in Clause 15: "The Board shall in manner provided by the by-laws: (a) examine and report on all degrees, diplomas, certificates and other credentials presented, or given in evidence for the purpose of obtaining registration as a member, a license to practise or enrolment as an engineer-in-training; and (b) set and conduct the examinations of candidates for membership and enrolment as engineers-in-training, and file the results thereof."

MR. HOLLETT: Who does that now?

MR. SMALLWOOD: Nobody. Now we go on to No. 16. "The council" (That is the executive committee of the Association) "shall have power to establish jointly with any council or any Association similarly constituted in one or more of the provinces of Canada, a central examining board, and to delegate to such central examination board all or any of the powers possessed by the Association in respect of the examinations of candidates for membership, or enrolment as an engineer-in-training, provided that such

examination shall be held within the province."

Now, we come to monopolistic clause No. 20: "Any person not a member or licensed to practice, or whose certificate or registration or license to practice has been suspended or cancelled under the provisions of this Act, (a) practises professional engineering; uses verbally or otherwise the title of professional engineer or any abbreviation of such title, or any name, title, description or designation that may lead any person to believe that such a person is a professional engineer, a member of the Association, licensed to practise or entitled to practise professional engineering; or (b) advertises, holds out or conducts himself in any way implying or leading any person to believe that such person is a professional engineer, a member of the Association, licensed to practise, or entitled to practise professional engineering is guilty of an offence and liable upon summary conviction to a fine of not less than one hundred dollars, not more than two hundred dollars and costs, and on failure to pay the same, to imprisonment for not more than three months for the first offence, etc." Now, we begin to get the picture. Here these engineers whose names are given here, very properly, and I say very wisely form themselves into an Association of professional engineers. Very good, there is nothing wrong with that—that is the sensible thing to do. They then come to this House of Assembly and ask the House to incorporate them—again very good. Now, but now, (this is my first time reading it, it is a private Bill not brought in by the Government). Now, I learn that whether you get in the Association or not depends upon an examination or examining board, and if the examin-

ing board says, no, you don't get in, and if you don't get in it, you can't practise your profession and may go to jail. Now, we have in Newfoundland today already, a number of professional bodies. We have the Newfoundland Medical Association, we have the Newfoundland Law Society, we have the Chartered Accountants, we have the Certified Public Accountants, we have the Newfoundland Dental Association, and we have still other bodies of professional men and to these bodies this Legislature has given the sole right, the sole right, to determine qualifications for membership and the sole right to admit or reject members, and I have very definitely, very definitely, noted a tendency in this Province in the last three years, a very strong tendency to refuse to admit members, men or women with thoroughly good professional qualifications into membership in the relevant Association or organization. And further, I have noted that right across Canada including Newfoundland there exists a tendency, a very powerful tendency to make of certain professional bodies or bodies of professional people, something in the nature of monopolies and to use that monopoly to exclude people of undoubted professional capabilities. For example: The Medical Association of Canada has excluded medical doctors from Europe, from the Continent of Europe, Germany, Latvia, Czechoslovakia, Denmark, Sweden, Norway, etc., and excluded them from membership in Canada and required them to go back to University in Canada before admitting them into membership in the Medical Association of Canada. There are cases in Canada today where you have highly qualified professional men who are not permitted to practise their profession because they are excluded from

the relevant professional bodies, and are working as clerks, farm labourers, and on other menial tasks. And that in a country where there is a shortage of doctors. Now, there is no greater shortage in all Canada than her shortage of engineers. That is probably the greatest shortage in Canada today, as far as professional men are concerned, a tremendous shortage. In the Financial Post a few months ago, there was an article, that newspaper canvassed firms all across Canada and asked the question: Have you found it difficult to get engineers and what are you doing to get them? Almost without exception, they answered that they were short of engineers, that they were desperately short of engineers and that they were seriously handicapped in their work because of lack of engineers in Canada and some of them had brought engineers in, this firm twenty and that firm thirty, and others even fifty from Europe and some of these engineers had not been admitted. I know personally of a case of a highly qualified professional person in Newfoundland, who attended three different Universities in the Continent of Europe and was told he was not qualified to practice in this modern and progressive Newfoundland, not permitted—but was soon permitted, I saw personally to that. I will give you a case of a lady in Newfoundland, a lady whose husband is a highly qualified engineer employed in a very high capacity as an engineer with a large industry in this Province. She was a dentist of unquestionable qualifications, professional and academic and practical qualifications and that lady was told here in Newfoundland to go off to Dalhousie and study dentistry, and she might be allowed to practise dentistry in this Province, where we have about one dentist to about every twenty-five thousand of

our population, or maybe thirty or forty thousand, fifteen dentists divided into three hundred and sixty thousand people, and I suppose half or more than half of them in Newfoundland are here in the city of St. John's, or even three-quarters of them, and yet, that lady was excluded until the proper steps were taken. She is now, I am glad to say, practising dentistry in this Province. Now, the Honourable Minister of Public Works has had a hard time in the last three years trying to get engineers, road engineers, a very trying time, he advertised all across Canada in all the professional journals and publications for engineers, and tried to steal them away from Provincial Governments across Canada, when he met them at road conventions in different parts of Canada, and could not get them. On one occasion he had a Newfoundlander, who was working in Nova Scotia come back here on a short vacation and almost had him, and he changed his mind and went off to the Mainland and we lost him. In another case, we had a road engineer from the Province of Saskatchewan, due to leave on a certain date for St. John's and the day before, he was due to leave, he telegraphed the Minister to say he had changed his mind. You have a situation today where you have the Provincial Governments and the Government of Canada going into the engineering schools and negotiating with the students to accept jobs as soon as they graduate. That is how bad it has become. So I say we must be careful before we set up an organization of engineers that will have the right to exclude a qualified man or woman from the practice of engineering; we must be careful, we have an undoubted desire, I am quite certain, every member of this House, to facili-

tate the engineers forming themselves into an organization, we would be stupid and lacking in statesmanship to put any obstacles in their way, if we failed to expedite their organization and failed to charter them by Legislation. But we owe it also to ourselves at the same time to ourselves and to the needs of Newfoundland to see to it that this thing does not become too monopolistic and that a person who comes in here from England, Ireland, Scotland, Germany, Denmark or Sweden, Switzerland or somewhere else is not debarred by a tight little monopoly as has been attempted in other fields in this same province.

Now, this is the first time I have read the Bill, and when my honourable friend, the Minister of Public Works, drew attention to Clause 7, qualifications for membership, it led me to read it and then to go on and read other sections in the Bill. We have got to be very fair about this, and not adopt a small-minded attitude towards professional men who wish to band themselves into a professional body. That is all to the good, that is very much to the good, and will give these engineers a greater sense of professional importance and it will undoubtedly assist them to maintain good standards, which is all to the good, but let us beware of giving them too much and too strong a monopoly or too much monopolistic power. Now, my honourable friend the member for Green Bay is sponsoring this, and I am sure he at least as much as I would agree with the viewpoint I have expressed, that we must avoid setting up too monopolistic a body, must not be held accountable for that and allow ourselves to be guilty of that. How to overcome this I don't know, perhaps the honourable

gentleman who is piloting the Bill, and who undoubtedly understands it, and has studied it properly, perhaps that honourable gentleman can put our minds at rest by pointing out the safeguards and precautions taken in the Bill to prevent the things I have been describing.

MR. MORGAN: Mr. Chairman, I was not quite familiar with the procedure on private Bills, but I have been informed now that any member can discuss the principle of the Bill on any and every paragraph in the Bill.

To answer some of the remarks which the Honourable the Premier made: On page 10, section 10, persons exempted, I believe he used the word "excluded" actually it could better be described as "excused" rather than "excluded." The Act does not apply to these particular people there; members of the armed forces, employees of the Government of Canada or the Provincial Government or to persons awaiting decision of the council while carrying out work on one, his own property, or employed in the operation of a boiler plant and pressure vessels under the Provincial Boiler Act.

Now, to clear up the other point, persons who may or may not have the qualifications to be fair.

MR. SMALLWOOD: That seems decided by the council on page 15, 18 (3).

Why not make that the Governor in Council?

MR. HOLLETT: You are making a political body of it then.

MR. SMALLWOOD: No.

MR. HOLLETT: No—That is what you want.

MR. SMALLWOOD: If it is referred to the Supreme Court, the judge can do nothing other than go according to the Act, the appeal should lie with the Lieutenant-Governor in Council, who could surely take a broader view than a judge who merely administers a straight matter of law.

MR. HOLLETT: I don't see that.

MR. MORGAN: If we like, we could say to one or the other, to the judge of the Supreme Court or the Lieutenant-Governor in Council.

MR. JANES: In other Bills, we have passed, for instance, the Cost Accountants the decision is to be made by the Lieutenant-Governor in Council not the judge of the Supreme Court.

MR. HOLLETT: I may say I was very much against certain clauses and still am, and I agree with the Premier in what he said now, I want to point out they have a number of European Engineers who are undoubtedly qualified men and in this Act, these Engineers might for some reason or other endeavour to exclude these European Engineers.

MR. SMALLWOOD: That is provided for in the Act. Now, I fail to see where.

MR. HOLLETT: I fail to see what the Lieutenant-Governor in Council, that is the Cabinet, the political party in power has to do with it at all.

MR. SMALLWOOD: It is the Government of the Province.

MR. HOLLETT: Which makes a political institution out of it. There

is evidently some fear that these people who brought in this Bill might have something against some of these European engineers. Speaking about monopolies, I don't know of any great monopoly that we have just now set up. The Government is very good itself on setting up monopolies. There is no question about it, I agree with the Premier, if this Bill is passed as it is, it is definitely a more or less monopoly as far as engineering goes, and this council and board will have the right to register whomsoever they please. Then in Section 20 they have the right there to keep anybody whom they so desire out, but that is true really of any organization like this, it is true of the law society, and true, as the Premier has already pointed out, of the dental society, and true of nearly every organization. They certainly have the right under legislation, I take it, in all cases to set up rules and regulations, whereby a person is registered or entitled to registry and regulations which if the person lives up to them and conforms with will get a certificate. We got to depend on the people endeavouring to carry out the constitution accorded them by the Legislature, and I fail to see why the Honourable Premier and members on the other side must mistrust these gentlemen, surely they will do what is right under the law. With respect to Section 18 here, I know no higher authority or better authority than the judge of the Supreme Court, there is no other authority that would be better qualified, more free from politics one way or the other, I can't think of any more impartial person than a judge or magistrate of the Supreme Court, I don't see so much wrong with that. While I don't want to attribute to any members on the other side any ill-will, I think they

should feel they should put their faith in such a body as this, they will do the right thing, particularly when there is an appeal to the Judge of the Supreme Court.

MR. CHAIRMAN: If the honourable members would permit, might I point out at this time that whilst the rules regarding private Bills permit more latitude during the Committee stage, where the principle can be discussed, I suggest we discuss it clause by clause as much as possible, otherwise we are discussing clause 18 on clause 19, and it tends to make us go around in circles.

MR. SPENCER: Mr. Chairman, I appreciate your point, but in view of the discussion taking place and inferences being made, I suggest it is just a little bit unfair, it has probably not been meant as such, but the honourable member for St. John's West in speaking to this measure referred to some members on the Government side, who apparently had some fears, and then referred to Europeans, Latvians and Germans, who had come in here as engineers, and possibly the Government members were afraid they might be excluded. I want to assure the Committee and the honourable gentleman in question, and I am sure he realizes I am fair in this matter, I know that, he has I believe as I have for him, a certain amount of respect, and I hope we retain that respect for each other. I want to repeat that as far as I am concerned, I have not thought whatsoever, with regard to any interference, the matter never entered my mind. Any comment I have made has not been influenced by the fact that there are some European engineers in the Province. I am speaking more or less as one who practised engineering for some forty years in this country. I never had a Uni-

versity degree and I am sure the honourable member will understand that I do not worry about myself, I have had quite a lot of experience and I know the gentlemen referred to in this Bill, a lot of them, know me personally and have some respect for my little endeavour in the engineering field. I know there are a lot of my fellowmen in this country who practise engineering work similar to that referred to in this Bill, and I think entirely of these men, I could name them, but it is unnecessary, and my point in Clause 7 (b) should be with approval of the Lieutenant-Governor in Council, I merely want in this way to insure that every member who has ever practised engineering in this Province may not be debarred by this Bill. In respect to the point of referring the matter to the judge of the Supreme Court, it is unnecessary for me to go over all that again, but everyone knows that all a judge could do in such a matter referred to him, would merely be on a point of law, and the point of law which he would have to guide him, would be this Bill, there is no other. Consequently, if this Bill says John Jones is practising engineering and has no degree and cannot be given a certificate by this group or council, then his Honour the Judge of the Supreme Court has to say: "I am sorry, you have not a degree, you cannot practice, I will have to give judgment against you." Now, I merely ask, Mr. Chairman, that there be a review body, and I believe it has been pointed out by somebody here this evening as we went through this Act, that in the Act we passed for the public accountants, the cost and industrial accountants that in that very Bill there was a provision made whereby their examinations or recommendations would be subject to the

approval of the Lieutenant-Governor in Council. That is my point, I have no other thought in the world, no thought of Germans or anybody else except our Newfoundland people, though I would like to see anybody who came in here to adopt this country as their country for the time being have exactly the same rights and privileges as we have, that is my point. I would like to impress upon the Committee that I would like to see this Bill worded so as to protect, so that people would not be debarred. Now, with all the goodwill in the world towards the gentlemen mentioned in the Bill, many of whom are personal friends, and I am well aware we must have faith in them, Sir, but there are people who have not got faith in us, and there may be many in the country, who are practising engineering and would possibly be deprived of the chance. I want to be assured that the Bill will not deprive any of our local engineers from the engineering organization otherwise I would be against it, and if they are debarred, they should have a right to appeal to the Lieutenant-Governor in Council.

There is one other point which is a little bit personal. As far as I am concerned, I happen to be a member of the Engineering Institute of Canada long before any one of these gentlemen named in this Bill, with one exception, long before ever they thought of engineering, and long before a lot of them were born, it does not affect me. I am not worried about myself. I know, and would merely point out in passing, there is not one of the gentlemen in the professional engineering department on Bell Island except the Manager of DOSCO, Mr. Stewie, in that list, and I think I need not stress too strongly that Bell

Island has gotten along some fifty years with its engineers.

MR. BALLAM: Mr. Chairman, I must go along with my honourable colleague, the Minister of Public Works. We have many, many engineers in Newfoundland today, who are qualified engineers doing big jobs. I can state one who is a chief engineer and a director of Bowaters who is an engineer and is not listed here, though he is the best engineer Newfoundland has ever had—it says here a man must have a degree —

MR. HOLLETT: No, he does not have to have a degree.

MR. BALLAM: Well, he has to come from a qualified school or college or University of which the degree is approved by the council; has to have two years' experience in engineering under a professional engineer, or who within the two years after the coming into force of this Act applies for membership and submits to the Council evidence of which, in the opinion of the council, qualifies him to be a member of the Association—which council is set up by this Act.

Almost all the engineers mentioned in this Bill I know, all fine outstanding people, and the inference in the mind of my honourable friend that we have something in mind about them —

We have not, these are outstanding men, but I do know engineers who are outstanding, who are not included in this list, and could be excluded if it were the wish of the Council to so provide, so I brought up the question of membership and still stand by it.

HON. P. S. FORSEY (Minister of Supply): Mr. Chairman, I am inter-

ested in whether or not the rules of the House have been complied with. I take it they have—and if they have I would like to know from the select committee or from this committee, whether proof has been required, whether persons whose names appear in the Bill are in a position to effect the objects contemplated, I would like to see it proven that those people mentioned here are in such a position.

MR. HOLLETT: Hear, hear.

MR. CHAIRMAN: That point might have more properly been raised in Committee on Private Bills.

Clause 10 and Clause 11 carried.

Clauses 12 through 16 carried.

MR. MORGAN: In section 17—I think sub-section 2 is to be deleted. We have nothing quite so strong as that in any Act in Newfoundland although it does appear in the Nova Scotia Act. That involves renumbering of the other paragraphs there.

Carried.

MR. CURTIS: In Clause 18, I think the point raised by the Honourable the Premier is right. If we leave this to the Supreme Court, the Supreme Court can carry out the Act, they can give you lots of law down there, but would not be able to give the kind of consideration to a matter of this kind which ought to be given. I move we strike out the words "Right to apply to a Judge of the Supreme Court" and instead say "Lieutenant-Governor in Council." The main point, as I see it, we are giving this body power to name the Universities whose degrees they will acknowledge. We know there is a little bit of selfishness in everyone and it is not unlikely the board would limit

the colleges and universities to their own colleges or they might have some particular college in mind and exclude other colleges that might well be just as good, and if that were so and they stipulated what these universities were to be, then the Supreme Court could have no alternative but to accept their decision, but if you make this the Lieutenant Governor in Council, make it certainly for the first couple of years, an impartial body who can take into consideration the needs of the country and the possibility of getting people whom we consider advisable. Take, for instance, the case cited by the Honourable the Premier about the dental board not acknowledging the certificate of a person who had qualified in Germany and Latvia, as it did not suit them. In fact, I have heard it stated that a professor in a dental college on the Mainland is going to apply here for a permit just to test the situation and I understand he was turned down by the local organization, one of the professors teaching dentistry. The Supreme Court can only interpret the rules and regulations they make, but the Lieutenant Governor-in-Council can decide to see there is no monopoly, for that reason I move the amendment, which I think will cure the objection to clause 7 and clause 9.

MR. HOLLETT: Mr. Chairman, if I might, I am positively opposed to that amendment and I fail to see why the Supreme Court would not be an impartial body, as suggested by the Attorney General.

MR. CURTIS: I did not say that.

MR. HOLLETT: The Attorney General stated if it came before the Lieutenant-Governor in Council, it would be an impartial body, I took it to mean—

MR. CURTIS: Mr. Chairman, I meant more elastic.

MR. HOLLETT: Elastic yes, there is no question about that—I agree it is much more elastic on certain things, but I fail to see how you could get a more impartial body than that of the Supreme Court in Newfoundland, who must by virtue of their oath be impartial. I don't know if the same applies to the Lieutenant-Governor in Council which after all merely means the members of the Government. I regret very much that the Honourable Attorney General made that amendment. They, he said, can only do what the Act says, well what else can the Lieutenant-Governor in Council do? It states definitely here they shall have the right to apply to a Judge of the Supreme Court, who upon just cause shown—I take it, the Judge of the Supreme Court could get the necessary evidence to see whether a man were a qualified engineer or not, they would be sitting definitely as an impartial board and certainly would carry out the terms of the Act. Now, I am quite sure any such person would have just as good a chance of getting a fair deal from the Judge of the Supreme Court as he would from the Lieutenant-Governor in Council. I am against that amendment.

MR. SMALLWOOD: It is not a matter of a fair deal or not in the Supreme Court, but to rule on a straight matter of law. The equity of the matter does not concern them, the democratic approach to the matter does not concern them, they must rule according to the strict letter of the law. The Council would see that their regulations were thus and so, that the Act was thus and that under the terms of the Act, we have reduced membership to this and that—But there may

be every good reason in the world from the public viewpoint that a man should be a member and be permitted to practise, therefore, it should be referred to a democratic body, and the Lieutenant-Governor in Council is a democratic body representing the public.

MR. HOLLETT: Autocratic.

MR. SMALLWOOD: Democratic, and has a democratic interest in the matter to prevent a monopoly in the hands of private parties seeking to protect their own private interests and that is why it should be referred to the Lieutenant-Governor in Council.

HON. DR. H. L. POTILE (Minister of Public Welfare): This clause may not be invoked very often, the situation possibly may never occur whereby these clauses may be invoked. If it ever does, as it stands there now the only way in which the individual can get into the organization is by litigation, or appeal to a court of law. If it gets that bad, then I can't see, that if one gets into the organization as a result of having to present amassed evidence that he will be a very compatible member, a happy member of the organization. I think it would be more sensible to have it ironed out by appeal to the Lieutenant-Governor in Council, which after all would be on a more personal level.

MR. HOLLETT: That makes it a political association.

MR. SMALLWOOD: It is a political matter if a private body of citizens seizes the right to exclude another citizen from the right to practise engineering, it becomes at once a political matter and should not be referred to a Court as a matter of law, but to the Government. I submit that it becomes at once a political matter if it becomes a monopoly.

MR. HOLLETT: You set up lots of them before. This Act will have certain by-laws which will define just how and when and where a man will become an engineer and I take it he must conform to the Act and to the by-laws and if John Jones or Bill Smith carry out the certain requirements which will be laid down in this Act, they cannot refuse him entrance and if they do, he has the right to appeal to the Supreme Court. Once it says the Lieutenant-Governor in Council it is making it a political football, absolutely.

MR. SPENCER: Mr. Chairman, I fear that I cannot agree with the comments of my honourable friend the member for St. John's West. During recess I had a little private chat with my honourable friend, and I certainly have no intention in the world of breaking faith and referring to exactly what was said, I appreciate the fact that members may discuss this matter amongst each other without coming back and repeating it, I have no intention in the world of doing so, my honourable friend may rest assured of that and I think the amendment as made by the Attorney General certainly covers the points as far as clause 18 is concerned. But I am a little concerned as to whether it covers the points further back in the Bill. As far as I am concerned, my objections are not at all political, but I do contend, as I have already said, I cannot see how the Judge of the Supreme Court could rule other than this Bill provides, this Bill cannot become an Act unless this Committee or House passes it and once they have passed it and set up the regulations whereby this council of engineers may decide who may or may not be members of their organization, and should there be an appeal to the court in

this matter, the Judge can do no other than rule on the point of law. I think the amendment covers all that, and if not and I am permitted to be in this House some day when I shall find that it, in any measure, discriminates against any member of the profession, who may or may not have a degree, I shall be very happy to bring it up again. I am referring to men in my own category, who as the honourable member for Harbour Main-Bell Island knows, are living on Bell Island in the engineering profession, who by this very Bill, may or may not be prevented from being members of this Association and from practising their profession as a result. So I submit I am sure my honourable friend has no wish to see friends of his and mine deprived of the right to practise engineering when they have been at it all their lives because they have not had the privilege of attending a University. In my opinion, and I believe it is the opinion of the honourable member for St. John's West also, the need is to protect the local boys.

MR. JACKMAN: Mr. Chairman, I wanted to keep out of this, but since the Honourable Minister of Public Works referred to me here in this matter, I have not read this Bill fully, but it seems to me this Bill calls for a closed shop. We in the union movement today are looking for a union shop, but I certainly would not support it when it is looking for a closed shop, because our friends on Bell Island might automatically come in under this set-up and be debarred.

Carried.

Clauses 7 through 9 carried.

Clauses 19 through 32 carried.

Bill passed with some amendments.

Committee of the Whole on Bill, "An Act to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies.'"

MR. CURTIS: Mr. Chairman, as I explained yesterday when moving the second reading this is a Bill, an Act dealing with non-par shares, but I may not have been quite clear in answering my honourable friend, the member for St. John's West, when he asked, if you remember Mr. Chairman, in the presence of Mr. Speaker, on second reading the reason for section 6 which says that section 4 of this Act shall be deemed to have come into effect on the twenty-second day of June, 1951, and Section 5 on the first day of April, 1949.

The 22nd day of June, 1951, Mr. Chairman, was the date on which the provisions of the Act in respect to redeemable or profit shares passed this House and became law. In other words, the Bill that created these shares became law on the 22nd day of June, 1951, and the object of bringing in that Act at that time was to make them coincide. The other date asked about in Section 5, the first day of April, 1949, I think when we come to it, I will ask the Committee to move that date back, our Companies Act was copied from the English Statutes and they have registrars of Companies and not registrars of deeds but in Newfoundland we have both in the one office and it seems foolish to register these things twice in the same office, so that when we come to that section, I am going to ask that we make it some day earlier, perhaps the first day of January, 1940.

Amendment that the words the first day of April 1949 be deleted and the

words, the first day of January 1940 be inserted.

Bill passed with some amendments. Ordered read a third time on tomorrow.

Second reading of Bill, "An Act to Secure the Development of Undeveloped Mineral Areas."

MR. FOGWILL: Due to the lateness of the hour, could we have that put off until tomorrow?

MR. SMALLWOOD: That is agreeable, Mr. Speaker.

Second reading deferred until tomorrow.

Third readings: A Bill, "An Act to Amend the Wild Life Act, 1951." Bill read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement Between the Government of Newfoundland and the Government of Canada." Bill read a third time, ordered passed and title be as on the Order Paper.

Second reading of Bill, "An Act to Amend Capt. 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books printed in Newfoundland.'"

MR. SMALLWOOD: Mr. Speaker, I rise to move the second reading of this Bill, which I think is very lacking in any controversial features, and is one which I imagine would have the support of every honourable member of the House. It is a Bill to provide that copies of books printed and published in Newfoundland be put on deposit in the Department of Provincial Affairs, and the remaining copies be deposited in the library or

otherwise disposed of, as the Lieutenant Governor in Council directs; and provides that the deputy minister of Provincial Affairs keep in his department a book to be called the registry of books printed in Newfoundland, entering therein such particulars as he may deem necessary of every book deposited in the Department in accordance with section 4. That is to try at a rather late date, admittedly to remedy a situation that has existed in Newfoundland for a long time, but has not existed in most other parts of the world. Here in Newfoundland, many books have been published that have not been deposited in any public archives and have, therefore, been lost, whereas in all other parts of the world all publications have to be deposited with public authorities, and in that way libraries build up and become preserved for the public as they ought to be preserved.

You will find, for example, in the United States of America, so many copies of every book published must go to the Congressional Library, which makes the Congressional Library of the United States the one great depository of all books published in that country. I think probably you will find that Canada has similar legislation providing that all books published in Canada, anywhere in Canada, must be deposited with some public authority, it may be in the public archives of Canada, or it may be the parliamentary library or somewhere else. It is a very worthy object with which, I have no doubt, every member of the House is in full agreement, and I move second reading of the Bill.

Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Committee of Supply:

DR. POTTLE: Mr. Chairman, I would like to make some suggestions to the Committee on an amendment to item 1114 appearing on page 58, also 1116 specifically with reference to the salary of the superintendent which is intended or was intended to be on the same scale as the salary of the superintendent of the Infants' Home under 1112, in order that they may be paid equally. Under 1117 the salary of the clerk of the court is in error for this present estimate and should read 2,000-70-2,700.

MR. CURTIS: Mr. Chairman, may I ask to reopen the vote on page 37 No. 714. The vote for Civil Defence, Mr. Chairman, was ten thousand dollars and since this vote was put in and passed, we have appointed Group Captain Grandy as Civil Defence Officer and his salary which is contractual is five thousand dollars. We also have attached to that department and transferred from the Department of Health, Mr. J. V. Rabbitts, whose salary, I understand, is \$2500. He is being transferred from Health and we will be paying him in future out of this vote, I ask that it be increased to seventeen thousand five hundred to look after these two salaries.

MR. HOLLETT: That takes care of more than two salaries?

MR. CURTIS: They have to have some money for expenses. This ten thousand dollars was a round vote.

MR. SMALLWOOD: We have to add this \$33,000—Finance, I think, is, the right Department for it. That is capital account. Actually it is the purchase of houses, the purchase of land, and we pay for that land in instalments by assuming that debt, that

would make it capital account. Municipal Council bond—

MR. HOLLETT: It is a recurring expenditure for how many years?

MR. SMALLWOOD: Until 1968. \$33,357.

Committee reports having passed 1114, 1117 and have also made amendment to No. 714 and 1315.

MR. SMALLWOOD: I move that the House at its rising do adjourn until tomorrow Thursday, at 3:00 of the clock.

The House adjourned in the usual manner.

THURSDAY, May 15, 1952

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

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I am very glad to announce to the House that another gift has been made to the Newfoundland Memorial University. This time it is a gift of ten thousand dollars made to the University by the Labrador Mining and Exploration Company through the courtesy of Mr. Jules R. Timmins.

Presenting Petitions

HON. P. J. LEWIS (Minister without Portfolio): Mr. Speaker, I beg leave to present on behalf of the people of Bell Island particularly the residents of Lance Cove, Freshwater, West Mines and some of the other sections in the rest of that area requesting the attention of the Government, particularly the Department of Public Works for the inauguration of a road programme on that island.

It appears that apart from a very limited section which is paved the remaining roads on the island have a gravel surface and are in a desperate state of disrepair.

The Bell Island people, as the House knows, are very heavy revenue producing people contributing very largely to the revenue of this Province and they feel, we all feel, they are entitled to reasonable means of transportation. The present Minister of Public Works, I understand, has been well acquainted with Bell Island in the past and will be familiar with the conditions existing there. The junior member for Harbour Main-Bell Island supports the prayer of this petition and I would very much hope that the Government sees its way clear to implement this prayer. I have very great pleasure in supporting the petition, and lay it on the table to have it referred to the Department concerned in the hope of immediate attention being taken. The position has been taken in this House that petitions of this nature have had the history of being relegated to the background and when they are presented here nothing further is done. I will say this, I have had the privilege of presenting at least one petition to this House, since this session came in, and it has been referred to the Department of Public Works and it gives me great pleasure to say that petition has not been buried but has received immediate attention and already the responsible officers of the Department have given careful consideration to the prayer of the petition. I can expect on behalf of this petition the same consideration from those responsible, and I do trust, Sir, that immediate steps will be taken to alleviate the conditions of which this petition complained.

MR. JACKMAN: Mr. Speaker, I rise to support the petition, and to support the remarks of the honourable member for Harbour Main-Bell Island. With regard to the petitioners I might say that ninety-five per cent are miners producing in the mine and they have to use the roads, and as is pointed out, the roads are, Sir, in a very bad and backward condition. Apart from one section, we have no other roads on Bell Island which are paved. Now, I think the idea of this petition is to have all the main roads linked in this loop, that is Lance Cove and Freshwater, and I also think that the idea is to have the work extended over a period of five years. But in that connection I would like to point out to the House here that Bell Island now will be entering into a contract in 1952 which will cause the production of eight hundred thousand tons of ore and I think the royalty on the ore is ten cents a ton.

MR. SMALLWOOD: Ten and five.

MR. JACKMAN: That would work out approximately at a total of two hundred and fifty thousand dollars a year over a period of five years, a total of nearly a million and a half dollars. I understand also that the cost of this road development would possibly be something in the nature of, to do the job completely, a quarter of a million dollars. So that I would point out here that the petitioners who are asking for the services are during that period paying for it themselves. I feel certain that the Honourable Minister for Public Works who is a former Bell Islander, still, I am sure, maintains a great interest in it and will do everything in his power to see that the prayer of this petition will be carried out.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I would like to say just a word. I do not want to delay the House with any comment in this connection, but I agree with the comments of the honourable members for Harbour Main-Bell Island who have spoken to the prayer of this petition. I know the area well, spent a lot of my early youth on Bell Island and I should be very happy if we can get anyway near the prayer of this petition. I merely would like to point out that Bell Island today possesses a town council which I believe embodies a portion of the area mentioned. It will therefore be necessary for us to work out, if we ever get down to the stage of doing so, to work out a programme in connection with the town council, particularly for the town square and West Mines area which I believe is under the jurisdiction of the town council, I am not particularly clear on that. My colleague the Honourable Minister for Supply has pointed out actually we have spent fifty thousand on roads last year, I think the town council themselves did about fifty thousand dollars worth of improvement in the last year. I realize there is a need for a great deal more. Paving the road is really quite a proposition and will require a tremendous amount of money. The Department of Public Works has maintained on Bell Island for more years than I am quite aware of, at least four, prior to my coming into the Department, a highroad division there. We keep a first-class man there all the time to effect repairs as far as it goes, just how much is spent every year I am not in a position to say, but last year in connection with this effort we had the benefit of the town council and I think Bell Island is going to come into its own. I real-

ize, as the honourable member said, there is much to be done, but hope, with the co-operation of the town council, Bell Island will, before too many years ago by, have the opportunity to get much better roads than I have seen there. In 1908 I visited Bell Island first and I recall having to help get my mother's household goods from the pier at Bell Island to the house the Dominion Iron and Steel Company arranged to rent to my mother. On that occasion we had to go through possibly ten or fifteen inches of mud. I expect it is not much better yet at certain times.

I sincerely support the petition and trust the programme of the Government may be able to improve conditions on Bell Island, which as the honourable member for Harbour Main-Bell Island today has said is continuing to be one of our biggest revenue producers.

Petition tabled and referred to the Department concerned.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motion and Questions

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow, or later on in today's session of the House, ask leave to introduce three Bills, none of which is contentious. A Bill, "An Act to Amend the Industrial Development Loan Act, 1949." I might say for the benefit of honourable members it is similar to the Act passed the other day which makes the secretary, secretary only of the Board and not a

member. A Bill, "An Act to Vest in Her Majesty in right of Newfoundland Certain Claims in respect of Freight paid to the Canadian National Railway Company." The name of this Bill, Mr. Speaker, will indicate its objects. A Bill, "An Act Further to Amend the Loan and Guarantee Act, 1951."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Co-operative Development Loan Act, 1949." I may say for the information of the House this Bill is not contentious but merely seeks to provide that the secretary of the Board is actually not a member of the Board.

Notice of Questions

None.

Answers to Questions

None.

Orders of the Day

Adjourned debate on Budget Speech:

MR. SMALLWOOD: Mr. Speaker, I intend now to detain the House only a short while. I have said everything I wished to say in the debate on the budget with the solitary exception of the fisheries of Newfoundland.

Now, Sir, it hardly needs to be said in a Province such as Newfoundland that the fisheries are still, notwithstanding the great growth of the pulp and paper, mining and other industries, the principal industry we have, from the standpoint of the number of people engaged in it and depending primarily on it for their living. It would be just a mockery to speak of enjoying prosperity in Newfoundland without a prosperous fishery, in-

deed it would be a contradiction in terms. We might as well face the fact, and face it now, that if we fail as a Government, as a Legislature, and as a people to reorganize our fisheries and put them on a paying basis for every one engaged in them including the fishermen, we cannot have a truly enduring prosperity in Newfoundland.

Now, Sir, rather more than a year ago the Government of Canada joined with the Government of Newfoundland to set up a fisheries development committee. Both Governments took so serious a view of that appointment that they asked no less a personage than the Chief Justice of the Supreme Court to accept the chairmanship of the Committee. Both Governments are directly represented on the Committee, the Government of Canada through Mr. Gushue and the Government of Newfoundland through Mr. Planta, the fishermen are represented on it through Captain Clarence Williams, a deep-sea fisherman from the South Coast, and Mr. George Groves, an inshore fisherman from the North Coast, the fish trade is represented on it through Mr. H. Russell of the frozen fish trade and Mr. Harold Dawe of the salt codfish trade. The Government of Canada has lent to the Committee in the past year a number of its top ranking fishery economists and technicians. The Government of Newfoundland has for its part paid the cost of several such specialists whom we had to bring in on loan from the Department of Fisheries of Canada.

That committee, Sir, in the past year has done an enormous amount of work, they have travelled as a Committee to many dozens of our fishery settlements along the entire

east, northeast and north coast as well as the south east coast and the south and west coast, and to a less extent on the west coast. The Committee's technicians have also visited many of our fishery settlements. Altogether they have gathered a tremendous amount of information which is being put into written form as a report on special aspects of the fishery production problems. The Committee itself has for some weeks past engaged upon the writing of the main body of the report and recommendations. Sometime ago the Committee came to the conclusion that they could not complete their main report and recommendations in time to have anything done in Newfoundland in 1952. They did not, however, wish to lose a whole year so they made an interim submission of several things that they felt could and should be done in 1952. These things are quite limited in number and in the amount of capital required compared with the number of things and the amount of capital required in their main report. The Committee came to the Government of Newfoundland and explained this interim report for 1952, they then went to Ottawa and explained it to Mr. Mayhew for the Government of Canada. Mr. Mayhew has called me to say that he will arrive here on Tuesday of next week to discuss with this Government and with the Fisheries Development Committee the implementation of the things in this interim submission and the main body of the complete report when that report is received.

Now, Sir, it must be clear to everyone that it was farcical, just a pure joke to contemplate the kind of reorganization needed in our fisheries to give a living and a decent profit to everyone engaged in it without re-

lizing that that reorganization is going to cost many millions of dollars, just talk, just wind, to discuss the reorganization of our great fisheries, unless it is clearly understood and agreed that many millions of dollars must be poured into that reorganization. Certainly it was only because of this Government's assurance of Federal Aid in that capital requirement that this Government agreed to share with the Government of Canada in the responsibility for setting up this Committee. We had good reason for that assumption, for on the 5th day of May, 1949, Mr. Mayhew made a special announcement of Canadian Government policy with regard to the fisheries of Canada. In that announcement he made this statement and I quote exactly:

"The Federal Government should continue and expand its research work on the development of our fisheries resources and on the technical development of the fishery industry. It should also take special steps towards encouraging the application of these scientific results to industry, particularly in those areas of the country where development has lagged," (I ask the House to note these words) "and the standard of living of the fishermen has consequently suffered. Some of these areas are rich in resources and it is possible to raise the standard of living by improving technique." (Now, Sir, here is the sentence which the Government of Newfoundland noted with particular care) "The Federal Government should encourage the application of modern techniques by increasing its technical services to the fishermen and also consider capital assistance where necessary." To use his own words; "In these areas attention should be concentrated on (1) the improvement in fishing methods, in types of boats and

gear, improvement in shore plants, in layouts of plants, in canning techniques, in freezing and making and in special cases in the encouragement of the establishment of reduction plants."

Having noted these pronouncements of the Government of Canada through its distinguished Minister of Fisheries, this Government joined gladly with them in the creation of the Fisheries Development Committee. Our decision to do so was well borne out, the wisdom of our decision was well borne out on December, 1949, by these words, and by Mr. Mayhew in the House of Commons. Before he used these words he was referring to backward areas, undeveloped areas in the fishing parts of Canada, "In the background areas, as already mentioned, there is a special need for the establishment of technical and demonstration services to fishermen and small plants particularly in the Maritimes and Newfoundland. These services are as necessary to the fisheries as experimental farming and demonstrations are to agriculture. We plan accordingly to use the new technical services division to demonstrate in each of the main fishing areas the best in modern fishing and fish handling; we propose also to develop an intelligent service to fishermen, one of the most important functions of which would be to advise on the whereabouts of fish schools during the various seasons. Some additional staff will be required by the Department to carry out this work and there will be need for chartering demonstration vessels and gear and the recovery (Mr. Speaker, I ask you to take note of that word "recovery") of the poorer fishery areas which may require more than technical guidance. We know we have to expand greatly our exploration and our surveys of the fish

stocks around these coasts itself and this too is part of our programme. When you go to many of those communities you get the impression that there is just not enough fish locally available to give the men a decent living, but you cannot be sure. So many of these communities depend on very small boats that can fish only a few miles from shore, and their equipment is so poor that they have to wait on the fish coming to them. With better equipment they could fish further afield and go where the fish happen to be. We are not at all sure, however, where fish are to be found and in what numbers. The survey of the sea is not like making soil surveys, it is more difficult, more expensive and it takes longer to produce results. I am sure, however, that greater exploration of our fish stocks is necessary in helping fishermen and in helping to decide what areas are really sub-marginal. Sub-marginal there has to do with economics, the standard of living, the opportunity to make a living, and in helping to decide what areas are really sub-marginal and what areas merit new investment in the form of harbours, boats and plants. Much survey work will be necessary to give us the facts on which to reach decisions of that. There are, of course, in some parts of the east coast other industrial problems beyond fisheries, the future expansion of the fisheries has to be part of a more general programme and the success of such development will depend on close association between the Federal and Provincial Governments, each has an important part to play. Likewise the fishing industry itself has a major responsibility on its part for the industry, it may lack the management and the capital for the prosperous

expansion and that we shall be surveying carefully." The House, therefore, will have no difficulty in seeing why this Government were so happy to join with the Government of Canada in the creation of the Fishery Development Committee. Now, Sir, as long as Newfoundland has been Newfoundland the fisheries have been with us and they have always constituted a problem, and that problem has never been solved and I don't know if it ever will be. But certainly, Sir, now that we are part of Canada it can be said by every Newfoundlander whether Liberal or Tory, rich or poor, high or low, confederate or anti-confederate, that we did give up our old and honourable if not always profitable isolation and independence without the strong belief that joining with Canada would mean and must mean Canada's sharing with us in the reorganization and upbuilding of our great fishing industry because Newfoundland is the fishery and the fishery is Newfoundland. The fishery means more to Newfoundland than any other single industry means to any other Province of Canada. We have been happy to note the generosity with which the Government of Canada down through the years, the generosity, the wisdom, the farsightedness with which that Government has dealt with the primary industries of the various Provinces, we have noted with delight, I say, the fact that in a multitude of ways and at a cost of many hundreds of millions of dollars the Government of Canada came to the rescue of many of the primary and basic industries of the nine Provinces. Sir, we are equally confident that the great Government of Canada will just as generously and readily come to the rescue of our great fishery industry of Newfoundland.

We look forward with great interest indeed to Mr. Mayhew's visit, great things depend upon that visit, the fate of Newfoundland for generations to come as far as the fisheries are concerned may be determined largely by the outcome of the conversations that will be held in the coming days with the great and distinguished Minister of Fisheries of Canada. Now, Sir, I have reason to know that Mr. Mayhew personally has nothing but the kindest feelings for this Province. It will not be his first visit here. On his earlier visit he went to a number of our fishing settlements. He himself comes from that great fishing Province of British Columbia and is already familiar with the fisheries of the West Coast of Canada. Having myself not long ago visited his own home town of Victoria and the great city of Vancouver, and having myself seen many indications of prosperity amongst the fishermen of that great Province, having myself seen the almost unbelievable, for a Newfoundlander, unbelievable standard, high standard of living of the fishermen of that Province, I say, we await Mr. Mayhew's visit with great hope and great confidence. We feel too that in the Prime Minister of Canada we have a gentleman who takes a genuine personal interest in us, and a gentleman, Sir, who knows as well as does any man that prosperity in Newfoundland cannot be enduring without prosperity in the fisheries. I add to that, you cannot have prosperous fisheries in Newfoundland without large scale reorganization and you cannot have large scale reorganization without the spending of many millions of dollars in the next few years. I have already in this House given my rough estimate of what it will take. It will take, I

believe, not less than twenty million dollars to reorganize the fisheries and then I think only of boats and engines and fishing gear and fishery plants. When I come to think of harbour improvements, of aids to navigation, of public wharves and breakwaters, of streets and roads, of schools and hospitals and other public services in the larger central fishing settlements that should emerge from this vast reorganization programme, then I think of an amount running far in excess of twenty million dollars. But, Sir, I do not suggest that it is feasible to spend fifty million dollars on this great programme of fisheries reorganization in the course of the next year or two. I think rather of a programme extending over a period of years, the next ten years because no matter how sound the programme may be it will depend for its success amongst other things upon the right personnel to carry it out. No man can claim that we in Newfoundland or indeed in Canada as a whole possesses enough trained personnel in fishery matters to carry out so great a programme just in this Province alone, let alone other fishing Provinces of Canada. So, I say, we have made a great start after many false starts, many failures, and I include in that very conspicuously the blunder we made in the backing of the Icelandic Boats. I confess that frankly, I have done so before. If I can say a word at all in our own defence in that matter, it is only that our enthusiasm, our strong desire to do something for the fisheries outran the experience we possessed two and a half years ago. We now realize that fishery organization is not a thing that can be done over-night or in a year or two, we now realize that an industry four centuries old that

has not changed much either in those four centuries will be changed for the good, if it changed only after a sound and constructive programme has been worked out, only after properly trained personnel, skilled men are available to carry it out, and above all only when many millions of dollars are poured into it. But what is the alternative?

The alternative, Sir, I do not like to contemplate for it is hundreds of deserted villages along our coast, it is thousands of our young fishermen resolving never again to set foot in the fishing boats; the alternative is a loss of our fishing population and the gradual disappearance of the peculiar fishing skills that our fishermen possess; that alternative to a great programme of re-organization is nothing less than a fast increasing social problem and political problem in Newfoundland that has been bad in the past and could become very much worse in the future.

So, Sir, having covered the whole of what I wanted to say in this budget speech and now finally this afternoon leaving the most important part of all for the last, I close as I began by offering to the Honourable Minister of Finance my very sincere congratulations upon the greatest budget ever brought down in the history of Newfoundland, upon the masterly fashion in which he accomplished that great task, great for any man, and especially great for any man who does it for the first time. I congratulate him. I congratulate all who have spoken on this side for the high quality of the speeches they have given. I congratulate the Opposition, not for the high statesmanship of their remarks but for making the best of a bad job. I have sat here on this side and heard them speaking and have

wondered to myself what in the world could I say to criticize the greatest budget ever brought down. In the light of that task they acquitted themselves well. If they could not discuss the budget at least they could talk about white-tailed deer, if they could not analyze the budget they could talk about the "Buy Newfoundland Campaign," they could make the best of an impossible task. Sir, this Government is well set on its fourth year in office, is still buoyant, still confident, still certain that it is the Government for Newfoundland, the best of all Governments possible. In 1952 we renew our confidence, renew our strength and go forward with hope and the certainty of a great future for Newfoundland.

MR. CURTIS: Mr. Speaker, I move the adjournment of the debate.

Third Reading:

A Bill, "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies.'" Read a third time. Ordered passed and title to be as on the Order Paper.

A Bill, "An Act to Incorporate the Association of Professional Engineers and for other purposes connected therewith." Read a third time. Ordered passed and title be as on the Order Paper.

MR. SPEAKER: Honourable members will not move about the Chamber while Mr. Speaker is putting a motion.

First reading: Honourable the Minister of Public Works asks leave to introduce a Bill, "An Act to Amend the Highway Traffic Act, 1951." Read a first time. Ordered read a second time presently.

Committee on Supply:

Items 101, 103 page 83 carried.

Item 406—Department of Finance: Carried.

MR. CHAIRMAN: This is the end of the Committee on Supply, are there any amendments?

MR. CURTIS: Mr. Chairman, on page 86—Salary estimates for Government House, there is an item there, Assistant Keeper, Government House Grounds, \$1,500. I have been asked to make that vote \$1,620.

Item 301 amended.

MR. CURTIS: I think this now concludes Supply.

MR. SMALLWOOD: I would suggest, Mr. Chairman, that you leave the Chair for a recess and during the recess period we might be able to find out if there has been any item omitted. In the meantime I am sure Mr. Speaker would like to have a meeting of the Parliamentary Association and if the House would remove to the Legislative Council Chamber we would have a meeting there.

MR. CURTIS: I move, Mr. Chairman, in view of the fact that there might possibly be some revision, that the Committee rise, report progress and ask leave to sit again.

The Committee on Supply have considered the matters to them referred have made progress and ask leave to sit again. Ordered sit again tomorrow.

MR. CURTIS: I move, Mr. Speaker, the House now go into Committee of the Whole on items (4) to (10).

Committee of the Whole:

On Bill, "An Act to authorize the Government and the City of St. John's to enter into an Agreement."

MR. CURTIS: The schedule, Mr. Chairman has to be amended by putting in the words "not exceeding" in front of \$33,000—4th line, section 1, sub-section 2, insert "a sum not exceeding thirty-three thousand dollars" carried.

Bill passed with some amendments.

Bill, "An Act Further to Amend the Fisheries Loan Act, 1949."

MR. HOLLETT: Mr. Chairman, in connection with that, I think it might be handled by the Industrial Loan Board instead of the Fisheries Loan Board. I take it that any shipyard building wooden vessels in any shipyard whatsoever in any place or at any time, or in any place around the country, this gives authority, I understand, to any such shipyard who might build a wooden ship or fishing vessel the Fisheries Loan Board under this amendment has the right to loan that firm money. I am not objecting to it at all, Mr. Chairman, I think that could be done under the Industrial Loan Board.

MR. KEOUGH: Mr. Chairman, I am actually taking advice in the matter from competent officials involved in my Department and on the Loan Boards and it is their suggestion that these businesses presently engaged in construction might more properly be had from the Fishery Loan Board than from the Industrial Loan Board.

Bill passed without amendment.

A Bill, "An Act to Amend the Public Utilities Act, 1949."

Bill passed without amendment.

A Bill, "An Act to Amend the Workmen's Compensation Act, 1950."

Bill passed without amendment.

A Bill, "An Act to Amend Cap. 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books Printed in Newfoundland'."

Passed without amendments.

A Bill, "An Act to Amend the St. John's Municipal Act, 1921 and Act in Amendment thereof."

Bill passed without amendment.

A Bill, "An Act Further to Amend the Gasoline Tax Act, 1949."

Committee considered the Bill and asks leave to sit again tomorrow.

MR. COURAGE: The Committee of the Whole have considered the matters to them referred and passed certain Bills and made progress on the Bill, "An Act Further to Amend the Gasoline Tax Act, 1949."

Passed the Bill, "An Act to Authorize the Government and the City of St. John's to enter into an Agreement". With some amendments, ordered read a third time on tomorrow.

Passed the Bill, "An Act Further to Amend the Fisheries Loan Act, 1949." Ordered read a third time on tomorrow.

Passed the Bill, "An Act Further to Amend the Public Utilities Act, 1949." Ordered read a third time on tomorrow.

Passed the Bill, "An Act Further to Amend the Workmen's Compensation Act, 1950." Ordered read a third time on tomorrow.

Passed "An Act to Amend Cap. 70

of the Consolidated Statutes (Third Series) entitled "Of the Preservation of Copies of Books Printed in Newfoundland." Ordered read a third time on tomorrow.

Passed the Bill, "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof." Ordered read a third time on tomorrow.

Considered the Bill, "An Act Further to Amend the Gasoline Tax Act, 1949" and begs leave to sit again. Ordered sit again tomorrow.

Second reading of Bill, "An Act to Secure the Development of Undeveloped Mineral Areas."—Deferred debate.

MR. HOLLETT: Mr. Speaker, I thought I noted some little concern in the words of the Premier when giving second reading to this Bill, over the principle of the Bill, and if he felt that concern I must also state that I felt no little concern over the principle which may be involved in this Bill. I don't know whether the Government has any particular areas of land in their minds when they phrased this new Bill, but whether they did or not it seems to me that the principle involved in this Bill strikes at the very essence of democratic government, of democratic nations as separate from those which, shall I say, are somewhat dictatorial. You will remember that in England two years back they passed some legislation taking over the coal industry and the steel industry, but even there they made a number of arrangements with regard to compensation for the mines and for the steel plants which they were taking over. In my mind this Act does not provide anything which is absolutely definite with regard to taking over of the right of possession

and ownership of a man or a company in a piece of land. Now, we all know that we have to agree with the idea of expropriation of land when it is absolutely essential in a great need for new public welfare, that is a principle which has been well established and there is nobody objecting to that. But here in this Bill, Sir, there is a principle of, shall I say, confiscation which to my mind is foreign to any Government within the British Commonwealth of Nations. Here the Minister may enter into an agreement with any person, or, I will go back to paragraph 3, that the Minister, that is the Minister of Mines and Resources, I take it, when he has an idea that there are some minerals existing in certain pieces of land anywhere at all in the Province, the Minister may issue a certificate saying that your land or mine or John Jones's or anybody else's land is undeveloped, that there is reason to suspect there is mineral there, and he can say to any company whatsoever they can go in on that land there that is owned by John Jones, you can go in and you can prospect and you can take out whatever ore is there and I give you the right to that ore. I give you the right to that mineral notwithstanding the fact that John Jones, Sir, had either been given fee simple rights to that property many years ago or he had earned fee simple right to that property. When I say earned I am thinking specifically of the Reid people and I have no brief for any of them, don't know any of them, but I recall the 1893 Act as I remember to have read it, the Railway Act, I think it was, which made a sort of an agreement between the Government and Reids whereby the Government had agreed with Mr. Reid that if he would operate the railway

for a period of years the Government would give him grants and fee simple rights to certain blocks of land constituting five thousand acres for every mile of railway which they would operate. At that time there was three hundred and forty miles of railway which came under that scheme and consequently the Reids were given as payment for the operation of the railway for a period of ten years, three hundred and forty times five thousand acres of land, I believe something like a million seven hundred thousand acres. They were given this under that Act, under a contract that they would operate the railway for the Government for a period of ten years. I maintain, Sir, that contract was good on the face of it, but whether it was good morally was another matter, but on the face of it, it was a legal contract between the Government of Newfoundland and that company whereby they earned title fee simple rights to one million seven hundred thousand acres of land in Newfoundland.

MR. CURTIS: And tax free forever, until developed.

MR. HOLLETT: Now, under this Act the Minister is given the right to say to any company, a couple of these companies here if you like, the DOSCO Steel Company or the Frobisher Company or Falconbridge or any other company, the Minister is here given the right to say to them, go in on any of that one million seven hundred thousand acres and take out all the ore there. The Minister can do that irrespective of the fact that in 1893 the Government of Newfoundland gave to these people the fee simple rights to that property. Now, Sir, that is the only thing I object to. I agree with all the Premier

said about people holding up development, holding up anything that would, shall I say, put a spoke in the wheel of development and the welfare of the Newfoundland people as a whole. But to my mind this thing strikes at the very basis of our existence and is contrary to us as a nation and as a people. We made a contract, this Government has made contracts with a good many people, and I maintain we cannot deliberately break it. Oh, yes, if I own a piece of land and I deliberately try to hinder development, or I deliberately try to block the welfare of Newfoundland in any manner, for such I believe in expropriation, but Mr. Speaker, I think that all those cases should and ought to be dealt with on its own merits. I have no doubt but that a good many of these people own land in this country and have not developed, operated it or got any minerals out of it. We all know that in ninety-nine cases out of a hundred there may be no mineral in that land, we hope there is, but I have an idea there may be some people who have spent money on trying to get prospectors to come in, trying to get minerals out. As a matter of fact I know the particular company to whom I refer, the Reids, must have spent, from what I have heard about it, upwards of a couple of million dollars in endeavouring to have some of these areas which they possess prospected, and have mines developed there.

Now, it is the intention under this Act, to say to them, not only them, anybody who has fee simple or any right for that matter, but particularly fee simple, because under fee simple they not only own the land and trees thereon but the mineral underneath. Why the Government ever granted

these things I don't know, but they did. The whole idea now is to say, we are going to take this ore from you. Then we come down and discuss the terms of the agreement made under section 4. "The Minister shall pay to the owner of the mineral area a sum equal to one-third of the sum received by the Minister from the operation after deduction of all moneys expended by the Minister or on his behalf in the prospecting or development or both, of the mineral area." Therein, Sir, I find one of my principal objections to this Bill. There is nothing there definitely to say what the Crown shall pay to the owner of the strip of land under which is found some minerals and which Falconbridge or some other company takes out and sells and makes a profit on—there is nothing in this section to indicate just how much compensation will be given to the original owner of the land. If there were something definite stated, but there is nothing definite there except one-third of the sum received by the Minister, and that, Mr. Speaker, may be nil. It does not even provide for the setting up of a board of assessors to decide what should be given to the owner of the land. As I have said, I have no great objection to taking land when it is absolutely essential to the progress of this country or any other country, but the Government would be well advised not to tamper with those rights and privileges which have been the rights and privileges of people under the British Commonwealth of Nations, under the British Crown ever since away back in the days of the Magna Carta and I am quite sure His Honour the Attorney General will agree with me, this Government or anybody should not be allowed to

do anything which would take from these contractual relations which are guaranteed by the Crown, the sacred rights which belong to them, for if we are to have peace and quiet in the world in which we live and amongst our neighbours—I believe the Government could phrase that Act somehow differently so that it would be less distasteful to me and I believe to a good many people who believe in the right of the individual to make a contract and live up to it themselves, and if it is not lived up to by you or somebody else then to appeal to the tribunal of justice to see that it is carried out. Here you are actually taking away that right. We will assume that some member of the opposite side of the House was given land by his parents or got it from an ancestor who passed it on. Suppose on a hundred square miles of land anywhere in this country or Province, he has fee simple right. How would he feel if the Honourable Minister for Mines and Resources gave permission to some mining company to come in and they come in on you, your land, and say, look here we have a right, the Newfoundland Government gave us the right to take all this ore to do with it what we like, sell it and make what profits we can. And when you ask him what you are to get for it you are told—Well, you have to see the Minister about that he is going to fix it up with you, that is none of my business. I say, Mr. Speaker, I disagree with that principle, and I am quite sure I speak the feeling of a good many members of this House.

MR. MERCER: I am quite sure, Sir, every member on this side of the House will agree with the honourable member for St. John's West with regard to holding the sanctity

of individual rights of citizens, I was glad to note though that the honourable member is perfectly satisfied, as he says, for the Government to be able to expropriate any of these properties when it is in the public interest. This Act here, Sir, is purely and solely for that purpose, when it is in the public interest to expropriate, and does not give power to expropriate land, merely gives power to the Government to say to any person, any mining company they can get interested in trying to get mineral development or trying to find any mineral on that property. We will give you a lease, we do not own the property, but we are in a position where we can give you a lease to explore, search for, find and develop mineral if there is any there. Having done that, then the owner who has done nothing, spent no money on it, absolutely nothing whatsoever is still entitled under this Act to one-third of what the Government receives. Now, obviously if the Government receives nothing, then the owner gets nothing, and the only reason that the Government gets nothing would be because the person searching for minerals finds nothing there. This Government is not interested or anxious to take on the burden of either expending money upon property or interesting other people to spend money on property for fun, it is when the Government thinks it is for the public good and if they find any mineral, having deducted the expenditures which they incurred, the balance is then divided one-third and two-thirds. The position is, first of all, Mr. Speaker, it is not an expropriation Bill, it does not expropriate any property, the owner still remains the owner of the property and is entitled to one-third of whatever the Government makes out of it. There

is a clause providing also for the owner and the Government as to what amount up to one-third of the expense must be deducted. Then there is a clause providing for arbitration.

I think this is a very, very necessary Act, Mr. Speaker, I know of many lots of land in this country where the Crown owns one lot and a private owner the next lot, and the Crown spends some money in inducing some experienced mineral operation to come in to the Province to go on that land to try and find minerals and having found a vein they suddenly find drilling that it runs into the other man's property. The other man pays no attention, sits in his armchair and says, thank you very much, I am glad to know you found the vein runs into my property, you can buy the property for a million dollars. That is what has been happening in this country all along and will continue until the Government is placed in a position where they can do something about it.

MR. FOGWILL: Mr. Speaker, while I cannot object to the principle of the Bill, the development of undeveloped mineral areas, however the Bill itself is very, very, severe in dealing with all the people who may have areas of fee simple property where there are supposed to be, whether it is the case or not, minerals. It is a well known fact, and I believe most members will agree there are many people who did take out licenses to work mineral areas who have made an attempt to develop the property and have suffered a loss of money, and in some cases people have gone broke. There are speculative persons who have perhaps taken out licenses to develop property primarily. Primarily, I think, this Bill is brought in to get after

persons who have taken out speculative licenses and is prepared to sit down and wait for some other person to find the wealth. But, Mr. Speaker, I would suggest—perhaps the Government may not be able to do it, if some clause or other could be put in so that some consideration be given to those people who had tried to develop their property and did spend money and perhaps went broke. The Bill as it is would be as severe on the persons who tried as on the persons who did not try at all. That is all I have to say about it. We all know there are many people in this Island who did not try to make any attempt at all to develop the property, but there are others who did try and have spent their money and other people's money and in fact went broke trying to develop the property. Now, in this day and age where minerals are of much more importance it would be easier to get money to develop this property and these people should receive some consideration and sympathy from the Government under such a Bill as we have here, Sir.—Thank you.

MR. CURTIS: Mr. Speaker, it is not my intention to speak at any length of this Bill, but I would remind the House of the first paragraph which provides that this Act is only effective where during the past ten years, none or insufficient money has been spent in developing an area. Now, in the old days we were very easy-going with those who came before us, we allowed people to stake claims and then after they had shown they had spent six thousand dollars they received fee simple grants. But, I have reason to believe, Mr. Speaker, that a lot of people never spent the six thousand dollars but through political influence one way or another

they received their fee simple grants. Now, this country is spotted with such grants. Some people spent six thousand dollars on their grant and got a fee simple grant, but Mr. Speaker, it was never anticipated that people would get these grants and then just sit on them. These are our natural resources, and it is inconceivable that any person or persons should be allowed to get the title deeds to mineral areas in this country, put the title deeds in their safe and forget it. Why, Mr. Speaker, there are areas in Newfoundland that are held by companies which have gone out of existence, I came across a case the other day where a mining company owning mining claims in Newfoundland had been dissolved and has disappeared altogether, and when I made enquiries as to how the law of the country was situated I was told that we would have to communicate with all the shareholders of that company and their heirs and survivors. If we really had to go and get title from these people to develop areas which we want to develop, we might do it by two thousand and fifty-two but I would not guarantee it.

Now, that is one type of person, and it is for that type of person we have other legislation pending, but it shows, Mr. Speaker, the disinterestedness of a lot of people who own these mining grants, they don't regard them as worth anything, they got them from a prodigal Government who gave them and there were no stipulations that the areas were to be worked, no stipulations at all. They have the fee simple and they just sit and enjoy them and say, some day please God, somebody will find a mine on their claim and then they will sit down and ask for such a price as my honourable friend said, a million dollars, they never take any sum with four

or five figures at the end of it, but like the Honourable Leader of the Opposition when making a budget they always want round figures.

Now, these are assets of the country, and if the Dominion Iron and Steel Company for instance decides to close up and stop producing, does the honourable member who has just spoken, think that we should just sit down and let them do it. I don't think, Mr. Speaker, that the owners of little parts of our country should take that stand, they should not be allowed, they are given these areas to work and if they refuse to work or fail to work them or can't afford to work them, what do we do? We don't confiscate them, we might well confiscate them, but we don't, we say to them, you have neglected this property, you have had it for fifteen years—In the case of Reids, Mr. Speaker, they have had it for fifty years, in some cases they don't know what they have there. Now, the Government has gone to a lot of expense, we have made an aeromagnetic survey of huge areas, and we will continue to do that and these surveys disclose certain interesting areas. Why should we go to that expense, Mr. Speaker, why should we pay all that money out and then just say to these people, we have discovered this for you, go ahead and develop it? I think acting for the country we are within our rights to find out just what minerals we have, and having found out what is there we should have the right not only to go in ourselves and find out what is there but to say to so and so, that this or that company can go in and see what is there.

Now, Mr. Speaker, we are not talking about expropriating anything, it is not a case of a big outfit like a railway my honourable friend referred

to. It is purely a case of developing a country and saying to John Jones, you have this piece of land, you have done nothing with it, you don't know whether it is worth doing anything with or not, you are not prepared to gamble money on it, and don't know anybody else who is prepared to do so, but we, the Government are prepared to get other people to put money into it and put our money into it, and we will do it, and having done that you will participate in the profit to the extent of one-third of anything we get out of it. Mr. Speaker, I think that is an honest way of tackling a difficult question. It is agreed that it is a difficult question, we have passed title to people who can't afford to develop it, can't afford to investigate it, to do anything with it. I spoke to one of these holders the other day and he was delighted at the idea that the Government should go in or get somebody to go in and develop this little mine he has down there near Twillingate. He said he could do nothing with it, he has had it for fifteen years. He bought the mine and everything else for two hundred and forty dollars, he owns it now.

MR. HOLLETT: And now you are taking it.

MR. CURTIS: If he gets anything out of it, it will be many times two hundred and forty dollars, and if we don't get anything he will get nothing, but if we don't do it, it won't be done and he will get nothing. Now, Mr. Speaker, I represent a district very much interested in this Bill. The people of Twillingate have an area full of mineral but every second outcropping is owned by some fellow who is doing nothing with it. I say, Mr. Speaker, that the Government is brave and bold and acting in

the interest of the country when they make provisions for the operation and the development of such areas. I am heartily in support of this Bill and I want to repeat what the Honourable Premier told us already, that it is not the intention of the Government to deal harshly with anyone, it is the intention of the Government only to get proper development. We would rather that the owner develop it. We hope as a result of this legislation that people who own land now will get busy. If they get busy we won't interfere with them, if they will do something to show an honest effort to do something we will not interfere with them, but if they do nothing, and if they want to do nothing we will—I support the Bill.

MR. SPENCER: Mr. Speaker, up to now I have not taken much part in public discussions on matters of this kind. In supporting the comments, however, of my colleague, I feel that I can contribute a point or two in this connection. I don't think it is necessary, and I don't propose to cover in detail the many points which they have so well elaborated, nevertheless, in a small measure I may be very well justified in a case of this kind. I take it there is not one individual in this Island of Newfoundland of which we are so proud and which we are so happy to call our own, who from school-boy age up to maturity or his more mature years does not regret that at some time during his lifetime an opportunity may have been offered to the people of this country had it not been for the lack of foresight or vision in formulating the laws governing claims which were handed out so, I won't say exactly indiscriminately, but something bordering very close on that, handed out to people in some cases, I believe,

I rather fear, without a thought of any attempt at development.

MR. HOLLETT: Like the Seigheim deal.

MR. SPENCER: The Seigheim deal was an effort, as the honourable gentleman knows well, to help develop something for the benefit of this country, and what is more, Seigheim has no ownership nor right to any property. If he had come in to develop, the people of the country would have benefited. My honourable friend across the floor knows that as well as I do, he does not own two cents worth of property and cannot tie up one stick of timber.

Mr. Speaker, I happen to come from one of the areas in this country, well known to be the greatest mineral area of the Island—I speak of Notre Dame Bay. I know something about the mineral areas of Notre Dame Bay. My late father was one of the pioneer miners in that area, Pilley's Island, Becks Cove, Little Bay, Tilt Cove and other sections of that area which has had some development in the past. Today what is the position? If it were not for the courage of this administration the whole of that Notre Dame Bay area would be just simply tied up by some one or two people who have no more intention of developing than any one of the individuals in this House today. The people who really are interested in developing it in the interest of the country—We come in here and what do we find when we have an opportunity, this Government, of developing a policy whereby we have people from all over this world today interested in this little island of ours—The time has come when we must try to foster that interest and give them an opportunity to come in here and

do something about it, and unless we have something to offer them, and I will not be giving away any Cabinet secrets when I say we in this Government have been trying to discover how to offer this property to outside investors. We even last year, to my own knowledge, tried to contact a very prominent gentleman in the old country who has some mineral leases or interests over here, we asked him to come here and discuss the matter with us, but we had word that he had to go to Australia or someplace else, like the fellow referred to in the Bible, Mr. Speaker, one had to go and buy a cow and another had to go and milk her, and the result was he was unable to attend, this gentleman, he could not come and we had to attack the matter in some other form. Mr. Speaker, I do not propose to dwell further on that but just for the sake of the Government to justify their actions, I am very happy to add my voice and I want in passing to refer to my honourable friend from St. John's West who yesterday in his remarks on another matter made this comment.

MR. HOLLETT: Mr. Speaker, I rise to a point of order.

MR. SPEAKER: The honourable member has not committed himself yet, but seemed about to do so. Honourable members may not refer to a previous debate.

MR. SPENCER: I will get around it in this way; I have a very clear recollection of the honourable member saying here that we should have faith in people as to their motives towards us or as to their ideas and what they may or may not do. Now, we have in this debate the honourable member for St. John's West standing up and saying that his only real ob-

jection to this Bill is that no specific amount is laid down there whereby the so-called owner will know just what he is to get out of this. I submit the answer is that we should have faith. The country will have faith when they know we are endeavouring to develop this Island and its natural resources to provide work for people. That is my point, Mr. Speaker, those who sit around the board to try and decide on something for the people, they will make mistakes, yes, nobody who attempts to do anything but will make mistakes, but on the whole Mr. Speaker, I submit that the Government is making a wonderful effort to develop this Province.

MR. SMALLWOOD: Mr. Speaker, I can sum up the Government's case in two or three sentences. First; shall our natural resources be developed? (2) Do the owners of these resources owe Newfoundland the duty to develop them? (3) If they don't, does the Government owe the people a duty to bring about their development? This Bill gives the answer. This Bill says that it is the duties of the owners of fee simple leases, grants or whatever the title be, it is their duty to develop these resources as God-given for the benefit of the people. This Bill says that in their failure so to do the Government owes the people a solemn duty to bring about their development. That is all the Bill is about, nothing else. We are not taking title, we are not confiscating, we are not expropriating, we are leaving the ownership in the hands of the people who now own them. The Government are far more anxious to get these resources developed than the owners are, the Government are far better equipped to get them developed than are the owners. Now, there is only one other

thing I have to say, apart from the fact that the Province of Ontario is at this moment preparing to bring in almost exactly the same legislation for that Province to accomplish the same purpose, to remedy the same mistakes of the past, apart from that I have only this now to say in conclusion: The Government will not interfere with any owner of mineralized land who convinces us that he is doing something. I happen to know, for example that right at this moment they are negotiating for prospecting of certain of their lands. We will not interfere, that is just what we want to see. I happen to know of one or two other owners of mineralized land who have quite recently been in touch with possible prospectors, and with them we will not interfere. All we want is development, all we want is to stop the position where God-given natural resources remain idle and men in consequence remain idle. Finally we will deal justly with every mineralized area and the owner justly. But it is our policy above all to get development and in dealing with the owners to deal fairly and justly and this therefore is one of the finest pieces of legislation, one of the most patriotic pieces of legislation ever brought before the Legislature of Newfoundland; one that is long overdue. I am very proud and happy to have brought it in.

Bill read a second time. Ordered referred to Committee of the Whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move the remaining Orders of the Day do stand deferred and that the House at its rising do adjourn until tomorrow, Friday at 3:00 of the clock. May I say at this time my hope is that we shall meet tomorrow after-

noon and tomorrow night and then before adjourning tomorrow night see how things are going, how far ahead we get and decide whether we should meet Saturday morning or not, and at first we thought we might prorogue on Saturday afternoon but possibly it will be better to put it off until Monday afternoon and meet on Saturday morning if we have to do it.

House adjourned until tomorrow at 3:00 of the clock.

FRIDAY, May 16, 1952.

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

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I wish to take this opportunity to table a copy of the Local Roads report, which I regret was not quite ready to pass around to the members prior to yesterday, as I have just received them. These contain very useful information dealing with the system of local roads set up and in operation in the Department of Public Works. The scheme was really instituted during the days of the Commission of Government and I propose, if I may, for the information of the House to describe briefly the idea of local roads system:

This report which I have laid on the Table of the House is the Local Roads Report of the Department of Public Works for the year 1950-51. Copies have been or are now available to members.

By 1930 the system of Road Boards which had been in operation for a considerable number of years had fallen into disuse. In the period be-

tween 1930 and 1934 only a very insignificant sum of money was provided for local roads purposes. Allocations from this money were limited to providing materials for bridges in extreme and urgent cases. In the following years there was a system of having repairs made to local public works by relief recipients. This could never be satisfactory for obvious reasons but the greatest defect lay in the fact that in those settlements, where the people strove hardest to keep off relief, there was little or no labour for the repair and maintenance of their local public works nor indeed were there any materials available for the repair of such works by the people themselves. A scheme was developed for supplying materials where the people undertook to perform all necessary work by means of free labour, and while good results were obtained in this fashion the scheme did not go far enough and it contained no provision for organization, the net result being that to a very great extent all local public works had fallen into disrepair varying only in degree from one settlement to another. It was acknowledged that the Department of Public Works could not carry out work on local roads in the direct fashion it carries out work on highroads and secondary roads. Practical consideration based on the large number of settlements, their wide dispersal, the small number of Government officials and the cost and difficulties of transportation ruled out this course. For these reasons and on grounds of general policy it became necessary to invoke the assistance of the residents themselves and in 1943 the Commission of Government introduced what is now commonly referred to as the local roads committee scheme.

In developing the scheme the Gov-

ernment had two objects in mind (1) the repair and maintenance of local public works and (2) the introduction of an inducement for people to take responsibility for local government and thus educate themselves in the wider field of civic and national government. The dual objects have met acceptance and in not a few cases local roads committees have graduated into Rural and Town Councils. Furthermore the annual grant voted by the Government for assistance to local roads committees has greatly increased.

Under the scheme settlements may qualify for certain basic grants but, to secure assistance on a higher scale, residents must be prepared to make a contribution towards the expenditure involved. The basis of the plan is the fostering and encouragement of the spirit of self-help.

The first step towards securing the assistance provided by Government is the setting up of a local roads committee. Committees consist of not less than three nor more than five members, one of whom acts as chairman. Upon approval by the Minister of Public Works the members of local roads committees conduct a survey of local roads conditions within their settlement and make a report to the Magistrate for the district giving the following information:

- (1) names of settlements coming within the province of the local roads committee;
- (2) population of each settlement;
- (3) boundaries of each settlement;
- (4) approximate lengths of local road in each settlement;
- (5) statement of the work that is required to be done;

(6) estimate of the expenditure involved—showing costs of labour and materials separately. A list of materials showing costs landed on site of job should be included with the report; and

(7) A statement of the method by which the work may be carried out and supervised.

The report is forwarded by the Magistrate to the Department of Public Works whose responsibility it will be, under instructions of the Minister of Public Works, to decide what action should be taken.

If an allocation of money is made to a local roads committee it is the duty of the chairman of that committee, in consultation with the other members, to make arrangements for the carrying out of the work. Upon completion of the job a proper account supported by a certificate of work done, payrolls and vouchers, is forwarded to the Magistrate for the district who will transmit it to the Department of Public Works for payment. Individual cheques are issued by the Department and forwarded to the chairman whose duty it is to pass them on to the parties concerned and return the documents to the Department with a certificate of payment. It is a condition of every allocation made by the Department that the chairman must exhibit in some conspicuous place (e.g. at the local post office) a list of all payments made from the grant with details to the persons to whom, and of the services, for which payments are made.

The normal sums to be made available to local roads committees will not be more than \$25 (twenty-five dollars) per mile of local road nor 25c. (twenty-five cents) per head of population. It is acknowledged that in

most cases such a sum will fall far short of meeting the cost of maintaining local public works to a satisfactory standard and the Department is prepared to give further assistance to the extent of 50% (fifty per cent) of the cost of carrying out additional work, over and above the amount of the basic grant, on condition that the committee can arrange contributions either in cash or free labour to the other 50% (fifty per cent); Unless unusual circumstances exist the total of the Government grant will be restricted to \$1 (one dollar) per head of population.

A great deal of work and effort went into the task of forming these committees, explaining the details of the scheme and guiding and assisting the committees in the first years of their existence. In this respect much praise is due the various Magistrates who act as a means of liaison between the Department and the committees and who have been responsible in no small manner for the success which has been achieved.

In the first year 109 local roads committees had been organized. The scheme took hold and the number of committees increased from year to year. This Government has given full support to the scheme and has taken definite steps to widen its scope. As a result we now have 578 committees distributed throughout every district of the Province. Arrangements were made to set up committees in Labrador and at the end of March past the number of committees totalled 10—these committees have jurisdiction over 14 settlements. The committees on Labrador are very interested and active and in securing the support and co-operation of the residents have been successful in carrying out many works of a major nature. Some of

the committees have presented long range programmes for constructing roads to link up nearby settlements. Such work would not ordinarily fall to local roads committees but in view of conditions existing the committees have agreed to accept this added responsibility and they have been receiving special grants to assist them in their plans.

During the past year 464 committees received approval to carry out repair programmes as compared with 423 the previous year and 338 in 1950. The total value of the works undertaken was \$417,000, the Department of Public Works providing \$246,000 and the balance of \$171,000 was arranged in cash donations or free labour contributions by the committees concerned. It is interesting to note that in the three year period ended 31st March, 1225 committees undertook works programmes costing \$1,000,000, of which the Department of Public Works bore \$600,000 and the remaining \$400,000 was contributed by the residents concerned.

Presenting Petitions

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I beg leave to present a petition on behalf of the residents of Codroy Valley. The prayer of the petition is one with which the House will not find itself unfamiliar. It has to do with a request for the construction of a new road. I believe that on one or two occasions in the past, honourable members had occasion to present similar petitions. The petition requests the extension of the main highway from Cape Anguille to Codroy, a distance of some four or five miles, and the petition is signed by some hundred odd residents of the

four communities. I know the area fairly well, and I do know that if the prayer of the petitioners could be acceded to, that the road they seek would be a considerable convenience to them. They would be satisfied, I would say, with a road somewhat less than Trans-Canada Highway standards. Since we are drawing near the close of the session, it may well be, Mr. Speaker, that this will be the last petition to be brought forward at the present sitting of this House. I have noted that a goodly number of petitions have already been presented which have been concerned with roads. May I express the hope that when the proper department gets around to taking action upon these petitions, that perhaps the Minister of that Department at that time, would then bear in mind the old adage, "The first shall be last and the last shall be first." I beg leave to lay this petition on the table of the House and have it referred to the department concerned.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I give notice I will presently ask leave of the House to introduce a Bill, "An Act for Granting to Her Majesty Certain Sums of Money for deferring Certain Expenses of the Public Services for the Financial Year ending March 31, 1952, and other purposes relating to the Public Services."

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice that I will presently beg leave of the

House to introduce a Bill, "An Act Further to Amend the Land Development Act, 1944."

No Notice of Questions.

No Answers to Questions.

Orders of the Day

MR. SMALLWOOD: No. 2. Mr. Speaker.

Honourable the Minister of Finance to move the House into Committee of Ways and Means; Adjourned Debate on the Budget:

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I had not intended taking part in this Debate, but there seems from the programme of this House to be time for one more speaker, and there are a few remarks that I would like to make, so that I think I will take this opportunity of making them.

First, Sir, I would like to congratulate you upon your re-election as Speaker. Your honour is, I believe, the first person, certainly the first Speaker in recent times to be re-elected for a second term. This distinction, Sir, shows you the high honour in which you are held by both sides of this House, and I assure you that on this side of the House, we have due regard for your impartiality and honesty in conducting the affairs of the House. I regret, Sir, I was not in the House at the time the Honourable Minister of Finance, and my friend and colleague, delivered his maiden Budget Speech. I was fortunate however, in hearing a broadcast of it later in the evening and have since had opportunity of reading it. I wish, Sir, to join in the sincere congratulations that have been extended to him, and in the hope that the Budget

just presented by him will be the first of many such Budgets to be presented by him to this House. I congratulate him upon the surplus he has shown and trust that his hopes for the year 1952-53 will be more than realized. The estimate that he has given of the probable earnings of our people during the current year, suggests that as a whole the prosperity of the population can well bear the amount of the proposed assessment taxation on foods. There will be some cases where the imposition of even this small taxation will cause hardship, but such cases will be the exception, generally there is no doubt in the Minister's opinion, and in the opinion of all of us that this taxation will be a fair taxation, and will not be the cause of hardship. Indeed, Sir, if we waited for taxation to be free from hardship in all cases, then we could never have any for the poor, we will always have with us, although we are thankful that day seems to be passing.

It must have been interesting to those who have not given a second thought to the matter before to have heard the Honourable the Premier compare the proposed three per cent taxation with taxation as it existed on food and other commodities prior to Confederation. This taxation, Mr. Speaker, is a much smaller taxation than the taxation that was imposed in 1921 as a bonus tax, you might say, what was then looked upon as a small taxation to bolster up a falling revenue. You will remember, Sir, although you could not have been very old at the time, that the Government of the day being short of money decided to tax items which were already being taxed. The sales tax of 1921 was five per cent, it was a tax that was imposed at the Customs

House, it was on the invoice cost of the goods, the cost of the freight and the cost of the duty paid, it was a sort of supertaxation. But even as a supertax, Mr. Speaker, it was a much heavier taxation than the taxation we are asking of our people today. In addition to that taxation, which was collected then at the Customs House, there was a tax on local industries divided into two categories, taxation which was on goods which were already subjected to excise taxation, a tax of 2½% and then there was a tax of three per cent on all goods manufactured in the country.

MR. HOLLETT: There was a tax on food in Rome one time.

MR. CURTIS: So the taxation, Mr. Speaker, that we are proposing to extend to food is a small taxation, a very small tax compared with the taxation the people of Newfoundland had to meet prior to Confederation. Now, Mr. Speaker, there is a difference—things are different today than what they were before Confederation, they are different today from what they were in 1921 and in the years 1937 and 1938.

The total amount spent for public health and welfare in 1949 was about six millions, today the expenditure of public health is two million dollars, and the expenditure on public welfare, six million dollars. We have doubled our expenditure on health and welfare since Confederation and it is significant, Mr. Speaker, that the amount the Government anticipates receiving under this three per cent taxation is just enough to nearly make up this difference. Of course in computing that amount, I am indicating the three per cent taxation not on food only, but on all commodities. Now, is this not a small price for us

to pay, Mr. Speaker, for the prosperity we have today? Is it not a small price to ask the people to pay for the benefits they enjoy today? Is it not a small price for us to pay for the knowledge that the widow, the orphan, the invalid living next door to us is being cared for and living in comparative comfort? What happened, Mr. Speaker, to such unfortunate people in the old days? What was the answer? Was it done? Was it charity? Did not such people go cold, go hungry, did they not have to wear flour sacks, did they not eat mouldy bread, was not their washline an advertisement for the popular brands of flour being sold at that time? Thank God, Mr. Speaker, these days are past, please God, Mr. Speaker, these days will never return. I believe, Sir, that once the people of the country realize the benefits to be derived from this small taxation they will be delighted in the future as they have been in the past to pay their tribute to "Joey" God bless him. I have heard the story, Mr. Speaker, of the woman going in and buying her goods and being told as she went out, "you forget the tax." She said, "here it is, three cents for Joey, thank God." That attitude, Mr. Speaker, will, I am sure, be repeated throughout the whole country, when people once realize the advantages that have accrued to them as a result of its imposition. Let us, therefore, Mr. Speaker, those of us on both sides of the House, place it squarely before the people, let us tell the people the benefits this taxation will bring and is bringing, and I am quite sure that there will be no hesitation in their acceptance of it.

Now, Mr. Speaker, I would like to refer for a moment to our surplus. I fear the position is not generally appreciated as to what we have done

with our surplus. People have been told that it is gone, and some people, I think, Mr. Speaker, believe that we have it in our pockets or a large portion of it. As a matter of fact, Sir, as the Budget Speech pointed out, we still have roughly eleven million dollars deposited in the Bank of Canada at Ottawa bearing interest at two and five-eighths per cent. Of the original surplus which we inherited we have some substantial amounts which went to finance commitments already made by the Commission of Government particularly the West Coast Hospitals, which cost us plenty, and these expenditures were sound as were our expenditures for roads, for hospitals, for schools, very proper expenditures to which our people as taxpayers were entitled. Unfortunately, however, these amounts once spent were non-recoverable. But we have spent from that surplus, Mr. Speaker, very substantial sums, which though they have lessened the amount in the Bank of Canada at Ottawa are nevertheless still recoverable amounts. The Budget Speech on page 18 listed some of these expenditures; loans of three development loan boards \$820,034; invested in the shares of the Newfoundland and Labrador Corporation \$900,000; invested in the shares of the Newfoundland Asbestos Company \$75,000; loans to industrial companies to establish branch factories in Newfoundland \$6,350,000; establishment of wholly owned Government enterprises \$8,097,811; surveys and investigations \$663,094. These items, Mr. Speaker, total \$16,905,939, so that out of our surplus of forty million dollars, we have twenty-seven million dollars, thirteen millions spent is non-recoverable, but we have twenty-seven millions left to us, eleven millions in the Bank at Ottawa, and sixteen millions in recoverable expenditures.

In other words, we have only spent, non-recoverable, thirteen million dollars. These other expenditures are recoverable expenditures, Mr. Speaker, are in the form of investments. Money is no good to us in the bank at Ottawa. What good is it to Newfoundland to have twenty-seven million dollars in the bank at Ottawa? True, it brings in a small interest rate, but what is the value of it? We have eleven million dollars tied up there now, and Mr. Speaker, I feel quite sure the House will agree that of the two amounts, the eleven million dollars in Ottawa and the sixteen million dollars invested in this country, the sixteen million dollars is by far the better investment. It has brought work to our people, is bringing development to our country, it is, we believe, one hundred per cent safe and securely invested.

Now, Mr. Speaker, we have heard how our friends on the other side criticize our Newfoundland and Labrador Corporation. The creation of that company was, in my mind, one of the master-strokes of the present Government. The idea of the organization of such a company was not mine, I do not know just who originated the idea, but it was a master-stroke. Anybody who has followed the history of Newfoundland industries will realize that there has long been need of such an organization to syphon back to the country, to the people of the country some of the huge profits that have been made in the past on the development of our resources. All you have to do, Mr. Speaker, is to look at the industries we have, look at Grand Falls industry, look at the Bowater's industry, look at Buchans industry and realize Mr. Speaker, who got the big profits from these industries. All these three

organizations I mentioned are using the natural resources of Newfoundland, but they paid very, very substantial amounts for these resources. Who received them? The people who just got the stuff for nothing from the Government, got it as for nothing, timber concessions for nothing, mining rights for nothing and peddled them and made millions on them. They made much more money, Mr. Speaker, from these industries than the country has made, and will for many years. It is a well known fact that the A.N.D. Company are making from Buchans fifty per cent of their profits, and all they did was supply the area. The money, Mr. Speaker, that they are getting is money that should be coming to the people of this country and if the Newfoundland and Labrador Corporation functions as we hope it will function, some of these big profits will be diverted from these people to the Government. A Government, Mr. Speaker, represents the people, a Government has no resources, a Government cannot go around the country handing out these areas to John Jones and Toms and Harrys —

MR. HOLLETT: That is what it is doing.

MR. CURTIS: We do not do that. We are vesting these areas in the Newfoundland and Labrador Corporation which is publicly owned, a Crown Corporation, ninety per cent public-owned and ten per cent privately owned. Ten per cent, Mr. Speaker, is a small measure for us to pay for expert advice that this Corporation will have by reason of this ten per cent ownership in private hands. Yet, we are told this is a screwy corporation. If this is a screwy corporation, Mr. Speaker, in Heaven's name let us get more of them. I like screwy corpora-

tions if they are as sound as the Newfoundland and Labrador Corporation.

Now, we have been criticized by the financial geni on the other side of the House for the manner in which we paid up our nine hundred thousand dollars capital in the Newfoundland and Labrador Corporation. We were told that the methods were screwy. Now, Mr. Speaker, I am proud that I was the one that suggested the handling of this nine hundred thousand dollars in this manner. We had to contribute in December nine hundred thousand dollars to the capital of the Newfoundland and Labrador Corporation, that money was a charge on our Ottawa credit.

In other words, we had to draw this nine hundred thousand dollars from the Bank of Canada at Ottawa. That nine hundred thousand dollars was bringing us in an interest of two thousand dollars a month and there was to be no interest payable for any amount that did not remain there for the full six months. If we had drawn that money on the 9th day of December or the 6th day as the case might be, we would have received no interest on it from October 1st to that date, and if we had drawn out the money early in December the Corporation would have been able to get no interest on it except perhaps a nominal half of one per cent from that date to the 3rd day of March. By leaving that money on deposit in Ottawa until March 3rd, the country and the Corporation between them benefited to the extent of twelve thousand dollars of which six thousand dollars came direct to the Government and six thousand dollars went direct to the Corporation, and as the Government's share in that six thousand dollars would be ninety per cent, honourable members will have no trouble

in figuring the amount the Government got out of that second period of time, we cleared eleven thousand dollars by the transaction. My honourable friend may call that screwy, but personally, I feel proud that I was able to save for the Treasury my entire salary for the year by a little quick thinking, and if it were screwy, I think it was good business, and I had no trouble selling the proposition to the hard-headed businessmen of New York and Halifax who were on the board of the Newfoundland and Labrador Corporation.

I was glad, Mr. Speaker, to read in the Budget the references to the Premier. For many years now the Premier has been giving every minute of his waking hours and every thought during that period to the country. What does the Budget Speech say, Mr. Speaker? "My predecessors in my present office have, in their Budget Speeches, laid great stress on this principle; and it is with particular personal pleasure that I add my voice to theirs, I have from the start been a strong supporter of the Premier's drive for economic development. I have agreed completely with his contention that any Government in Newfoundland these times that did not devote itself, heart, mind and soul to that great cause would be acting traitorously to Newfoundland. I know that I speak for all my colleagues in the Government when I say that we have all been inspired by his tireless and able leadership, his ceaseless effort to bring about the development of this Province, his single-minded concentration on the expansion of existing industries and the creation of new ones. He has travelled tens of thousands of miles in Canada, the United States, Great Britain and continental Europe to establish personal contact

with industrialists and to capture their interest for the natural resources of Newfoundland and Labrador. It is only now that the fruits of his efforts are beginning to appear . . ." So he went on, Mr. Speaker.

I want to say, Mr. Speaker, to the House and to the country, that I endorse every word the Honourable Minister of Finance has said with reference to the Premier, and I want to congratulate him now on the success of the recent general election, and I want to congratulate those who were elected to continue to serve under him.

My honourable friend opposite has the word "Budget," we have been told written on his heart. I think the Honourable the Premier in reference to the Honourable Leader of the Opposition said that when he died we will find the word "Budget" written on his heart. I think, Mr. Speaker, when the Premier dies, we will find the words, "Economic Development" written on his heart. I am rather disposed, Mr. Speaker, to tell you the story of one of our outport men whose wife had fallen into a trance. There was no doctor around, and the people presumed that she was dead and proceeded to organize her funeral. However, when passing over a little bridge just before they got to the cemetery, the hearse tipped a bit and the lady woke up and made her existence known so that the funeral was called off. A year or so later, she really did die, and this time the funeral was organized and this time everything went according to plan, and as they were going down the road and nearing the bridge the husband, or widower, now, who was walking behind the hearse, slipped up to the undertaker and said: "Go easy here now, this is where she woke up the last time." Now, I think if the Premier were in

that position and he were awakened on the way to the cemetery and peeping out saw the polished casket with the name of some foreign firm on the side of it, his first remark would be—"Could we not make this article at the Birch Factory?" Because, Mr. Speaker, in my travels with the Premier all over the country, I have found that one question foremost in his mind is whether or not this thing or that or the other thing could not be manufactured in Newfoundland. I want to congratulate the Premier, once again, Mr. Speaker, upon his re-election and upon the re-election of his party. I would also like to congratulate the Opposition in their election. They are the first party in my knowledge, Mr. Speaker ever to be elected as an Opposition. Generally when people vote for the members of the Opposition, they are voting for them with the view of their becoming the Government, but the present Opposition has the distinction of having been elected as an Opposition. They went to the country not with any hope of getting the Government, not with any expectations of getting the Government, but simply as an Opposition, and we congratulate them, and we trust, Mr. Speaker, that they will do their work well. This Government wants criticism, this Government enjoys criticism; this Government welcomes all constructive criticism, all that our friends over there can offer us; we will promise to listen to them, to listen to their criticisms and not be ashamed to take their criticisms, in fact we hope, Mr. Speaker, they will be there very long to give assistance to us in that regard.

Now, I did intend to speak for a moment or two about the Ferryland Election—

MR. HOLLETT: That is an idea.

MR. CURTIS: I have before me the judgment of the Honourable Mr. Justice Winter, but before I refer to it, I want to refer to a statement I made to the press a couple of weeks ago, when I suggested that there might be strong pressure brought to bear upon the Government to pass an Act seating Mr. Murray. I made that statement, Mr. Speaker, with a view of getting public reaction. We got no reaction—I don't think the people are interested. A former Leader of the Opposition did write to the paper, and I believe there was an editorial referring to it, but we did not get the reaction I had expected. The reason, Mr. Speaker, we did not get the reaction is because neither of the papers being published in St. John's today published or was willing to publish verbatim the judgment of the Justice, and so, the people as a whole did not know, and have not been made aware of the point at issue. I feel sure, Sir, that if this judgment had been published in the paper, the public attitude would be quite different from what it is now.

MR. HOLLETT: Would the honourable gentleman excuse me, I have a recollection of reading that in the "Evening Telegram."

MR. CURTIS: That judgment, Mr. Speaker, was not published in any paper. There was published in the paper a copy of the certificate sent by the two judges to the Lieutenant-Governor, but in addition to that certificate these judges filed judgments and it is a pity and contrary to the interests of the country that these judgments were not published, and I think today, Mr. Speaker, that they should be published even if we have to pay to put them in as advertisements. What did Mr. Justice Winter say? "In my opinion the proper

answer to the question submitted is that Myles P. Murray is the duly elected member for the electoral district of Ferryland." That is the judgment of one of the judges. Mr. Justice Dunfield disagreed with him. He held that he was not the elected member, nor could not be held to be the elected member, because some votes had been spoiled. Now, Mr. Speaker, there are three classes of persons interested in the Ferryland election: They are the people of Ferryland, there is Mr. Murray and there is Mr. Duffy. I can refer to them by name as they are not members of the House. The people of Ferryland voted for Mr. Murray, of that there is not the slightest doubt, they voted by a substantial majority for Mr. Murray. Unfortunately, they could not help it, but two or three returning officers muffed the election by putting numbers on the backs of certain ballots so that in justice to the people of Ferryland, I feel that respect should be given to their decision and to their votes. Mr. Murray went down and sought their support and received the majority of their votes cast, but justice is being denied to Mr. Murray because due to circumstances over which he had no control and due to circumstances over which the electors had not control, their wishes have not been carried out.

MR. HOLLETT: Who denied them justice?

MR. CURTIS: I say justice has not been done Mr. Murray, Mr. Speaker, and the judges of the Supreme Court practically say so in their judgment. The other party interested in the judgment was Mr. Duffy. Mr. Duffy could have no cause for complaint if the House passed such a Bill, because Mr. Duffy himself did not receive the majority of the votes and

knows he did not. Now, these three people are interested in the outcome of that election, and justice has not been done to the people of Ferryland, and justice has not been done to the candidate, Mr. Murray, who got the majority of the votes. The only man who benefits by a revote is the man who the people have already turned down, and I am glad, Mr. Speaker, although I have absolutely nothing against Mr. Duffy, I am glad that the decision was made because really it was not fair, and more than human nature could stand to sit and see a man who had received a minority of the votes sitting as an elected member of a district.

MR. SMALLWOOD: It was scandalous.

MR. CURTIS: Moreover, Mr. Speaker, the whole thing was caused by a fluke. We should have done, Mr. Chairman, what the Tories did when Alderdice was Premier of this country in 1933, when there were two men on the Opposition side only and he had all the rest, what did he do? He passed a special Act seating his candidate dishonestly and improperly elected. That was a Mr. E. Gear.

MR. FOGWILL: Conditions are not the same.

MR. CURTIS: Exactly the same. Mr. Gear went to the country and was elected by a substantial majority and the Government passed an Act declaring his election valid although it was void. We should have done the same thing.

MR. HOLLETT: Why did you not?

MR. CURTIS: Because the Tories, Mr. Speaker, control the press, the P.C.'s control the press and the radio and they would try to make political capital of it. For that reason, Mr.

Speaker, we are prepared as a Government to bend over backwards so as not to be criticized for doing what I say we should and ought to do. Remember, Mr. Speaker, the capability of a member to sit here is a matter for this House. It is true we have delegated it to a certain extent to the Supreme Court, but when the Supreme Court disagrees, as it has in this, I maintain it is up to us to correct the situation and not have a man denied justice by what you might call a fluke.

Now, I will tell you what I mean by a fluke. Mr. Murray was declared elected by the returning officers of Ferryland—had there been no recount, had Mr. Duffy not petitioned, as was his right, had the two judges of the Supreme Court not disagreed, as they did, the decision would have been that Mr. Murray was elected. In other words, Mr. Murray has been denied his seat in the House of Assembly through a fluke. The fact that there was a recount—had there been no recount Mr. Murray would be sitting here today without question.

MR. SMALLWOOD: He will be sitting here.

MR. CURTIS: Now, as I say, Mr. Speaker, the Government will lean over backwards, will give Mr. Duffy another chance to contest the district and have the people of Ferryland pass their own judgment.

Mr. Speaker, there is one other matter I would like to refer to, and I refer to it, because it hits a personal note. During the election and indeed during the subsequent session of this House I have been criticized because my law firm has incorporated some of the German firms that were doing business with the Government. I

think that it is only fair that I should put my position squarely before the House, because the whole question is nothing of which I am or need to be ashamed. It is true that when some of these Germans, or when the first of them came to the Province Dr. Valdmanis asked me after he and they had reached an agreement as to the terms of their proposed industry in Newfoundland, and when it became apparent that they had to become an incorporated company, Dr. Valdmanis asked me if it would be all right for my firm to incorporate the companies and laid down two conditions: (1) I would like you to give them a special rate and (2) it must be understood they have no money to pay you now, you have to take a chance. Well, I considered the matter. The agreements between the parties and the Government had been completed. They had been drafted, they had been signed and they were no longer an issue. All they needed was an Act of Incorporation, which, as every lawyer knows, is a routine matter. Dr. Valdmanis's two requests gave me some worry, first to do the work for a reduced fee. As a member of the Law Society, Mr. Speaker, I had to say no to that. Lawyers like some unions have a scale of fees and the scale of fees in connection with incorporation of companies is a standard scale and no lawyer is supposed to break that scale, so that I had to say no to his first request. But as to the second request, Mr. Speaker, and that was that, we would not push for the money, that we would do the work and wait until we got it, it seemed not unreasonable. The result was, Mr. Speaker, and I checked up with my office recently and I might say I checked up by phone, I never have time to go down there, and I find that less than

twenty-five per cent of the fees charged to these people have been paid. So I maintain, Mr. Speaker, that in assisting these firms to get incorporated we were really doing the Government a favour. He could hardly ask any other law firm to do what I did, he could hardly ask any other law firm to do work and take a chance on getting paid. The first thing they would say would be, if there is a risk like that, why don't you take it yourself. We did so, Mr. Speaker, and I would like to make it clear that in all the negotiations that have taken place between the Government and these firms, my firm took no part whatsoever in the negotiations, my firm was engaged wholly and solely doing the work of incorporating the companies which is a standard practice and which involved none of the negotiations which took place between Dr. Valdmanis and these people who came here, industrialists, they had no local lawyer at any time in these negotiations, some of them had their own lawyers with them, but none of them had local lawyers. I can say frankly, Mr. Speaker, in most cases, to my knowledge, my partners never even saw the agreements which were made, and prepared by Dr. Valdmanis and then sent to our office. The office of the Attorney General prepared them and the industrialists who came, signed on the dotted line.

Now, I am stressing the point, Mr. Speaker, that my firm was not negotiating on the one hand, while I was negotiating on behalf of the Government on the other hand. But there is a precedent for our not being quite so careful. In 1927 there was an Agreement made between the International Power and Paper Company and the Government of the day was represented by the Attorney General

and the interested paper company of the day was represented by the Attorney General's Firm and these negotiations took weeks and weeks and weeks and involved very substantial sums of money. Indeed we are now receiving from the firm in question, income tax in excess of a million dollars a year whereas that agreement limited their income tax payments to one hundred and fifty thousand dollars. Now, I am not suggesting, Mr. Speaker, for one moment, that there was anything improper in what took place in 1927, in fact, I am quite sure nothing improper took place, but I am drawing, the attention of the House to it to show that the charges which are being made and have been made about my law firm and myself, over the air and in the campaign, are not justified. I want to make it perfectly clear now that there is an election pending, and I don't want to sit home in my house and hear, as we heard in the last election, "Vardy is gone, Curtis is going, and Forscy is the next." I am not ashamed, Mr. Speaker, of the situation and I invite any inquiry or any investigation that anybody might seek to make.

Now, Mr. Speaker, I come to the end of my speech. We all came here from an election and there was a certain amount of bitterness, naturally engendered during that fight. Fortunately, a lot of that bitterness has now passed over and I think from now on, for the balance of our term of office, we ought to be able to get together. I assure the members of the Opposition we on this side of the House bear them no personal ill-will and I am quite sure they bear us no personal ill-will, and I feel that if we can get together and work together and forget personalities and discuss issues that we will all do a job that

will be a credit to ourselves and to the country.

MR. SMALLWOOD: As Leader of the House, I would like to draw to the House's attention the presence here this afternoon of a very distinguished gentleman whose coming we have been awaiting with great interest and anxiety. The gentleman in question bears a name which has become a household word in Newfoundland, in recent months, and one than which no other name is better known in Newfoundland today, a very distinguished American industrialist and financier who has as everyone knows, taken very active interest in the industrial development of Newfoundland. I refer to Mr. John Fox who entered the Chamber a few minutes ago having just landed at Torbay Airport, and is here in St. John's for talks with the Government in connection with the exploration for oil on the West Coast of the Island. I am quite sure each side of the House without distinction of party or policy will join in their delight at having Mr. John Fox as a visitor to the House this afternoon.

MR. POWER: Mr. Speaker, I understand that it is the traditional duty of the Finance Minister to wind up the Budget Speech. Well, Sir, I have not prepared a speech, and I don't think there is a great deal of any consequence left to say, but I want to thank the various members of the House who complimented me personally during the course of their speeches on the debate especially the members of the Opposition. I think it was very generous of them because it goes to show that even though we are political opponents, we still can see at least some good in each other.

Now, Mr. Speaker, I think when I

first attended the sessions of this House about twenty-five years ago, I came here one evening with a couple of class-mates after school. We had been listening to an account of the rather blood-curdling things taking place here during the session, so we came in here one evening a little timidly, I admit, because we were not sure how well we would stand up to the sight of blood. On that occasion, one of the honourable members was really hitting the ceiling, offering to lay down his life for something or other. And I remember that I was struck very much by this, because I had always thought that laying down one's life was a serious proposition, but this gentleman was making it sound as easy as falling off a log. So Mr. Speaker, he went on from there to explain how somebody had been putting crowns of thorns on the heads of public men—Then I left, because I never suspected there were such blood thirsty characters in our peaceful community, and we withdrew as quickly as we could. In those days I never aspired to having a seat in this House, and it was more or less by accident that I got here. However, since I did get here, I might say that I have done my best to be a good finance minister. I know that I have not been the best Newfoundland has ever had and only hope I won't turn out to be the worst.

Now, Mr. Speaker, there have been a few small criticisms regarding my speech that I would like to take issue with, and the principal one is the criticism of the three per cent taxation. Now, I would like to explain to the House the purpose and the effect and the results of this move on the part of the Government, as I see it. Well, at the moment, it is the cheapest social insurance that can

be bought anywhere. For example, if we take the average family in Newfoundland which is, I think, counted as five, and take their monthly grocery bill which, let us say, amounts to about sixty dollars a month, they are paying two dollars a month social taxation which is twenty-four dollars a year. Well what do they buy for that? They buy, as I have said, the cheapest social security insurance that can be bought anywhere in the world. Now, here is what they get: If the bread-winner of the family dies every member of that family—the mother of the family will receive mothers' allowances amounting from twenty-five to fifty dollars a month until the youngest child in the family reaches the age of sixteen years, and that might well go on for sixteen years. Then if any member of that family past the age of twenty-one is incapable of earning a living on their own they receive a dependents' allowance of from twenty-five to forty-five dollars a month for the rest of their lives. On top of all that if every member of that family succeeds in reaching the age of sixty-five years, and are in need of assistance, then they would be eligible to receive \$30 in old age pensions.

Now, Mr. Speaker, as I have said, that is the cheapest social security insurance that can be bought anywhere in the world. I think those of us here who have some little knowledge of life insurance will realize that what I say is true.

Now, Mr. Speaker, we have been told by members of the Opposition that the country is actually broke, or was broke on March 31st. Well, as far as I knew, we had a surplus of a million three hundred thousand dollars, and we have estimated for a surplus of over six millions, we have eleven millions in the Bank at Ottawa.

I, who have been broke many times, certainly did not appreciate the statement that the country was now broke, now on the rocks. As a matter of fact, in my opinion, Newfoundland is better off now at this moment than she ever was in all her history; the prospects of the people for employment and the prospects of development of the country are better than they have ever been in my time. But, unfortunately, there are people in this country, a great many people, who doubt the possibilities of Newfoundland, who have very little faith in her future, and that is why when I hear the destructive advertisements with regard to our development policy that I feel those responsible for it are really doing a lot of damage to Newfoundland, because not alone are they discouraging our own people, but discouraging outsiders, who if they think we have no confidence in ourselves and in our country, will hardly invest money. As I said there are people in Newfoundland, who have not a great deal of faith in their country, not all, but a great many, and that is unfortunate because the economic history of Newfoundland is largely the history of very small success and large failure, and that has been going on over a hundred years or longer and has destroyed the confidence of a lot of people in the prospects of Newfoundland, and in what it might have to offer in the way of livelihood for them in the future. Now, when people criticize our industrial policy, it only goes to increase this lack of faith, and if the people have not faith in their country, in Newfoundland, it will be harder still for any Government to develop it and get it to the stage where our young men and women are satisfied to stay home here and build here instead of abandoning

their homes and pulling up their roots and going to the Mainland of Canada and to the United States. That process has been going on for many, many years. In the settlement where I was born there were five hundred people there in 1911, and in 1932 the number was reduced to two hundred and forty-four or something like that. They had lost confidence in Newfoundland. So the Government, when it came into power started a great drive for industrial development with the hope, as the Premier outlined here, that it would accomplish two things, develop Newfoundland and serve to keep our people home while that development was taking place. Well, Mr. Speaker, when I hear people say that the Cement Mill is falling apart, I have a job to believe that remarks like that are being made with the purpose of being helpful. You see all down through Newfoundland history, there has always been the fear in people's hearts that nothing would come of whatever has been suggested and promoted. At the time for instance, when the bases started at Argentia, and it was announced publicly by the State Department of the United States that millions of dollars would be spent at Argentia, I remember talking to an old chap there, about seventy years old, who had fished his life time. I said to him; "Is it not a wonderful thing, we are going to have this huge base here beside us, everyone will get a job and everyone will have a chance to get the things they wanted so long;" He said; "Listen son, I heard all that stuff before, and I am going to tell you right now that it will all end up in the same way." It would be bad if we did not encourage our people to believe in Newfoundland, to believe in her possibilities and still more, to be-

lieve in the people who are trying to develop it, and trying to bring it out of the economic morass in which it has floundered for a hundred years. I don't know what contribution I can make in the councils of the Government to promote this great policy of economic development, but I will do my best and I am sure that the Premier will be able to handle the situation at all times. I am more and more amazed at him as I know him better, and not in any sense of flattering him, as he knows privately I never flatter him, but when I sit here and listen to him make first-class speeches right off the cuff with clarity and with a class of English which would probably take me a day to compose, I cannot but feel that in him we have someone with the ability to do what no one in Newfoundland ever succeeded in doing before, of bringing about this industrial revolution.

Now, Mr. Speaker, I have not a great deal more to say, and before I run out of ammunition and start referring to white-tailed deer or mouth-wipes, I want to wind up my few remarks, and congratulate you, Sir, for the able and impartial manner in which you have conducted the affairs of the House, and thank all the honourable gentlemen for the compliments they have paid me. I will say in this my first session I have gotten an idea of the processes of democracy and I have gotten an idea of the kind of people whom I am associated with in the Government, and all considered I am very happy indeed. Thank you very much.

Committee of the Whole on Ways and Means: Committee sat, reports progress and asks leave to sit again presently.

Third Readings :

A Bill, "An Act to Authorize the Government and the City of St. John's to enter into an Agreement." Bill read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act Further to Amend the Fisheries Loan Act, 1949." Bill read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act to Amend the Public Utilities Act, 1949." Bill read a third time ordered passed and title be as on the Order Paper.

A Bill, "An Act to Amend the Workmen's Compensation Act, 1950." Bill read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act to Amend Chap. 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books printed in Newfoundland.'" Bill read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof." Bill read a third time, ordered passed and title be as on the Order Paper.

First Readings :

"An Act Further to Amend the Industrial Development Loan Act, 1949." Bill read a first time, ordered read a second time presently.

"An Act to Vest in Her Majesty in right of Newfoundland Certain Claims in respect of Freight paid to the Canadian National Railway Company." Bill read a first time, ordered read a second time presently.

Honourable the Attorney General asks leave to introduce a Bill, "An Act Further to Amend the Loan and Guarantee Act, 1951."

MR. CURTIS: Mr. Speaker, I think I should ask the leave of the House to introduce this Bill. We have already amended the Act once during the present session, but I trust the House will give this permission. We could get around it by having His Honour the Lieutenant-Governor come and dissent the former amendment when this motion would be perfectly in order. But I think, Mr. Speaker, that would be just splitting hairs and I would ask the consent of the House unanimously to introduce the Bill at this time.

MR. SPEAKER: It is exactly the identical case as before.

MR. FOGWILL: Mr. Speaker, it is exactly the same as the other case, to amend a paragraph. This is to amend the principle, is it not?

MR. SPEAKER: This Act, if my memory serve me correctly, was amended in the present session, therefore, strictly speaking cannot be further amended until the principle of the previous amendment has had Royal Assent, it has not, therefore, the technicality pointed out by the Honourable the Attorney General, it is in order to review this.

Leave granted by unanimous consent of the House to introduce the Bill. Bill read a first time, ordered read a second time presently.

Honourable the Minister of Fisheries and Co-operatives asks leave to introduce a Bill, "An Act Further to Amend the Co-operative Development Loan Act, 1949." Bill read a first time, ordered read a second time presently.

Second Readings:

A Bill "An Act Respecting the Revised Statutes of Newfoundland."

MR. CURTIS: Mr. Speaker, this is a Bill made necessary by the proposed consolidation of statutes. I don't think I need to go into the Bill in detail. It is a Bill that is necessary to give legal force and effect to the statutes as and when they are completed, which we hope will be prior to the next session. I may say that the present plan is to incorporate this year's Acts into the consolidated statutes. Honourable members will have noticed I have made several small changes and amendments to many Bills, and certainly it is in the interest of the public to have the consolidated statutes right up to date, and for that reason we are holding it up so as to include these Acts. Now, Sir, this Act is practically identical with the Act which will be found in the consolidated statutes (third series) as one of the first Acts. It is an Act which provides a new consolidated statutes shall become law as from the date of issue of proclamation. That will only be issued, Mr. Speaker, after the Committee has reported and the Acts have been printed and generally approved by the Department of the Attorney General and by the Cabinet.

The Bill further provides that in all cases arising prior to the publication if there is any difference between the revised statutes and the original statutes, then the interpretation of all laws referred to in the revised statutes after the publication of the proclamation will be based on the statutes as so published and any interpretation prior to that is governed by that brought in when the consolidations has been made. Mr. Speaker, this is a Bill to authorize what has already been done and is being done, and I move the second reading.

Bill read a second time, ordered

referred to a Committee of the Whole presently.

Second Reading:

A Bill, "An Act to Provide for Change of Name."

MR. CURTIS: Mr. Speaker, this is, I believe, an uncontentious Bill, which ordinarily would be introduced by the Department of Home Affairs. The main provision is contained in Section 4 which provides that subject to this Act any person who is of the full age of 21 years domiciled in Newfoundland and a British Subject by birth or otherwise, may change his name. It provides further, Mr. Speaker, that a man can change the name of his family provided his wife consents and that a married woman may not during her ex-marriage change her surname. It has sundry other provisions. I may say it is a copy of the legislation in force in other Provinces and we have been asked by the Department of Home Affairs which will be the Department administering the Act to bring in this Legislation which will enable people in Newfoundland to take advantage of its provisions. I don't think there is any further explanation needed, but if any questions are in the minds of honourable members, they can be disposed of in Committee of the Whole. I move the second reading.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I wonder if the Honourable Minister would be agreeable to having the second reading deferred?

The Bill does refer to adoption of children and our officers could study it tonight, and it could be passed on Monday.

Debate adjourned on Second Reading.

Second reading of Bill, "An Act Respecting Urban and Rural Planning."

MR. CURTIS: Mr. Speaker, I move that order be deferred.

MR. SPEAKER: The Bill has not been distributed, therefore, the motion can not be put.

Second reading of Bill, "An Act to Vest the Property of Dissolved Corporations in the Crown."

MR. CURTIS: Mr. Speaker, the object of this Bill before the House is to provide for what is to happen to the assets of corporations which have been dissolved. As I mentioned to the House the other day, there are different rules dealing with dissolved corporations in different countries. In the United States it was the law in one state that if a company was dissolved and no disposition was made of its assets that these assets vested in all the shareholders of the company wherever they might be and I need not point out how unsatisfactory that was. Under the law of this Province, if a company is dissolved and no disposition is made of the assets, my understanding is that these assets vest in the Crown, and if any company which has been stricken from the records is re-incorporated, the consent of the Government through the Attorney General is required. The object of this Act is to make the situation clear, not only with respect to local corporations, but with respect to any corporation which has assets in the Province whether these assets are land or just personal property. The object of this Act is to declare that when a company is dissolved, in other words, when it ceases to exist, that does not mean when a company goes into liquidation, because when a company goes into liquidation it functions through

the liquidator, but when it finishes its work the company is dissolved and just ceases to exist. If at that time there are still vested in the name of the company assets in Newfoundland, this asset, under this Act, will vest in the Government.

This will enable the Government to act in any cases where land, timber, mining claims or any other property which belongs to the dissolved company or defunct company are vested in the Government. Otherwise they are held forever. That was the situation with respect to the St. George's coal fields; we found they were owned by a company stricken off the records in England twenty-five or thirty years ago. Obviously somebody got to own these things. If we don't own them and the company that owns them has been dissolved, obviously the only proper course is for these assets to vest in the Government, as in the case of a person who dies without any relatives. If a man dies without any relatives his estate goes to the Government, so if these companies dies or pass out of existence without any disposal of their assets in any way, these assets would pass to the Government of the country where these assets are situated. The effect of this Bill is to assess assets only in Newfoundland of companies either inside or outside of Newfoundland, which have ceased to exist.

I move the second reading of this Bill.

MR. HOLLETT: Mr. Speaker, there is just one point strikes me, there is no definition or description of just what is a dissolved corporation, I was wondering, I am not speaking against the principle, I agree with the principle, but think there should be something definite within the Act stating

what is meant by a dissolved corporation.

The Attorney General stated that when a man dies without issue his assets are taken over by the Government. But there is no corporation, surely that would die without some sort of issue, it is bound to have some—I suggest the Honourable the Attorney General put in the definition.

MR. CURTIS: In closing the debate, Mr. Speaker, I beg to point out that the dissolution of a company or corporation is well known to all lawyers and all persons who read law, and I don't think there is any need to define it. A Company is dissolved after it has been liquidated, and the Act of dissolution is in having the name stricken from the register. If members of the House have looked at some issues of the Royal Gazette, they will have seen at times there notices signed by the Registrar of Companies saying such and such a company has been stricken off the records. That is done when they fail to file returns and fail to carry out the provisions of the Act and likewise can be done when a company is liquidated or wound up and application has been made to the registrar to have the company stricken from the records. I don't think there is any need of a clause to cover that. It means really that the company is stricken off the records of the registrar of the country where it belongs. If I have not satisfied the members of the House, Mr. Speaker, it is a matter which we can discuss in committee, therefore, I ask that the Bill be now read a second time. Bill read a second time, ordered referred to a Committee of the Whole presently. Second Reading of Bill, "An Act to Amend the Highway Traffic Act, 1951."

MR. SPENCER: Mr. Speaker, I move the second reading of this Bill. It is a very brief Bill, asking that Section 95 of 1951 be amended by inserting immediately after sub-section 4, as (a) the following: "A member of any of the Armed Forces of the United States of America who files a certificate of insurance in form approved by the Minister issued by insurer authorized to transact insurance anywhere in the United States of America shall be regarded as a non-resident for the purpose of this Part and the provisions of sub-section (4) accordingly apply to him."

It simply means, Mr. Speaker, that we have in our midst many people who are already insured and who carry the necessary insurance to qualify them under the Highway Traffic Act and under our laws normally they would have to go and take out additional insurance in this Province to satisfy us. The House will, I am sure, appreciate that that is entirely unnecessary as long as those people can satisfy us that the insurance will properly serve the need for which it asks from it, and we feel there is nothing further necessary.

I don't think any further explanation is required, and I move the second reading of this Bill.

Bill read a second time, ordered referred to a Committee of the Whole House presently.

MR. SMALLWOOD: Mr. Speaker, with the consent of the House, I move that we go into Committee of the Whole on Items Nos. 10, 13, 16 and 18.

Committee of the Whole on Bill. "An Act to Secure the Development of Undeveloped Mineral Areas."

Section 1 carried, section 2 stand, second 3 carried, section 4 carried.

MR. HOLLETT: Mr. Chairman, does this section mean that operators are given absolute ownership in the minerals found underneath the surface.

MR. SMALLWOOD: No ownership, no.

MR. HOLLETT: How then are you going to get money from the operator with which to pay the owner. I realize the Government can charge certain royalties and rentals.

MR. SMALLWOOD: That can be very simple. The Government stands in this connection in the place of the person who owns the area in question, with the right to give or withhold prospecting permits and development licenses, and as such can make a deal with a mining company under which, from the profits arising out of any development, there will come to the Government a certain share. Obviously the Government are not going to make any deal with any mining company to go in upon an area and prospect and develop it without a share of the profits. That is, quite apart altogether from the general application or otherwise that might be expected from any such development, these would be the profits.

MR. HOLLETT: What I was pointing out is, once the mine is certified to the mining operator, it says there he may enter to and upon.

MR. SMALLWOOD: Once it is certified, the Governor in Council declares it to be an area under this Act, then the Government may enter into an agreement with a mining company to go in and prospect and develop for a share of the profits.

MR. HOLLETT: It does not say anything about that here.

MR. SMALLWOOD: We will have it read.

Read by the clerk.

MR. SMALLWOOD: That covers it.

MR. HOLLETT: Yes.

MR. CURTIS: In the first line of eight we should put—Subject to subsection 2.—At the very beginning of it.

Section 8 carried as amended.

MR. FOGWILL: Would the Honourable Minister give an explanation of Section 9.

MR. SMALLWOOD: Yes, the intention of that is quite clear: If John Jones has an area suspected to contain minerals on which he has spent or expended no effort whatsoever or money, and that area is certified and is brought under the Act and the Government goes in, or through its agent spends substantial sums of money on prospecting, these sums of money expended to bring the mineral to the stage of actual development should be deducted for the purpose of arriving at the sum of the profits to the Government before one-third of these profits are paid out to the original owner.

MR. FOGWILL: Mr. Chairman, I understand by that section, it means that if the area is certified, is suspected of bearing minerals and then goes under production or development and the same may not be successful, yet if it happens that the owner has another area which has mineral then if the Government helped to make the second a success, they can take from the second, the money they lost on the first. Would it not be fairer to let each area stand on its own merit?

MR. SMALLWOOD: Possibly a man has a very large holding and

prospecting goes on in a number of parts of those holdings and money is spent on quite a number of parts of these holdings and mineral is found on one of them. Surely the prospecting costs as a whole on these areas in various parts should be a deductible item of expenditure on the Government's part in computing the profit arising to the Government for the purpose of giving the owner one-third of these profits.

MR. HOLLETT: Mr. Chairman, like my colleague, I don't see the fairness. In the first instance, you will admit to him whose property is taken and the mineral you hope to get from it, his ownership in that mineral you propose to take. If you take a corner of his land and spend a hundred thousand dollars, and go on another piece and spend fifty thousand and so on, and finally strike a piece of land on which you find ore which the operators take out of his ground and make a profit, you intend to charge the original owner of that land for all the money which you have spent.

MR. SMALLWOOD: And which he ought to have spent.

MR. HOLLETT: You say, ought to have spent—no man is going to be foolish enough to spend money on land to get out ore if he has reason to suspect there is no ore there.

MR. SMALLWOOD: Nor the Government.

MR. HOLLETT: But they have spent a lot of money, I believe on some land and got no ore and will quite possibly do so again.

MR. SMALLWOOD: Not on areas suspected not to contain mineral.

MR. HOLLETT: It is bad enough in the first instance to go in and take

the land and the minerals thereunder, but to charge him with the expenditure. It is conceivable to go on each of these areas and go on and on and finally discover some ore, but the Government could have spent enough money on all these areas to eat up any profit that might come out of it. I think if the Government wants to take my land and say to me, if we get the ore out I will give you one-third of the profit, they are speculating and if they lose anything, they must gain or lose it on that piece of land and not deprive me of the profit I may have in some other lot.

MR. SMALLWOOD: The honourable gentleman is overlooking altogether—the fact that the money spent is deductible for examination and aeromagnetic surveys which may cost fifty or seventy-five or a hundred thousand dollars over a thousand or two thousand square miles. Now, what will happen is this. The Government will spend certain money to explore in a general way by making surveys of geological parties which will be relatively small expenditures. The real expenditure will be made by the company which the Government are able to engage to come in and to do real prospecting. Remember first a geologist goes over an area and he write a geological report which is reduced to a geological map. Now the map is the most primitive form of geological information. It is just a geological map which shows in general terms the geological age of the rock formation. Now, from that point on they go ahead to build up richer information on the geology of the area in question. One of the best known ways of enriching geological knowledge of an area, is the aeromagnetic survey which reveals any magnetic anomalies which are highly sig-

nificent of the presence of minerals of any kind. But if a Government has to go in and do a geological survey followed up with an aeromagnetic survey to more or less pin-point the possibility of minerals in that area, even then I say, the real job remains to the company which has to go in and drill. That the private company will do, but we must as a Government, do the geological and aeromagnetic survey and reveal the presence of anomalies to capture the interest of large mining companies.

Having done that, the mining company, if it becomes interested, goes in and begins spending real money, and that money is not deductible in finding the profits coming to the Government for any subsequent development or to arrive at the amount of money going to the original owner. All that is deductible under this clause is the good hard cash spent out of the Treasury, public funds. These public funds will be recoverable, coming back to the Government and deducted from these profits to arrive at the net figure which is divided in three for the purpose of paying the original owner one-third.

Sections 9, 10, 12 carried.

MR. SMALLWOOD: These are the Companies, Mr. Chairman, actually spending money in Newfoundland, spending hundreds of thousands or even millions of dollars to develop the mineral resources of this Province. The Act is not intended for them, the Act is intended for idle land that belongs to the people of Newfoundland although the title may be in this or that individual or company which individual or company is just letting the thing lie idle, it is to bring such areas into production. Obviously, we

don't need it for companies already doing a good job, so we exempt these.

MR. HOLLETT: I agree with that, but it says the Minister would issue no certificate in regard to any such companies. I say if it is there for one, it should be for all, we never know in five or ten years hence these companies may neglect the mines.

MR. SMALLWOOD: Then either we would amend this Act or pass a new one.

MR. HOLLETT: We won't have a socialist Government then.

MR. SMALLWOOD: We will be here. And now in this Bill, Mr. Chairman, I may say that I would like to add here also the Industrial Mining Corporation. I may say that in adding that name to this list, I want to make it quite clear, I did so yesterday on second reading and I fear that it was not adequately reported, which is regrettable from the standpoint of publicity, I want to make it clear now the Government has no intention whatsoever, none whatsoever, of interfering with any owners of mineral areas who are in negotiation with any would-be prospector. I give a case in point: The Reid Newfoundland Company is right now in negotiation with outside interests for prospecting leading to possible development. The last thing on earth we would do is interfere with any such negotiations because if the Reids can get prospecting done or development carried out on any areas, God bless them, that is what we want. So with this list we might add indefinitely to the list, really the honourable gentleman has a point in reverse. If none of these names were there, or if the list were twice as big as it is it would

not really affect the position while we are in office because our policy is to get over all the areas that have not been developed or even being negotiated for development or prospecting. The part I want to make clear, if there is omitted from this list any company, who are doing a job, or trying to do a job, we will not touch them. All we are concerned with is idle land.

Clause 2 carried. Bill passed with some amendments.

House recessed at 6:00 p.m. to meet again at 8:00 p.m.

NIGHT SESSION

The House resumed at eight of the clock.

Committee of the Whole on Bill, "An Act Respecting the Revised Statutes of Newfoundland."

MR. FOGWILL: Clause 6 1 (a) and 1 (b) would the honourable the Attorney General explain that?

MR. CURTIS: They have power to revise the reading of a section if it is not perfectly clear, but the intention is: There may be two sections one of which contradicts the other. This is only a copy of the 1916 Act, an exact copy and it strikes me funny too, and I think you can be assured there is to be no changes, they will all be tabled here where we can all see them."

MR. HOLLETT: I don't like the phrase "such alterations in the language." It should be the "wording" and not the "language."

MR. CURTIS: That is what is said in the 1916 Act, so we just copied it.

MR. FOGWILL: Before we go on to the title of the Bill, Mr. Chairman, may I enquire what number of commissioners there are and who are they?

MR. CURTIS: There are three commissioners, Mr. Chairman, Mr. J. Fallon, Mr. Eric Cook and Mr. Donald Dawe and Mr. Gerald Tessier the Secretary. Bill passed with some amendments.

Committee of the Whole, on Bill, "An Act to Vest the Property of Dissolved Corporations in the Crown." Bill passed without amendment.

Committee of the Whole on Bill, "An Act to Amend the Highway Traffic Act, 1951." Bill passed without amendment.

MR. CURTIS: Before the Committee rises, I was wondering if it is the intention now to have these Bills read a third time tonight. I was wondering if there should turn out to be a slight error: I wonder if honourable members would be agreeable to have them recommitted even though they had received third reading.

MR. HOLLETT: We could leave the third readings until Monday, if we are to sit.

MR. COURAGE: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have passed the following Bills:

A Bill, "An Act to Secure the Development of Undeveloped Mineral Areas" with some amendments. Ordered read a third time presently.

A Bill, "An Act Respecting the Revised Statutes of Newfoundland," with some amendments. Ordered read a third time presently.

A Bill, "An Act to Vest the Property of Dissolved Corporations in the Crown." Passed without amendments, ordered read a third time presently.

A Bill, "An Act Further to Amend the Highway Traffic Act, 1951." Passed without amendments, ordered read a third time presently.

MR. SMALLWOOD: We have the consent of the House to give third readings now, Mr. Speaker.

Third Readings:

Of Bill, "An Act to Secure the Development of Undeveloped Mineral Areas." Bill read a third time, ordered passed and title be as on the Order Paper.

Of Bill, "An Act Respecting the Revised Statutes of Newfoundland." Bill read a third time, ordered passed and title be as on the Order Paper.

Of Bill, "An Act to Vest the Property of Dissolved Corporations in the Crown." Bill read a third time, ordered passed and title be as on the Order Paper.

Of Bill, "An Act to Amend the Highway Traffic Act, 1951." Bill read a third time, ordered passed and title be as on the Order Paper.

MR. SMALLWOOD: Mr. Speaker, the last four orders on the Order Paper were introduced today, I wonder if the House would now consent to give second reading?

Second Reading of Bill, "An Act Further to Amend the Industrial Loan Act, 1949."

MR. SMALLWOOD: Mr. Speaker, I rise to move second reading of this Bill. The effect of this Bill will be that the Secretary of the Board will not be a member of the Board. We

have already passed two Bills of this character in this present session. I move second reading of the Bill. Bill read a second time, ordered referred to a Committee of the Whole presently.

Second Reading of Bill, "An Act to Vest in Her Majesty in right of Newfoundland Certain Claims in Respect of freight rates paid to the Canadian National Railway Company."

MR. CURTIS: Mr. Speaker, I beg to move second reading of this Bill, which is, as its name implies. The Bill itself sets forth the particular terms of union which give rise to the necessity of this Bill. Honourable members will remember that after we came into union certain freight rates were imposed by the Canadian National Railways which were in the opinion of the Government not in accordance with the terms of union. We engaged the services of Mr. Lewis, now one of our colleagues and the honourable member for Harbour Main-Bell Island, and he was successful in bringing his case before the Board of Transport Commissioners and the rates were reduced. It is felt that in the interim between the time when we came into union and the time the new rates became effective that Newfoundland had paid between a million and a half or two million dollars excess rates to the Canadian National Railway. This present Bill is designed to enable the Government to sue for if necessary and at least to demand the repayment to us of these monies. Now, ordinarily, all these amounts are due to individuals, but if each and every individual involved has to take actions it would be a hopeless mess, there would be thousands and thousands of claims all for small amounts.

The purpose of this Act is to enable the Government on behalf of all these claims to demand back the monies and to try and get them. If and when we succeed in getting them back we would take into consideration the possibility of paying out any individual amounts to any individual person, but I am afraid, Mr. Speaker, that is out of the question, because in the case of business firms when they paid the freight on the goods imported that freight has already been added to the cost and included in the selling price to hundreds of thousands of people in the country, so that it is going to be impossible for us in a great many cases, and, in fact, in any case to find who the money really belongs to. But this Bill enables the Government to make a start and see how much of it, if any of the money overpaid can be recovered. Mr. Speaker, I move second reading of this Bill.

MR. FOGWILL: Mr. Speaker, I will support this Bill, Sir, because it will do one thing at least, it will give the Government the authority and the power to try and collect the overcharge on the freight rates for goods coming into Newfoundland by reason of the fact that the C.N.R. interpreted the terms of union entirely differently than they should have been. I agree that it would be impossible for the people concerned, that is the ultimate consumer to collect, after all it is the consumer that pays. So that the only thing that can be done to try and claim some of this excess charge in freight rates is to do it by this way. There is no other way it can be done now. The only other way would be for the individual to take action, and that is rather impossible. But it would be all right if the Government could get this through and have returned to the Province some of the money taken

out through a misinterpretation of the terms of union, which I say should have been interpreted to these people in the first instance by the Canadian Government. Certainly I do support the Bill, Sir, and hope the Government will squeeze as much out of the C.N.R. as they possibly can get.

MR. HOLLETT: Mr. Chairman, I am rather surprised at my colleague, an employee of the C.N.R., advising the Government to get as much money as they can, and would not be surprised if he got fired when he goes back to work. I agree with the principle all the way. I foresee you are going to have some difficulty.

MR. SMALLWOOD: You can't find anything wrong with it?

MR. HOLLETT: I can find a lot. I don't think the Government have any right whatever, I think Bowrings or Ayre & Sons or John Jones or the fishermen in Ferryland or somewhere else, strictly speaking, are the only persons who have the right to sue. I think the Honourable Premier agrees that is right.

MR. SMALLWOOD: Is that a legal view?

MR. HOLLETT: No, not quite. I have to go on the other side for a legal mind. I agree with the principle of the Bill, the more we get out of the Canadian Government, the C.N.R. or any other branch the better I am pleased. I am a Canadian, but it was forced down my throat, and I have to like it or lump it, people in this country put it down my throat, or by someone who claims he is my creator, he made me a Canadian against my will, therefore, I have a right to say, I hope they take every cent they can out of them and don't blame my colleague too much for ad-

vising them to try and get something out of the C.N.R. However, I maintain we should try and get something back and when we do get it back, I don't know to whom you should pay it, I would suggest you might use it to some good advantage such as erecting a stadium in St. John's West, that is one thing you could do with it. I agree with the principle of the Bill.

Moved and seconded Bill, read a second time, ordered referred to a Committee of the Whole House presently.

Second Reading of Bill, "An Act to Amend the Loan and Guarantee Act, 1951."

MR. SMALLWOOD: Mr. Speaker, this is a Bill to authorize the Government to raise the \$150,000 which we guaranteed the Placentia Bay Fisheries by one hundred and fifty thousand to three hundred thousand dollars. Also to add to the figure for the Newfoundland Hardwoods Limited, the sum of one hundred and fifty thousand dollars.

Now, so far as the Newfoundland Hardwoods Limited amount is concerned, that is to cover a bank loan to the Newfoundland Hardwoods Limited guaranteed by the Government for working capital. That is fairly simple and does not call for very much detailed explanation.

On the Placentia Bay Fisheries Limited the explanation is this: The project became quite a bit bigger than intended in the first place. They were fortunate to make a connection with Atlantic Coast Fisheries, the president of which came here and in conference with the Warehams insisted that if they were to come in themselves the plant would have to become a bigger plant than the Warehams were in fact

contemplating. The Atlantic Coast Fisheries agreed to put into it themselves the sum of seventy-five thousand dollars as an investment in the shares of the company and also to provide the company with one hundred and fifty thousand dollars for working capital. That would make a total of two hundred and twenty-five thousand dollars from Atlantic Coast Fisheries. But to do that, they laid it down as a condition that the plant itself would have to be somewhat larger than the size the Warehams had in mind, so they came back to the Government and the president of the Atlantic Coast Fisheries came along with them and outlined their ideas. We had very little choice, but to agree as it was impossible for the Warehams to make a real success of that fish plant at Placentia without having first established a connection with a company in the United States to do the marketing, because clearly it was out of the question that a relatively small frozen fish plant at Placentia could do its own marketing, so that the Government agreed and this is a Bill to ratify our agreement.

The loan is made on this condition: That the company, that is Placentia Bay Fisheries Limited will from the date that the loan or any part of it is financed by the Government pay to the Government, interest at the rate of 4% per annum on the loan, or so much of it as from time to time shall be outstanding, and if at any time within two years from the date of the loan it is, in the opinion of the Government, necessary or desirable that Her Majesty in right of Newfoundland should issue bonds to enable the Government to finance this option and the bonds are so issued for that purpose, also the cost of servicing such bond issue in any year is greater than

three per cent of the amount covered then the company will from the date of the bond issue and thereafter during the life of this loan pay on the loan at the rate greater than 4% per annum calculated so that the increased rate of interest will date from the cost of servicing the bond issue provided that the rate of interest payable by the company shall not in any event, exceed five per cent per annum. (2) That Mr. Wareham and his associates provide \$75,000 in cash and two hundred thousand in collateral. (3) The Atlantic Coast Fisheries Company of Boston purchased common stock in the proposed company to the amount of seventy-five thousand dollars and also provide the sum of one hundred and fifty thousand dollars for working capital. (4) That the plans and specifications of the filleting and fish meal plants are approved by Dr. D. L. Cooper, advisor to the Government of Newfoundland on fishery engineering. (5) That the Atlantic Coast Fisheries Company undertake to market the entire annual production of the filleting and fish meal plants of the company. (6) That the company undertakes to purchase all available fresh codfish up to the maximum of the plant's capacity from fishermen operating in Placentia Bay within an economic distance of delivery to the plant by themselves or under a collection system maintained by the company, which fish would otherwise be dry salted cured and embracing the catches of cod, haddock, flounders, rosefish, cat fish or wolf fish and turbot of fishermen owning and operating vessels carrying out long lining, Danish seining home based in Placentia Bay and fishing within an economic distance for delivery to the plant.

The definition of the term economic

distance in both instances to be mutually agreed upon between the company and the Government. (7) That Mr. Wareham and his associates transfer to the company the dragger "Violet M. Dicks" and its equipment. (8) That the company give to the Government the first mortgage on the filleting and fish meal plants, the new dragger, the "Violet M. Dicks" and all plant boats and equipment exclusive of one hundred and fifty thousand dollars working capital, that the working capital loan from the Atlantic Coast Fisheries is not to be included in the mortgage the company gives the government, so long as any portion of the loan remains unpaid the Government will be entitled to appoint a director to represent its interest on the board of the company. (10) That terms and conditions of the agreement covering these arrangements are subject to the approval of the Attorney General.

These are the terms and conditions under which the Government agreed to give the loan or guarantee the loan of two hundred and fifty thousand dollars, and then subsequently following these representations by the president of Atlantic Coast Fisheries to increase the amount by one hundred thousand bringing it to a total of three hundred and fifty thousand dollars.

Now, that means, Mr. Speaker, that by guaranteeing to that company a loan of three hundred thousand dollars the Government are enabled to bring about the starting of a new, modern, frozen fish plant at Placentia, and a fish meal plant in Placentia, located at the famous town of Placentia. As a direct result of these terms laid down many thousand of quintals of codfish which otherwise would be dried salted and sold in the

salt codfish markets will now be taken off these markets because that fish will be sold to this fish plant.

My last point is: This winter past (which I hope is past) the Government operated two Labrador schooners in Placentia Bay, long lining and they had quite an astonishing success. They demonstrated something that had not been done before in all the long history of Newfoundland, namely, that out there in Placentia Bay, all over that great bay, fish of many kinds are present throughout the whole winter season, with the result that at this moment in Placentia Bay, on both sides of the bay especially Placentia West there are a number of fishermen anxiously awaiting the opportunity to outfit their western boats with long lining equipment. If at Marystown also there is another large fish plant to be established, as we believe there is, so then on each side of the bay there will be operating a fish plant, a modern fish plant, then it is easy indeed to foresee a large number of long line boats operating from both sides of that bay to supply these two frozen fish plants.

Now, Mr. Speaker, the only principle at stake in this Bill is, shall we or shall we not authorize the Government to make that loan to the Warehams, to Placentia Bay Fisheries, three hundred and fifty thousand dollars rather than two hundred and fifty thousand dollars. The whole argument for it is that without it they were unable to interest the Atlantic Coast Fisheries unless they were able to make the plant as large as Atlantic Coast Fisheries felt it must be. To do that, they had to come back to the Government and say, we are putting in all we can and are investing all the collateral we can, but now there must be

another one hundred thousand dollars put in other than ours, we are stretching ourselves to the limit. The Government agreed and now we ask for confirmation of it.

Bill read a second time, ordered referred to a Committee of the Whole presently.

Second Reading of Bill, "An Act to Amend the Co-operative Loan Act, 1949."

MR. KEOUGH: Mr. Speaker, the intent of this Bill is merely to provide that the secretary of the Co-operative Development Loan Board shall not be a member of the Board. In introducing another Bill, these reasons were explained, so I don't think it is necessary to go over it again.

I move second reading of this Bill.

Bill read a second time, ordered referred to a Committee of the Whole presently.

Committee of the Whole:

Committee of the Whole on Bill, "An Act Further to Amend the Industrial Development Loan Act, 1949." Passed without amendment.

Committee of the Whole on Bill, "An Act to Vest in Her Majesty in Right of Newfoundland Certain Claims in Respect of Freight paid to the Canadian Railway Company."

MR. CURTIS: Mr. Chairman, wherever the word "rates" appear in this Bill, I would like to have the word stricken out and the words "rates and tolls" put in as the technical railway expression for freight is rates and tolls.

Bill passed with some amendments.

Committee of the Whole on Bill, "An Act Further to Amend the Loan and Guarantee Act, 1949."

MR. FOGWILL: Mr. Chairman, in respect to an amount of one hundred and fifty thousand dollars to the Newfoundland Hardwoods Limited do I understand from the Premier in second reading this is to cover a bank loan?

MR. SMALLWOOD: That is so.

MR. FOGWILL: It has to be paid in cash.

MR. SMALLWOOD: It is a loan of credit up to one hundred and fifty thousand dollars.

MR. FOGWILL: Provided they don't pay it the Government will pay it?

MR. SMALLWOOD: We don't expect to have to pay it.

MR. FOGWILL: What have you got it there for?

MR. SMALLWOOD: They need the guarantee. That is working capital. They have to make part payments from time to time on consignments of birch. There are about four hundred men engaged through the winter cutting birch logs and there were some eighty sawmills engaged at cutting smaller size birch into board to be shipped into the plant for manufacturing. The Committee is probably well aware of the procedure normally followed in Newfoundland in connection with small mills, not the two large paper companies who, of course, have adequate working capital, the practice in Newfoundland mills of which there are some fourteen hundred in Newfoundland is this: a small contractor undertakes to cut for a mill, fifteen to twenty thousand

feet of lumber or board and he in turn takes on eight, ten, twenty or fifty men to work, and he gets paid by the thousand feet or in some such way, and the contractor has to pay these men from time to time something on account and he does that as a rule from payments he receives on account from the mill concerned.

The mill actually, I suppose, is not obliged to pay, except upon delivery of the goods at the mill. Similarly with the hardwoods plant, they would normally pay for their birch only as and when they receive it at the plant. However, with dozens of contractors across the Island in various parts procuring the supply needed by the birch plant in the amount of about ten million feet board measure involving some twelve to fourteen hundred loggers, following the custom of the country, Newfoundland Hardwoods have paid out some hundreds of thousands of dollars as advances, as part payment to these contractor, so that they in turn might make part payment to their men. Now, the full balance due the contractors would be paid, of course, upon delivery at the birch plant. The Government loaned to Newfoundland Hardwoods, as the Committee knows, the sum of four hundred thousands dollars over and above the expenditure by the Government of 1.6 million, one million six hundred thousand dollars to build the plant. Newfoundland Hardwoods Limited have expended the four hundred thousand dollars lent to them for working capital in the ways I have just outlined together with their own labour bill and other expenses then they went to the Bank for a further advance or loan, or credit, up to a maximum of one hundred and fifty thousand dollars. That is the one hundred and fifty thousand dollars

the Government has guaranteed. Long before this is due for payment, the birch will have been received and manufactured into a finished product and the finished product sold and paid for and out of the proceeds Newfoundland Hardwoods will repay the Bank and our guarantee will come to an end.

MR. HOLLETT: Mr. Chairman, I thank the Honourable the Premier for his lengthy explanation. I believe it was covered in the other vote, where we can recommend another hundred thousand dollars working capital, the amount was it not, four hundred thousand dollars. Is it correct to say that Coverdale and Collpitts recommended another four hundred thousand?

MR. SMALLWOOD: Recommended more than four hundred thousand, I believe, Coverdale and Collpitts pointed out in their report that they were inadequately financed as to working capital and that furthermore some addition might profitably be made to the plant both for working capital and for addition to the plant which might run to four or five thousand dollars. What we have done since that report is to say, no, in view of the fact that we are about to sell the plant to the Newfoundland and Labrador Corporation, we will lend you no more, but you had better get it at the bank, which is exactly what they did on our guarantee, and this Bill is to ratify our action in guaranteeing it at the Bank.

MR. FOGWILL: Mr. Chairman, I understand now from the Premier that the total amount of Government funds invested now is two million dollars plus the guarantee of one hundred and fifty thousand dollars.

MR. SMALLWOOD: That is not invested.

MR. FOGWILL: I said plus the guarantee. Respecting the other amount to the Placentia Bay Fisheries Limited is that guaranteed or loaned?

MR. SMALLWOOD: Guaranteed, and if not implemented in this form will require a cash advance for a short period of time pending the floating of a bond issue.

MR. FOGWILL: The total now for the Placentia Bay Fisheries Limited is \$350,000. Of that what amount has the Government already advanced, if any?

MR. SMALLWOOD: None.

MR. HOLLETT: Mr. Chairman, wholly on that point I would like to say that I did not rise on second reading, but we are in accord with any guarantee in connection with the fishery, particularly in connection with any fisheries development in Placentia Bay. I think my honourable colleagues all agree to that. I had the pleasure of knowing that Wareham firm for quite a number of years when I was a magistrate in Burin I had certain dealings with them. That firm has been all down through the years a perfectly reliable firm and every fisherman who ever worked with them will say so, and that is the best guarantee any people can have in Newfoundland. I have heard a rumour that the development was held up by reason of the fact the engineering advisor in the Department of Fisheries and Dr. Cooper held up the approval of the design.

MR. SMALLWOOD: Yes.

MR. HOLLETT: Why that was necessary I don't know, perhaps it

was in their best interest. I just want to draw attention to that because I have heard complaints that not only they, but also with other requests for loans, Dr. Cooper insisted certain plans were carried out in this country at a high cost, and his delay in giving approval tended to put some of these smaller firms looking for loans in connection with fisheries in a difficult position, and in one or two cases could hold up the quick development of the fisheries, which they are interested in, and I am wondering if the Government could not take a look at this. He may be perfectly right in insisting on this, but I think the Government could well take a squint at that. I am quite sure the Minister of Fisheries will take a look at it, and probably has, but I hate to see these things held up. This three hundred and fifty thousand to Mr. Wareham, I believe two hundred and fifty of this was voted a year ago and held up, and now finally the Atlantic Coast Fisheries Limited of Boston think they want a bigger plant, therefore, we have to guarantee more money.

MR. SMALLWOOD: Actually, a bigger plant, and I think I used these words, is not actually a description of the situation. The Atlantic Coast Fisheries Limited, and Dr. Cooper concurs very thoroughly, think that they needed a fish meal plant to be added to the operation to get the last bit of value out of the fish brought in instead of having to throw away the offal and the guts left after the fillets. That is really why the larger amount was required. Now, as to the plans and designs, the Government before engaging Dr. Cooper, satisfied itself of Dr. Cooper's very high qualifications and we satisfied ourselves that Dr. Cooper in all Canada is un-

doubtedly the greatest authority in the design of fish plants. He is the father of the great plant at Lewisburg. He was with the Fisheries Research Council of Canada at that time. Having satisfied ourselves of the undoubted technical scientific qualifications of Dr. Cooper, being quite satisfied of his very practical knowledge and judgment the Government would be very short-sighted indeed not to be guided by his advice. Always now when we make fishery loans we make them subject to Dr. Cooper's approval of the technical side. There is no one in the Government, I, least of all, who can pass judgment on the technical side of the fishery plants in Newfoundland. I might be the leading authority on cement, gypsum board and wall board, but I am not yet Newfoundland's leading authority on fishery plants, so that we are still taking Dr. Cooper's advice until I qualify more than I have yet done. After that we will dispense with Dr. Cooper and Dr. Smallwood will pass judgment on the technical character of these plants. I can assure the Committee though that not only was the delay caused by Dr. Cooper's insistence upon certain improvements in the design that prevented the plant from being built up to now, there were other delays, as a matter of fact, the Warehams were in negotiations with an American firm at Boston and these negotiations were almost to the point of completion when this firm broke off these negotiations and they took up new negotiations with the other firm, namely, Atlantic Coast Fisheries. These changes in negotiations were partly the explanation of the delay in getting the plant built. It was the two together perhaps, but not a matter of putting

the blame only on the plans—that is the explanation.

MR. HOLLETT: Mr. Chairman, may I ask the honourable Doctor Premier if a fish meal plant is mentioned in the terms of the agreement.

MR. SMALLWOOD: Yes, it is mentioned.

Carried, Bill passed Committee.

Committee of the Whole on Bill, "An Act Further to Amend the Co-operative Development Loan Act, 1949."

Bill passed without amendments.

Committee of the Whole on Bill, "An Act Further to Amend the Industrial Development Loan Act, 1949." Bill passed without amendment.

MR. CHAIRMAN: The Committee of the Whole have considered the matters to them referred and have passed the following Bills:

A Bill, "An Act to Amend the Industrial Development Loan Act, 1949." Without amendments—ordered read a third time presently.

A Bill, "An Act to Vest in Her Majesty in Right of Newfoundland Certain Claims in respect of Freight paid to the Canadian National Railway Company." Without amendments, ordered read a third time presently.

A Bill, "An Act Further to Amend the Loan and Guarantee Act, 1951," without amendments ordered read a third time presently.

A Bill, "An Act Further to Amend the Co-operative Development Loan Act, 1949." Bill passed without amendments—ordered read a third time presently.

Third Reading: A Bill, "An Act Further to Amend the Industrial Development Loan Act, 1949." Bill read a third time, ordered passed and title be as on the Order Paper.

Third Reading: A Bill, "An Act to Vest in Her Majesty in Right of Newfoundland Certain Claims in Respect of Freight paid to the Canadian National Railway Company." Bill read a third time, ordered passed and title be as on the Order Paper.

Third reading: A Bill, "An Act Further to Amend the Loan and Guarantee Act, 1951." Bill read a third time, ordered passed and title be as on the Order Paper.

Third Reading: A Bill, "An Act Further to Amend the Co-operative Development Loan Act, 1949." Bill read a third time, ordered passed and title be as on the Order Paper.

Second Reading: A Bill, "An Act Further to Amend the Welfare of Children Act, 1944."

DR. POTTLE: Mr. Speaker, in rising to move the second reading of this Bill, may I say these general things about amendments to the Welfare of Children Act, namely, there have been only two series of amendments, or will have been after this present session to the Welfare of Children Act, 1944, that is two series of amendments in eight years. This series is recommended to the House for two reasons which inter-relate (1) because of our experience with the administration of the Act we feel certain improvements are essential for smooth operation of the Act, and (2) as a result of a survey made by a visitor to Newfoundland last year, a survey in fact of our welfare facilities and resources, administration, etc.,

this series of amendments is, as I say, recommended. Now these are general comments. Specifically, I should like to comment on each clause as we go along.

Clause No. 2 affects the interpretation clause, paragraph 4, section 1 of the original Act, 1944, and this amendment would provide that the word "Guardian" would apply to the director of Child Welfare not only when a child is committed to him permanently but temporarily. That provides for guardianship under another set of circumstances which we know is desirable. Clause 3 amends section 13 of the original Act and the last subsection of that section. The effect of this is that in cases where a child has been declared neglected the judge shall receive the facts as far as ascertained and the judge shall deliver certified copies of such order to the director, and to the parents or guardian. By our amendments, we feel this is entirely unnecessary and undesirable because it creates in the household knowledge of the child's delinquency or circumstances which ought not to be spread.

Clause 4 amends section 1 of Clause 47 wherein the family court is compelled to notify parents of the hearing in which their children are concerned. This amendment goes further and empowers the judge to order the parents to attend. At the present time a parent, is not required to attend, although the judge is required to notify the parents, but they may or may not attend.

Clause 5 amends subsection (1) of Section 58. The present clause states that were a child adjudged to have been delinquent, and the court feels that the case is best met by imposing a fine, it may order parents or guar-

dians to pay the fine, if the court is satisfied that the parents or guardian had been a party to the offense or have contributed to the offense by their neglect—that is very difficult to prove. Where this circumstance occurs, and the child is in fact proven to be a delinquent, and the court is of the opinion the case is best met by imposing a fine, the court is empowered to order the fine, instead of being paid by the child, to be paid by the parent or guardian.

Clause 6 amends Section 68. This is double barreled and provides, I should say, a simpler guardianship. Our Act is not altogether consistent with regard to guardianship, and we here make the guardianship in training schools and director. The guardian is now the superintendent in the training school. We feel that the guardianship of the director of child welfare should continue in the training school. There is an amendment, I would suggest, to that clause when we come to it later.

Clause 7 would amend Section 81 of the original Act. I will recommend in Committee what we wish to have brought about by this amendment. When a parent surrenders a child to the care and custody of the director, the rights and privileges and responsibilities of a parent thereby ceases. That should be by order of a court, but not by instrument in writing approved by anybody. There an amendment is necessary and I will suggest and indicate it as we come to it later.

Clause 8 merely strengthens the possibility that a hearing in a family court will be in private, and would substitute the word "shall" for the word "may."

Clause 9 is a new clause. There is provided there, a clause that allows

for the possibility that a parent or some special organization may wish voluntarily to surrender his or her child for a short while for special discipline to the director of child welfare, and it so provided here.

These situations do in fact arise, and the clause is humane enough to provide for admission of the child on a voluntary basis and on the discontinuance of the kind of care which is justified, that the child should go back to his home.

These, Sir, are the amendments which this Bill suggests, and I move the second reading.

MR. HOLLETT: Mr. Speaker, I don't think we on this side of the House see very much wrong with the principle of the Bill, with the exception of one section, section 6, where it is declared the director shall be the guardian of the child, of every child admitted to the training school until it reaches the age of twenty-one years. That strikes me as rather a late period in life to be a child under the eye of the director of child welfare. I think, we ourselves, all know boys who are going overseas and fighting at eighteen years of age, and some of them before that. I know, of a thousand men who enlisted in the last war at Grand Falls at least half were eighteen years of age. I can't conceive of a child of eighteen years having to go overseas to fight or anywhere to fight and still have the more or less stigma of being under the care and guardianship of the director of child welfare during that period.

DR. POTTLE: That is one section for the amendment of the Committee.

MR. HOLLETT: I am glad to hear that. That is the only thing I see wrong. I have had a lot to do with

delinquent children as a magistrate in the old days, and I feel that age is too high. As a matter of fact, I doubt the wisdom of having any age limit.

Bill read a second time, ordered referred to a Committee of the whole House presently.

Committee of the Whole on Bill, "An Act to Amend the Welfare of Children Act, 1944."

Section 1, 2 carried.

DR. POTTLE: The judge will not be required to give a copy of all the hearing which took place.

Section 3 amended. The words "may be submitted" be deleted and the word "to the director" be inserted.

Section 4, 5 carried.

DR. POTTLE: In clause 6, Sir, I would suggest that the words "until the child reaches the age of 21 years" be deleted.

MR. HOLLETT: While on that, Mr. Chairman, I would like to ask the Minister has he any such children in his care now, or the director of child welfare? Suppose any of these wish to go overseas?

DR. POTTLE: As a matter of fact by the time they become seventeen there is practically every prospect of a job of some kind or another, manual labour as a rule. We have no men in our care or under our guardianship now over eighteen years and these are merely staying on by agreement, more or less a gentleman's agreement until something permanent comes up for them. A number are now employed at Whitbourne on the building of the Boys' Home.

The two clauses taken together provide certainly that the point is met

which was raised just now by the honourable member for St. John's West.

Clause 7, Mr. Chairman, I would suggest an amendment in this: That the words: "By order of the court or by an instrument in writing approved by the Minister" be deleted. We know that any child should not be surrendered to anybody else by written consent of the parent, it should be by order of a court and that is what that clause thus amended in fact provides.

Clause 7 amended. Carried. Clause 8 carried. Clause 9 carried.

Committee reports having passed the Bill with some amendments. Ordered read a third time now.

Third Reading of Bill, "An Act Further to Amend the Welfare of Children Act, 1944." Bill read a third time, ordered passed and title be as on the Order Paper.

MR. SMALLWOOD: Mr. Speaker, I gave notice of a Bill, "An Act to Amend the Land Development Act, 1944," this afternoon, and would now ask leave to have the Bill read a first time.

Bill read a first time, ordered read a second time now.

Second Reading of Bill, "An Act to Amend the Land Development Act, 1944."

MR. SMALLWOOD: Mr. Speaker, I appreciate the courtesy of the House in allowing this Bill to go through its various stages tonight. It is really quite simple, and one which I believe will receive sympathy from both sides of the House. The fact is, in the Upper Humber there exists a land settlement established after the war, for veterans, Newfoundland Veterans

of the second world war. Some Newfoundland War Veterans settled there, each with a certain number of acres of land. Now, the Government of Newfoundland paid the full cost of that settlement, which I may say, ran into a staggering amount of money. I believe the Commission of Government spent many millions of dollars to clear the land and erect dwellings and barns and provide seed and fertilizers and otherwise establish the war veterans. Some of these war veterans have since left and others are still there, and today all who are there are not war veterans and there are a number of farms that have become vacant. When this Government came into office we were confronted by the fact that there were some vacant farms, which, if they did not soon become occupied, were going very rapidly to run down. So we decided to offer them for sale and this was done. There were, however, very few, in fact no offers at the price asked. Another advertisement was then run and with a price very much lower. Some applications were made, and I believe some sales effected at the much lower price. Now, these are all civilians. The present Bill, however, deals only with war veterans, who are there on that land settlement. The Veterans' Land Act of the Government of Canada is prepared to go in there now and advance a considerable sum of money to these veterans on that land settlement to enable them greatly to improve their status as farmers, and greatly to improve their various farms. An amount of, I think, seventy thousand dollars is actually available for these veterans who are at this land settlement, but there is an indispensable condition laid down by the Federal Veterans' Land Act and other veterans' legislation to this effect, that

before they will advance this money to a war veteran on the land under the Veteran's Land Act the veteran in question must have title in his name, and he must have, must be in a position to deliver title to the Veterans' Administration for the lifetime of this financial arrangement which the Veterans' Land Act administration would enter into with the veteran concerned.

At the moment the veterans and indeed all others out there, with the exception only of a few civilians who recently purchased a few of these farms under the arrangement I just described, have not got title in their farms.

The title is vested in her Majesty in right of Newfoundland. That is to say in Her Majesty's Government of Newfoundland and while that is so the Veterans' Land Act administration cannot advance any money on those farms. The present Bill has the effect of passing title over on those farms to some one, I am not quite sure who, whether it will be to individual veterans or to the Government of Canada, but the clause itself actually says in part 2 "on execution of an agreement under sub-section one the land in the possession and occupancy of the settler becomes Crown Land within the meaning of the Crown Lands Act 19—and this Act no longer applies to the said land but is dealt with as provided by the Veterans' Land Settlement Act, 1949."

The intention and purpose of this Bill is to enable the Government to make the necessary arrangement required by the Veterans' Land Act to have title vested either in the War Veterans or the Veterans' Land Administration so that the veterans concerned may now get that seventy thousand dollars. Now, if we look at it

very realistically we will know that there is no chance in the world of the Newfoundland Government getting back the money that has been spent on these farms, or any part even worth mentioning. There are very few small farmers in Newfoundland today that have any hope of paying that much money just to get to own a farm because they can't produce that much out of the farm and they have no other source of income. So it is just as well to be realistic about it. Here are those veterans who have a chance to get seventy thousand dollars from the Government of Canada to help them build up their farms and all that is standing in their way is title. Therefore, for goodness sake, let us enter into the necessary arrangements and set up the necessary mechanism whereby they can get that money. That is the purpose of this Bill. It is a technical sort of thing and I don't pretend to know the mechanism but know enough about it to know it does provide ways by which those veterans are able to get the money, and consequently move second reading of the Bill.

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I am in full accord with what the Honourable Premier said about this. I have been very interested from the beginning and we did have the Land Development Act of 1944 which did prevent the veterans of that area from getting full right and title to their land which they had to do before obtaining aid from the Department of Veterans' Affairs in Ottawa, until we released them from the obligations due the Province under this Act. This Bill will release them of that obligation so that they may derive the benefits from the Department of Veterans' Affairs. I am very glad, Sir, our Government has

seen fit to release these veterans of that obligation. There are eighty or ninety of them up there and it will mean they will be able to derive the benefits in the amount they are entitled to under the Veterans' Land Act, of 1942. I hope at the same time the veterans will appreciate that we are releasing them from the obligation of paying back to this Government an amount of five hundred thousand dollars before they can gain title. We are foregoing this, as a good Government always does to give them a chance to better themselves. I have great pleasure, Mr. Speaker, in supporting the mover of the motion.

MR. HOLLETT: Mr. Speaker, I rise to support this Bill, too, and in doing so, would like to thank the Honourable Leader of the Government on the other side of the House for his generosity this evening, not only to the veterans, but in thinking about, shall we say, the members of the future Government, because I know he expects us to be lenient with them, when that time arrives.

MR. SMALLWOOD: If the honourable gentleman will allow me, I wanted to see that all the lobsters were not given on one side.

MR. HOLLETT: I am not quite sure of this section which says, the Crown Land shall become Crown Land Act, 1931, and this Act no longer applies to the said land the Minister may deal with as provided by the Veterans' Land Settlement Act, 1949. Perhaps, the Minister who spoke last and who is interested very much in Veterans' Affairs could tell me that? What is the meaning of the second part of that section there?

MR. SMALLWOOD: I think the point might well wait until Committee of the Whole.

MR. FOGWILL: Mr. Speaker, I wish to support this Bill also, and would like to add my word of appreciation to my colleague here on the gift of lobster at the same time. I take it that under the present arrangements the veterans out there have no title because of the fact that there is money owed, and these men in question are now to get a free grant and get the necessary assistance from the Veterans' Loan Act of Canada.

Moved and seconded this Bill be now read a second time, ordered referred to a Committee of the Whole House presently.

Committee on Supply:

MR. CHAIRMAN: May I remind the Committee all these items to my knowledge have been passed.

MR. SMALLWOOD: The resolution is adopted in Committee.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole on Supply have completed its work and has been instructed to report the same to you. Have considered the matter to them referred and have passed the estimates.

Order adopted.

MR. POWER: Mr. Speaker, I move the House into Committee on Ways and Means.

MR. CHAIRMAN: These resolutions have been read, I shall now put the motion that they be adopted. Carried.

MR. SMALLWOOD: Mr. Chairman, I object. We look, all of us in this Chamber to His Honour the Speaker for an example in decorum and dignity, and I am just wondering if it is good example of decorum and

dignity to see His Honour the Speaker eating lobster. Not that lobsters is not a grand article of food, not that all of us in Newfoundland are not proud of lobster, not that we don't always seek every opportunity we can get to eat lobster, but when His Honour the Speaker, sits here in this Chamber facing the Government and I see him with a piece of lobster, I feel I must be mistaken, it can't be lobster.

MR. HOLLETT: Mr. Chairman, I feel it the duty of some member on this side of the House to rise in defense of His Honour the Speaker on this occasion. I may say that His Honour came here to sample a certain edible which was passed across the House. Not only did this cross the House, but the Speaker himself crossed the House and has come over here to sample the tastiness or otherwise of this delightful tasty gift. The only thing we do not find favour with, Mr. Chairman, particularly now, that we are on the estimates, is the high cost of lobster. It was very generous of the Premier to present us with some of this delightful lobster and will express the opinion now publicly, if the Honourable the Premier would produce and present us with some of our own Newfoundland Products particularly lobster, there would often be better humour displayed across the House.

MR. CHAIRMAN: The Chair takes a very dim view of the eating of lobster in this Chamber, particularly when it sees no prospect of getting any.

Resolution carried.

MR. CHAIRMAN: Mr. Speaker, the Committee of Ways and Means have considered the matter to them referred and have passed certain resolutions.

Ordered received now. Read a first time. Read a second time.

Honourable the Minister of Finance asks leave to introduce a Bill based on such resolutions. Bill read a first time. Read a second time, read a third time. Passed and title be as on Order Paper.

Committee of the Whole on Bill, "An Act Further to Amend the Land Development Act, 1944. Bill passed without amendments.

Bill read a third time, ordered passed and title be as on the Order Paper.

Second reading of Bill, "An Act to Provide for Change of Name."

Adjourned debate.

DR. POTTLE: Mr. Speaker, before the House adjourned for recess, I raised the question of deferring second reading in order to have certain provisions of the Bill checked by the officers of my department. I have done so, and find I have no critical comment to offer.

MR. HOLLETT: Mr. Speaker, I have not had much time to study this Bill. I am beginning to wonder if there is a likelihood of a lot of people wishing to change their name in this country. I noticed in Section 6 that any person of the full age of twenty-one years domiciled in Newfoundland and a British Subject by birth or otherwise. That was the only section that worried me for a moment, Mr. Speaker, but I see nothing wrong with that. We did not get this Act until this afternoon, and I have had little chance to study it, but since the Honourable the Attorney General and the Honourable Minister for Public Works have stated their opinion that

there is nothing in the Act which would offend anybody, I am prepared to let this go by, with this wonder in my mind as to why the necessity for this Act. Heretofore I have not known many people in this country being very desirable of changing their name, but if they are British Subjects as I take it this Act would imply, there is nothing can be done about it, if they want to change their name. I can well understand some people presently living in this country desiring to change their name. I am very interested to learn that a married woman may not during her marriage change her name. I think as far as I am concerned, Mr. Speaker, I agree with the principle of the Bill.

Bill read a second time, ordered referred to a Committee of the Whole.

Committee of the Whole on Bill, "An Act to Provide for Change of Name." Bill passed without amendment, ordered read a third time now, Bill read a third time, ordered passed and title be as on the Order Paper.

MR. SMALLWOOD: That, as far as I know, Mr. Speaker, completes the Order Paper except for several items with which there is no intention we should go ahead. I am going to move that the House at its rising do adjourn until tomorrow, Monday, at 3:00 of the clock.

I do so for this reason, maybe between now and then we will discover some omissions or some error which we could remedy on Monday. If, on the other hand, we find no such error or omission we need not in fact meet on Monday. That is to say, Your Honour would occupy the Chair and if a quorum were not present your Honour would in the normal course of events, adjourn the House until

the following day, Tuesday. In any case, His Honour the Lieutenant-Governor will come on Tuesday to prorogue this session of the House.

Moved and seconded the House at adjourned the House until tomorrow, Monday, at 3:00 of the clock.

MONDAY, May 19, 1952.

The House met at 3:00 p.m. but there being no quorum Mr. Speaker adjourned the House until tomorrow, Tuesday, at 3:00 of the clock.

TUESDAY, May 20, 1952.

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

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motions and Questions

None.

Orders of the Day

HON. L. R. CURTIS (Attorney General): Mr. Speaker, some days ago the House passed a Bill, "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies'." We have noticed in the printing of the Lieutenant-Governor's copy there is an error in section 4 of this Bill, just a verbal error, and wonder if we may have the indulgence of the House to move that third reading be rescinded and have the Bill recommitted.

Agreed.

MR. CURTIS: Mr. Speaker, I move that this Bill be now read a third time with the following amendments: In line four: Strike out the word "satisfactory" and substitute therefore the word "satisfied." And strike out the word "capital" in the sixth line and substitute the word "capitalize." With these two amendments I move the third reading.

Read a third time. Ordered passed and title be as on the Order Paper.

The Lieutenant-Governor arrived for the prorogation of this first session of the thirtieth General Assembly.

MR. SPEAKER: May it please Your Honour, during the present session of the General Assembly of this Province, the Assembly has passed certain Bills to which, in the name and on behalf of this General Assembly, I respectfully request Your Honour's assent.

List of Bills Signed by the Lieutenant-Governor

A Bill, "An Act Further to Amend the Dependents' Allowances Act, 1949."

A Bill, "An Act Further to Amend the Mothers' Allowances Act, 1949."

A Bill, "An Act Further to Amend the Education (Teachers' Training) 1944."

A Bill, "An Act to Amend the Newfoundland Asbestos Limited (Confirmation of Agreement) Act, 1951."

A Bill, "An Act Respecting the Department of Mines and Resources."

A Bill, "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

A Bill, "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

A Bill, "An Act Further to Amend the Education Act, 1927."

A Bill, "An Act Respecting the Maintenance of Parents, Wives and Children."

A Bill, "An Act Respecting Unclaimed Articles of Clothing and Household Goods."

A Bill, "An Act to Amend the Regulation of Mines Act, 1951."

A Bill, "An Act to Amend the Law Society Act."

A Bill, "An Act Further to Amend the Judicature Act."

A Bill, "An Act Further to Amend the Land Development Act, 1944."

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited."

A Bill, "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College."

A Bill, "An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities."

A Bill, "An Act to Amend the Family Courts Act, 1951."

A Bill, "An Act to Provide for the Guarantee by the Government of Newfoundland of a Loan to be Raised by the Newfoundland and Labrador Corporation Limited."

A Bill, "An Act to Amend the Old Age Assistance Act, 1951."

A Bill, "An Act to Amend the Blind Persons' Allowance Act, 1951."

A Bill, "An Act Further to Amend the Public Records Act, 1951."

A Bill, "An Act to Amend the Parsons' Pond Oil Vesting Act, 1951."

A Bill, "An Act Further to Amend the Act No. 41 of 1938 entitled 'An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company Limited.'"

A Bill, "An Act Respecting Provincial Parks."

A Bill, "An Act to Incorporate the Botwood Water Corporation."

A Bill, "An Act Further to Amend the Town of Harbour Grace Act, 1945."

A Bill, "An Act Further to Amend the Town of Carbonear Act, 1948."

A Bill, "An Act Further to Amend the Rural District of Placentia Act, 1945."

A Bill, "An Act to Amend the Rent Restrictions Acts, 1943-48."

A Bill, "An Act Respecting an Election in Labrador in the Present Year."

A Bill, "An Act to Amend the Maritime Hospital Service Association Re-Incorporation Act, 1949."

A Bill, "An Act to Amend the Wild Life Act, 1951."

A Bill, "An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada."

A Bill, "An Act Further to Amend the Local Government Act, 1949."

A Bill, "An Act to Provide for the Establishment and Administration of Community Councils."

A Bill, "An Act Further to Amend the Act 47 Vic. Cap. 6, entitled 'An Act to Incorporate the Carbonear Water Company.'"

A Bill, "An Act Further to Amend the Act 26 Vic. Cap. 5, entitled 'An Act to Incorporate the Harbour Grace Water Company'."

A Bill, "An Act Further to Amend the Memorial University Act, 1938."

A Bill, "An Act Further to Amend the Mining Tax Act, 1950."

A Bill, "An Act Further to Amend the Department of Public Works Act, 1950."

A Bill, "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

A Bill, "An Act to Amend the Loan and Guarantee Act, 1950."

A Bill, "An Act to Amend the Loan and Guarantee Act, 1951."

A Bill, "An Act Further to Amend the Co-operative Societies Act, 1939."

A Bill, "An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation."

A Bill, "An Act Further to Amend the Town Council Bond Guarantee Act, 1951."

A Bill, "An Act to Make Provisions for the Raising of Moneys by Certain Local Authorities."

A Bill, "An Act Further to Amend the Slum Clearance Act, 1950."

A Bill, "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Sale of Securities."

A Bill, "An Act Further to Amend Chapter 127 of the Consolidated Stat-

utes (Third Series) entitled 'Of Companies'."

A Bill, "An Act to Amend Chapter 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books Printed in Newfoundland'."

A Bill, "An Act Further to Amend the Workmen's Compensation Act, 1950."

A Bill, "An Act Further to Amend the Public Utilities Act, 1949."

A Bill, "An Act Further to Amend the Fisheries Loan Act, 1949."

A Bill, "An Act to Authorize the Government and the City of St. John's to Enter into an Agreement."

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Atlantic Hardboard Industries Limited."

A Bill, "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof."

A Bill, "An Act to Amend the Highway Traffic Act, 1951."

A Bill, "An Act to Vest the Property of Dissolved Corporations in the Crown."

A Bill, "An Act Respecting the Revised Statutes of Newfoundland."

A Bill, "An Act to Secure the Development of Undeveloped Mineral Areas."

A Bill, "An Act Further to Amend the Co-operative Development Loan Act, 1949."

A Bill, "An Act Further to Amend the Loan and Guarantee Act, 1951."

A Bill, "An Act to Vest in Her Majesty in right of Newfoundland Cer-

tain Claims in Respect of Freight Paid to the Canadian National Railway Company."

A Bill, "An Act Further to Amend the Industrial Development Loan Act, 1949."

A Bill, "An Act Further to Amend the Welfare of Children Act, 1944."

A Bill, "An Act Further to Amend the Land Development Act, 1944."

A Bill, "An Act to Provide for Change of Name."

A Bill, "An Act to Incorporate the Association of Professional Engineers and for other purposes connected therewith."

HIS HONOUR THE LIEUTENANT-GOVERNOR: I have signed these Bills and in Her Majesty's name I now assent to them.

MR. SPEAKER: May it please Your Honour, it is now my pleasant duty on behalf of Her Majesty's dutiful and loyal subjects of the faithful commons of Newfoundland to present to Your Honour Bills for the appropriation of supply granted in the present session.

Bills For the Appropriation of Supply

A Bill, "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-two and for Other Purposes Relating to the Public Service."

A Bill, "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the

Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-three, and for Other Purposes Relating to the Public Service."

HIS HONOUR THE LIEUTENANT-GOVERNOR: In Her Majesty's name I thank her loyal subjects, accept their benevolence and assent to these Bills.

MR. SPEAKER AND MEMBERS OF THE HONOURABLE HOUSE OF ASSEMBLY:

I am pleased to be able to relieve you at this, to many of you a very busy season, from further attendance at your legislative duties. Having regard to the substantial volume of business transacted, the session cannot be regarded as a protracted one.

Your approval has been given to Agreements between my Government and The Atlantic Hardboard Industries, Limited and the Atlantic Optical Company, Limited. These measures will result in the establishment of two or more new industries.

The adoption of "The Community Council Act" marks a further step in my Ministers' programme for the extension of Local Government, and will enable smaller areas to avail themselves of the privileges hitherto enjoyed only by larger towns.

My Ministers have been authorized to execute a new Tax Agreement with the Government of Canada and they anticipate that this Agreement will prove advantageous to the Province.

An Agreement, effective from April 1st, has been entered into with the Government of Canada which provides assistance at the rate of thirty dollars a month to needy persons between the ages of sixty-five and sixty-nine. It is expected that about five thousand persons will qualify.

The present summer will see many of the new industries promoted by my Ministers commence production, an Island-wide search for minerals unprecedented in extent, and the most serious drilling for oil ever undertaken here. It will be a fateful period in our history and we all trust and pray that success will attend those varied efforts to build up the economy of Newfoundland.

MR. SPEAKER AND MEMBERS OF THE HONOURABLE HOUSE OF ASSEMBLY:

I thank you for the provision you have made for the public services.

In releasing you from further attendance I thank you for the careful consideration you have given to the many and varied matters presented to you.

MR. SPEAKER: I beg to inform the House that this afternoon at 3:00 of the clock His Honour the Lieutenant-Governor was pleased to prorogue this first session of the thirtieth General Assembly of the Province of Newfoundland.

This House is therefore prorogued until the 30th day of June, 1952.

NEWFOUNDLAND IS ON THE MARCH

TEXT OF AN ADDRESS DELIVERED BEFORE THE NEWFOUNDLAND
LEGISLATURE, MARCH 31, 1952

BY

HONOURABLE JOSEPH R. SMALLWOOD,
PREMIER OF NEWFOUNDLAND

MR. SPEAKER :

From the moment that Newfoundland became a Province of Canada a great and far-reaching question presented itself to us and pressed inexorably for an early answer. It was a question that just could not be dodged, the answer to which could not be postponed. To any person of ordinary perception this question overshadowed all else in his contemplation of union with Canada and his assessment of that union's effect upon Newfoundland. Was Newfoundland to go ahead, or behind? Was her population to grow, or decline? Would the end of, say, the first ten years of union find Newfoundland stronger, more populous, more truly prosperous?

Confederation with Canada brought at once, and has continued to bring, quite remarkable benefits to virtually all of our people. It brought Canada's famed social security and social welfare benefits: Family Allowances, Old Age Pensions, Unemployment Insurance. It brought considerably increased wages for our 3500 railway employees who went over to the C.N.R. It brought considerably increased wages for our 2000 workers at Gander Airport, and Goose Airport. It brought considerably in-

creased wages for the 2500 civil servants who left the Newfoundland Civil Service and were absorbed into the Federal service, and for the 1000 or more additional Newfoundlanders taken on by that service. It brought considerably increased pension and other benefits to our thousands of veterans of both world wars. It brought many hundreds of thousands of dollars in wages to Newfoundlanders employed in various Federal public works.

These things are bringing cash payments amounting to about \$2,000,000 a month, in monthly cheques, to our people from Ottawa. These are payments made in cash each month direct to our people, and are quite apart from the other millions paid into the Newfoundland Treasury by Ottawa each year.

Everyone who has even the barest familiarity with Newfoundland is deeply impressed by the effect that these large payments have had upon our people's standard of living, and upon our Province's economy. I estimate that more than 300,000 of our 360,000 population share directly in these cash benefits from the Government of Canada. I would not give much for the intelligence of the one who would attempt to minimize the

tremendous social and economic benefits that these payments have brought to Newfoundland.

Newfoundland is the Gainer

If we were to strike a balance of cash payments from Ottawa to Newfoundland, and from Newfoundland to Ottawa, it would be found that Newfoundland is the gainer by many millions of dollars a year. There is nothing at all surprising about this; or, so far as concerns a majority of the Provinces of Canada, anything unusual. It can be said with confidence that with the exception of Ontario, Quebec, British Columbia and possibly now Alberta, all Canadian Provinces receive more money from Ottawa than they contribute to Ottawa. The difference, and more than the difference, is made up by the three or possibly four Provinces I have named.

I refer here, of course, only to a cash balance between Ottawa and Newfoundland. I am perfectly well aware of the fact that Ottawa collects more money in respect of Newfoundland than she collects directly from Newfoundland. If I buy in St. John's a suit of clothes, or a pair of shoes, made in Quebec or Ontario, I pay my share of the taxes Ottawa collects in Quebec or Ontario from the manufacturer of those clothes or shoes. Newfoundland is not credited with that payment, but the manufacturing Province is. I refer only to the direct balance of cash payments, and I refer to it for the particular purpose of inviting attention to the effect it had upon our whole social fabric and economy by these large payments direct to our Newfoundland people.

I am not, however, at the moment concerned to argue whether it was right or wrong to unite with Canada.

My views on that matter are too well known to require statement at this late date.

My immediate purpose is to point out that notwithstanding these undoubted gains that union brought to Newfoundland, the instantaneous and inevitable result of union was to pose the question I mentioned earlier: would Newfoundland go ahead or astern?

Our population would today exceed 1,000,000 people but for the stream of emigration that has followed from this Island down through the years. In every Province of Canada, and most States of the American Union, Newfoundlanders and their descendants live today in many hundreds of thousands. There are almost as many Newfoundlanders living in Montreal as in St. John's. There are twice as many in and around Boston, which might be called our largest "Newfoundland" city. On one notable occasion there were enough Newfoundlanders domiciled in one of the Provincial constituencies of Toronto to swing the election there.

The Threat of Confederation

In the second year before we became a Province of Canada some 2400 Newfoundlanders managed to climb over the Canadian customs and immigration barriers and get into Canada as settlers. In the year before union 2500 more Newfoundlanders went off to settle in Montreal, Toronto, Kitchener, Hamilton and many other cities of Canada.

Confederation with Canada contained the dire threat of accelerating vastly and spectacularly that outward flow of our people.

All custom and immigration barriers between us and the mainland of Canada vanished overnight. The C.N.R. which took over our railway system, cut passenger fares practically in half. Suddenly, dramatically, it became much easier for Newfoundlanders to get into the wealthier Provinces, the Provinces offering so many more advantages and opportunities for our people than Newfoundland did herself.

For myself, I foresaw this peril, long before we became a Province. I was convinced that it could be dealt with, but I knew that the peril was there.

If all of our people lived in one Newfoundland city of 360,000 souls, and 100,000 of them went off to live elsewhere in Canada, it would be a blow to Newfoundland, but not a fatal blow. The 260,000 who remained would still be able to support the Government of Newfoundland, who would still no doubt be able without imposing unbearable hardship to collect enough revenue to maintain the schools, hospitals and other necessary public services. Or if all the people of 200 settlements along our coast left Newfoundland it would be a bad, but not a fatal, blow. We could simply close down those settlements. We would have no roads, hospitals, schools or other public services to maintain in them.

It would not happen that way. Every settlement of the 1300 along our 6000 miles of coastline would lose some of its people, but the 1300 settlements would still be there, with a multitude of public services still needing maintenance and even extension. But all hopes of maintaining the public services at anything like the present levels would vanish if even 100,000 of our people left us. There just would not be enough people left

to pay the Government enough to do it.

That, I say, was the peril, that was the problem, that confronted Newfoundland when she became part of Canada three years ago. That was the problem that confronted our Province in general, and this Government in particular. If once there developed a notable increase in emigration, that increase might swiftly grow into something resembling a stampede. It would become the "fashion" to emigrate. It was perhaps the gravest peril that faced Newfoundland in many decades and it was one that gave sleepless nights to every thoughtful Newfoundlander.

Something Had to be Done

Something had to be done, and done quickly. Our people had to be persuaded that Newfoundland herself, as a result of Confederation, was embarked upon a new course. Our people had to be persuaded that there was new hope for Newfoundland and for them. They had to be inspired by new hope and new faith in Newfoundland, that Newfoundland would go ahead, that opportunities would spring up in this Province. We in the Government needed time to plan and to execute, but meanwhile the ever-present danger haunted our every thought.

If I may express a personal word, it is that I had profound faith in Newfoundland. I was deeply confident that, given the right treatment, Newfoundland could and would go ahead. I believed with all my mind and all my heart that Newfoundland did indeed contain the seeds of greatness. I knew that in Labrador we had this fabulous iron-ore deposit, and I had practical reason to believe that there

were other minerals besides iron in our vast north-east corner of this continent. I knew that we had vast forests of absolutely incomparable black spruce pulp-wood down there. I knew that we had many millions of horsepower of hydroelectric potential—more than the grand total of all the power presently developed in Canada. I knew that at Buchans we had the world's richest deposit of copper-lead-zinc-silver and gold. I knew that at St. Lawrence we had one of the world's greatest deposits of rich fluorspar. I knew that at Bell Island we had thousands of millions of tons of iron ore. I knew that at Grand Falls we had one of the world's largest newsprint paper and pulp mills, and at Corner Brook absolutely the world's largest. All these things I knew, for what I had not known before I became a member of the historic National Convention I quickly learned in the Convention.

Very well, I argued to myself, if we have the world's richest resources of salt-water fish, and these other great natural resources, who will convince me that these are all we have, that we have not many more just as valuable or perhaps even more valuable? Are Buchans, Bell Island and St. Lawrence the only parts of this fourteenth largest island in the world with mineral wealth? Is Knob Lake and that general area of Labrador the only part of that vast terrain to contain minerals, and is iron ore the only mineral there?

Now, we had just become a Province of Canada. That meant that in a sense our boundaries were suddenly pushed westward to the Pacific Ocean, that our population had grown overnight from 360,000 to about 14,000,000. Our potential market had sud-

denly grown to utterly fantastic dimension by comparison with what we had been. Could we produce in Newfoundland for sale in Ontario? Were we able and energetic enough to avail ourselves of this great, prosperous new market that had opened up before us?

I knew something else. I knew that the great United States had ceased to be self-supporting in many of the basic raw materials of her almost incredible industrial manufacturing economy. Her capacity to manufacture had far outstripped her own supplies of iron ore, copper, lead, zinc, fluorspar, and many other minerals; her supplies of timber, of fish, and a host of other articles. She was absolutely driven to seek her supplies from outside her own boundaries.

In short, I was deeply convinced that Newfoundland could indeed go ahead, and could be forced ahead.

Momentous Decision

I first made quite sure that my colleagues in the Government shared my faith, and then as spokesman for them and for myself I took the first step. That consisted of seizing every public opportunity, by press and radio, and of creating opportunities, both in Newfoundland itself and on the mainland of Canada, to sell Newfoundland to Newfoundlanders. If my salesmanship had the side effect of interesting mainland Canadians in Newfoundland's possibilities, so much the better; but the main purpose was to imbue my fellow Newfoundlanders with unflinching faith in the future of their Province. It was propaganda based wholly upon truth in the cause of Newfoundland's future. It succeeded triumphantly in the purpose of diverting the minds of the vast

majority of Newfoundlanders from thoughts of emigration.

Mr. Speaker, that was a momentous decision the Government made, the decision that Newfoundland could be made to grow stronger, greater and enduringly prosperous. It was the one great fundamental decision we made, for it gave shape to all our other decisions. It was at sharp and dramatic variance with the decision made years earlier by the Commission of Government, some at least of whose members believed that Newfoundland could never enjoy more than a meagre peasant economy. It was a decision that some few Newfoundlanders have yet to make, though their number becomes smaller every day.

But much more than propaganda was needed, and needed quickly; so we set ourselves to the task of working out a program of action. It took many long months, indeed it took nearly two years, to work it out; and it is not worked out in its final shape even yet. Its operation had to be by trial and error, and it was quite inevitable that we should blunder more than once. The blunders would not matter too much if they were not too costly, and provided we learned from them.

The program we worked out fell under two broad headings; social and economic.

We knew perfectly well, and if we had not known we would have learned quickly enough, that our people were actually dissatisfied with the social and public services that existed. Now, the three Maritime Provinces of Canada, Nova Scotia, New Brunswick and Prince Edward Island, have long I fear been regarded throughout Canada as the depressed and back-

ward area of Canada in the matter of social and public services: roads, schools, hospitals and all the rest. But by comparison with Newfoundland those three Provinces were and are a paradise in these things. It would make you ashamed to compare our roads, schools and hospitals and health services, and other public services, with those of the Maritime Provinces. Our people were not aware that little Prince Edward Island, with 2,000 square miles compared with our 42,000, and 97,000 people compared with our 360,000, had more miles of motorable road than we had, but they were well aware of the state of their own roads, and the lack of them. It was known by many Newfoundlanders that the nearby Provinces had such advantages as widowed mothers' allowances, dependents' allowances and similar social security measures. Clearly, if we meant what we said we should have to show very real signs of improving Newfoundland's social and public services. We did so, and it was of course the easier part of the program. We still lag far behind the Maritime Provinces, but at least we have made a beginning at catching up to them.

Our Economic Program

The economic side of our program was far and away the more important and the more difficult.

We organized it under three headings: economic exploration discovery and measurement was the first of them. It was one thing to be firmly convinced that Newfoundland and Labrador possessed more than just those natural resources which were already under development. It was something else again to prove it. Proving it was going to be a pretty costly, and a fairly prolonged affair,

so we tackled it almost at once. We brought in Air Photographic Surveys Company of Toronto to do an air-bourne magnetometer survey of 5,000 square miles of a section of Newfoundland that we had good reason to think was richly mineralized. That cost us a quarter of a million dollars, and it was one of the most profitable investments ever made in Newfoundland, as you know. We brought in Mr. Nelson Rockefeller's Ibec Technical Services Corporation to make a special economic survey. We brought in the Power Corporation of Canada from Montreal to make thorough field surveys of certain of our waterpowers. We brought in other specialists to survey and measure our economic resources. We have spent something getting up toward a million dollars on our various mineral timber, waterpower and economic surveys, and it was the most wisely-spent money expended for a long time in Newfoundland. There is ample capital in Canada and the United States to develop every square inch of Newfoundland and Labrador if that capital can be shown beyond reasonable doubt that the natural wealth is there to be developed. Capital is at least as anxious to develop any of our natural resources that can be developed at a good profit as we are to have them developed: but ours is the task of proving that we have them. The onus is on us. Propaganda may interest them mildly, but hard-headed investors will spend their money only when they become convinced with reasonable certainty that they will get their money back with a good profit. We, for our part, must at least prove up the existence of minerals, for example, to the point where private capital will feel that it is worth taking a chance on spending

their own money to put the matter beyond doubt.

And so we launched upon the most intensive campaign of search and mapping that Newfoundland has ever seen. If I have any regrets about that campaign it is that we did not launch it even earlier, more intensively, and with greater expenditure of money. One mine alone that has resulted from our campaign will pay us back our total expenditure several times over. As a result of our campaign some eight mining companies are this year sending 300 men into the field to explore and prospect, at a cost of several millions of dollars of their own money. These are Canadian and American mining companies. Had we spent more of our own money these three years past there might today be twice that number of prospectors and geologists in the field. We have at least the satisfaction of knowing that our own efforts have resulted this year in the greatest drive, by private enterprise, with the greatest expenditure, that has ever been made in Newfoundland for minerals. I forecast confidently that within five years the total value of the minerals produced in this Province will run to \$100,000,000 a year.

An Unconventional Device

That is the first prong of our three-pronged drive for economic development—exploring, measuring and mapping our natural resources.

The second prong is quite unconventional, and was devised as a non-recurring expedient to challenge attention to Newfoundland and to produce convincing evidence for our own people that Newfoundland was truly launched upon the road of progress. It has served its purpose, and need

not be repeated. I refer, of course, to our decision ourselves to build, out of public money, the three new plants of which we are now so proud: the birch veneer, plywood and flooring plant; the cement mill; and the gypsum plaster, plaster-board and plaster-lath mill. These factories are based four-square upon the utilization of our own Newfoundland natural resources: birch forests, mountains of limestone and shale, and other mountains of gypsum. We possess North America's finest resources of healthy birch. Our cement mill is built beside the sea and alongside a mountain of limestone that will last a thousand years. Our great deposits of gypsum are the purest in quality to be found anywhere on this earth.

Before building these three factories at a total cost, with temporary working capital, of just over nine million dollars, we satisfied ourselves beyond all doubt (1) that we were getting them built at most economical, even phenomenally economical cost; and (2) that they had every good chance to be economically successful. As the Speech from the Throne announced, we are selling these three plants and recovering to the Treasury the money they cost us. We might have waited for many years for these plants if we had not built them ourselves. I was very much gratified when Mr. Joseph P. Ripley, Chairman of the great American banking firm of Harriman, Ripley and Company, who personally investigated carefully the researches we had made before building these plants, declared publicly at Corner Brook that he was deeply impressed by the very great thoroughness and efficiency of our research. As I have said, our decision to build these three plants ourselves, out of public money, was quite unconventional, and

we realized that fact when we took the decision. We were well aware of the risk we ran of being regarded as a Socialist, rather than a Liberal, Government. It was calculated risk, and we felt that we were handsomely justified for Newfoundland's sake in taking it. We shall not, however, repeat this formula, for the three plants in question have accomplished the objectives we had in mind when we built them.

Fishing in Troubled Waters

The third prong of our economic drive I have described before as one of "fishing in troubled waters." By this, of course, I mean seeking in Europe for industrialists who might be induced to establish branch factories in Canada, and in Newfoundland in particular. Our belief was that there must be many companies on the continent of Europe who would welcome gladly an opportunity presented to them to become established in the New World. We realized that in all probability the average European would have the impression that Newfoundland was a place of snow, ice and frost; that this was possibly the last spot in the New World that would be chosen if it became a matter of free choice. We knew before we began that we should need to have very powerful inducement to offer if we were going to get any European firms to come here. We believed that we had that inducement, that one determining factor that would tip the balance in our favor. That was our ability, and our willingness, to assist such firms in the financing of any enterprise they might be willing to establish in the New World. I know today that without that inducement we could not have persuaded even one company to come here.

One thing I wish to make abundantly clear. We did not offer financial assistance to every firm that indicated its willingness to come to Newfoundland. We rejected far more than we accepted. A firm had to be well established in its own country before we would consider its application favourably. It had to be a successful firm in its own country. It had to convince us that any branch factory it might establish in Newfoundland had a good chance to succeed, for of course we had to be convinced that we would get back any capital we might advance to them. There had to be a good potential market, and the branch factory had to have excellent chances of marketing at an adequate profit. We insisted that each firm should make careful market surveys, as well as careful surveys of costs of production in Newfoundland. And our formula required that the firm in question should take at least as great a chance as we did.

We are confident that every European industry we have been instrumental in bringing to Newfoundland meets these conditions, and will be successful.

As of this moment agreements have been made with European firms for the establishment here of a leather tannery, an oil-hardening plant, a leather-goods factory, an optical-goods factory, a machinery plant, a pressed-board factory leading to a furniture factory, a cotton textile mill, and a fur-dressing and dyeing factory. Three of these are under construction at the present time, and construction will commence shortly on others. We are negotiating for the establishment of three other plants, and discussions are taking place with regard to one or two more. We have hope that before

we finish there will be a round dozen of these European factories operating in Newfoundland. These, together with the three plants we have built ourselves, would give us a total of fifteen new industries in Newfoundland, a figure in which I believe we could take justifiable pride. These are apart from the new mines that our efforts will have brought into production.

Local Companies Helped

I have been describing the third prong of our economic development program. I should not fail to mention the financial assistance we have given to Newfoundland companies to enlarge and expand their industries, or to establish new industries. For the most part these are firms engaged in our historic industry, the fisheries. We have given financial assistance, in the form of guaranteed bank loans, to enable new plants to be installed, new deep-sea draggers to be purchased, and entirely new fish-freezing plants to be built. Again we have followed carefully the practice of examining each application, and of providing credits only when we were satisfied that the enterprise helped was sound, would be successful, and would repay the credits advanced. All of the firms so helped have adhered strictly to the terms laid down, and have repaid promptly and in full. This policy of ours will have had the effect of creating not fewer than 1500 additional jobs for Newfoundlanders with a yearly wage-bill of close to \$2,500,000.

My estimate of the total number of new jobs to be created by these new industries and mines is something between 6000 and 7000. That would be full-time employment, and another 1500 would get part-time employment.

I have no doubt that such a volume of new employment would result in another 1000 persons getting their living indirectly out of these industries. The total number of Newfoundlanders involved would thus run perhaps as high as 30,000. The annual wage bill should run to something around \$10,000,000.

Such, then, is the three-pronged policy of economic development we worked out and applied: a campaign of intensive exploration, and measurement, of our natural resources; the building of three industrial plants with public funds, which it is our intention to sell and the procurement of new industries, and the expansion of existing industries, by the granting of financial assistance. I suggest to the House that it is a sound and statesmanlike policy.

II

Mr. Speaker, I said earlier that this Government had made the decision that Newfoundland could and must go ahead; that it could grow strong and prosperous; and that this was the one fundamental decision we had made since we first took office.

The Government made this decision, and I suggest that every Member of the House must decide, every Newfoundlander must decide, whether, in his view, Newfoundland can grow great and prosperous. This is a fundamental decision that will give shape to a whole series of other decisions.

For, consider the consequences of the decision. If the decision is that Newfoundland can not go ahead, that we do not possess the basic ingredients of growth and sound prosperity, our whole public and private financial policy must be shaped accordingly.

Private individuals and firms would in that case be most short-sighted to expand. Far sounder, in that case, to adopt a policy of great caution. Investment in business should be most conservative. Private citizens should conserve and save, and sheer away from the idea of tying up money in Newfoundland except in things which lend themselves to ready realization. The whole private business economy of Newfoundland should contract.

So with the public financial policy. Roads and hospitals and schools, and all other public services, should be built or improved to the extent by which we could do it out of current account revenue, and not a dollar more. We should pay as we go on capital account.

Such a policy would, of course, be in sharp contradiction of the policy of every government in North America: federal, provincial and municipal. The country, province, state or municipality that decides that it cannot grow will naturally put the brake on expansion. It will aim at making the lowest possible expenditures on public services, and with the rainy day constantly in mind it will spend even less than it collects on current account and thereby pile up a modest surplus. If it makes expenditures on capital account it will do so only to the extent by which its current account revenue exceeds its current account expenditure each year. I ask you in passing to consider the Provinces of Canada and the States of the American Union if they had adopted such a policy. Indeed, I ask you to consider the case of the private corporations of this continent if they had done likewise. Or to come closer home, where would the great Anglo-Newfoundland Development Company

of Grand Falls be today if they had decided that sound growth was not possible? Where would Bowater's Newfoundland Pulp and Paper Mills, of Corner Brook, be today?

I suggest to you that you can go ahead, or you can go behind. You cannot stand still. Growth—and death. That is Nature's law, and it is a law that Newfoundland cannot escape. Our thinking about Newfoundland must be out of focus and confused until we make that fundamental decision: can Newfoundland go ahead, or must she go behind?

What to do With Our Surplus?

We, as a Government, could have hugged the cash surplus to our breasts. We could have left it on deposit with Ottawa to draw $2\frac{3}{4}$ ths per cent interest. We could have given ourselves a sense of security thereby, but it would have been a false sense, and we know it. Our public health and hospital system was lamentably less than the obvious needs suggested, but we could have sat tight and said: "No, we will not build or enlarge hospitals, for we cannot afford to be healthy." Our school system was badly run down, but we could have decided that Newfoundland could not afford the luxury of having an educated people. Our roads were pitifully meagre in length, and, as every Member of the House so well knows, most deplorably dilapidated. We could have decided that it was better to have the cash on deposit in Ottawa than to spend it on building roads. Our people were unemployed, and able-bodied relief was costing us never less than a million dollars a year, but we could have said: "No, we will not search out and measure our natural resources; we will not help Newfoundland firms to expand

or to establish new industries; we will not build these three plants; we will not give financial assistance to European firms to establish factories in Newfoundland. We will just hug our surplus and draw the interest to help us balance our current account budget. Newfoundland cannot grow, so we shall not spend our good money. Newfoundland cannot expand, so we shall hold on to our surplus."

We commenced our career as a Province of Canada with about forty-two million dollars of a cash surplus. I suggest to this House that there were really only two courses open to the Government in connection with the surplus. The course to be taken had necessarily to depend on the fundamental decision we made with regard to Newfoundland's future. If our decision was that Newfoundland had no real future, the only sensible thing to do with the surplus was to use it to pay the expense of removing our population from Newfoundland to some Province or Provinces that had a future. If our decision was that Newfoundland had a future, the only sensible thing to do was to use the surplus to help realise that future. That is what we did, and it was inevitable once we decided that Newfoundland could grow and become prosperous.

I ask the House to suppose that at the commencement of our career as a Province of Canada we had no surplus at all. Then, obviously, we could not have built roads, hospitals, schools; or conducted geological, forest, water-power surveys; or built three factories; or helped Newfoundland firms to expand or establish new industries, or helped European firms to establish factories here. In that position we should still have been obliged to make

that fundamental decision. If our decision had been that Newfoundland had no future, then we would not have worried about the lack of an accumulated surplus. If it had been otherwise, we would have taken the obvious step of borrowing the money to do the things we did do out of the surplus.

All Government expenditure must fall under two headings: current account, and capital account. All the ordinary purposes of government are paid out of current account. All ordinary revenues go into current account. The rest is capital account. To maintain the roads we have is obviously a current account affair. To rebuild them, or to build new roads, is a capital account affair. To maintain a hospital or a school is current account; to build or enlarge one is capital account. To maintain what you have is current account, but to get something new is capital account.

There are, so far as I know, only two ways open to a Government to finance capital account expenditure. One is to spend it out of current account surplus: whether it be an accumulated surplus, or a surplus earned on current account from year to year. That is what we have been doing. The other is to borrow the money. That is what the other Provinces of Canada have been doing. It was only because we had an accumulated surplus, to which we have added in the past two years out of current account revenue, that we have not needed to borrow. If we had had no accumulated surplus, and had not earned some surplus of our own these past two years, we should have been obliged to borrow.

The Other Provinces and Us

The point I am making is that we

would have been fully justified in borrowing, if there had been need to do so, to meet the costs of those things which in fact we financed out of the accumulated and earned surplus. We would have been doing what the other Provinces of Canada, and the States of the American Union, have always done and are doing today. We would have been far more justified in doing it than are most of the Provinces, and most of the States, and for two reasons:

First, our need to spend money to improve our public services is far greater than their need, for our public services are much more in need of improvement than are theirs; and

Second, our financial position is far sounder than theirs, for we have virtually no public debt.

There is, Mr. Speaker, an interesting connection between these two points in the other Provinces. If they have more and better roads than we have, and more and better hospitals, schools and all the rest, they also have much bigger public debts than we have; and it is because they have these better public services that they have bigger public debts. Another way to state it is that they have bigger public debts because they have followed the perfectly conventional way of financing their new and better public services. They borrowed to do it. We borrowed, too, in the old days, but a very high proportion of our borrowing was not to finance new public services but rather to meet current account deficits, however much we tried to disguise the fact. Indeed, borrowing in our case spelt bankruptcy, for toward the end we were borrowing to meet the interest on earlier borrow-

ings. The borrowing we did, in large degree, was not at all of the kind done in most parts of Canada. We borrowed to finance current account deficits. They borrowed to finance capital improvements, improvements in many cases which were self-liquidating or even revenue-earners, as with hydro-electric developments.

Let me give you an illustration of what I mean. In the past three years this Government spent an average of \$7,000,000 a year capital account on public services. I mean roads, bridges, schools, hospitals, and so forth. In other Provinces of Canada it takes three levels of government (Provincial, Municipal, School bodies) to do the things that are done here almost solely by the Government of the Province. We have only one full-fledged municipal government in Newfoundland, that of St. John's. That body does not provide schools, nor police, nor fire-fighting services, nor hospitals, nor the relief of the indigent. The Government of the Province does so. Obviously, therefore, to make a proper comparison of Newfoundland with other provinces it is necessary to include, in other provinces, expenditures of all three levels of government. I say the Government of Newfoundland averaged, these past three years, \$7,000,000 a year in capital account expenditures on public services. If we had spent at the same rate as little Prince Edward Island did last year, we would have spent \$11,000,000. To equal the expenditures of Nova Scotia we would have spent last year about \$16,000,000. And to equal New Brunswick we would have spent about \$25,000,000. I have arrived at these figures by taking the per capita expenditures on capital account in those provinces,

and applying the same per capita to Newfoundland.

There is this further difference between them and us. They borrowed the money to spend those amounts. We spent ours out of cash surplus. Their public services are already much better than ours, so our need to spend on capital account was considerably greater than theirs. We spent much less.

The Province of Nova Scotia is rightly regarded as one whose public finances are sound. It is interesting to compare their capital account expenditure with ours. In the three years from January the first, 1949, to March, 1952, Nova Scotia spent the following amounts:

Public Works	\$45,204,777
Power development	7,875,451
Municipal public works	18,069,063
Assistance loans	1,504,063
	<hr/>
	\$72,653,791
	<hr/>

In addition to this figure, sizable amounts on capital expenditure were spent by public school bodies.

Taking Nova Scotia's population for the whole of the three years as 638,277 which is the actual census figure for last year, we get a per capita amount of \$112 for the three years taken together.

Applying that same per capita figure to Newfoundland's 360,000 population we find that we would have spent, during those same three years, on public works and the like a total of \$40,000,000. In fact we have spent less than \$22,000,000. Ours was spent out of cash surplus. Theirs was spent out of the proceeds of borrowings.

We Dislike Borrowing

The people of the nearby Maritime Provinces do not turn a hair when their Governments—Provincial, Municipal and School—borrow money to finance capital improvements. They know that this is the perfectly conventional way to finance new roads, hospitals, schools and all the rest. They know that this is the way to finance progress and growth. They know that this is how private companies and corporations finance expansion and growth. It is all perfectly conventional.

The people of Newfoundland, however, view the matter altogether differently. Their experience with borrowing was a sad one, especially in the last ten years or so during which we did it. To them borrowing spells bankruptcy. Indeed, I hardly suppose there is a Member of this House who does not wince at the thought of Newfoundland's borrowing. My purpose today is not at all to suggest that we ought to borrow, but rather to point out that there are only two ways for a Government to finance growth and expansion: out of surplus, or out of borrowing. We have done it out of surplus, and notwithstanding our much greater need for expansion of public services we have spent far less on it out of surplus than our nearby neighbors have done out of borrowings. Before I pass from this subject I say for the benefit of the House that this Government, and I personally, take a most unfriendly view of the idea of Newfoundland borrowing to finance public service extensions and improvements. Our philosophy runs altogether counter to it. Our viewpoint is that it is sounder for us to build up Newfoundland's economy, so that eventually it will become practical

for the Government, by current account taxation, to collect enough revenue to finance capital account improvement of our public services. Let us create a goose to lay golden eggs. Let us develop Newfoundland's economy.

I do not suggest that we should cease altogether to improve our public services. I would be very ignorant of the Province-wide popular demand for such improvements, and of the need for improvements, were I to advocate any such policy. It would be a short-sighted policy at best. My main point is that any money we have to spare over and above current account needs, should be spent more to build up our basic economy. The rest will follow far more naturally and painlessly. If we believe in Newfoundland, if we have faith in her destiny, let us spend with some generosity to build that destiny.

III

I turn now, Mr. Speaker, to a matter which demands the careful attention of every legislator, and indeed of every Newfoundlander. It is a matter that has given my colleagues and me very great concern, I can assure you. The problem arises from two of the Terms of Union. These Terms of Union, which set forth the special conditions of the union of Newfoundland and Canada, now form part of the British North America Act, which is the Constitution of Canada.

The first to which I invite your attention is Term 24. This is the Term which disposes of our Cash Surplus. First the Surplus is defined as the cash on hand at the date of union, plus the cash added to it subsequently as and when non-cash capital assets existing before union were

turned into cash, less liabilities which existed before union and paid off after union. Such is the cash surplus as defined in this Term. It was, as I have said, about \$42,000,000. Term 24 then divides the total into two amounts, one amount consisting of one-third of the whole, the other consisting of the remaining two-thirds. The one-third, which had to be placed on deposit with the Government of Canada to draw interest at the rate of two and five-eighths per cent, could be withdrawn by the Government of Newfoundland only to be spent on current account, and then only "to facilitate the maintenance and improvement of Newfoundland public services." I ask you to take particular note of the words "maintenance and improvement of public services." The two-third amount, which could be placed on deposit if we wished to do so, could be spent only "for the development of resources and for the establishment or extension of public services."

I think it will be agreed that the general purposes of these two parts of the surplus are fairly clear. The one, the one-third part, is for current account purposes. The other is for capital account purposes. The two-thirds portion is for development of resources, and also for the establishment or extension of public services. I think there will be little doubt as to what is meant by "establishment" of public services. There will probably be some doubt as to what is meant by "extension" of public services, especially when we remember the word "improvement" of public services in connection with the one-third of the surplus. The word "maintenance" of public services in the one-third part, and the word "establishment" in the two-thirds part need give

us no doubt whatever, for their meaning and intent seem to be quite clear. There is, however, some room for doubt, perhaps considerable doubt, as to the difference between "improvement" and "extension" in these two parts of the Term. I shall not dilate upon this matter, but leave it to the House for consideration.

This point, however, I draw particularly to your attention. The one-third portion of the surplus cannot be spent except on current account. To spend any of it the Government must, apparently, have a current account deficit. If, in the coming or any financial year, we wished to draw upon the one-third portion of the surplus we would have to decide quite deliberately to incur a deficit.

Financial Review

Bearing this vital point in mind, I should like you to turn to Term 29 of the Terms of Union. This is so important that I shall quote it in full: "In view of the difficulty of predicting with sufficient accuracy the financial consequences to Newfoundland of becoming a province of Canada, the Government of Canada will appoint a Royal Commission within eight years from the date of Union to review the financial position of the Province of Newfoundland and to recommend the form and scale of additional financial assistance, if any, that may be required by the Government of the Province of Newfoundland to enable it to continue public services at the levels and standards reached subsequent to the date of Union, without resorting to taxation more burdensome, having regard to capacity to pay, than that obtaining generally in the region comprising the Maritime Province of Nova Scotia, New Brunswick, and

Prince Edward Island." This is the Term

The salient points of this Term are these:

First, it was difficult to foresee just what effect Confederation would have upon Newfoundland's public finances.

Second, a Royal Commission would be appointed, within eight years from the date of Union, to review the position and recommend what form and scale of additional financial assistance the Government of Canada should pay to the Government of Newfoundland.

Third, such additional financial assistance would be for the purpose of enabling Newfoundland to carry on the public services at the levels and standards reached subsequent to Union, that is, reached at the time of the financial review.

Fourth, the form and scale of the additional subsidies would have to be such as to enable Newfoundland to carry on those public services without imposing taxation more burdensome than the taxation imposed in the nearby Maritime Provinces.

Fifth, burdensomeness of taxation would be compared with burdensomeness in the Maritimes in the light of capacity to pay in each place.

It is thus quite easy to see what the Royal Commission will need to do when they come here. The very first thing they must look at are the levels and standards of our public services at that time. This is the crux of the whole matter.

Now go back to that other Term. We have eleven million dollars of cash surplus on deposit with Ottawa. It is earmarked for current account expen-

diture only on the maintenance and improvement of our public services. But to be able to spend any of it we must quite deliberately incur a current account deficit. Current account deficits would obviously impair seriously the credit standing of the Province, which we could not contemplate.

We Have Surplus Budgeting

And in any case we have surplus budgeting on current account. We had a very substantial surplus on current account last year, and we shall have another substantial surplus this year. The surplus next year will be even larger. You cannot have current account surplusses and use any of that one-third of the surplus, for that can be used only if we have a current account deficit.

Meanwhile we all know that our levels and standards of public service are lamentably low, and must be raised. They are incomparably the lowest in all Canada, and certainly it was not to hold them at existing levels and standards that we became a Province of Canada. We became a Province of Canada very largely because we expected and believed that under Confederation our public services would greatly improve. We all felt that we had a right to something at least resembling the levels and standards of public services in the Maritime Provinces, for example.

If we set out deliberately to raise the levels and standards of our public services we must apparently do so by withdrawing money from that eleven million dollars. But to do that we must deliberately create current account deficits, and that would destroy our credit.

And if we do not raise these levels

and standards, then will the Royal Commission accept them as they are when the review is made? Will they say to us: "You are evidently quite content with your existing levels and standards of public services, else you would have spent the one-third of your surplus ear-marked for the very purpose of raising them."

Would the Royal Commission recommend additional subsidies if when they came they found us with eleven million dollars tucked away that we had refused to spend to raise those levels and standards? I leave it to the House to ponder the arguments that Newfoundland could make to induce the Royal Commission, in those circumstances, to recommend additional subsidies.

The fact, of course, is that deficit budgeting on current account was fully expected by all of us when the Terms of Union were being negotiated. It was I who originated the proposal to divide the total surplus into two parts, one of them to be reserved to meet current account deficits for the first few years. Nobody foresaw then that Newfoundland would have surplus, not deficit, budgeting.

It is a paradox indeed that we should have money that we do not need, and not have money that we do need. Our need is for money to finance capital account expenditures, especially and indeed above all on economic development. Our need is not at all for money to finance deficits, for instead of deficits we have surpluses, and shall have larger surpluses.

The solution appears to be this: that we should finance capital account expenditures on public services out of current account surpluses which we

earn from year to year, and finance economic development by the sale of our bonds, or by the sale of company bonds guaranteed by us. It is not a final and ultimate solution, but is the only immediate one I can see. We shall perhaps have to make it do as a short-term policy. One thing above all is clear: we have the most powerful aversion in Newfoundland to borrowing for public services, even on capital account public services. I doubt whether the public of Newfoundland yet have the kind of faith in Newfoundland that would enable them to take such borrowing in their stride, as do the people of the other Provinces of Canada.

When Newfoundland Went Bankrupt

Before I leave the subject of borrowing I should like to remind the House very briefly of the circumstances that existed in Newfoundland when we ran into financial trouble. I refer, of course, to the years 1931, 1932 and 1933. Those were the years of the Great Depression, when there were 18,000,000 unemployed people in the United States, when the Provinces of Canada staggered under the impact of hard times, when the whole world reeled under the blow of the Wall Street crash of 1929. Our population then was around quarter of a million people. We were a nation, or thought we were—a self-governing Dominion of the British Commonwealth. We had our own Parliament, our own laws, our own courts, our own financial system, our own customs tariff. We were the pigmy among the nations, but it never occurred to us that our economy was as weak as water. Virtually everything we consumed we had to import. Virtually everything we produced we had to export. We were

more an export-import economy than perhaps any country in the world. It took then about \$11,000,000 to pay the interest on our Public Debt and carry on the public services. The Public Debt ran around \$100,000,000, and it took \$5,000,000 a year to pay the interest. There was no sinking fund in those days, and the debt was owned, practically all of it, outside Newfoundland. Most of the Government's revenue was got through ad valorem customs import duties. Here is what happened:

World trade died down to a trickle, and prices fell catastrophically. Our main exports were salt codfish, pulp and paper, iron ore and fish oils. From 1929 to 1931 the value of our fish exports dropped from over \$11,000,000 to less than \$5,000,000. The value of iron ore exports dropped from over \$4,000,000 to \$500,000. The total value of our exports in 1930 was \$40,000,000. By 1933 it had dropped to \$25,000,000.

As the value of our exports dwindled, so did that of our imports, for obvious reasons. In 1930 it was \$32,000,000. By 1933 it was down to \$15,000,000.

You can imagine what happened to the Government's revenue when you remember that most of it came from an ad valorem customs tariff. In 1930 it was \$11½ millions. In 1932 it was down to less than \$8,000,000. Out of that amount, \$5,000,000 had to go to service the public debt—virtually every dollar of it had to leave the country. Out of the remaining \$3,000,000 the Government had to feed 90,000 people, which they did by giving relief at the rate of six cents per person per day. Our war veterans' pensions had to be paid, teachers had to be paid, the railway had to be op-

erated, the whole civil service had to be paid, civil service pensions had to be paid, our courts and police system had to be maintained, our various hospitals and other health institutions had to be operated. All this and more out of \$3,000,000.

We Never Defaulted

Those were desperate times. Our people starved, but we never defaulted on our Public Debt obligations. It all ended in our losing self-government. It was a bitter price to pay, but Newfoundland's name was kept clean.

I mention these unpleasant facts, Mr. Speaker, only to remind ourselves why we Newfoundlanders are so averse to public borrowing. If we had not had a Public Debt of a hundred million dollars we might not, in the early thirties, have gone under when the blast of World Depression struck us.

If ever we should contemplate borrowing there are several facts that we would have to bear in mind:

Our Public Debt today is three and three-quarter millions net, or less than \$10 per head as against the next lowest in all Canada, that of Quebec, which is \$82.

Our population is now 100,000 more than it was in the early thirties.

Our whole economy is incomparably richer and stronger now than it was then. Then we were a separate British Dominion, with all the trappings of an elephant on the back of the proverbial mouse. Then the only dollar our Government could have, apart from borrowing, was what it could collect from the handful of Newfoundlanders. Now about 70% of the entire revenue of the Government is paid over to us by Ottawa. Then we had

a railway which cost us millions each year net operating loss. Then we had lighthouses, beacons, and buoys, public wharves and breakwaters, and a host of other public services which now are maintained by Ottawa.

Let us, however, notwithstanding these vastly improved conditions, resolve as one man to avoid to the last possible hour all public borrowing for anything in Newfoundland apart from sound economic development. That way lies wisdom for all of us.

Our Policy Summarized

By way of brief summarization let me state the policy and intention of the Government:

1. We shall continue our policy of surplus budgeting on current account.

2. We shall continue to make expenditures on capital account, to improve on public services, but shall not borrow to do so.

3. We shall continue our policy of economic development, but turn increasingly to the Newfoundland and Labrador Corporation as the means of accomplishing that development.

4. We have completed our program of building industrial plants out of public funds. No more such plants will be built.

5. Upon the completion of the European branch factories whose establishment has been under negotiations we shall assist in the financing of no more such plants, but will channel all such projects through the Newfoundland and Labrador Corporation.

6. In order to secure the business-like management of the investments and assets of the Government in this Economic Development program we

intend to vest their control in the Newfoundland and Labrador Corporation.

7. Our financing of capital account public services, and economic development, will in future be made out of:

- a. Surplusses on current account;
- b. Revenue received from investments made in our economic development program;
- c. Borrowings (but only for economic development) based upon conservative practice.

8. We consider that we have given a powerful impetus to the industrialization of the Province, and are of the opinion that we should now progressively withdraw from active participation in that drive except, in the main, through the Newfoundland and Labrador Corporation under the valued leadership of Sir William Stephenson.

IV

My faith in Newfoundland always was strong, but it is stronger today than ever. It has been made stronger by information that I could not have acquired if I had not been head of the Government these past three years. I have explored many possibilities, and in this exploration, I have of course been assisted in many ways by many people. I have believed strongly in the wisdom of keeping one's eyes and mind wide open, of looking incessantly for opportunities, of allowing nothing to detract from that constant open-mindedness.

If there is one besetting sin in our Newfoundland people it is the habit of belittling Newfoundland and her possibilities. I doubt very much that there was general agreement amongst our people back in the days when a paper mill was advocated for Grand

Falls, that such a project was sound. Thousands of the Newfoundland people had no faith in it, and felt sure it would fail. And notwithstanding the great success of the Grand Falls project, there were many thousands still in 1923 who had no faith in the new paper mill projected for Corner Brook, that new mill which has since become the largest of its kind in the entire world. These two mills have been the means of circulating hundreds of millions of dollars amongst our people, and they are competing very profitably with all the paper mills of the world.

Since the day this Government first took office our greatest battle has been to win over the Newfoundland people to the view that Newfoundland has a really bright future. It is understandable when people in Europe, or in Upper Canada, or in the United States dismiss such optimism as airy nonsense, for the picture they have of Newfoundland is one of snow, ice, frost, fog, foul weather, and primitive salt-cod. It is hard to sympathize with those of our own Newfoundland people who reject our faith in Newfoundland's future. Such Newfoundlanders are like Rachel, they will not be comforted.

Our Hopes for Newfoundland

I should like to give the House, in very broad terms, this Government's thoughts of what Newfoundland may become in the next few years.

One of the greatest of all the possibilities is the doubling in size of our Grand Falls and Corner Brook pulp and paper mills. These two mills are, I believe, now cutting all the pulpwood in Newfoundland they may safely cut. Based upon their holdings of pulpwood timber on this island, they

can produce no more pulp and paper than they are presently producing. But in Labrador we have as much pulpwood growing as these two companies have in Newfoundland, and one-third as much more. The two companies have stands in Newfoundland containing roughly 30,000,000 cords. In Labrador we have about 40,000,000 cords of prime pulpwood, and when I say prime, I mean prime. The Labrador wood is slow-growing black spruce for the greater part, and yields a fibre that is the paper-maker's dream. No man needs to strain to see the day when the Grand Falls and Corner Brook mills will double their present plants by the use of some of Labrador's great forests of pulpwood. Grand Falls should produce 1500 tons a day, and Corner Brook 2000 tons. That would make Grand Falls a city of 35,000 people, and Corner Brook one of 50,000. Nor do I think that these mills should confine their production to pulp and newsprint paper, for it is quite clear to me that they should be manufacturing liner board for wall-boards, box-boards for paper boxes, as well as paper for roofing and other products. The use of liner-board is increasing all the time, and at this moment we have the anomalous position of importing liner-board for the gypsum wallboard plant at Corner Brook. The use of paper boxes and shipping containers is already quite considerable in Newfoundland, thanks mainly to the frozen-fish industry, and will increase considerably in the next few years. I foresee the starting of our own paper-box and paper-carton factory. Only the fact that the right kind of paper is not yet produced in Newfoundland is holding up the starting of a roofing-material factory.

At the present time about 1,000,000 gallons of spent sulphite liquor is

pouring out of our two paper mills every work-day of the week, and if and when these mills double in size the gallonage of sulphite liquor will likewise increase. It is not difficult to imagine a factory using this liquor for the manufacture of industrial alcohol and other base-materials. Modern industrial chemistry is one of the wonders of the world, a fact that becomes brilliantly apparent when I remind the House that at least 150 separate and different articles of merchandise are today manufactured from industrial alcohol. I foresee the day, not very far distant, when thousands of Newfoundlanders will find employment in factories manufacturing many useful and profitable articles from alcohol distilled from the thirty thousand million gallons of spent sulphite liquor now draining away from our two mills to the Atlantic Ocean. I have gone through numerous such chemical factories in Europe in the past two years, and I have seen with my own eyes the miracle of modern industrial chemistry. I have seen hundreds of articles of leather and rubber and other substances synthetically made from raw materials no more adapted to such use than the sulphite liquor we are now throwing away in thousands of millions of gallons every year. Nor, Mr. Speaker, do I base my views in this matter upon nebulous and amateurish notions. I have discussed this matter in great and practical detail with some of the greatest chemical people in the world, and I have invited some of these people to Newfoundland. They have visited Newfoundland more than once in the past year and made their own investigations here. I have considerable hope that far-reaching results will flow from these discussions and investigations.

A Zinc Smelter

Newfoundland, as the House knows, is in the very front rank of Canadian Provinces producing zinc. Never less than 60,000 tons of zinc concentrates are produced each year at Buchans, and production there has topped 100,000 tons in one year. Buchans has recently been given a long new lease of life, and other zinc mines will undoubtedly come into production this year and next. Is there any good reason to suppose that a modern zinc smelter cannot be established in Newfoundland? I have had this question investigated, and it is still under close investigation, and negotiations are presently proceeding. No zinc smelter exists today anywhere in Eastern Canada. No zinc smelter can operate profitably in Eastern Canada without the 100,000 tons a year that will be available in Newfoundland, and I assure you very earnestly that this Government do not propose to allow this opportunity to slip through our fingers without a hard fight to get that smelter. And a zinc smelter would lead almost inevitably to a lead smelter, and to another chemical industry based upon the by-products. Such an industry would employ more men than are presently employed in the great Corner Brook mill.

Aluminum

Why should we not have an aluminum industry in Newfoundland? We have in Newfoundland more of the raw materials for such an industry than are to be found anywhere else in Canada. Indeed, it is from our fluorspar mines in St. Lawrence that one of the main ingredients for aluminum is found. We have the hydro-power potential, and surely it would be cheaper to bring the bauxite from Jamaica, for instance, to our south

coast, than to Arvida or even British Columbia? We have lately spent a considerable sum of public money for a detailed survey of the water-power resources of our south coast, and it was not merely out of curiosity that we wished to know what power we could get there, and at what cost. An aluminum industry would lead inevitably to the establishment of fabricating plants using the aluminum as the raw material for articles of sale. It would not be long before 2000 new jobs would result from the establishment of an aluminum industry in Newfoundland.

New Mines—And Oil?

It seems likely now, to say the least, that we are to have a number of new mines. As the Speech from the Throne declared, more mining companies are prospecting in Newfoundland this year, employing more men, and spending more money at it, than in any quarter of a century in our history. Since the Speech from the Throne was delivered three weeks ago, several more mainland Canadian and American mining companies have approached us and will join the parade this year. One or two good finds this year would probably double the number of companies and men, and amount of money, for next year. We are closer to a mining boom than we ever were before. And as the Speech from the Throne said, we are all watching, almost with bated breath, the efforts of John Fox to strike oil on our west coast. Need I tell the House what the discovery of oil would mean to Newfoundland?

Steel Mill

We are working, as the House is aware, on the establishment of a steel mill in Newfoundland. This would

not, at least at the start, be a large-mill. It could be quite a small one, and still possess staggering significance for Newfoundland. High-grade steel produced in this mill would not all of it leave Newfoundland. Without the shadow of a doubt various metallurgical industries would spring up here to use that steel as its principal raw material. The result would be to place Newfoundland almost in one bound in the forefront of Canada's industrial provinces. For myself, I would almost exchange all the possibilities I have so far described for one steel mill, even a small one to start with.

More Birch Development

Mr. Speaker, we should all of us thank Almighty God for His kindness in giving us such splendid forests of good birch timber, and for the fact that our birch is healthy birch. In what other Province of Canada, I ask, could these great forests of good, healthy birch have stood so long, and rotted so long, without development being based upon them? It makes me ashamed to know that for centuries we have made no more profitable use of our birch than to slaughter it for railway ties at ten cents each until past half dozen years or so, and for junks to burn in our open fire-places. Thousands of our Newfoundland people have starved in the past because we did not have the wit or the energy, above all the imagination, to base sound industries on that magnificent bounty of a kindly Providence. We have, as you know, established a very modern new industry on this birch. This new factory is now manufacturing veneer, plywood, flooring from birch. Shortly it will be manufacturing 2000 flush-doors a week.

But I would not have you think that veneer, plywood, flooring and doors exhaust the list of profitable possibilities of our birch. We can have another mill similar to the one we have just launched, and in addition to both mills we can have a very sound industry turning birch into an almost infinite number and variety of good, saleable products. I wish that all the Members of this House could visit those centres in Canada and the New England States where birch is manufactured into furniture, skewers, bobbins, ice-cream spoons, piano cases, fruit and vegetable baskets, school desks, church furniture, and a thousand other articles: where tens of thousands of people are employed and getting a living wage from such work. Every member would then, I think, share my faith in the possibilities of our birch forests of Newfoundland and Labrador.

Fisheries

So far, Mr. Speaker, I have been discussing only the possibilities of industrial development. Economic development means more than just industrial development, however, for by the former term I mean also such things as fishing and agriculture. I do not propose today to dwell for any length on the possibilities of our great fisheries. A few of us in Newfoundland and in Ottawa are firm in the view that Canada's fisheries must become one of Canada's great industries. The Prime Minister of Canada holds that view. Canada's great Minister of Fisheries, Mr. Mayhew, holds it. Newfoundland's Minister in the Government of Canada, Mr. Bradley, holds it. Some of us here in Newfoundland hold it, and I certainly not least of all. And when you say "Canada's

fisheries," you must necessarily mean very largely Newfoundland's fisheries, for here again a kindly Providence has blessed this Province even more than she deserves. I have come to the view that without the active, energetic, practical help of Ottawa we can never get our fisheries potential to the point where they are soundly established and profitable for all concerned. I am far from being unappreciative of what Ottawa has already done, and I pay special tribute to the gentlemen whose names I have mentioned. The real test, however, of how deeply Ottawa appreciates the magnitude and importance of our Newfoundland fisheries to Canada, and of how far Ottawa is prepared to go in the same practical way she has gone to help agriculture, will follow the release of the report and recommendations of the Fisheries Development Committee.

Agriculture

If I may express a personal view of agriculture in Newfoundland it is that a fresh approach must be made to the problem. I think we will have to wean ourselves largely away from agriculture as expressed in the growing of root crops, and turn much more to it as expressed in the raising of live-stock. If sheep-raising can be the great industry it is in Iceland today, it can become a very sizable industry in Newfoundland. I am convinced of it. I have had far more experience in hog-raising than any other Member of this House, perhaps more than all the other Members put together. We once raised in Newfoundland many times as many hogs as we do today. At the turn of this century, when our population was a little over 200,000 souls, we were raising 35,000 hogs. Today, on the same basis, we should be raising 60,-

000 hogs. We are in fact raising about 10,000. I think we ought to be raising 100,000 at least, with the pork being processed in our own packing house industry. I believe there are some possibilities of a small but sound cattle-raising industry. Frankly, I do not see why we should be producing only one million dozen eggs a year in Newfoundland while we are still importing a million dozen. I see the need of a small but very modern packing house to receive and process pork, beef, poultry. I see the need for a small feed mill, and for a fertilizer mill. A prosperous industrial Newfoundland will make a fine market for live-stock farmers with a good living for at least a few thousand Newfoundland families. I see good possibilities for a fur-farming industry in Newfoundland. Indeed, I am told by experts that fur-farming, especially the raising of mink can become outstandingly successful in this Province.

Put it all together, Mr. Speaker, and you would have a Newfoundland to be truly proud of, a Newfoundland that would not be tenth among the Provinces in anything more than date of entry into Confederation. Can it be done? Perhaps not all of it, but much less than all of it would give this Province an enduring prosperity that we have never been bold enough even to dream about.

This I do say, that we live in a remarkable time. The new world bristles with possibilities and opportunities. Canada herself is growing with quite remarkable soundness and speed, and we are part of Canada. If we have faith in ourselves, if we keep our public finances sound, if we prove in action that we are a people who can be trusted under all circumstances, then I have no doubt whatever of our

ability to bring enterprising capital from Europe, from the mainland of Canada, and from the United States of America to develop anything we have that will produce an attractive profit. The main thing is to have faith in ourselves.

The Newfoundland Labrador Corporation

And now, before I conclude, Mr. Speaker, I should like to say a few words about our newly-formed Newfoundland and Labrador Corporation. Her Majesty's Government in Newfoundland have been profoundly fortunate in enlisting the interest of the United States and Canada who are now represented on the Board of this Corporation, this Corporation which we frankly regard as the Government's economic arm. Sir William Stephenson, the Chairman of the Board, is a gentleman whose reputation extends around much of the world. The well-known American banking house of Harriman, Ripley and Company, and the equally well-known Canadian house of the Wood, Gundy Company are represented on the board by trusted officers. The distinguished Montreal lawyer, Mr. Claude Richardson, Q.C., is a Director, as is Mr. Lytton B. P. Gould, of New York. Here in Newfoundland the Government have been fortunate to secure the consent of three outstanding Newfoundland industrialists to serve as Directors. I refer to Mr. Eric A. Bowring, C.B.E., of the great House of Bowring; Mr. H. M. S. Lewin, C.B.E., Vice-President and General Manager of the great Bowater Pulp and Paper Mills at Corner Brook; and Mr. Chesley A. Pippy, one of our most successful industrialists. As the House knows we have lately succeeded

in obtaining the services of Mr. George G. Thomas, who made such a great success of the Buchans Mining Company, from which he recently resigned as General Manager. Mr. Thomas is Secretary-Treasurer of the Corporation and special adviser on all mining matters.

The Government are anxious to have the Corporation assume an ever-increasing share of the Government's responsibility to bring about the

economic development of Newfoundland, and I am happy to be able to say that the Directors are ready to accept that burden.

I am personally exceedingly proud of the Government's success in being able to bring about the creation of this Corporation, and above all in finding such distinguished industrialists to lead and manage it.

Newfoundland at long last is on the march.

Journal and Proceedings
of the First Session
Thirtieth General Assembly
of Newfoundland

BEGUN and holden at St. John's in the Province of Newfoundland on Tuesday, the 11th day of March, Anno Domini, Nineteen Hundred and Fifty-two, being in the First year of the reign of Her Majesty our Sovereign Lady Elizabeth the Second, by the Grace of God, of Great Britain, Ireland and the British Dominions beyond the Seas, Queen, Defender of the Faith.

TUESDAY, March 11th, 1952.

His Honour, Albert Joseph Walsh, Esquire, Knight Bachelor, Chief Justice, Administrator in and over the Province of Newfoundland by His Proclamation bearing date the 8th day of March having appointed Tuesday the 11th day of March for the Meeting of the General Assembly for the despatch of business the following are the names of the Members returned by the Returning Officers for the Several Electoral Districts to represent the said Districts in the General Assembly.

	District of
Reginald Sparkes, Esq., M.A.	St. Barbe
Samuel Drover, Esq.	White Bay
Baxter Morgan, Esq.	Green Bay
The Honourable Edward S. Spencer	Grand Falls
The Honourable Leslie R. Curtis, Q.C.	Twillingate
Gordon Janes, Esq.	Fogo
The Honourable Joseph R. Smallwood	Bonavista North
Clyde Brown, Esq.	Bonavista South
The Honourable Samuel J. Hefferton	Trinity North
Charles M. Button, Esq.	Trinity South
The Honourable Herbert L. Pottle, M.A. Ph.D.	Carbonear-Bay de Verde
The Honourable James R. Chalker	Harbour Grace
Isaac Mercer, Esq., Q.C.	Port de Grave
David I. Jackman, Esq.	Harbour Main-Bell Island
The Honourable Philip J. Lewis, Q.C.	Harbour Main-Bell Island
Peter J. Cashin, Esq.	St. John's West
Frank D. Fogwill, Esq.	St. John's East
James D. Higgins, Esq.	St. John's East
Augustus M. Duffy, Esq.	Ferryland
The Honourable Gregory J. Power	Placentia-St. Mary's
Patrick J. Canning, Esq.	Placentia West
The Honourable Philip S. Forsey	Burin
John R. Courage, Esq., B.A.	Fortune-Hermitage
George Norman, Esq.	Burgeo and LaPoile
The Honourable William J. Keough	St. George's-Port au Port
The Honourable Charles H. Ballam	Humber
Malcolm Hollett, Esq., M.A.	St. John's West

By virtue of a Commission under the Great Seal, to the Honourable Sir Brian Dunfield and the Honourable Harry A. Winter, Judges of the Supreme Court, which is as follows:

Albert J. Walsh,
Administrator.

ELIZABETH THE SECOND, by the Grace
of God, of Great Britain, Ireland, and
the British Dominions beyond the Seas.
QUEEN, Defender of the Faith.

To ALL TO WHOM THESE PRESENTS SHALL COME,

GREETING:

A PROCLAMATION

KNOW YE that we have appointed Honourable Sir Brian Dunfield and Honourable Harry A. Winter, Judges of the Supreme Court, to be Commissioners, they, or either of them, to administer the Oath of Allegiance to the undermentioned persons elected to serve in the House of Assembly for the several Districts set opposite their names, respectively, and appointed by Our Lieutenant-Governor of Our Province of Newfoundland to be holden in St. John's on the eleventh day of this instant month:—

Reginald Sparkes, Esq., M.A.
 Samuel Drover, Esq.
 Baxter Morgan, Esq.
 The Honourable Edward S. Spencer
 The Honourable Leslie R. Curtis, Q.C.
 Gordon Janes, Esq.
 The Honourable Joseph R. Smallwood
 Clyde Brown, Esq.
 The Honourable Samuel J. Hefferton
 Charles M. Button, Esq.
 The Honourable Herbert L. Pottle, M.A. Ph.D.
 The Honourable James R. Chalker
 Isaac Mercer, Esq., Q.C.
 David I. Jackman, Esq.
 The Honourable Philip J. Lewis, Q.C.
 Peter J. Cashin, Esq.
 Frank D. Fogwill, Esq.
 James D. Higgins, Esq.
 Augustus M. Duffy, Esq.
 The Honourable Gregory J. Power
 Patrick J. Canning, Esq.
 The Honourable Philip S. Forsey
 John R. Courage, Esq., B.A.
 George Norman, Esq.
 The Honourable William J. Keough
 The Honourable Charles H. Ballam
 Malcolm Hollett, Esq., M.A.

District of

St. Barbe
 White Bay
 Green Bay
 Grand Falls
 Twillingate
 Fogo
 Bonavista North
 Bonavista South
 Trinity North
 Trinity South
 Carbonear-Bay de Verde
 Harbour Grace
 Port de Grave
 Harbour Main-Bell Island
 Harbour Main-Bell Island
 St. John's West
 St. John's East
 St. John's East
 Ferryland
 Placentia-St. Mary's
 Placentia West
 Burin
 Fortune-Hermitage
 Burgeo and LaPoile
 St. George's-Port au Port
 Humber
 St. John's West

and to such person who shall be elected and returned to serve in the House of Assembly for the District of Labrador.

Giving to them, or either of them, full power and authority to perform the matters hereinbefore mentioned, ratifying and confirming all whatsoever they, or either of them, shall do and perform in this behalf and whereof they, or either of them, are to make due return under their hands and seals unto our Lieutenant-Governor to Our said Province, with these Presents annexed,

IN TESTIMONY WHEREOF we have caused these Our Letters to be made Patent and the Great Seal of Newfoundland to be hereunto affixed,

WITNESS: Our trusty and well-beloved Sir
Albert Joseph Walsh, Knight Bachelor,
Chief Justice, Administrator in and over
Our Province of Newfoundland.

AT OUR GOVERNMENT HOUSE in Our
City of St. John's this 8th day of March,
1952, in the First Year of Our Reign.

By Command,
(Sgd.) MYLES MURRAY,
Minister of Provincial Affairs.

HOUSE OF ASSEMBLY OF NEWFOUNDLAND

The said Commissioners came into the Assembly at three of the clock on the eleventh day of March, Henry H. Cummings, Esquire, Clerk of the House of Assembly, as in duty bound attending.

The following Commission was read by the Clerk of the House :

Albert J. Walsh,
Administrator.

ELIZABETH THE SECOND, by the Grace
of God, of Great Britain, Ireland, and
the British Dominions beyond the Sea,
QUEEN, Defender of the Faith.

To HONOURABLE SIR BRIAN DUNFIELD, AND
HONOURABLE HARRY A. WINTER

GREETING :

KNOW YOU, that confiding in your loyalty, fidelity and circumspection, we, by and with the advice of Our Executive Council for the Province of Newfoundland, have thought fit to constitute and appoint you to be Our Commissioners for the purpose of administering the Oath of Allegiance to the persons elected to be Members of Our General Assembly for Newfoundland at the General Election and Bye-Election recently holden hereby granting unto you all the rights, powers and advantages which to the said office do or may lawfully appertain, and requiring you diligently to perform the duties thereof.

IN TESTIMONY WHEREOF we have caused these Our Letters to be made Patent and the Great Seal of Newfoundland to be hereunto affixed.

WITNESS: Our trusty and well-beloved Sir
Albert Joseph Walsh, Knight Bachelor,
Chief Justice, Administrator in and over
Our Province of Newfoundland.

AT OUR GOVERNMENT HOUSE in Our
City of St. John's this 8th day of March,
1952, in the First Year of Our Reign.

By Command,
(Sgd.) MYLES MURRAY,
Minister of Provincial Affairs.

The names of the Members returned for the several Districts and Divisions if Districts having been called over by the Clerk, they appeared with the exception of Mr. D. I. Jackman, and took and subscribed the Oath of Allegiance in the presence of the said Commissioners, as follows:

	District of
Reginald Sparkes, Esq., M.A.	St. Barbe
Samuel Drover, Esq.	White Bay
Baxter Morgan, Esq.	Green Bay
The Honourable Edward S. Spencer	Grand Falls
The Honourable Leslie R. Curtis, Q.C.	Twillingate
Gordon Janes, Esq.	Fogo
The Honourable Joseph R. Smallwood	Bonavista North
Clyde Brown, Esq.	Bonavista South
The Honourable Samuel J. Hefferton	Trinity North
Charles M. Button, Esq.	Trinity South
The Honourable Herbert L. Pottle, M.A. Ph.D.	Carbonear-Bay de Verde
The Honourable James R. Chalker	Harbour Grace
Isaac Mercer, Esq., Q.C.	Port de Grave
David I. Jackman, Esq.	Harbour Main-Bell Island
The Honourable Philip J. Lewis, Q.C.	Harbour Main-Bell Island
Peter J. Cashin, Esq.	St. John's West
Frank D. Fogwill, Esq.	St. John's East
James D. Higgins, Esq.	St. John's East
Augustus M. Duffy, Esq.	Ferryland
The Honourable Gregory J. Power	Placentia-St. Mary's
Patrick J. Canning, Esq.	Placentia West
The Honourable Philip S. Forsey	Burin
John R. Courage, Esq., B.A.	Fortune-Hermitage
George Norman, Esq.	Burgeo and LaPoile
The Honourable William J. Keough	St. George's-Port au Port
The Honourable Charles H. Ballam	Humber
Malcolm Hollett, Esq., M.A.	St. John's West

The following Commission was then read by the Clerk of the House:

BY HIS HONOUR The Honourable Sir Joseph
Albert Walsh, Knight, Bachelor, Admin-
istrator of Newfoundland.

A. J. Walsh,
Administrator.

To HONOURABLE SIR BRIAN DUNFIELD, AND

HONOURABLE HARRY A. WINTER

Judges of the Supreme Court

GREETING:

A PROCLAMATION

WHEREAS I have deemed it expedient that the First Session of the Thirtieth General Assembly should be open for the despatch of business on Tuesday, the eleventh day of this instant month, whereof I have given notice in my Proclamation dated the first day of March; and

WHEREAS it is not convenient that the purposes for which I have called the said General Assembly together should be declared on the said day, nor until the Members of the House of Assembly have proceeded to the choice of a Speaker, you, the said Honourable Sir Brian Dunfield and Honourable Harry A. Winter, are hereby authorized and directed to signify to the Members of the said House of Assembly on the eleventh day of this instant month, that it is my pleasure that they should proceed to the choice of some proper person to be their Speaker, and present such person on the following day for my approbation.

GIVEN under my Hand and Seal at the Government House, St. John's, this 8th day of March, A.D., 1952.

By His Honour's Command,
(Sgd.) MYLES MURRAY,
Minister of Provincial Affairs.

The Honourable Sir Brian Dunfield, one of the said Commissioners, then said:

MEMBERS OF THE HONOURABLE HOUSE OF ASSEMBLY:

We have it in command from His Honour the Administrator to acquaint you that His Honour will, as soon as the Members of this House shall be sworn, declare the causes of his calling this Assembly; and, it being necessary that a Speaker of this House should be first chosen, it is his pleasure that you do proceed to the appointment of some proper person to be your Speaker; and that you present such person whom you shall so choose here tomorrow at three of the clock for His Honour's approbation.

And the said Commissioners having left the Assembly Chamber, the Honourable the Premier then addressed himself to the Clerk, who standing up pointed to him and then sat down, moved "that Reginald Sparkes, Esq., Member elected for the District of St. Barbe, do take the Chair of the House as Speaker" which motion was seconded by Peter J. Cashin, Esq., Member elected for the District of St. John's (Western Division).

No other person being proposed as Speaker, Mr. Sparkes was unanimously called by the House to the Chair, and was conducted to the Chair by the Members who proposed and seconded him.

Whereupon, Mr. Speaker, standing on the steps, addressed the House expressing his gratitude to the Honourable Members for the high honour unani- mously conferred upon him.

The House then adjourned until Wednesday afternoon, March 12th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, Marsh 12, 1952.

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

At three of the clock the Sergeant-at-Arms notified Mr. Speaker that His Honour, the Administrator, Sir Brian Dunfield, Knight Bachelor, B.A., had arrived; whereupon Mr. Speaker vacated the Chair and returned to his Chamber.

The Sergeant-at-Arms preceded His Honour, the Administrator, to the Chair.

Mr. Speaker returned to the Assembly Chamber preceded by the Sergeant-at-Arms.

Whereupon, the Administrator, having taken his seat, Honourable the Premier addressed His Honour as follows:

May it please Your Honour. The House of Assembly, agreeable to Your Honour's Command, have proceeded to the choice of a Speaker, and have elected Reginald F. Sparkes, Esquire, Member for the District of St. Barbe to that office, and by their direction I present him for the approbation of Your Honour.

His Honour was pleased to reply:

On behalf of Her Majesty I assure you of my sense of your efficiency and I do most fully approve and confirm you as the Speaker.

Whereupon, Mr. Speaker addressed His Honour as follows:

Your Honour's ready approval of the choice with which I have been honoured by the House having constituted me in due form the Speaker of the House of Assembly it has now become my duty in the name of the rep-

resentatives of Her Majesty's Loyal subjects, the people of this Province, and respectfully to claim of Your Honour their accustomed rights and privileges and that they shall have freedom of speech in their debates that they may be free from arrest during their attendance in Parliament and that I, as Speaker, may have full access to Your Honour's presence and that they have confirmed to them all their ancient rights and privileges which have been confirmed to them by Your Honour's predecessors.

His Honour was pleased to reply:

On behalf of Her Majesty I do confirm this House in the enjoyment of all its ancient and undoubted rights and privileges.

His Honour was then pleased to open the Session with a Speech from the Throne as follows:

MR. SPEAKER AND MEMBERS OF
THE HONOURABLE HOUSE OF
ASSEMBLY:

The General Assembly which was dissolved in November was the last during the reign of His Majesty King George VI. A great King has gone out into the darkness and put his hand into the Hand of God. He has laid down the immense burden of sceptre and crown which he bore so long, so uncomplainingly and so well; he has relinquished at last the cares and responsibilities which fate had thrust into his unprepared hands but which he accepted as a divinely committed heritage and carried out with inestimable courage. Now he lies at peace among his royal forebears at Windsor; and the sorrowing nations of the Commonwealth realizing only in their loss the true stature of his greatness, remember him fondly as "George the Good."

The Imperial mantle which he so bravely wore has fallen upon the slender shoulders of his young daughter. Shaken with grief at the sudden loss of a beloved father, she was at the same time called upon to take up his duties. The drapes of mourning were a moment parted for the glittering panoply of the Accession Ceremony and the Proclamation as Queen, Head of the Commonwealth and Defender of the Faith of the High and Mighty Princess Elizabeth, now by the Grace of God, Queen Elizabeth II.

To Her Majesty the Queen, the recollection of whose visit is still warm, this Legislature records its unswerving loyalty and deep and sincere devotion. God save the Queen! We pray that God many bless her and her Royal Consort, and the Nations and Peoples over whom she reigns; and grant to her and to them prosperity, progress and peace—such is the prayer of this Oldest Colony for its new Queen.

Following closely after the dissolution of the Twenty-ninth General Assembly last Autumn a General Election was held in the Province. My Government sought from the people a fresh mandate for their policy of economic development, and this mandate the people gave with an unmistakable majority of their votes. My Ministers are determined to press forward resolutely with this policy, and you will be asked to ratify several pieces of legislation to give further effect to it. The present year promises to be the most prosperous in all our history even more prosperous than 1951. More people will be employed for more wages than in any year before. The prices paid to our fishermen for salt-dried codfish will be better, from present indications, than

those paid last year. Several new industries will get into full production, while others will commence and complete construction. The great new machinery plant at the Octagon, in the District of Harbour Main-Bell Island, will not only be constructed in 1952, but will get far ahead in its production programme. You will, I feel sure, be pleased to learn that this particular plant has a fair chance of obtaining defence orders.

The year 1952 is to see the greatest drive for mineral development ever experienced in this Province. More geological and prospecting parties will search for minerals, more men will be employed at this work, and more money will be spent on it than in any quarter of a century before. The year 1952 will in these respects exceed even last year, which itself established new records in Newfoundland.

Information presently at hand from Exploration and Mining Companies indicates that during the forthcoming season not fewer than 300 men will be employed in various forms of field exploration for our mineral resources, and that two and a half million dollars will be spent in these investigations. These men will work in approximately one hundred geological, geophysical and prospecting parties for eight different companies.

In addition to these efforts by private interests, the Government of Newfoundland are continuing their policy of securing basic information on the geology and mineral resources of Newfoundland and Labrador, and plan to expand substantially their activities in this direction, justifying this policy by the fact that the date obtained by Government in the past, are in no small degree responsible for the increasing

interest now being shown by private capital.

The great iron ore development of Labrador proceeds with more acceleration than ever. More than fifty million dollars will be expended this year in the remarkable drive to reach by railway the vast deposits of high grade iron ore in Central Labrador and adjoining Quebec. Newfoundlanders in many hundreds played a very valuable part in this project last year, and will do so in even greater numbers this year. It is the intention of the promoters, by intensification of their drive, to commence the shipment and sale of ore by the year after next.

My Government have profound faith in the mineral possibilities and prospects of this Province, and will renew and intensify their efforts to speed development in this branch of our Natural Resources. As part of these intensified efforts My Ministers have adopted a policy of abolishing the Department of Natural Resources and creating a Department of Mines and Resources in its place. Legislation to give effect to this Policy will be laid before you at the present Session.

My Government have been instrumental in securing the interest of a prominent United States Financier in the oil possibilities of our West Coast. Mr. John Fox is carrying out a vigorous campaign of exploration and drilling, and in his efforts he will be followed by the lively interests of all our people. Already his activities in Newfoundland have attracted the attention of others interested in oil, and it is a safe prediction that his success in Newfoundland will touch off at least a minor boom in oil exploration in this Province. I am confident that you will share my Ministers

hope for Mr. Fox's success in the months immediately ahead.

Pursuant to legislation enacted last year my Ministers proceeded within the organization of Newfoundland and Labrador Corporation. The first meeting of the shareholders was held in St. John's in the month of December past, when the directors were elected and preliminary discussions held on the Corporation's programme. Several distinguished Canadians and Americans have accepted Directorships under the chairmanship of Sir William Stevenson, and my Ministers are confident that important development will occur in Newfoundland and Labrador as a result of Corporation efforts. The Board of Directors will gather in St. John's later this present month for their second meeting.

My Government have retained the services of the well-known American Firm of Coverdale and Collpitts, consulting industrial engineers, to examine into the report upon the value and prospects of the three industrial plants established by the expenditure of public funds. These are the birch, cement and gypsum enterprises. The result of these engineers is expected to be received toward the end of the month.

It has been and is my Government's policy to dispose of these three plants by sale, and legislation affecting such a sale will be laid before you at the present session. An amount of over nine million dollars of the Cash Surplus has been spent to establish these plants and provide working capital for them and their sale would have the effect of restoring this sum to the Surplus. It is the policy of my Ministers to employ the money so recovered mainly in further economic de-

velopment, though not necessarily in the same manner.

More than a year ago the Government of Newfoundland and the Government of Canada joined in the creation of a body known as the Fisheries Development Committee. This Committee, under the Chairmanship of Sir Albert Walsh, is made up of representatives of two Governments as well as the fishermen and mercantile firms engaged in the fisheries. They have been served by a corps of able technologists and economists, and since the investigation began considerable work has been accomplished. The Committee are presently engaged upon the preparation of their report and recommendations to the two Governments, and my Ministers are awaiting these with great interest. It is my Ministers hope that the report of the Fisheries Development Committee will constitute a foundation for a sound and progressive fishery development policy for this Province.

My Government have lately appointed Mr. James C. Thompson of Montreal, to be their financial adviser for the purpose of assisting in the preparation of Newfoundland's case for the Royal Commission that is to be appointed, under the Terms of Union within eight years from the date of Union to review this Province's financial position. During the next few years Mr. Thompson will collect and compile data for Newfoundland's use before the Royal Commission, for my Ministers are convinced that the Province must be adequately prepared for that important review of Newfoundland's financial position.

Mr. Speaker and Members of the Honourable House of Assembly, the financial position of the Province con-

tinues to be sound, and my Ministers are confident that its soundness will be maintained and even improved. Full details will be laid before you in the Budget Speech and Estimates later in the Session.

I request you to provide Supply to Her Majesty.

I congratulate all Honourable Members upon their election to this Thirtieth General Assembly, and I invoke God's blessing upon your labours.

His Honour was then pleased to retire.

Mr. Speaker resumed the Chair.

Hon. the Attorney General asked leave to introduce a Bill entitled "An Act to Amend the Newfoundland and Labrador Corporation Limited Act, 1951."

On motion of Hon. the Attorney General the said Bill was read a first time and it was ordered the said Bill be read a second time on tomorrow.

Mr. Cashin introduced Mr. Jackman Member for Harbour Main-Bell Island, to the Speaker. The Honourable Member, having previously taken the Oath of Allegiance, was permitted to take his seat.

Mr. Speaker announced that His Honour, the Administrator, had been pleased to make a Speech to the Members met in General Assembly, of which Speech, for greater accuracy, he had obtained a copy, which the Clerk then read at the table.

It was moved by Mr. Brown and seconded by Mr. Norman that an Address of Thanks be presented to His Honour, the Administrator, in reply to the Gracious Speech with which he had been pleased to open the present

Session of the Legislature and that a Select Committee be appointed to draft such Address in Reply.

It was ordered accordingly and the following gentlemen were appointed to such Committee:

Mr. Brown,
Mr. Norman,
Mr. Cashin.

On motion of Hon. the Premier the following gentlemen were appointed as Nominating Committee under Standing Order 88.

Hon. the Attorney General
Hon. the Minister of Finance
Hon. the Minister of Education
Hon. the Minister of Supply

Hon. the Minister of Fisheries and Co-operatives.

On motion of Hon. the Premier it was ordered that the Public Accounts for the Year ended 31st of March be printed.

Hon. the Minister of Public Welfare tabled "The Old Age Assistance Regulations, 1952."

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Fire Patrol Act, 1948."

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Timber License (Reversion to Crown) Act, 1951."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees'."

Hon. the Attorney General gave

notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Hon. the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Relating to the Designation of Certain Local Government Officials."

Hon. the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Local Government (Elections) Act, 1951."

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Public Welfare Act, 1949."

Mr. Fogwill gave notice of Questions.

Mr. Hollett gave notice of Questions.

Mr. Duffy gave notice of Questions.

Mr. Higgins gave notice of Questions.

Mr. Cashin gave notice of Questions.

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

The House then adjourned accordingly.

TUESDAY, March 18, 1952.

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

Hon. the Minister of Public Welfare made a statement Re Old Age Security and tabled a document relating thereto.

Hon. the Minister of Public Works tabled Regulations made under the Department of Public Works Act, 1950.

Hon. the Minister of Finance tabled "Public Accounts of the Province of Newfoundland for the Year ended 31st of March, 1951, and Report of the Auditor General thereon."

Hon. the Minister of Education tabled "Annual Report of the Department of Education."

Hon. the Premier tabled Reports on the Cement Mill, Gypsum Plant, Machinery Plant, Chip Board Plant and the Leather Tannery.

Petitions were presented by Mr. Drover from Baie Verte, Re Road; and from Quirpon, Re Fish Plant.

A Petition was presented by Mr. Morgan from Burlington, Re Road.

A Petition was presented by Mr. Brown from Birchy Cove, Re School.

It was moved by Mr. Jackman, seconded by Mr. Cashin, and unanimously carried, that a letter of sympathy be sent to the family of the late Ronald J. Fahey.

Mr. Brown on behalf of the Select Committee appointed to draft a reply to the Speech of His Honour, the Administrator, presented the report of the Select Committee as follows:

To His Honour the Administrator,
Sir Brian Dunfield,
Knight Bachelor, B.A.

May it please Your Honour:

We, the Commons of Newfoundland, in Legislative Session Assembled, beg to thank Your Honour for the Gracious Speech which Your Honour has addressed to this House.

((Sgd.) CLYDE S. BROWN
G. M. NORMAN
PETER J. CASHIN.

Assembly Room,
March 18th, A.D. 1952.

On motion it was ordered that the debate on the Address in Reply be deferred until a later hour in the day.

Hon. the Minister of Public Welfare tabled The Blind Persons' Allowances Regulations, 1952.

On motion of Hon. the Premier, it was ordered that an Address of Thanks be forwarded to the Legislature of the Province of Quebec for the gift of a Treasury Table and to the Legislature of the Province of New Brunswick for the gift of Chairs for the Treasury Table.

Mr. Cashin gave notice of Questions.

Mr. Hollett gave notice of Questions.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Fire Patrol Act, 1948" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Timber License (Reversion to Crown) Act, 1951", was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees,'" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949" was introduced

and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Supply, the Bill entitled "An Act Relating to the Designation of Certain Local Government Officials" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Supply, the Bill entitled "An Act to Amend the Local Government (Elections) Act, 1951" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Public Welfare Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Hon. the Premier tabled "Report on Power Development Possibilities on the Bay D'Est and Grey Rivers, for the Government of the Province of Newfoundland."

On motion the Orders of the Day were deferred.

It was moved and seconded that when the House rises it adjourn until tomorrow afternoon, Wednesday, March 19th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, March 19, 1952.

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

Hon. the Premier made a statement Re Bovine Tuberculosis and tabled a document relating thereto.

A Petition was presented by Mr. Morgan from Round Harbour, Re Road.

Hon. the Attorney General, on behalf of Hon. the Minister of Education, gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Education (Teacher Training) Act, 1944."

Hon. the Attorney General, on behalf of Hon. the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Mothers' Allowances Act, 1949."

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Dependents' Allowances Act, 1949."

Mr. Cashin gave notice of Questions.

Mr. Hollett gave notice of Questions.

On motion it was ordered that the debate on the Address in Reply be deferred until tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Newfoundland and Labrador Corporation Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Fire Patrol Acts, 1948" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Timber License (Reversion to Crown) Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, 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 on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Supply, the Bill entitled "An Act Relating to the Designation of Certain Local Government Officials" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Supply, the Bill entitled "An Act to Amend the Local Government (Elections) Act, 1951" was read a second time and it was ordered that the said Bill be re-

ferred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Public Welfare Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Thursday, March 20th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, March 20, 1952

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

A Petition was presented by Hon. the Minister of Labour from Summerside, Re Road.

Hon. the Minister of Labour tabled "Labour Regulations Act Regulations."

Hon. the Minister of Public Welfare on behalf of Hon. the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Education Act, 1927."

Hon. the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Department of Municipal Affairs and Supply."

Pursuant to notice and on motion of Hon. the Attorney General, on behalf of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the Education (Teach

ers' Pensions) Act, 1950," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, on behalf of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the Education (Teacher Training) Act, 1944", was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Mothers' Allowances Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Dependents' Allowances Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The Address in Reply was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Newfoundland and Labrador Corporation Act, 1951."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee

reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act to Amend the Fire Patrol Acts, 1948."

A Bill "An Act to Amend the Timmer License (Reversion to Crown) Act, 1951."

A Bill "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees'."

A Bill "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

A Bill "An Act Relating to the Designation of Certain Local Government Officials."

A Bill "An Act to Amend the Local Government (Elections) Act, 1951."

A Bill "An Act Further to Amend the Department of Public Welfare Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the following Bills without amendment:

A Bill "An Act to Amend the Fire Patrol Acts, 1948."

A Bill "An Act to Amend the Timber License (Reversion to Crown) Act, 1951."

A Bill "An Act Relating to the Designation of Certain Local Government Officials."

A Bill "An Act to Amend the Local Government (Elections) Act, 1951."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee reported that they had passed the following Bills with some amendment:

A Bill "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees'."

A Bill "An Act Further to Amend the Public Welfare Act, 1949."

On motion this report was received and adopted and it was ordered that the said Bills, as amended, be read a third time on tomorrow.

The Chairman from the Committee reported that they had considered the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949" had made some progress, and asked leave to sit again on tomorrow.

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

On motion of Hon. the Attorney General, the order to read the Bill entitled "An Act to Amend the Newfoundland and Labrador Corporation

Act, 1951" on tomorrow, was rescinded and it was ordered that the said Bill be recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendments.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, March 21st, at three of the clock.

The House then adjourned accordingly.

FRIDAY, March 21, 1952.

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

Hon. the Premier made a statement Re Foreign Fishing Vessels operating within the Three Mile Limit.

Mr. Hollett gave notice of Questions.

Pursuant to order and on motion of Hon. the Minister of Public Welfare on behalf of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the Education Act, 1927" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Supply the Bill entitled "An Act Respecting Municipal Affairs and Supply" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Hon. the Minister of Labour tabled :

"Report for 1951 of Workmen's Compensation Board of Newfoundland."

"Financial Statements of Workmen's Compensation Board of Newfoundland."

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Newfoundland and Labrador Corporation Act, 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Fire Patrol Acts, 1948," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Timber Licenses (Reversion to Crown) Act, 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees'," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Supply, the Bill entitled "An Act Relating to the Designation of Certain Local Government Officials" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Supply, the Bill entitled "An Act to Amend the Local Government (Election Act) 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Department of Public Welfare Act, 1949" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, on behalf of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950" was read a second time and it was ordered

that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, on behalf of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the Education (Teacher Training) Act, 1944" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Mothers' Allowances Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Dependents' Allowances Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining order of the day was deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, March 24th, at three of the clock.

The House then adjourned accordingly.

MONDAY, March 24th, 1952.

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

Hon. the Premier tabled :

"Second Annual Report of the Board of Commissioners of Public Utilities."

"Report of a Master of Supreme Court of Fees payable to Mr. P. J. Lewis, K.C., for his services in the matter of Freight Rates."

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Maintenance of Parents, Wives and Children."

Hon. the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities."

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Department of Mines and Resources."

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into Committee of the Whole to consider certain resolutions in relation to the Granting of Supply to Her Majesty.

Mr. Hollett gave notice of question.

Mr. Fogwill gave notice of Questions.

Mr. Cashin gave notice of Questions.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, March 25th, at three of the clock.

The House then adjourned accordingly.

TUESDAY, March 25th, 1952.

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

Honourable the Minister of Labour tabled :

Report covering matters transacted during 1951 under the Provisions of the Labour Relations Act, 1950, by the Minister of Labour.

Report of Newfoundland Labour Relations Board for the Year 1951.

Report of the Proceedings of the Minimum Wage Board established under the Minimum Wage Act, 1950, covering the Year 1951.

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into Committee of the Whole to consider certain resolutions in Relation to the Granting of Supply to Her Majesty.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Election Act, 1913."

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Family Court Acts, 1951."

Mr. Hollett gave notice of Question.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act Respecting the Department of Mines and Resources" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Respecting

the Maintenance of Parents, Wives and Children" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Supply, the Bill entitled "An Act Relating to the Assessment of Taxes by Municipalities" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Hon. the Minister of Finance informed the House that he had received a communication from His Honour the Administrator, which Mr. Speaker read to the House as follows :

The Honourable the Minister of Finance :

I, the Administrator of the Government of the Province of Newfoundland, recommend that, pending the tabling of the Estimates for the financial year 1952-53, a Vote on account of \$6,000,000 calculated on the basis of, roughly, one-seventh of the total original Vote for the year 1951-52 to meet essential public services be provided by the Provincial Legislature.

(Sgd.) BRIAN DUNFIELD.

Administrator.

March 25th, 1952.

Pursuant to notice and on motion of Hon. the Minister of Finance, the House resolved itself into a Committee of the Whole to consider certain resolutions in relation to the Grant of Supply to Her Majesty.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed certain Resolutions granting Supply to Her Majesty and recommending that a Bill be introduced to give effect to the same.

The said Resolutions being read a first and second time, it was moved that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Services for the Financial Year ending the Thirty-first day of March One Thousand Nine Hundred and Fifty-three and for Other Purposes Relating to the Public Service," was read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the said Bill was read a second time and it was ordered that it be read a third time on tomorrow.

The Second Reading of the Bill entitled "An Act Respecting Municipal Affairs and Supply" was debated and on motion was adjourned for further debate on tomorrow.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, March 26th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, March 26th, 1952.

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

Hon. the Premier made a statement Re Allegation made by Mr. Cashin.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Newfoundland Asbestos Limited (Confirmation of Agreement) Act, 1951."

Mr. Hollett gave notice of Question.

Pursuant to order and on motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first day of March, One Thousand Nine Hundred and Fifty-three and for Other Purposes Relating to the Public Service" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

A Bill "An Act Further to Amend the Education (Teacher Training) Act, 1944."

A Bill "An Act Further to Amend the Mothers' Allowances Act, 1949."

A Bill "An Act Further to Amend the Dependents' Allowances Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

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

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Supply, the Bill entitled "An Act Respecting Municipal Affairs and Supply" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The Second Reading of the Bill entitled "An Act Respecting the Department of Mines and Resources," was debated and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

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

The House then adjourned accordingly.

THURSDAY, March 27th, 1952.

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

Hon. the Minister of Finance tabled:

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 6th November, 1951, Relating to the Meeting held on 5th November, 1951.

Mr. Hollett gave notice of Questions.

The debate on the Address in Reply was continued.

The House recessed until eight of the clock.

Mr. Speaker resumed the Chair.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, March 28th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, March 28th, 1952.

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

A Petition was presented by Mr. Norman from Mouse Island, Re Road.

A Petition was presented by Hon. Mr. Lewis, supported by Mr. Jackman, from Conception Harbour, Re Flooding of Farmland.

Hon. the Minister of Public Welfare tabled;

Memorandum of Agreement Respecting Blind Persons Between the Government of Canada and the Government of the Province of Newfoundland.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, March 31st, at three of the clock.

The House then adjourned accordingly.

MONDAY, March 31st, 1952.

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

Mr. Janes made a statement regarding a matter of Privilege arising out of an article printed in the "Daily News," St. John's, on March 28th, 1952.

Hon. the Minister of Supply presented a Petition from the St. John's Municipal Council Re Amendments to the St. John's Municipal Act, 1921.

Hon. the Minister of Finance tabled:

Report of Temporary Borrowings required under Section 27 (2) of the Revenue and Audit Act, 1951.

Mr. Hollett gave notice of Question.

Pursuant to order and on motion of Hon. the Minister of Supply, the House resolved itself into a Committee of the Whole to consider the Bill

entitled "An Act Respecting the Department of Municipal Affairs and Supply."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred 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 Hon. the Minister of Supply, the Bill entitled "An Act Respecting the Department of Municipal Affairs and Supply" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the Education (Teacher Train-

ing) Act, 1944" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Mothers' Allowances Act, 1949" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Dependents' Allowances Act, 1949" was read a third time and passed and it was ordered that the said Bill be printed being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Attorney General, the Third Reading of the Bill entitled "An Act to Amend the Newfoundland and Labrador Corporation Limited Act, 1951" was rescinded and it was ordered that the said Bill be recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the the matter to them referred and had passed the said Bill with some amendments.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time presently.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Newfoundland and Labrador Corporation Limited Act, 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

The Sergeant-at-Arms announced that His Honour the Administrator had arrived.

His Honour the Administrator entered the Assembly Chamber preceded by the Sergeant-at-Arms.

His Honour the Administrator took the Chair.

Mr. Speaker addressed His Honour as follows:

May it please Your Honour, the General Assembly of this Province has at its Present Session passed certain Bills to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

Whereupon the Clerk read the following Bills entitled:

A Bill "An Act to Amend the Local Government (Elections) Act, 1951."

A Bill "An Act Further to Amend the Department of Public Welfare Act, 1949."

A Bill "An Act to Amend the Newfoundland and Labrador Corporation Limited Act, 1951."

A Bill "An Act to Amend the Fire Patrol Act, 1948."

A Bill "An Act Relating to the Designation of Certain Local Government Officials."

A Bill "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees'."

A Bill "An Act to Amend the Timber Licenses (Reversion to Crown) Act, 1951."

A Bill "An Act Respecting the Department of Municipal Affairs and Supply."

His Honour then said "In Her Majesty's name I assent to these Bills."

Mr. Speaker addressed His Honour as follows:

It is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects, Her Faithful Commons in Newfoundland, to present to Your Honour a Bill for the appropriation of Supply granted in the Present Session,

Whereupon the Clerk read the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March One Thousand Nine Hundred and Fifty-three and for Other Purposes Relating to the Public Service."

His Honour then said "In Her Majesty's name, I thank Her Loyal Subjects, I accept their benevolence, and assent to this Bill."

His Honour the Administrator left the Assembly Chamber.

Mr. Speaker resumed the Chair.

Pursuant to notice and on motion of Hon. the Premier, 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 tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act to Amend the Family Courts Act, 1951." was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Newfoundland Asbestos Limited (Confirmation of Agreement) Act, 1951" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

On motion the remaining Orders of the Day were deferred.

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

The House then adjourned accordingly.

TUESDAY, April 1st, 1952.

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

Hon. the Attorney General presented the report of the Nominating Committee as follows:

Committees

Privileges and Elections

Hon. the Attorney General
Hon. Mr. Lewis
Mr. Morgan
Mr. Canning
Mr. Higgins.

Standing Orders and the Library

Mr. Speaker
Hon. the Minister of Education

Mr. Mercer
Mr. Hollett
Mr. Courage.

Miscellaneous Private Bills

Hon. the Minister of Public Welfare
Mr. Janes
Mr. Brown
Mr. Button
Mr. Fogwill.

Municipal Affairs

Hon. the Minister of Municipal Affairs and Supply
Mr. Cashin
Mr. Norman
Mr. Drover

On motion this report was received and adopted.

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Provide for the Establishment and Administration of Community Councils."

Hon. the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College."

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Atlantic Hardwoods Limited."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Atlantic Optical Company, Limited."

A Bill "An Act Further to Amend the Land Development Act, 1944."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies'."

A Bill "An Act Further to Amend the Judicature Act."

A Bill "An Act Further to Amend the Law Society Act."

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Respecting the Department of Mines and Resources" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the Education Act, 1927" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Respecting the Maintenance of Parents, Wives and Children" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Hon. the Minister of Finance informed the House that he had received a communication from His Honour the Administrator, which Mr. Speaker read to the House as follows:

The Honourable the Minister of Finance,

I, the Administrator of the Government of the Province of Newfoundland, recommend that a supplementary vote of \$406,700 to meet essential public services relating to the financial year 1951-52 be provided by the Provincial Government.

(Sgd.) BRIAN DUNFIELD,
Administrator.

March 25th, 1952.

Pursuant to notice and on motion of Hon. the Minister of Finance the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 2nd, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 2nd, 1952.

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

On motion of Hon. the Premier, seconded by Mr. Cashin, it was ordered that an Address of Condolence be sent to the family of the late Senator H. Quinton.

The debate on the Address in Reply was continued and on motion was adjourned for Further debate on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardwoods Limited" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Land Development Act, 1944" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General the Bill entitled "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies'," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the

Bill entitled "An Act Further to Amend the Judicature Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Law Society Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Provide for the Establishment and Administration of Community Councils" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Education, the Bill entitled "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Department of Mines and Resources."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed certain Resolutions Granting Supply to Her Majesty and recommending that a Bill be introduced to give effect to the same.

The said Resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Finance the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first day of March One Thousand Nine Hundred and Fifty-two and for Other Purposes Relating to the Public Service" was read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Minister of Finance the said Bill was read a second time and it was ordered that it be read a third time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the

Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March One Thousand Nine Hundred and Fifty-two and for Other Purposes Relating to the Public Service" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 3rd, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 3rd, 1952

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

Mr. Fogwill gave notice of question.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Respecting the Department of Mines and Resources" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the New-

foundland Asbestos Limited (Confirmation of Agreement) Act, 1951" 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 Hon. the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Newfoundland Asbestos Limited (Confirmation of Agreement) Act, 1951."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

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

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Hon. the Attorney General, and with unanimous consent, the Bill entitled "An Act to Amend the Newfoundland Asbestos Limited (Confirmation of Agreement) Act, 1951" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

The Second Reading of the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Limited" was debated and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Tuesday, April 15th, at three of the clock.

The House then adjourned accordingly.

TUESDAY, April 15th, 1952.

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

Hon. the Premier announced that the Rt. Hon. Viscount Rothermere had accepted the invitation of the Government to become Chancellor of the Memorial University of Newfoundland.

Mr. Cashin raised a point of privilege re Article published in the "Evening Telegram" of St. John's and the "Sunday Herald" of St. John's and tabled a copy of the Evening Telegram dated April 5th.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce the following Bills entitled:

A Bill "An Act Respecting Provincial Parks."

A Bill "An Act to Amend the Regulation of Mines Act, 1951."

A Bill "An Act Further to Amend the Act No. 41 of 1938 entitled 'An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company Limited.'"

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act to Amend the Old Age Assistance Act, 1951."

A Bill "An Act to Amend the Blind Persons Allowances Act, 1951."

Hon. the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Rent Restrictions Act, 1943."

Hon. the Minister of Public Works gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Incorporate the Botwood Water Corporation."

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again at a later hour in the day.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act to Amend the Family Courts Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited" was read a second time and it was ordered that the said Bill be deferred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

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

The House then adjourned accordingly.

—
WEDNESDAY, April 16th, 1952.

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

A Petition was presented by Mr. Courage from Harbour Breton, Re Road.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Public Records Act, 1951."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills entitled:

A Bill "An Act to Amend the Parsons' Pond Oil Lands Vesting Act, 1951."

A Bill "An Act Respecting an Election in Labrador in the present Year."

Hon. the Minister of Supply gave notice that he would on tomorrow ask leave to introduce the following Bills entitled:

A Bill "An Act Further to Amend the Town of Carbonear Act, 1948."

A Bill "An Act to Amend the Town of Harbour Grace Act, 1945."

A Bill "An Act Further to Amend the Rural District of Placentia Act, 1945."

Hon. the Minister of Public Works gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Department of Public Works Act, 1950."

Mr. Cashin gave notice of Question.

Pursuant to order and on motion of Hon. the Minister of Supply, the Bill entitled "An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards, Limited" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Hon. the Premier tabled "Preliminary Report of Coverdale and Colpitts on North Star Cement Company, Limited; Atlantic Gypsum Limited; Newfoundland Hardwoods Limited."

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Land Development Act, 1944" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Judicature Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill "An Act Further to Amend the Law Society Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Education, the Bill entitled "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act Respecting Provincial Parks" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Regulation of Mines Act, 1951" was read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Act No. 41 of 1938 entitled 'An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company, Limited,'" was read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act to Amend the Old Age Assistance Act, 1951" was read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Rent Distributions Act, 1943" was read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

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

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Works, the Bill entitled "An Act to Incorporate the Botwood Water Corporation" was read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the House resolved

itself into a Committee of the Whole to consider the following Bills.

A Bill "An Act Further to Amend the Education Act, 1927."

A Bill "An Act Respecting the Maintenance of Parents, Wives and Children."

A Bill "An Act to Amend the Family Courts Act, 1951."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company Limited."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the following Bills without amendment:

A Bill "An Act to Amend the Education Act, 1927."

A Bill "An Act Respecting the Maintenance of Parents, Wives and Children."

A Bill "An Act to Amend the Family Courts Act, 1951."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that the Committee rose for lack of a Quorum and asked leave to sit again on tomorrow.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Thursday, April 17th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 17, 1952.

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

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting Unclaimed Articles of Clothing and Household Goods."

Hon. the Minister of Finance gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Social Security Assessment Act, 1949."

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the Education Act, 1927" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Respecting the Maintenance of Parents, Wives and Children" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and

that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Family Courts Act, 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Public Records Act, 1951" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Parsons Pond Oil Vesting Act, 1951" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Respecting an Election in Labrador in the Present Year" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Town of Carbonear Act, 1948" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Town of Harbour Grace Act, 1945" was introduced and read a first time and it

was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Rural District of Placentia Act, 1945" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Works, the Bill entitled "An Act Further to Amend the Department of Public Works Act, 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act Further to Amend the Land Development Act, 1944."

A Bill "An Act Further to Amend the Judicature Act."

A Bill "An Act Further to Amend the Law Society Act."

A Bill "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College."

Mr. Speaker left the Chair.

Mr. Mercer 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 Bills without amendment.

On motion this report was received and adopted and it was ordered that

the said Bills be read a third time on tomorrow.

On motion the remaining Orders of the Day were deferred.

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

The House then adjourned accordingly.

FRIDAY, April 18, 1952.

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

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Land Development Act, 1944" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Judicature Act" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Law Society Act" was read a third time and passed and it was ordered that the said Bill be printed, being

entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Education, the Bill entitled "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited."

A Bill "An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries, Limited."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the following Bills without amendment:

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited."

A Bill "An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries, Limited," had made some progress and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, April 21st, at three of the clock.

The House then adjourned accordingly.

MONDAY, April 21, 1952.

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

A Petition was presented by Hon. Mr. Lewis from Brigus Junction, Re Road.

A Petition was presented by Mr. Courage from the Maritime Hospital Service Association, Re Private Bill.

Mr. Cashin gave notice of Question.

On motion "that the Bill entitled 'An Act to Approve and Give Statu-

tory Effect to an Agreement between the Government and Atlantic Optical Company, Limited' be now read a third time," it was moved in amendment by Mr. Cashin and seconded by Mr. Hollett that the said Bill be read a third time six months hence.

On motion that the word "now" remain part of the Question, the House divided. The said motion passed in the affirmative and was ordered accordingly.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Relating to the Assessment of Property, and the Collection of Taxes by Municipalities" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Respecting Provincial Parks" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Regulation of Mines Act, 1951," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Act No 41 of 1938 entitled "An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company, Limited" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act to Amend the Old Age Assistance Act, 1951," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Welfare the Bill entitled "An Act to Amend the Blind Persons' Allowances Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Works, the Bill entitled "An Act to Incorporate the Botwood Water Corporation," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Public Records Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Par-

sons Pond Oil Lands Vesting Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Respecting an Election in Labrador in the Present Year" was read a second time and it was ordered that the said Bill be referred to a committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Respecting Articles of Clothing and Household Goods" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Attorney General, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Finance, the Bill entitled "An Act to Amend the Social Security Assessment Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, April 22nd, at three of the clock.

The House then adjourned accordingly.

—

TUESDAY, April 22nd, 1952.

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

Hon. the Minister of Public Welfare made a statement Re Able Bodied Assistance.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act Respecting Unclaimed Articles of Clothing and Household Goods."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries, Limited."

A Bill "An Act Respecting Provincial Parks."

A Bill "An Act to Amend the Regulation of Mines Act, 1951."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the following Bills without amendment:

A Bill "An Act Respecting Unclaimed Articles of Clothing and Household Goods."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries, Limited."

A Bill "An Act to Amend the Regulation of Mines Act, 1951."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow,

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act Respecting Provincial Parks," had made some progress, and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Thursday afternoon, April 24th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 24th, 1952.

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

Hon. the Acting Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend and Consolidate the Law Relating to the Sale of Securities."

Mr. Courage gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Maritime Hospital Service Association Re-Incorporation Act, 1945."

On motion it was ordered that the Petition previously called regarding the said Bill be referred to the Committee on Standing Orders.

The debate on the Address in Reply was continued,

On motion, the report of the Select Committee appointed to draft a reply to the Opening Speech of His Honour the Administrator was adopted.

Pursuant to order and on motion of Hon. the Acting Attorney General, the Bill entitled "An Act Respecting Unclaimed Articles of Clothing and Household Goods" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboards Industries, Limited" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Regulation of Mines Act, 1951" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Premier, it was ordered that Mr. Courage take the Chair as Deputy Speaker for the remainder of this General Assembly.

Pursuant to order and on motion of Hon. the Minister of Supply, the Bill entitled "An Act to Amend the Town of Carbonear Act, 1948," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow,

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Town of Harbour Grace Act, 1945," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Rural District of Placentia Act, 1945" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Provide for the Establishment and Administration of Community Councils" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Rent Restriction Act, 1943" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act Respecting Provincial Parks."

A Bill "An Act Further to Amend No. 41 of 1943 entitled "An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company, Limited."

A Bill "An Act to Amend the Old Age Assistance Act, 1951."

A Bill "An Act to Amend the Blind persons' Allowances Act, 1951."

A Bill "An Act to Incorporate the Botwood Water Corporation."

A Bill "An Act to Amend the Public Records Act, 1951."

A Bill "An Act to Amend the Parsons' Pond Oil Lands Vesting Act, 1951."

A Bill "An Act Respecting an Election in Labrador in the Present Year."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the following Bills without amendment.

A Bill "An Act Further to Amend No. 41 of 1938 entitled "An Act for the Confirmation of an Agreement between the Government and Labrador Mining Exploration Company, Limited."

A Bill "An Act to Amend the Old Age Assistance Act, 1951."

A Bill "An Act to Amend the Blind Persons' Allowances Act, 1951."

A Bill "An Act to Incorporate the Botwood Water Corporation."

A Bill "An Act to Amend the Public Records Act, 1951."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bills "An Act Respecting Provincial Parks" and "An Act to Amend the Parson's Pond Oil Lands Vesting Act, 1951" and had passed the said Bills with some amendment.

On motion this report was received and adopted and it was ordered that the said Bills, as amended, be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act Respecting an Election in Labrador in the present Year," had made some progress, and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, April 25th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 25th, 1952.

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

Mr. Cashin gave notice of Question.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Respecting Provincial Parks" was read a third time and passed and it was ordered that the said Bill be

printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Act No. 41 of 1938," entitled "An Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company, Limited," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act to Amend the Old Age Assistance Act, 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act to Amend the Blind Persons' Allowances Act, 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Public Works, the Bill entitled "An Act to Incorporate the Botwood Water Corporation" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Public Records

Act, 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Acting Attorney General, the Bill entitled "An Act to Amend the Parson's Pond Oil Lands Vesting Act, 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act Respecting an Election in Labrador in the Present Year."

A Bill "An Act to Amend the Town of Carbonear Act, 1948."

A Bill "An Act to Amend the Town of Harbour Grace Act, 1945."

A Bill "An Act to Amend the Rural District of Placentia Act, 1945."

A Bill "An Act to Provide for the Establishment and Administration of Community Councils."

A Bill "An Act Further to Amend the Rent Restrictions Act, 1943."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the following Bills without amendment:

A Bill "An Act to Amend the Town of Carbonear Act, 1948."

A Bill "An Act to Amend the Town of Harbour Grace Act, 1945."

A Bill "An Act to Amend the Rural District of Placentia Act, 1945."

A Bill "An Act Further to Amend the Rent Restrictions Act, 1943."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act Respecting an Election in Labrador in the Present Year 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, as amended, be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act to Provide for the Establishment and Administration of Community Councils" had made some progress, and asked leave to sit again on tomorrow.

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

Hon. the Acting Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and the Shipbuilding (Bounties) Amendment Act, 1947."

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, April 28th, at three of the clock.

The House then adjourned accordingly.

MONDAY, April 28th, 1952.

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

Hon. the Minister of Labour made a statement Re Employment of Newfoundlanders on Defence Programmes.

Hon. the Minister of Supply gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act Further to Amend the Local Government Act."

A Bill "An Act Further to Amend the Act 26 Victoria, Cap. 5, entitled 'An Act to Incorporate the Harbour Grace Water Company'."

A Bill "An Act Further to Amend the Act 47 Victoria, Cap. 6, entitled 'An Act to Incorporate Carbonear Water Company'."

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act to Amend the Loan and Guarantee Act, 1951."

A Bill "An Act to Amend the Loan and Guarantee Act, 1950."

Hon. the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Memorial University Act, 1949."

The Second Reading of the Bill entitled "An Act to Amend and Consolidate the Law Relating to the Sale of Securities" was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Acting Attorney General, the Bill entitled "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947", was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Acting Attorney General, the Bill entitled "An Act Respecting an Election in Labrador in the Present Year" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Town of Carbonar Act, 1948" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Town of Harbour Grace Act, 1945" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An

Act to Amend the Rural District of Placentia Act, 1945" was read a third time and passed and it was ordered the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Rent Restrictions Act, 1943," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Provide for the Establishment and Administration of Community Councils."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into Committee of Supply.

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into Committee of Ways and Means.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Wednesday afternoon, April 30th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 30, 1952.

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

Mr. Morgan presented a Petition from Professional Engineers of the Province Re Incorporation.

On motion it was ordered that the said Petition be referred to the Committee on Standing Orders.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Guarantee Bonds of the Newfoundland and Labrador Corporation."

On motion of Hon. the Minister of Finance, it was ordered that on tomorrow the House resolve itself into a Committee to consider Supply to be granted to Her Majesty.

On motion of Hon. the Minister of Finance, it was ordered that on tomorrow the House resolve itself into a Committee to consider Ways and Means of raising the Supply to be granted to Her Majesty.

Hon. the Minister of Finance informed the House that he had received a message from His Honour the Lieutenant Governor which message Mr. Speaker read to the House as follows :

The Honourable the Minister of Finance,

I, the Lieutenant Governor of the Province of Newfoundland, transmit Estimates of sums required for the Public Service of the Province of the Year ending 31st March, 1953, and in accordance with the provisions of the British North America Act of 1867, as amended, I recommend the Estimates to the House of Assembly.

(Sgd.) LEONARD OUTERBRIDGE,
Lieutenant Governor.
30th April, 1952.

On motion of Hon. the Minister of Finance, it was ordered that the message together with the Estimates, be referred to the Committee of Supply.

On the motion that Mr. Speaker leave the Chair and the House resolve itself into Committee of Ways and Means, Hon. the Minister of Finance delivered the Budget Speech.

On motion of Hon. the Premier, it was ordered that the debate on the said motion be adjourned until tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rise, it adjourn until tomorrow afternoon, Thursday, at three of the clock.

The House then adjourned accordingly.

THURSDAY, May 1, 1952.

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

A Petition was presented by Mr. Brown, from Charlottetown, Re Road.

Hon. the Minister of Municipal Affairs and Supply, on behalf of the Committee on Standing Orders, reported that the said Committee had considered the Petition of the St. John's Municipal Council and had found that the Rules of the House respecting Private Bills had been complied with and that the Preamble had been proven.

On motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the St. John's Municipal Act, 1921, 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 tomorrow.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Authorize the Executive on behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada."

Mr. Cashin gave notice of Question.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed Section 101 to 409 with the exception of Section 301 and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, May 2nd, at three of the clock.

The House then adjourned accordingly.

FRIDAY, May 2, 1952.

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

Mr. Speaker informed the House that, on yesterday afternoon, Mr. Speaker and the Members of the House had proceeded to Government House and that His Honour the Lieutenant Governor had received the Address in Reply and had been pleased to reply thereto as follows:

Mr. Speaker and Gentlemen of the Honourable House of Assembly, I thank you for your Address in Reply to the Speech with which your Present Session was opened.

Mr. Ballam made a statement Re Employment on Defence Programme.

Hon. the Minister of Public Welfare, on behalf of the Committee on Standing Orders, reported that the said Committee had considered the Petition of the Maritime Hospital Service Association and had found that the Rules of the House respecting Private Bills had been complied with.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act entitled "An Act Further to Amend the Mining Tax Act, 1950."

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Guarantee the Bonds of the Newfoundland and Labrador Corporation" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Loan and Guarantee Act, 1951" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Loan and Guarantee Act, 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Act 26 Vic. Cap. 5 entitled 'An Act to Incorporate the Harbour Grace Water Company'" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Act 47 Vic. Cap. 6 entitled 'An Act to Incorporate the Carbonar Water Company'" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Local Government Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Education the Bill entitled "An Act to Amend the Memorial University Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Provide for the Establishment and Administration of Community Councils" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again presently.

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 Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed item 301 and items 501 to 804 with exception of item 704, and asked leave to sit again on tomorrow.

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

Mr. Cashin gave notice of Question.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Monday, May 5th, at three of the clock.

The House then adjourned accordingly.

—
MONDAY, May 5th, 1952.

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

Mr. Cashin gave notice of Question.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed items 1501-1505, and asked leave to sit again on tomorrow.

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

The second reading of the Bill entitled "An Act to Guarantee the Bonds of the Newfoundland and Labrador Corporation," was debated and on motion was adjourned for further debate on tomorrow.

The debate on the Budget Speech was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Public Works, the Bill entitled "An Act Further to amend the Department of Public Works Act, 1950" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Mining Tax Act, 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed items 805-810, and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, April 6th, at three of the clock.

The House then adjourned accordingly.

TUESDAY, May 6, 1952.

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

Hon. the Premier made a statement Re an Editorial in the "Evening Telegram" of St. John's.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills :

A Bill "An Act Further to Amend the Co-operative Societies Act, 1939."

A Bill "An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation."

A Bill "An Act Further to Amend the Town Council Guarantee Act, 1951."

A Bill "An Act to make Provision for the Raising of Moneys by Certain Local Authorities."

A Bill "An Act Further to Amend the Slum Clearance Act, 1950."

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Mining Tax Act, 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Provide for the Guarantee by the Government and Labrador Corporation Limited," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed items 901-908 and asked leave to sit again presently.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again presently.

The debate on the Budget was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed items 1001 to 1020 and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, April 7th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, May 7th, 1952.

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

Hon. the Minister of Finance gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An

Act Further to Amend the Gasoline Tax Act, 1949."

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Wild Life Act, 1951."

Pursuant to order and on motion of Mr. Courage, the Bill entitled "An Act to Amend the Maritime Hospital Association Re-Incorporation Act, 1949" was read a second time and it was ordered that the said Bills be referred to the Committee on Miscellaneous Bills.

On motion it was ordered that Standing Order 67 be waived with respect to the said Bill.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof" was read a second time and it was ordered that the said Bill be referred to the Committee on Municipal Affairs.

On motion it was ordered that Standing Order 67 be waived with respect to the said Bill.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Co-operative Societies Act, 1939" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Town Council Guarantee Act, 1951," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to make Provision for the Raising of Moneys by Certain Local Authorities" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Slum Clearance Act, 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Act 47 Vic. Cap. 6 entitled "An Act to Incorporate the Carbonear Water Company" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Act 26 Vic. Cap. 5, entitled "An Act to Incorporate the Harbour Grace Water

Company" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Local Government Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Education, the Bill entitled "An Act to Amend the Memorial University Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Mining Tax Act, 1950" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Provide for the Guarantee by the Government of Newfoundland of a Loan to be raised by the Newfoundland and Labrador Corporation, Limited."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

On motion of Hon. the Premier, it was ordered that the House do not adjourn at six of the clock.

The debate on the Budget Speech was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Thursday, May 8th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, May 8th, 1952.

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

Mr. Courage, on behalf of the Committee on Standing Orders, reported that the Committee had considered the Petition of the Professional Engineers of the Province and had found that the Rules of the House respecting Private Bills had been complied with.

On motion this report was received and adopted.

On motion the Bill entitled "An Act to Incorporate the Association of Professional Engineers and for Other Purposes connected therewith" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Provide for the Guarantee of a Loan to be raised by Newfoundland and Labrador Corporation, Limited," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Wild Life Act, 1951" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance, the Bill entitled "An Act Further to Amend the Gasoline Tax Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend and Consolidate the Law Relating to the Sale of Securities," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945" and of the Shipbuilding (Bounties) Amendment Act, 1947" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The Second Reading of the Bill entitled "An Act to Authorize the Execution on behalf of Newfoundland of

a "Tax Agreement between the Government of Newfoundland and the Government of Canada" was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Loan and Guarantee Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Loan and Guarantee Act, 1950" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Further to Amend the Co-operative Societies Act, 1939" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Town Council Bond Guarantee Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to make Provision for the Raising of Moneys by Certain Local Authorities" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Slum Clearance Act, 1950" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The debate on the Budget Speech was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, May 9th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, May 9th, 1952.

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

Mr. Cashin gave notice that he would on tomorrow move that this House order a complete investigation by an independent firm of Auditors, not associated with the Government, of the conduct of the "Buy Newfoundland Products Campaign" under the management of Mr. Donald Jamieson, and that the said Auditors be instructed to file a written report on the results of such investigation for public information.

The debate on the Budget Speech was continued and on motion was adjourned for further debate presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into a Committee on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed items 1021 to 1453, with the exception of items 1114, 1117 and 1203, and asked leave to sit again on tomorrow.

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

The debate on the Budget Speech was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Mr. Morgan, the Bill entitled "An Act to Incorporate the Association of Professional Engineers and for Other Purposes connected therewith" was

read a second time and it was ordered that the said Bill be referred to the Committee on Miscellaneous Private Bills.

On motion it was ordered that Standing Order 67 be waived with respect to the said Bill.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Monday, May 12th, at three of the clock.

The House then adjourned accordingly.

MONDAY, May 12, 1952.

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

Hon. the Minister of Health made a statement Re Cost of Mouth Wipes.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act to Amend Chapter 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books printed in Newfoundland.'"

A Bill "An Act to Secure the Development of Undeveloped Mineral Areas."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act Further to Amend the Public Utilities Act, 1949."

A Bill "An Act to Authorize the Government and the City of St. John's to enter in an Agreement."

A Bill "An Act Further to Amend the Fisheries Loan Act, 1949."

Hon. the Minister of Labour gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Workmen's Compensation Act, 1951."

Hon. the Minister of Public Welfare, on behalf of the Committee on Miscellaneous Private Bills, reported that the Committee had considered the Bill entitled "An Act to Amend the Maritime Hospital Association Re-Incorporation Act, 1949" and recommended the said Bill to the House.

On motion this report was received and adopted and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The debate on the Budget Speech was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement Between the Government of Newfoundland and the Government of Canada" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Wild Life Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the House resolved

itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act to Amend the Act 47 Vic. Cap. 6 entitled 'An Act to Incorporate the Carbonear Water Company.'"

A Bill "An Act Further to Amend the Act 26 Vic. Cap. 5 entitled 'An Act to Incorporate the Harbour Grace Water Company.'"

A Bill "An Act Further to Amend the Local Government Act."

A Bill "An Act to Amend the Memorial University Act, 1949."

A Bill "An Act Further to Amend the Mining Tax Act, 1950."

A Bill "An Act Further to Amend the Department of Public Works Act, 1950."

A Bill "An Act to Amend and Consolidate the Law Relating to the Sale of Securities."

A Bill "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and the Shipbuilding (Bounties) Amendment Act, 1947."

A Bill "An Act to Amend the Loan and Guarantee Act, 1951."

A Bill "An Act to Amend the Loan and Guarantee Act, 1950."

A Bill "An Act Further to Amend the Co-operative Societies Act, 1939."

A Bill "An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation."

A Bill "An Act Further to Amend the Town Council Bond Guarantee Act, 1951."

A Bill "An Act to Make Provisions for the Raising of Monies by Certain Local Authorities."

A Bill "An Act Further to Amend the Slum Clearance Act, 1950."

A Bill "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the Bill entitled "An Act Further to Amend the Local Government Act, 1949 with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed items 1601 to 1605 and on Capital Account items 2 to 13, and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, May 13th, at three of the clock.

The House then adjourned accordingly.

TUESDAY, May 13, 1952.

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

Mr. Mercer, on behalf of Mr. Speaker, presented a Petition from Port Saunders, Re Road.

Hon. the Minister of Municipal Affairs and Supply, on behalf of the Committee on Miscellaneous Private Bills, reported that the Committee had considered the Bill entitled "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof" and recommended the said Bill to the House.

On motion this report was received and adopted and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act Respecting the Revised Statutes, Newfoundland."

A Bill "An Act to Provide for Change of Name."

A Bill "An Act Respecting Urban and Rural Planning."

A Bill "An Act to Vest the Property of Dissolved Corporations in the Crown."

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Welfare of Children Act, 1944."

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Act 47 Vic. Cap. 6 entitled 'An Act to Incorporate the Carbonar Water Company,'" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Act 26 Vic. Cap. 5 entitled 'An Act to Incorporate the Harbour Grace Water Company,'" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Local Government Act, 1949" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Education, the Bill entitled "An Act to Amend the Memorial University Act, 1949" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Mining Tax Act, 1950" was read a third

time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Public Works, the Bill entitled "An Act Further to Amend the Department of Public Works Act, 1950" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend and Consolidate the Law Relating to the Sale of Securities" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945 and of the Shipbuilding (Bounties) Amendment Act, 1947," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Loan and Guarantee Act, 1951" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Loan and Guarantee Act, 1950" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Further to Amend the Co-operative Societies Act, 1939" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Town Council Bond Guarantee Act, 1951" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Make Provision for the Raising of Monies by Certain Local Authorities" was read a third time and passed, and it was ordered that the said Bill be printed, being en-

titled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Slum Clearance Act, 1950" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act to Amend the Maritime Hospital Service Association Re-Incorporation Act, 1949."

A Bill "An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada."

A Bill "An Act to Amend the Wild Life Act, 1951."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

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

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend 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 tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend Cap. 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books printed in Newfoundland,'" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Secure the Development of Undeveloped Mineral Areas" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Gasoline Tax Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion of Hon. the Attorney General, and with unanimous consent, the third reading of the Bill entitled

"An Act Further to Amend the Rent Restrictions Act, 1943" was rescinded and it was ordered that the said Bill be recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time presently.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Rent Restrictions Acts, 1943-1948" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Premier, and with unanimous consent, the previous order to read the Bill entitled "An Act to Secure the Development of Undeveloped Mineral Areas," a second time on tomorrow, was rescinded.

The second reading of the said Bill was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed items 14-16 on Capital Account and items 704 and 1203 on Current Account, and asked leave to sit again on tomorrow.

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

Hon. the Minister of Public Welfare, on behalf of the Committee on Miscellaneous Private Bills, reported that the Committee had considered the Bill entitled "An Act to Incorporate the Association of Professional Engineers and for Other Purposes connected therewith," and recommended the said Bill to the House.

On motion this report was received and adopted and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, May 14th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, May 14, 1952.

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

Hon. the Minister of Public Works gave notice that he would on tomorrow ask leave to introduce a Bill en-

titled "An Act to Amend the Highway Traffic Act, 1951."

Pursuant to notice, it was moved by Mr. Cashin, seconded by Mr. Fogwill, that this House order a complete investigation by an independent firm of Auditors, not associated with the Government, of the conduct of the "Buy Newfoundland Products Campaign" under the management of Mr. Donald Jamieson, and that the said Auditors be instructed to file a written report on the results of such investigation for public information.

On the said motion being put, the House divided and the motion was lost.

The debate on the Address in Reply was continued and on motion was adjourned for further debate presently.

On motion of Hon. the Premier, it was ordered that the House do not adjourn at six of the clock.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Respecting the Revised Statutes of Newfoundland" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General the Bill entitled "An Act to Provide for Change of Name" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General the Bill entitled "An Act Respecting Urban and Rural Planning" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General the Bill entitled "An Act to Vest the Property of Dissolved Corporations in the Crown" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Welfare of Children Act, 1944" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Premier, the Bill entitled "An Act to Authorize the Government and the City of St. John's to enter into an Agreement" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion of Hon. the Premier, and with unanimous consent, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Further to Amend the Fisheries Loan Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion of Hon. the Minister of Fisheries and Co-operatives and with unanimous consent, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion

of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Public Utilities Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion of Hon. the Attorney General, and with unanimous consent, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Labour, the Bill entitled "An Act to Amend the Workmen's Compensation Act, 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion of Hon. the Minister of Labour, and with unanimous consent, the said Bill 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 Mr. Courage, the Bill entitled "An Act to Amend the Maritime Hospital Service Association Re-Incorporation Act, 1949" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act to Incorporate the Association of Professional Engineers and for other Purposes connected therewith."

A Bill "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies.'"

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bills with some amendment.

On motion this report was received and adopted and it was ordered that the said Bills, as amended, be read a third time on tomorrow.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend the Wild Life Act, 1951" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend Cap. 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books Printed in Newfoundland,'" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed items 1114 and 1117 and amendments to items 714 and 1315 and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Thursday, May 15th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, May 15, 1952.

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

Hon. the Premier informed the House that a Gift of \$10,000 had been given to the Memorial University by the Labrador Mining and Exploration Company, Limited.

A Petition was presented by Hon. Mr. Lewis, from Bell Island, Re Road Programme.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act to Amend the Industrial Development Loan Act, 1949."

A Bill "An Act to Vest in Her Majesty in right of Newfoundland Certain Claims in respect of Freight Paid to the Canadian National Railway Company."

A Bill "An Act Further to Amend the Loan and Guarantee Act, 1951."

Hon. the Minister of Fisheries and Co-operatives gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Co-operative Development Loan Act, 1949."

The debate on the Budget Speech was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend 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 printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Mr. Morgan, the Bill entitled "An Act to Incorporate the Association of Professional Engineers and for Other Purposes connected therewith" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to notice and on motion

of Hon. the Minister of Public Works, the Bill entitled "An Act to Amend the Highway Traffic Act, 1951," was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into a Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed Sections 1 and 4 of the Estimates of Expenditure on Financial Surplus Account and an amendment to item 301 on Current Account, and asked leave to sit again presently.

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 Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act to Authorize the Government and the City of St. John's to enter into an Agreement."

A Bill "An Act Further to Amend the Fisheries Loan Act, 1949."

A Bill "An Act Further to Amend the Public Utilities Act, 1949."

A Bill "An Act Further to Amend the Workmen's Compensation Act, 1950."

A Bill "An Act to Amend Cap. 70 of the Consolidated Statutes (Third

Series) entitled 'Of the Preservation of Copies of Books Printed in Newfoundland.'

A Bill "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof."

A Bill "An Act Further to Amend the Gasoline Tax Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the following Bills without amendment:

A Bill "An Act Further to Amend the Fisheries Loan Act, 1949."

A Bill "An Act Further to Amend the Public Utilities Act, 1949."

A Bill "An Act Further to Amend the Workmen's Compensation Act, 1950."

A Bill "An Act to Amend Cap. 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books printed in Newfoundland.'"

A Bill "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act to Authorize the Government and the City of St. John's to enter into an

Agreement" 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 as amended be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act Further to Amend the Gasoline Tax Act, 1949," had made some progress, and asked leave to sit again on tomorrow.

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

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Secure the Development of Undeveloped Mineral Areas" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, May 16th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, May 16, 1952.

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

Hon. the Minister of Public Works tabled "Local Roads Report 1951-1952" and made a statement relating thereto.

Hon. the Minister of Fisheries and Co-operatives presented a Petition from Codroy Re Road.

Hon. the Minister of Finance gave notice that he would presently ask leave to introduce a Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March One Thousand Nine Hundred and Fifty-three, and for Other Purposes Relating to the Public Service."

Hon. the Premier gave notice that he would presently ask leave to introduce a Bill entitled "An Act Further to Amend the Land Development Act, 1944."

The debate on the Budget Speech was concluded and the House resolved itself into Committee of Ways and Means.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again presently.

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 Hon. the Attorney General, the Bill entitled "An Act to Authorize the Government and the City of St. John's to enter into an Agreement" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and

that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Further to Amend the Fisheries Loan Act, 1949" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Public Utilities Act, 1949" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Labour, the Bill entitled "An Act Further to Amend the Workmen's Compensation Act, 1950" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Amend Cap. 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books printed in Newfoundland,'" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the St. John's Muni-

pal Act, 1921 and Acts in Amendment thereof" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Industrial Development Loan Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to notice and on motion of Hon. the Attorney General the Bill entitled "An Act to Vest in Her Majesty in right of Newfoundland, Certain Claims in respect of Freight Paid to the Canadian National Railway Company" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to notice and on motion of Hon. the Attorney General and with unanimous consent, the Bill entitled "An Act Further to Amend the Loan and Guarantee Act, 1951" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to notice and on motion of Hon. the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Further to Amend the Co-operative Development Loan Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Respecting the Revised Statutes of Newfoundland" was read a second time and it was

ordered that the said Bill be referred to a Committee of the Whole House presently.

The second reading of the Bill entitled "An Act to Provide for Change of Name" was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Vest the Property of Dissolved Corporations in the Crown" 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 Hon. the Minister of Public Works, the Bill entitled "An Act to Amend the Highway Traffic Act, 1951" 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 Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act to Secure the Development of Undeveloped Mineral Areas."

A Bill "An Act Respecting the Revised Statutes of Newfoundland."

A Bill "An Act to Vest the Property of Dissolved Corporations in the Crown."

A Bill "An Act to Amend the Highway Traffic Act, 1951."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the following Bills with some amendment :

A Bill "An Act to Secure the Development of Undeveloped Mineral Areas."

A Bill "An Act Respecting the Revised Statutes of Newfoundland."

On motion this report was received and adopted and it was ordered that the said Bills, as amended, be read a third time presently.

The Chairman from the Committee further reported that they had considered the matter to them referred and had passed the following Bills without amendment :

A Bill "An Act to Vest the Property of Dissolved Corporations in the Crown."

A Bill "An Act to Amend the Highway Traffic Act, 1951."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time presently.

On motion of Hon. the Premier, and with unanimous consent, the Bill entitled "An Act to Secure the Development of Undeveloped Mineral Areas" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Attorney General, and with unanimous consent the Bill entitled "An Act Respecting the Revised Statutes of Newfoundland" was read a third time and passed, and it was ordered that the

said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Attorney General, and with unanimous consent, the Bill entitled "An Act to Vest the Property of Dissolved Corporations in the Crown," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Minister of Public Works, and with unanimous consent, the Bill entitled "An Act to Amend the Highway Traffic Act, 1951" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Premier, and with unanimous consent, the Bill entitled "An Act Further to Amend the Industrial Development Loan Act, 1949," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Hon. the Attorney General, and with unanimous consent, the Bill entitled "An Act to Vest in Her Majesty in Right of Newfoundland, Certain Claims in respect of Freight paid to the Canadian National Railway Company," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Hon. the Attorney General, and with unanimous consent, the Bill entitled "An Act Further to Amend the Loan and Guarantee Act,

1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Hon. the Minister of Fisheries and Co-operatives and with unanimous consent, the Bill entitled "An Act Further to Amend the Co-operative Development Loan Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Hon. the Premier, and with unanimous consent, the House resolved itself into Committee of the Whole to consider the following Bills:

A Bill "An Act Further to Amend the Industrial Development Loan Act, 1949."

A Bill "An Act to Vest in Her Majesty in right of Newfoundland Certain Claims in respect of Freight paid to the Canadian National Railway Company."

A Bill "An Act Further to Amend the Loan and Guarantee Act, 1951."

A Bill "An Act Further to Amend the Co-operative Development Loan Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the following Bills without amendment:

A Bill "An Act Further to Amend the Industrial Development Loan Act, 1949."

A Bill "An Act Further to Amend the Loan and Guarantee Act, 1951."

A Bill "An Act Further to Amend the Co-operative Development Loan Act, 1949."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time presently.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act to Vest in Her Majesty in right of Newfoundland Certain Claims in respect of Freight paid to the Canadian National Railway Company" 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, as amended, be read a third time presently.

On motion of Hon. the Premier, and with unanimous consent, the Bill entitled "An Act Further to Amend the Industrial Development Loan Act, 1949" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Attorney General, and with unanimous consent, the Bill entitled "An Act to Vest in Her Majesty in right of Newfoundland Certain Claims in Respect of Freight paid to the Canadian National Railway Company" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Attorney General, and with unanimous consent, the Bill entitled "An Act Further to Amend the Loan and Guarantee Act, 1951" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Minister of Fisheries and Co-operatives, and with unanimous consent, the Bill entitled "An Act Further to Amend the Co-operative Development Loan Act, 1949," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Welfare of Children Act, 1944," was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Hon. the Minister of Public Welfare, and with unanimous consent, the House resolved itself into Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received

and adopted and it was ordered that the said Bill, as amended, be read a third time presently.

On motion of Hon. the Minister of Public Welfare, and with unanimous consent, the Bill entitled "An Act Further to Amend the Welfare of Children Act, 1944" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Premier, and with unanimous consent, the Bill entitled "An Act Further to Amend the Land Development Act, 1944" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion of Hon. the Premier, and with unanimous consent, the said Bill 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 Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had completed the consideration of the Estimates.

On motion this report was received and adopted.

Pursuant to order and on motion of Hon. the Minister of Finance, the

House resolved itself into Committee of Ways and Means.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed Certain Resolutions Granting Supply to Her Majesty and recommending that a Bill be introduced to give Effect to the same.

The said Resolutions being read a first time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting Her Majesty Certain Sums of Money for Defraying Expenses of the Public Service for the Financial Year Ending the Thirty-First Day of March One Thousand Nine Hundred and Fifty-Three and for Other Purposes Relating to the Public Service" was read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the said Bill was read a second time and it was ordered that the said Bill be read a third time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses for the Public Service for the Financial Year Ending the Thirty-First Day of March One Thousand Nine Hundred and Fifty-Three and for Other Purposes

Relating to the Public Service" was read a third time and passed, and it was order that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Premier, and with unanimous consent, the Bill entitled "An Act Further to Amend the Land Development Act, 1944" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion of Hon. the Premier, and with unanimous consent, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Hon. the Premier, and with unanimous consent the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

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

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Hon. the Premier, and with unanimous consent, the Bill entitled "An Act Further to Amend the Land Development Act, 1944" was read a third time and passed, and it was ordered that the said Bill be

printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Provide for Change of Name" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Hon. the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

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

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently,

On motion of Hon. the Attorney General, and with unanimous consent the Bill entitled "An Act to Provide for Change of Name," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, May 19th, at three of the clock.

The House then adjourned accordingly.

MONDAY, May 19, 1952.

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

At quarter past three of the clock, there being no quorum present, Mr. Speaker adjourned the House until tomorrow afternoon, Tuesday, May 20th, at three of the clock.

The House then adjourned accordingly.

TUESDAY, May 20, 1952.

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

On motion of Hon. the Attorney General the third reading of the Bill entitled "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies,'" was rescinded.

On motion of Hon. the Attorney General, verbal amendments to the said Bill were adopted and it was ordered that the said Bill, as amended, be read a third time presently.

On motion of Hon. the Attorney General, and with unanimous consent, the Bill entitled "An Act Further to Amend 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 printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

The Sergeant-at-Arms announced that His Honour the Lieutenant Governor had arrived.

His Honour the Lieutenant Governor entered the Assembly Chamber preceded by the Sergeant-at-Arms.

His Honour the Lieutenant Governor took the Chair.

Mr. Speaker addressed His Honour as follows:

May it please Your Honour, the General Assembly of the Province has at its Present Session passed Certain Bills, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

Whereupon the Clerk read the following Bills entitled:

A Bill "An Act Further to Amend the Dependents' Allowances Act, 1949."

A Bill "An Act Further to Amend the Mothers' Allowances Act, 1949."

A Bill "An Act Further to Amend the Education (Teacher Training) Act, 1944."

A Bill "An Act to Amend the Newfoundland Asbestos Limited (Confirmation of Agreement) Act, 1951."

A Bill "An Act Respecting the Department of Mines and Resources."

A Bill "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

A Bill "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

A Bill "An Act Further to Amend the Education Act, 1927."

A Bill "An Act Respecting the

Maintenance of Parents, Wives and Children."

A Bill "An Act Respecting Unclaimed Articles of Clothing and Household Goods."

A Bill "An Act to Amend the Regulation of Mines Act, 1951."

A Bill "An Act to Amend the Law Society Act."

A Bill "An Act Further to Amend the Judicature Act."

A Bill "An Act Further to Amend the Land Development Act, 1944."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Optical Company, Limited."

A Bill "An Act Relating to the Conferring of Titles and Degrees to Students of Queen's College."

A Bill "An Act Relating to the Assessment of Property and the Collection of Taxes by Municipalities."

A Bill "An Act to Amend the Family Courts Act, 1951."

A Bill "An Act to Provide for the Guarantee by the Government of Newfoundland of a Loan to be Raised by Newfoundland and Labrador Corporation Limited."

A Bill "An Act to Amend the Old Age Assistance Act, 1951."

A Bill "An Act to Amend the Blind Persons' Allowances Act, 1951."

A Bill "An Act Further to Amend the Public Records Act, 1951."

A Bill "An Act to Amend the Parsons' Pond Oil Lands Vesting Act, 1951."

A Bill "An Act Further to Amend the Act, No. 41 of 1938 entitled 'An

Act for the Confirmation of an Agreement between the Government and Labrador Mining and Exploration Company Limited."

A Bill "An Act Respecting Provincial Parks."

A Bill "An Act to Incorporate the Botwood Water Corporation."

A Bill "An Act Further to Amend the Town of Harbour Grace Act, 1945."

A Bill "An Act Further to Amend the Town of Carbonear Act, 1948."

A Bill "An Act Further to Amend the Rural District of Placentia Act, 1945."

A Bill "An Act to Amend the Rent Restrictions Acts 1943-1948."

A Bill "An Act Respecting an Election in Labrador in the Present Year."

A Bill "An Act to Amend the Maritime Hospital Service Association Re-Incorporation Act, 1949."

A Bill "An Act to Amend the Wild Life Act, 1951."

A Bill "An Act to Authorize the Execution on behalf of Newfoundland of a Tax Agreement between the Government of Newfoundland and the Government of Canada."

A Bill "An Act Further to Amend the Local Government Act, 1949."

A Bill "An Act to Provide for the Establishment and Administration of Community Councils."

A Bill "An Act Further to Amend the Act 47 Vic. Cap. 6, entitled 'An Act to Incorporate the Carbonear Water Company.'"

A Bill "An Act Further to Amend the Act 26 Vic. Cap. 5, entitled 'An

Act to Incorporate the Harbour Grace Water Company.'"

A Bill "An Act Further to Amend the Memorial University Act, 1949."

A Bill "An Act Further to Amend the Mining Tax Act, 1950."

A Bill "An Act Further to Amend the Department of Public Works Act, 1950."

A Bill "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

A Bill "An Act to Amend the Loan and Guarantee Act, 1950."

A Bill "An Act to Amend the Loan and Guarantee Act, 1951."

A Bill "An Act Further to Amend the Co-operative Societies Act, 1939."

A Bill "An Act to Amend Certain Statutes Relating to the St. John's Housing Corporation."

A Bill "An Act Further to Amend the Town Council Bond Guarantee Act, 1951."

A Bill "An Act to make Provision for the Raising of Monies by Certain Local Authorities."

A Bill "An Act Further to Amend the Slum Clearance Act, 1950."

A Bill "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951."

A Bill "An Act to Amend and Consolidate the Law Relating to the Sale of Securities."

A Bill "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies.'"

A Bill "An Act to Amend Chapter 70 of the Consolidated Statutes (Third Series) entitled 'Of the Preservation of Copies of Books Printed in Newfoundland.'"

A Bill "An Act Further to Amend the Workmen's Compensation Act, 1950."

A Bill "An Act Further to Amend the Public Utilities Act, 1949."

A Bill "An Act Further to Amend the Fisheries Loan Act, 1949."

A Bill "An Act to Authorize the Government and the City of St. John's to Enter into an Agreement."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Hardboard Industries Limited"

A Bill "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof."

A Bill "An Act to Amend the Highway Traffic Act, 1951."

A Bill "An Act to Vest the Property of Dissolved Corporations in the Crown."

A Bill "An Act Respecting the Revised Statutes of Newfoundland."

A Bill "An Act to Secure the Development of Undeveloped Mineral Areas."

A Bill "An Act Further to Amend the Co-operative Development Loan Act, 1949."

A Bill "An Act Further to Amend the Loan and Guarantee Act, 1951."

A Bill "An Act to Vest in Her Majesty in right of Newfoundland Certain Claims in Respect of Freight Paid to the Canadian National Railway Company."

A Bill "An Act Further to Amend the Industrial Development Loan Act, 1949."

A Bill "An Act Further to Amend the Welfare of Children Act, 1944."

A Bill "An Act Further to Amend the Land Development Act, 1944."

A Bill "An Act to Provide for Change of Name."

A Bill "An Act to Incorporate the Association of Professional Engineers and for Other Purposes connected therewith."

His Honour then said "In Her Majesty's name I assent to these Bills."

Mr. Speaker addressed His Honour as follows:

It is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects, Her faithful Commons in Newfoundland, to present to Your Honour a Bill for the appropriation of Supply granted in the Present Session.

Whereupon the Clerk read the following Bills entitled:

A Bill "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year ending the Thirty-first Day of March One Thousand Nine Hundred and Fifty-two and for Other Purposes Relating to the Public Service."

A Bill "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March One Thousand Nine Hundred and Fifty-three and for Other Purposes Relating to the Public Service."

His Honour then said "In Her Majesty's name I thank Her loyal subjects, I accept their benevolence, and assent to these Bills."

His Honour was then pleased to make the following Speech :

MR. SPEAKER AND MEMBERS OF THE HONOURABLE HOUSE OF ASSEMBLY :

I am pleased to be able to relieve you at this, to many of you a very busy season, from further attendance at your Legislative duties. Having regard to the substantial volume of business transacted, the Session cannot be regarded as a protracted one.

Your approval has been given to Agreements between my Government and the Atlantic Hardboard Industries, Limited, and the Atlantic Optical Company, Limited. These measures will result in the establishment of two or more new industries.

The adoption of "The Community Council Act" marks a further step in my Ministers' programme for the extension of Local Government, and will enable smaller areas to avail themselves of the privileges hitherto enjoyed by larger towns.

My Ministers have been authorized to execute a new Tax Agreement with the Government of Canada and they anticipate that this Agreement will prove advantageous to the Province.

An Agreement, effective from April first, has been entered into with the

Government of Canada which provides assistance at the rate of thirty dollars a month to needy persons between the ages of sixty-five and sixty-nine. It is expected that about five thousand persons will qualify.

The present summer will see many of the new industries promoted by my Ministers commence production, an Island-wide search for minerals unprecedented in extent, and the most serious drilling for oil ever undertaken here. It will be a fateful period in our history and we all trust and pray that success will attend those varied efforts to build up the economy of Newfoundland.

MR. SPEAKER AND MEMBERS OF THE HONOURABLE HOUSE OF ASSEMBLY :

I thank you for the provision you have made for the public services.

In releasing you from further attendance, I thank you for the careful consideration you have given to the many and varied matters presented to you.

His Honour the Lieutenant Governor left the Assembly Chamber.

Mr. Speaker then said :

It is the will and pleasure of His Honour the Lieutenant Governor that this General Assembly be prorogued until the Thirtieth of June next, and this Assembly is prorogued accordingly.

NEWFOUNDLAND HOUSE OF ASSEMBLY

1952

Hon. Reginald F. Sparkes, Speaker.

List of Members with Political Affiliations

Note : L.—Liberal; P.C.—Progressive Conservative.

Member	District
Ballam, Hon. C. H.	L. Humber
Brown, C. S.	L. Bonavista South
Button, C. M.	L. Trinity South
Canning, P. J.	L. Placentia West
Cashin, P. J.	P.C. St. John's West
Chalker, Hon. J. R.	L. Harbour Grace
Courage, J. R.	L. Fortune-Hermitage
Curtis, Hon. L. R.	L. Twillingate
Drover, Samuel	L. White Bay
Fogwill, Frank	P.C. St. John's East
Forsey, Hon. P. S.	L. Burin
Hefferton, Hon. S. J.	L. Trinity North
Higgins, J. D.	P.C. St. John's East
Hollett, M. M.	P.C. St. John's West
Jackman, D. I.	P.C. Harbour Main-Bell Island
Janes, Gordon	L. Fogo
Keough, Hon. W. J.	L. St. George's-Port au Port
Lewis, Hon. P. J.	L. Harbour Main-Bell Island
Mercer, Isaac	L. Port de Grave
Morgan, Baxter	L. Green Bay
Murray, Hon. M. P.	L. Ferryland
Norman, George	L. Burgeo and La Poile
Pottle, Hon. H. L.	L. Carbonear, Bay de Verde
Power, Hon. G. J.	L. Placentia-St. Mary's
Rowe, Hon. F. W.	L. Labrador
Smallwood, Rt. Hon. J. R.	L. Bonavista North
Sparkes, R. F.	L. St. Barbe
Spencer, Hon. E. S.	L. Grand Falls