



Proceedings  
of the  
House of Assembly

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During the Third Session  
of the  
Thirtieth General Assembly  
of Newfoundland

1953

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THIRD SESSION  
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WEDNESDAY, March 11, 1953.

**SERGEANT-AT-ARMS:** Mr. Speaker, His Honour the Lieutenant-Governor has arrived to open the third session of the thirtieth General Assembly.

His Honour the Lieutenant-Governor reads the Speech from the Throne.

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

In common with British subjects throughout the world, our people are looking forward with keen and pleasurable anticipation to the Coronation of Her Majesty Queen Elizabeth II which takes place in Westminster Abbey on Tuesday, June the Second. In response to an official invitation extended to Newfoundland to be represented at that solemn and historic ceremony, I, accompanied by my Prime Minister and my Minister of Education, am arranging to attend. A detachment of Newfoundland war veterans will form part of a contingent of the Canadian Legion invited to be present. This day has been proclaimed a Public Holiday throughout the Province. Preparations for suitable celebrations are well advanced. Particular care is being taken to ensure that our children are impressed with the significance of the event and are afforded every opportunity of participating in the rejoic-

ings which the occasion will evoke in Her Majesty's loyal subjects in Newfoundland.

I am sure that we all rejoice over the continuing, and indeed expanding prosperity of the Province. Newfoundland has never before experienced such prosperity, and the prayer of all is that this condition will be maintained.

It is generally known that the principal feature of my Ministers' policy is economic development. This has taken the form, for the most part, of encouraging the establishment of new mills and factories. My Ministers consider that the time has come, and that they are now ready, to proceed with other features of their policy, namely the development of the natural resources of the Province. These are the fisheries, minerals, water-power, forests and soil.

Foremost amongst these are of course the fisheries, and their development must inevitably be the principal objective in such a policy. Nearly two years ago my Government and the Government of Canada agreed upon the need for a far-reaching investigation into the fisheries of Newfoundland for the purpose of determining the full nature of the problem and especially of recommending a specific programme designed to effect a successful solution. A Fishery Development Committee was accordingly

created by the two Governments and intensive research and investigation into the fisheries has since been carried out by that Committee. Their report and recommendations are expected very soon to be laid before my Government and the Government of Canada. My Ministers earnestly hope that the report and recommendations will constitute the chart and compass of a great new fishery development programme for this Province, and are determined, if this hope is realized, to seek the active participation of the Government of Canada, and to undertake jointly and energetically such development. My Ministers are convinced that it should be practicable so to develop the fisheries as to make them yield to the fishermen a much higher standard of living than they have ever known in the past. They hope in the present Session to lay the report and recommendations of the Committee before you and to afford you an opportunity to give them the careful consideration which their importance warrants.

Since their assumption of office my Ministers have given close study to the possibility of the development of our mineral and water-power resources. You will recall the various surveys and investigations carried out at considerable cost in these fields during the past several years. These expensive field surveys were instituted with a view to gathering certain general basic information without which it would have been merely a waste of time to approach important electrical and mining companies with proposals for more intensive prospecting and surveying activities leading to development. As foreseen, and has now proven to be the case, this view was the correct one, for the investigations undertaken led to negotiations with

interested investors which should have the effect of bringing about development in these particular fields.

Legislation will be laid before you designed to broaden the character and scope of Newfoundland and Labrador Corporation Limited, the better to enable it to perform the great task entrusted to it when it was created by legislative enactment two years ago.

I am sure that our people were deeply pleased to learn that my Prime Minister had succeeded in arousing the interest of British concerns of world-wide repute in the natural resources of Newfoundland and Labrador, and that negotiations have been proceeding for some months past with a view to bringing a combination of these interests into the Province to conduct a vast programme of exploration and prospecting leading to development of these natural resources. My Ministers hope to lay legislation on these matters before you in the present Session.

My Government are acutely conscious of the immense importance of forest development, and particularly aware of the urgent need for a close and careful investigation of the forest resources remaining in the Province with a view to ascertaining whether the most economic use is made of them. My Ministers propose creating a Forest Development Committee to investigate and to recommend plans for conservation and development. This Committee would have the assistance of an outstanding Forestry expert.

We have long heard and read of the importance of agriculture in this Province, but it is the simple truth to say that Government policy in agricul-

ture, down through the years, has been somewhat erratic and more than a little inconsistent and inconstant. Here again my Ministers feel the need of a consistent and practical programme, and they propose to create a Farm Development Committee charged with the responsibility of investigating and recommending a programme which, if approved, would be implemented with energy and resolution.

In general, my Government are determined to pursue energetically a policy of economic development in the field of natural resources. They are convinced that by such development on a broad and comprehensive scale the standard of our people's living can be raised to new and enduring heights.

The need for a new Election Act has long been felt, and the relevant legislation will be laid before you in due course.

There will also be presented for your approval a Bill relating to improved correctional treatment for juveniles and adults committed to training schools and penal institutions respectively. My Ministers believe that this legislation represents a distinctly forward step particularly in the field of penal reform.

When tidings of the appalling loss of life and property caused by storms which ravaged the coasts of Britain, Belgium, and Holland last month were received in Canada, His Excellency the Governor General immediately formed a Committee, on which my Prime Minister was appointed the representative of Newfoundland, charged with the responsibility of raising funds to enable the Red Cross Society to come to the immediate relief of the suf-

ferers. Although unable to attend a meeting of the Committee in Ottawa, my Prime Minister nominated a representative thereon, and took prompt steps to form a local committee to launch an appeal for aid. The response to this appeal was immediate and phenomenal. Within the space of three weeks over \$100,000 was subscribed by our people and this amount is being augmented daily. I avail myself of this opportunity of thanking the subscribers and expressing appreciation of their prompt and generous response to the appeal.

May Divine Providence bless and guide your deliberations.

HON. J. R. SMALLWOOD (Prime Minister): Your Honour, I have the pleasure to introduce two newly elected members of the House in the persons of the Honourable Doctor Frederick W. Rowe the member for Labrador and Mr. Myles P. Murray, Member for Ferryland.

MR. SPEAKER: Honourable members may take their seats.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I beg leave that a Bill "An Act to Amend Chapter III of the Consolidated Statutes, (Third Series), entitled 'Of Registry of Deeds and other Documents,'" be now read a first time.

Bill read a first time, ordered read a second time on tomorrow.

MR. SPEAKER: I have to inform the Honourable House that at three o'clock this afternoon His Honour the Lieutenant-Governor was pleased to open the Third Session of the Thirtieth General Assembly of the Province of Newfoundland. For the purpose of accuracy I have obtained a copy of the Speech from the Throne—

If it is the pleasure of the House to hear this Speech from the Throne.

Speech from the Throne read by the Clerk.

MR. MORGAN: Mr. Speaker, I rise at this time for the purpose of moving that a Committee be appointed to draft an Address in Reply to the Speech with which His Honour has so graciously opened this session of the Legislature. In doing so, however, I would be sadly remiss in my duty were I not to make reference to the Coronation of our beloved Queen in June next. In no part of the Commonwealth are there more loyal subjects of Her Majesty, and none who more sincerely sing "God Save the Queen". In the few months during which Her Majesty has been our sovereign she has endeared herself to the hearts of her people, and indeed of the whole free world. Great will be the rejoicing throughout her realm, great the celebrating and banqueting in Newfoundland; from the smallest settlement to the Capital City celebrations will be taking place in one form or another. Our official delegates will carry with them the prayers and good wishes of Her loyal subjects to their Queen.

I should like also at this time to congratulate the Honourable Minister of Mines and Resources and the Honourable Minister of Provincial Affairs on their election to this House, and to wish them both many happy returns.

Newfoundland and Newfoundlanders at this time have many causes for rejoicing. Never in our history have we been blessed with such prosperity. A few short years ago such prosperity was undreamed of. True, in the past, a small segment of our people was prosperous and even wealthy, but too

few in comparison to those who were practically destitute. This new prosperity has reached out to every cove and hamlet in our land. Whilst this prosperity, admittedly, is part of the general world prosperity, yet our ability to capture some of that prosperity for our people is in no small measure due to the drive and energy of this Government.

Today the words "Industrial Development" are on the lips of all our people. Already a large number are enjoying the fruits of that great drive launched by the Premier to bring in new industries to our Province—The keynote has been development. Industrial Development came first for a variety of reasons, it was now or never. But for the drive and daring of our Premier we would have been left by the wayside in the great westward movement of industry. The industries which have been established are for the most part basic and will lead to expansion into further new industries as for example the tannery at Carbon-ear which has already branched out into leather goods manufacture and will no doubt play a great part in the supplying of materials to the proposed glove and shoe factory.

The phase of our economic development programme as outlined in the Speech from the Throne is one which will expend and we hope eradicate the remaining economic sore spots. I refer to the expected report of the Fisheries Development Committee. I am sure honourable members will agree with me that the fishery problem is one which has baffled and puzzled Governments of the past and it has been the football of unscrupulous politicians. Not until this Government decided to take the problem in hand has there been any intelli-

gent approach to the whole problem of the fisheries. The setting up of a committee with terms of reference permitting them to get at the basic weakness in our fisheries and asking them to recommend a Fisheries Development Programme is one which cannot be too highly commended. The problem of the fishery is not one which cannot be solved by half measures but all phases of the industry must be considered. It seems obvious to a layman that roughly our fisheries are divided into two geographical areas, the South and East Coast from roughly Bonavista around to the Straits of Bell Isle, Flower's Cove area. The latter area although unsuited for fresh fish production on a large scale is very well suited because of the great variety of fish in its inland waters to become one of the richest fishing areas in the world. With proper means of curing and marketing I feel sure this prosperity can be brought to the North East Coast within a very few years. Any such Fishery Development programme must of necessity take into account social as well as economic problems. Just as on the South and East Coast new fish plants tend to concentrate population so in any scheme of rehabilitation of our North East Coast fishermen the matter of concentration of population is very important. At the present time our people are scattered in innumerable coves and inlets. That was no doubt due in earlier days to the necessity of the fishermen living as near the fishing grounds as possible. With a more mobile fleet and better curing facilities these reasons will be removed and concentration of population in good harbours will make it possible for our people to enjoy the facilities of good medical services, roads, electricity, water and sewerage facilities

and schools, etc. I feel sure any fisheries programme will receive the full support and co-operation of the fishermen themselves who are anxious to better their conditions and to make it possible for themselves and for their families to enjoy more of the good things of life.

Our forests have always been closely associated with our fisheries. In the early days and even today our boats, fishing premises and dwellings come from the forests. Since the advent and expansion of the paper industry pulp wood cutting has come to play a large part in the economy of our fishermen. A plan of conservation and reforestation and scientific development is long overdue, and those of us who have the welfare of Newfoundland at heart are glad to see the reference to the forest development committee.

Next to our fishermen, I suppose, our farmers have come under more schemes and plans than any other people in the country; live stock improvement, land improvement, land clearing, land settlements have at various times and in various degrees received the support and blessing of Governments. But to date no well rounded programme has been devised and I am sure that our farmers will look forward indeed to the investigation and report of the farm development committee.

For many decades we Newfoundlanders have taken great pride in our supposedly rich mineral resources. Bell Island, Buchans, St. Lawrence have played a great part in the economy of our Province. A few years back, even before the discovery of the iron ore on Bell Island, Green Bay was the home of mining in Newfoundland, Tilt Cove, Betts Cove, Lit-

the Bay and Pilley's Island were well known names in the mining world. At the present time we are more than hopeful of the outcome of surveys and prospecting undertakings by Falconbridge and Frobisher on the North East Coast, and I am looking forward to the day when a great mining boom will revitalize the Green Bay area. All this activity in the mineral field has been undertaken because of the energy and drive of the present Government. Now with the coming on the scene of NALCO and BRINCO a great effort will be made to survey and measure our mineral potentiality and I feel sure that active mining operations will be the outcome.

Mr. Speaker, the Speech from the Throne is one which inspires hope in the hearts of us all, and from knowledge of what has already been done in the field of industrial development we feel sure with the same drive and interest unleashed in the fields of agriculture, mining and fishery, development will follow. It gives me great pleasure to move that a committee be appointed to draft a reply to the Speech from the Throne with which His Honour opened this session of the Legislature.

MR. BROWN: Mr. Speaker, honourable members of the House of Assembly: It is with great pleasure this afternoon that I rise to second the motion so ably proposed by my friend, the honourable member for Green Bay, but before I comment on the various matters outlined in the Speech from the Throne I should like to congratulate the two new honourable members who have, since the last session of the Legislature, been duly elected. I refer to the honourable members for the districts of Labrador and Ferryland, both of whom hold Cabinet portfolios.

As I have had a similar honour, that of proposing the motion for appointment of a committee to draft an Address in Reply to the Speech from the Throne last year, I wish to state that it is through the illness of the honourable member for Port de Grave that I second this year's motion. I am sure that all honourable members regret the illness of the honourable member for Port de Grave and we trust that he will soon be sufficiently recovered to resume his seat.

I endorse wholeheartedly, Sir, the sentiments expressed by the mover with respect to the forthcoming Coronation ceremonies of Her Majesty, Queen Elizabeth II. Just as we mourned the death of her late and revered father so shall we rejoice at her ascension to the British Throne. We in this country in common with the peoples of Great Britain and the British Commonwealth of Nations are unanimous in our loyalty and devotion toward the Royal Family and to the mighty British Empire and Commonwealth over which Her Majesty reigns. May she live long to carry out the duties entrusted to her care and may the British Empire always remain a symbol of democracy, freedom and fair play.

The Speech from the Throne, Sir, informs us that our minerals and water powers, our forests and our soil are to be developed. Thus the wheels of Newfoundland enterprise have begun to move and I feel sure that all in this Province will be very happy to learn that great companies such as those who constitute NALCO and BRINCO have decided to assist in that development of the minerals, the water power and mineral resources that are lying dormant in this province. It will be a great encouragement



to the prospectors and the investors, those men who displayed such confidence in the future possibilities of this Province.

A subject which has given me a great deal of thought and which I am glad to see is being given consideration is the question of the fisheries development. The general public, and I am sure, the fishermen particularly will be greatly pleased to learn that a great new fishery programme is jointly planned for the coming year by the Federal and Provincial Governments. The fishing industry has for years towered high above all others though within recent years many of our younger men have forsaken the fishing boats in favour of easier and perhaps more gainful employment on shore. The older generation who know the certainty of the diversified economy of fishing and farming will be given a shot in the arm, so to speak, and will encourage the younger generation to pursue the industry which is and which for many years will remain so vital to the economy of Newfoundland. As a fishing country we have been content to pursue the same methods adopted by earlier pioneers in the fishing industry which whilst good enough in their day need the additional light that scientific research has provided during the past few years which can revolutionize the entire fishing industry, an industry on which so many of our people depend today. They look to us for a solution of their problems and at long last we hope to succeed where many Governments have tried and failed in the past. The immediate results of this fishery policy may not be apparent for some little time, but I see no reason for doubt nor skepticism with respect to the success of this great venture. I feel sure, Sir, that the en-

tire problem of catching, curing and marketing will not only be eliminated but we will be able to compete successfully with other fish producing countries of the world.

Mr. Speaker, Newfoundland at this period of our time is enjoying a greater period of prosperity than it has ever seen in its entire history, thanks to the energy and drive of Premier Smallwood and his hard-working Cabinet. We possess untold natural resources, resources which can be developed and utilized to the very limit provided we have sufficient confidence in ourselves to develop our own natural wealth. The country, Sir, is no longer demoralized, the people are optimistic, they know that miracles cannot be performed in the space of two or three years, but they are convinced, and rightly so, that the future holds many good things in store for the present and future generations.

I would just like to make one other brief reference, Sir: I feel sure that my honourable friends of Her Majesty's Loyal Opposition will probably appreciate the many important measures carefully conceived for the best interest of the Province that will be introduced by the Government during this session of the Legislature and that as true Newfoundlanders genuinely interested in the welfare and prosperity of their native land they will recognize the wisdom and sincerity of the future plans which the Government has adopted for the development of our natural resources. Needless to say any reasonable suggestions and/or constructive criticism from any honourable member will be welcomed by the Government. There are items referred to in the Speech from the Throne with which I have not dealt for the simple reason that most if not

all of them have been covered by the mover or will be referred to in later sittings by the honourable gentlemen who will speak to this debate.

I have pleasure, Sir, in seconding the motion for the appointment of a committee to draft an Address in Reply to the Speech from the Throne.

MR. M. M. HOLLETT (Leader of the Opposition): In rising to support the motion which has been so ably proposed by the honourable member for Green Bay, and likewise ably seconded by the honourable member for Bonavista South, I would like to join also, Sir—and when I say “I,” I mean we of the Opposition—in extending congratulations to the two new members who were presented this afternoon. I refer to Honourable Dr. Rowe, member for Labrador and Honourable Myles Murray, member for Ferryland. I have known both these gentlemen for a number of years and I am proud, being much older than they, to recommend them—if any recommendation were needed—as two honourable men who will devote their time and energy to the welfare of the country which gave them birth. In the field of Education and in the field of Law, we have in these two gentlemen very useful adjuncts to this Legislative Assembly.

In addressing the House this afternoon, Mr. Speaker, I may say I find myself possibly in somewhat of an awkward position; but then, I believe, as the poet said, that some men have greatness thrust upon them, and some were born to greatness. Whether being the actual Leader of the Opposition in this House of Assembly at the moment is greatness or an adjunct of greatness will be a matter which other people will decide; but I am proud to be able to address, briefly, this Assembly on this auspicious occasion.

We, of the Opposition side of the House, would like to join with the mover and the seconder in their loyal remarks they have made to our beloved Queen, whose Coronation will take place in June and where this House will be ably represented by Honourable the Premier and two other members of the House. Newfoundland has always been loyal to the King and Queen—long even before our Old Queen Bess, Elizabeth I; and I am sure we in this House and all the people of Newfoundland will continue to remain loyal to the great British Nation which discovered this, at that time a lonely isle in the North Atlantic, and not as we are today, the corner stone of the Empire. May we continue to be the connecting link of that Empire. Yes, we all join in the sentiments expressed by the Mover and Seconder of the Motion.

Some reference was made to the Flood Relief Fund and I am quite sure that I, at any rate, can join in the sentiments which were expressed; because I have knowledge of flood—way back in 1929 on the Burin Peninsula where I was a Magistrate at that time, we had a great tidal wave and twenty-eight lives were snuffed out in one instance. At that time the people of this country and the people in the whole western world came to the aid of the Burin Peninsula where twenty-eight lives were lost and hundreds of thousands of dollars damage done. Money was raised then and presented for the rehabilitation of the area. When we think in this great flood which swept the East Coast of England and Holland and Belgium; when we think of two thousand lives snuffed out, we realize just how the appeal must have struck the older of our people when the Honourable the Premier made that appeal. We are proud

of the result of that appeal and \$100,000.00 came from these people of ours who for ages and ages have known desolation, flood disaster and loss of life in many other ways in this country of ours.

It is, I believe, customary—as the Premier pointed out to the Leader of the Opposition, Mr. Higgins in the First Assembly—it is customary to state that the Speech from the Throne is noteworthy for what it did NOT contain, rather than what it did contain. I am going to say that the Speech from the Throne today is noteworthy in that it DOES contain something which commends itself to us, and that "something" is the Fisheries.

The Fisheries of Newfoundland have been the livelihood of our people for generation after generation and today some fifteen or twenty thousand fishermen prosecute the codfishery, the herring fisheries and other fisheries which we enjoy. But you and I know that these fisheries are at the present time on the verge of an absolute breakdown, if not total extinction. I am glad to be able to congratulate the Government in that they have one thing in that Speech that commends itself to the people of the country.

There were some expressions used by the Mover and Seconder—the 'now or never' attitude; the 'do or die' attitude with regard to Economic Development. We do not subscribe to those statements. There should be no such policy as "now or never;" "do or die;" "develop or perish." The matter of economic development and all such other development are matters which have to be proceeded with day after day and continually and we do not subscribe to the fact that economic development is in any way finished or

final. These movements started by the Premier will have to continue. We do not blame the Government for any mistake which they have made—at the moment anyway. We are proud that economic development has at last—when it should have been first—extended to the fisheries in this ancient Island of ours.

There was one statement made, I think it was that "the country is no longer demoralized." That must have been a typographical error, because I do not believe that this country was ever demoralized. I admit it must have been a typographical error.

We are proud that something is being done in regard to the fisheries. We are cognizant of the fact that it is not easy to do something for the fisheries; but we believe that with the same drive applied to the fisheries, coupled with the energy of our fishermen, then we are content that something will be done to resurrect what appears to be a fast dying industry.

Apart from the reference to the fisheries, I do not wish to refer to anything else at the moment. I foresee that we on this side of the House will have to say many things with regard to matters mentioned in the Speech from the Throne. We of the Opposition side believe in Economic Development; we believe in resurrecting the fisheries and we will lend our assistance to any constructive scheme which will be brought in by the Government on the other side.

I wish once again to support the Mover and Seconder of this Motion to appoint a Committee to draft the Address in Reply.

Also, again, I congratulate the two new members elected to this House.

MR. SMALLWOOD I would like to say a word of congratulations to the two honourable gentlemen who moved and seconded the Motion before the House. Each of them has done so before; and that is because some members on this side of the House are absent through illness or inability to reach the city and these two honourable gentlemen undertook, at the last moment, to do this necessary duty today. They have done so well indeed; and I felt, as I have done before, that this Government, and indeed this Legislature are quite fortunate in having young Newfoundlanders of that type as members of the House. Newfoundland herself is fortunate to have enter into public life young, intelligent, and I might say idealistic Newfoundlanders; so that I have great pride as I look about, and even as I cast my eyes across the floor and see the fine types produced by Newfoundland public life in recent years.

I would like to offer particularly my congratulations to the two new members, the honourable member for Labrador and the honourable member for Ferryland. It was for me a great joy when that ancient and historic district of Ferryland, so well known in political history for its long loyalties, should have turned Liberal in the recent election, with a view, I believe, of putting the Government on test. I do not delude myself for a moment that Ferryland will long remain in the ranks of Liberalism in Newfoundland if the Government do not treat that great district and those very fine people with full justice and fair play. It is the Government's ambition to do precisely that; so that Ferryland along with other ancient and honourable districts of this Province will long continue to keep the banner of Lib-

eralism flying high and proudly in this most ancient of British Colonies in Canada's newest Province.

I would like to offer congratulations to the new Leader of the Opposition; although, as I think of it, I wonder if commiseration would not be a better word. The events to come, as I foresee them, may be such as to make him wish the devil had the job rather than he. If I read aright my able and gallant friend across the way, I do not know that I would care to be Leader of Her Majesty's Loyal Opposition at the present time. But at all events he has this consolation—that his school for the next few weeks will be a harsh one and if he can survive the present session of the House, it may prove of some value to him in fitting him for anything that faces him ahead.

But, these pleasantries aside, I think we Newfoundlanders, regardless of the attitudes we took in that great battle on the subject of the future form of Government; and regardless whether we be Liberals or Tories; rich or poor, high or low, whether we live East, North, South or West, all of us unite in this, we unite ardently and wholeheartedly in this—that we are devoted subjects of the Queen, that we love the British Nation. We love it because of the freedom and democracy born in Britain and spread to many parts of the world. We love it because, under the British Flag we here in Newfoundland can practise our respective religions, we can practise free speech, practise freedom of the press and all the great fundamental simple liberties on the grandest and broadest scale in the world today. The British Crown, the British Constitution are not only symbolic but synonymous with freedom, democracy,

liberty and independence. We honour the Crown because the wearer, in our time at least, has been an exemplary citizen. Where in the world would you find a nobler man as Head of any State than was King George V? Where would you find a finer citizen, a finer man, a finer Ruler, a finer father than the late King? Where would you find a more, gracious, charming, self-sacrificing and altogether appealing and gracious lady as our present Queen? Newfoundland looks forward with joy to the Coronation of the young Queen. No part of the Commonwealth or Empire, I imagine, has deeper feelings of loyalty and devotion to the Crown than have the people of Newfoundland.

Mr. Speaker, I am particularly proud of the Speech from the Throne with which His Honour opened this present new session of the House, because in it is foreshadowed a fine new programme of economic development. I was particularly struck by one remark by the Leader of the Opposition. "At last" he said—"at last economic development was to extend to the fisheries." His meaning, I inferred, was that that is what we should have done long ago. Instead of going in heavily for industrial development in the field of factories, we ought, instead, from the beginning, have devoted our time and energy and resources to the development of the fisheries. Now what are the facts? The facts are these, that when this Government took office they were confronted by a terrible ignorance on the part of all of us. I mean, on the part of all of us in Newfoundland. A terrible ignorance with regard to the extent and nature of our natural resources. Although we had all long ago heard—I can speak for myself and

say that since I was a boy I had heard and read statements by editors, statesmen, writers referring in the most glowing terms to the inexhaustible natural resources of Newfoundland and Labrador. Not always, but sometimes, they would even add Labrador. I think the late Sir P. McGrath was possibly the first public man to include Labrador. The surface had barely been scratched; all the wealth of the Indies was here, if only someone would come and develop them. And when this Government took office, one of the first things we did was to clean out the pigeon holes and filing cabinets in the Department of Natural Resources and add them up to see what we did have. We were appalled and dismayed by the petty amount of actual knowledge we had in Newfoundland about our natural resources. I may also add that only a year or perhaps two years before we took office the first Hydro-electric Engineer had been brought into Newfoundland—Commander Desbarats. He was brought in by the Commission of Government to make some water-power surveys. They had been lampooned by the well-known columnist, Wayfarer, into buying their first diamond drill. It was appalling; and for us to have gone out with a programme of mineral development—why, it would have been just silly. You do not go into the offices of Rio Tinto, Frobisher, American Metal, New Jersey Zinc or any great mining company with wild and woolly talk which might go all right with the Huskies, about the inexhaustible resources of Newfoundland. You do not do it. You bring to them something that is pretty convincing. You bring them Geological Reports, you bring maps, you bring special magnothermometrical detail, you bring at

least geological detail to convince such a company that you may well indeed have something there which would warrant their spending money to either prove or disprove it. We could not do that; so we proceeded to do it. Now, it is still short of four years since we took office, although there have been two general elections. We have spent hundreds of thousands of dollars of the public money on these special surveys. We have done likewise with regard to the hydro-electrical potentialities in Newfoundland. We have spent, in all, about one million dollars from the surplus in three years, to try to blueprint to some extent these things about which we had all spoken of so loosely and so grandly down through the years; so that at last, now when we go to large and important mining companies, we have something concrete, something definite to show them, so that the Directors can turn this data over to their geological and mining departments for closer examination to enable them to decide whether this is something they could truly take a deeper look at. With what result? The result is that we have now associated with us Newfoundlanders in this Province some of the greatest mining and financial concerns in the whole world. I am very happy indeed to say that more than half of them are firms domiciled in the United Kingdom.

The fisheries! Ought we to have done something about the fisheries more than we have done before this? We did take a great fling at the herring fishery and it cost the Treasury the best part of half a million dollars and nary a herring, not a herring, not even a RED herring. Surely that was an object lesson to any government. There was energy; there was

enthusiasm; lots of drive and lots of money too. The boats came back; none of the Icelanders caught any herring last year. Not one. And it cost half a million dollars. We did right, we insisted from the beginning that the fishery problem of Newfoundland was one which was too big, now that we were a Province of Canada, too big for the Newfoundland Government alone to solve. There was something about the fisheries which made it a matter of Federal responsibility. We took that stand and we did have considerable responsibility. We took that stand and we did have considerable success in that we did convince the Government of Canada that it was truly, in part at least, a Federal responsibility. From that moment the two governments agreed to set up a joint Fisheries Committee, which was done two years ago and they have worked hard. They have engaged some twenty or twenty-five thoroughly expert fishery technicians and specialists and in the matter of days, I hope, you will have the Report and recommendations of that Committee. What could we have done usefully before, other than what we did? What were the words used? "Baffled and puzzled." Magnificent words, a magnificent description of the position of every government in the past. It has smashed more governments and broken more hearts in this Chamber, here in this room, it has broken more hearts, broken more spirits—

MR. CASHIN: It broke a lot of people too.

MR. SMALLWOOD: It put tens of thousands of our people on the dole. We could have gone on patching, a subsidy here, a bounty there, trying to hide the sores. We preferred to get to the bottom and find out what is the nature and character of

the fisheries, what are the possibilities, what are the techniques. Thank God that is about done. We will soon have the report. We will soon have the recommendations. Then with a good heart and with the same enthusiasm, the same drive we put into getting these new factories; the same zeal, same energy we will go to it on a vast fishery programme for Newfoundland. If you want to see action, you will see action. We are all young. You give us the programme. We are in good health. We know it is nonsense to talk of prosperity if there are 20,000 fishermen and their families who are not prosperous. The same thing applied to agriculture. The history of government policy toward agriculture in Newfoundland is pathetic or tragic, depending on your temperament. Lord Morris was going to make the South Side Hills white with sheep way back in 1860 and 1870. Then in Squires' time, there was a time in Newfoundland when every bit of bog with a house near it had an Agricultural Society. The Government paid out large sums to keep these Societies going, Experimental Farms, Land Clearing Societies. The Commission of Government spent two million dollars of public funds in land settlements, Markland and all the others. So we are here today. Does anyone in this House, any of the Opposition, possess the arrived knowledge, not the guess, to say exactly what an agricultural policy will be? I personally, just as an individual, believe that Newfoundland very well could, certain things being done first, could very well become important not equally with Alberta and the Prairie Provinces, but fairly important in live stock. I believe that beef cattle, sheep, hogs, poultry—personally I have very little faith in Newfound-

land as a root crop farming Province. That is a personal feeling. Am I going to ask my colleagues to back a policy based only on my personal views? Is my colleague in this cabinet going to ask the Government to launch out on an agricultural policy based upon no more than his personal view or prejudice or whim or caprice? Let us get the facts, let us get a committee to do for agriculture what the "Walsh" committee has just completed for the fisheries, then go to it, then use your energies, your drive, then spend money if you must and lots of it if you need to. The same thing applies in forests. The Minister of Mines and Resources has been in the department a few months and already he has amassed a vast amount of information about forests, and one day in this session he will open the eyes of the members here and the eyes of the Newfoundland people on the seriousness of that situation and the magnitude of that problem. So when my honourable friend, the Leader of the Opposition said; "At last, at last, no more nonsense about factories, cement, leather, plywood flooring, pressboard, machinery and the rest of it, no more of that nonsense, let us get action now at last, some action in agriculture, in fisheries, and the rest." I say, yes, truly at last, but for a very good reason—any money or time spent up to now, not knowing the facts, would have been money and time wasted.

Now finally, Mr. Speaker, I have great pleasure—sometimes the realization of a thing is not as exciting as the anticipation, and today when I signed, on behalf of my colleagues and on behalf of Newfoundland, a certain agreement there was a certain distinct sense of let down. For months we had been negotiating the

details of an agreement with a great combination of British companies and there have been anxious moments, there have been trips back and forth across the Atlantic, messages back and forth, trans-Atlantic telephone calls, and it was all very exciting and great fun. At last when the final detail was agreed between the parties, the British people and ourselves, and the agreement was brought in this morning for signatures, I don't know how the people from Britain who were here negotiating felt about it but I felt that something was gone, the stirring, the exciting adventure of negotiating a great contract, a great agreement was over. All we have to do now, and I say "all" with quotation marks around the word, is to bring it in, examine it, have the Opposition tear it apart as is their duty to do, and have the Royal Assent.

That British Newfoundland Corporation will bring twenty great and famous companies into Newfoundland to spend real money, to spend millions of dollars of their own money from Britain here in this Province in a great drive to find minerals, timber, water-powers, leading, we firmly believe, to great and lasting development of our natural resources.

Tomorrow the full details, or at least tomorrow a joint statement will be released in London and St. John's, and I know that when the people of Newfoundland see who have thrown in their lot with them, when they see the great concerns in Britain who have thrown in their lot with the people of Newfoundland they will be proud of the twenty companies eleven of whom have a combined capital resources of three billion dollars. How much the other nine have, they being banks, great and famous banks with

names that are world wide in fame, I don't know but I suspect many billions more. These are great names in British Industrial and Financial circles and indeed throughout the world.

Mr. Speaker, I have held the House much longer than I had expected to do, but these are truly great affairs. This year, I hope, will go down in Newfoundland's history as the most significant in all our history in the field of economic development. Economic Development brought us into existence as a Government and we will stand or fall on it. We have no other policy but to develop Newfoundland or die, develop Newfoundland or perish, develop Newfoundland or burst. I said it three years ago and was scorned and reproached; I repeat it now: This Government are in office to develop Newfoundland and we believe it is that urgent if we are going to hold our people here and not lose them to Quebec and Ontario who are developing—never forget that they are developing. We are going to hold them, we will develop or we will perish. That is still our policy, make the most of it.

I have given my friends at least several days' debate in the present session.

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

Carried.

MR. SPEAKER: The personnel of the Committee will consist of the following honourable members: The Mover and Seconder of the Motion and the honourable the junior member for St. John's East, Mr. Higgins.



MR. SMALLWOOD: Mr. Speaker, as I am required to do constitutionally, I wish to announce some changes in the Ministry: The honourable member for Burin has ceased to be Minister of Municipal Affairs and Supply and has become Minister of Health; the honourable member for Trinity North has ceased to be Minister of Education and has become Minister of Municipal Affairs and Supply; the honourable member for Harbour Grace has ceased to be Minister of Health and has become Minister of Education. The Honourable the Attorney General reminds me that the honourable member for Labrador has become Minister of Mines and Resources, but my feeling is that he was that when we last met and I therefore don't need to make that announcement.

MR. CASHIN: Mr. Speaker, is it in order to table questions at this time?

MR. SPEAKER: You will have to get the sanction of the House since we have no Order Paper. The honourable member may proceed.

Mr. Cashin gives notice of questions.

(1) MR. CASHIN—To ask the Honourable the Minister of Provincial Affairs to table the following information:

1. A complete statement of the amount due the Government by the St. John's Housing Corporation as well as amounts due the Government by any other Housing Corporations outside the City of St. John's.

A brief statement showing the original amounts advanced the various Housing Corporations when first organized and inform the House if these Corporations are fulfilling their repay-

ment obligations with the Government each year.

Inform the House what investments have been made by the Provincial Government in the Federal Housing Schemes now under construction and under the management of the Central Housing and Mortgage Corporation. What arrangements have been made for repayment of such advances?

(2) MR. CASHIN—To ask the Honourable the Attorney General to table the following information:

1. The Report or a Copy of the Report made to the Government by Mr. C. E. Hunt, Q.C., covering the inquiry into the administration of the Hospital for Mental Diseases.

2. What was the cost of this inquiry—give a statement showing how the amount of such cost was dispersed, showing the amounts paid each individual for services in connection with the inquiry.

3. Is it the intention of the Government to take any legal proceedings in connection with the Report made by the R.C.M.P. covering the administration of the Mental Hospital? Table a copy of the Report made by the R.C.M.P., and advise the House why it was necessary to have a further inquiry following the report made by the R.C.M.P. Give full particulars of this entire matter.

4. Give a statement showing the amount of legal fees paid out by the Government since April 1st, 1952, to date—to whom such amounts were paid and give details of services performed for such fees.

5. Have any steps been taken by the Government to proceed against the Canadian National Railway for excessive freight charges paid by our people

for two years after Union with Canada became effective? This question refers to certain legislation passed by this House during its Session a year ago. If no steps have been taken as outlined in that legislation, why not? Also, if any legal retainer fees have been paid to solicitors to prepare the Newfoundland Case—what amount was paid and to whom paid. Give full particulars of the policy of the Government in this connection.

(3) MR. CASHIN—To ask the Honourable the Minister of Public Works to table the following information:

1. The total number of miles of Trans-Canada Highway completed in Newfoundland—the total cost to the Province of Newfoundland for such mileage completed. The total of miles paved.

2. The number of Bridges completed on this new Trans-Island Highway and the cost of each bridge.

3. The number of miles of Trans-Island Highway remaining to be constructed and an estimated cost of such construction to Newfoundland.

4. The total amount of money expended in the construction of Trans-Island Highway by the Province of Newfoundland—the total amount expended by the Federal Government to date. Finally the estimated amount which the Province will be called upon to be spent to complete the road as well as the estimated amount which the Federal Government will have to expend. These amounts to include Paving and the completion of the Road and Bridges on a standard required.

5. Is it the intention of the Government to expend any money this present year on the improvement of the

St. John's to St. Phillips Road—the St. John's to Portugal Cove Road as well as the roads leading east from St. John's to Pouch Cove—the Marine Drive as well as the road leading from the Goulds to Petty Harbour. Give full particulars of any proposed work to be performed in the districts of St. John's West and St. John's East.

(4) MR. CASHIN—To ask the Honourable the Minister of Health to table the following information:

1. Who is presently employed in charge of the Transport of the Department? On whose recommendation was such appointment made? What salary is the person so employed receiving? If the person is not a native Newfoundlander, was it impossible to obtain the services of a Newfoundlander?

2. Table copies of all correspondence between the former Minister of Health and Dr. C. J. O'Brien from the time of Dr. O'Brien's appointment as Superintendent of the Mental Hospital to the date of his removal from that position.

3. Give the names of the persons occupying the positions of Secretary of the Sanatorium and General Hospital—the salaries they are receiving and on whose recommendation were such appointments made? Are the present occupants of these positions native Newfoundlanders and if not, was it impossible to obtain the services of Newfoundlanders to fill the positions?

(5) MR. CASHIN—To ask the Honourable Minister of Municipal Affairs and Supply to table the following information:

1. Give a statement showing the amount of furnishings and equipment purchased for use in the New Wing

of the Mental Hospital for the years 1951-52 and 1952-53.

2. Give a statement showing the number of Blankets purchased for use in the Mental and other Hospitals for the years 1951-52, 1952-53—the prices paid—the names of the firm or firms supplying such goods and whether tenders were called for the supplying of these goods.

3. Also in answering Section 1 of this question, give the names of the firm or firms from whom the goods were purchased and whether or not tenders were called for the supplying of the goods.

4. Were the goods referred to being purchased from the manufacturers direct, from other agents, jobbers or other intermediaries?

5. Give the number of Motor Vehicles purchased during the year 1952-53—from whom purchased and what prices were paid for such vehicles.

6. How many used Motor Vehicles were sold—to whom sold and what prices were received for them?

7. Give a statement showing the number of Machines, Bulldozers, etc., purchased by the Highroads Department during the year 1951-52, 1952-53—from whom purchased and prices paid for each machine.

(6) MR. CASHIN—To ask the Honourable Minister of Finance or appropriate Ministers to table the following information:

1. The total amount expended by each Minister of the Crown for Travelling Expenses to either the Mainland or other countries since April 1st, 1952 to date.

2. Give particulars of expenditures and for what purposes such expenditures were made.

3. What were the travelling expenses for Dr. Valdmánis for the same period? Give particulars of such expenditure.

4. Give a statement of the Contingent Liabilities of the Government as well as particulars of such Liabilities.

5. Table the last available Financial Statement of the Bowater Paper Company for which the Government are Guarantors of a substantial amount.

(7) MR. CASHIN—To ask the Honourable the Minister of Finance to table:

1. A statement showing the amount received for the ten million dollars loan raised last year, as well as any expenses incurred in the raising of such loan. Also give a statement as to the disposition of this and any balance that may be left to its credit at the present time.

2. A statement showing any outstanding obligations of the Government in respect to the financing of certain industrial developments undertaken through legislation, which have not been fulfilled. Also advise whether or not some of these undertakings may be cancelled.

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

1. The total amount of cash to the credit of the Treasury in the Bank at St. John's, as at February 28th, 1953.

2. The total amount of cash to the credit of the Treasury on deposit with the Federal Government at the present time.

3. The total Ordinary Revenues received or collected under the various Departmental Headings from April 1st, 1952, to February 28th, 1953.

4. The total amount of subsidies as well as Transitional Grants collected from the Federal Government since 1st April, 1952 to date.

5. What amounts of grants or Transitional Grants are due our Government from the Federal Government at the present time? Give particulars of such amounts.

6. The total Ordinary Expenditures on current account under the various Departmental Headings from April 1st, 1952 to February 28th, 1953.

7. The total Capital Expenditures under the various Departmental Headings from April 1st, 1952 to February 28th, 1953.

8. Give a statement showing the exact position of Surplus Account at the present time—give details of any amounts liquidated and placed to the credit of this account. This statement, not to include the Ten Million Dollar Loan raised last year, but which is specifically related to the surplus taken over from the Commission Government on April 1st, 1949.

(9) MR. CASHIN—To ask the Honourable the Minister of Finance to table a copy of the Report of Auditor-General for the fiscal year 1951-52.

2. To table a statement showing the total profits made by the Board of Liquor Control for the year 1951-52 and what amount was transferred to the Treasury from that Department for the fiscal year 1951-52 as well as what amount has been transferred to the Treasury from that source for the fiscal year 1951-52.

2. To table a statement showing the various amount of Subsidies and Grants received by the Treasury from the Federal Government at Ottawa from April 1st, 1952 to date—give this

information under the various headings. Also inform the House what amounts are outstanding and due our Treasury from the Federal Government for the present fiscal year, giving details of such amounts.

(10) MR. CASHIN—To ask the Honourable the Minister of Finance to lay on the table of the House the following information:

1. A complete statement of outstanding amounts due the Government by the various Corporations or individuals; which amounts were advanced by the Commission Government prior to April 1st, 1949. Give the names of the Companies or individuals owing such amounts and advise whether or not these various Companies or individuals have been keeping up repayments as originally agreed when such amounts were granted.

2. A complete statement showing the amounts due the Government by various Companies or individuals, which amounts were advanced by the Government since April 1st, 1949, to date. Give the terms and conditions under which such loans were made; and advise whether or not these various Companies have carried out the agreements as to repayment when first these advances were made.

3. Give a statement showing the various amounts guaranteed by the Government to Banks since April 1st, 1949—the names of the Companies or individuals for whom such guarantees were made—the amount of each guarantee. Also inform the House whether or not agreements made for repayment of such guarantee have been carried out.

4. Give special statement showing the amounts advanced or guaranteed to certain European Companies under

the Economic Development Plant of the Government to date. Give the names of each company and the amount advanced or guaranteed each company.

5. Give a special statement showing the names of Companies or individuals which have been given financial undertakings by the Government; and which have not exercised such concessions. Give the names and amounts of such obligations.

6. Table a statement showing the total cost of the Birch Plant to the Government for construction as well as information showing what amount the Machinery and Plant involved. Inform the House what amount has been advanced the Newfoundland Hardwoods Company for Operating Capital. Give a complete audited statement of this particular company showing the total amount produced—the value of such production—the cost of such production and advise the House the amount of actual orders for Birch products that are now outstanding.

(11) MR. CASHIN—To ask the Honourable the Minister of Finance or appropriate Minister to table a Statement showing the total cost of the Cement Plant constructed at Corner Brook.

2. What was the total cost of the Machinery used in the construction of this particular plant?

3. From what Company was the Machinery purchased? Give the name of such company and if such company were not the manufacturers of the machinery, why was such purchase made from a middle party.

4. Has the Cement Plant been sold to the Canadian Machinery Company operating at the Octagon—what were

the terms of such sale—what amount has been paid the Government if any on the sale of this plant?

5. What was the total cost of the Gypsum Plant at Corner Brook? What has been the total cost of the machinery and equipment used in the construction of the Gypsum Plant? From what company was the machinery purchased? Was the machinery purchased direct from the manufacturers or from a middle party acting on behalf of the manufacturers.

6. When did the Gypsum Plant begin Production Operations? What amount of money has been advanced for the purpose of Working Capital? Give a statement showing the gross amount in dollars of the Production of this plant—what amount of the Product has actually been sold and what amount has been realized on such sale? Give a complete financial statement of the operations of this plant since operations commenced.

(12) MR. CASHIN—To ask the Honourable the Premier to table the Financial Statement of the Newfoundland and Labrador Corporation, giving full particulars of all expenditures in connection with any development projects financed by the Corporation. Inform the House particulars as to the overhead expense of operating this Corporation. Advise the House if the Government has purchased further stock in the Company which would be in addition to the Nine Hundred Thousand Dollars originally used for purchase of 90% of the issued stock. Inform the House whether or not it is the intention of the Government to dispose of its holdings in the Corporation to private interests as indicated by statements in the Public Press recently.

(13) MR. HOLLETT—To ask the Honourable the Minister of Public Works to lay on the table of this House:

1. All correspondence between the Office of said Minister and the Federal Minister of Public Works relative to the Ferry Wharf at Portugal Cove.

2. What if any decisions have been arrived at by the Government relative to:

- (a) the repair of said wharf; OR
- (b) the construction of a new wharf.

(14) MR. HOLLETT—To ask the Honourable the Premier or other appropriate Minister, to lay on the table of the House:

1. A copy of all correspondence with Federal authorities relative to the application of the Canada Shipping Act, and its effects on our Coastwise Masters and Mates.

2. What, if any steps have been taken to protect the rights of said Masters and Mates as guaranteed by the Prime Minister of Canada in a letter to Sir Albert Walsh, Q.C., on December 11th, 1948?

(15) MR. HOLLETT—To ask the Honourable the Minister of Fisheries to lay on the table of the House the following information:

1. The total amount of damage caused to the fishermen-owned property during the storms of last Fall in the various fishing settlements—list same under appropriate headings, such as:

STORES — STAGES — FLAKES—  
BOATS — NETS — Etc.

2. Give totals for individual fishing settlements, showing number of fishermen affected.

3. What, if any, arrangements have been made by Government to assist such fishermen to effect repairs or restore lost property, so that they may engage in next season's fishing?

(16) MR. HOLLETT—To ask the Honourable the Minister of Finance to lay on the table of the House the following information:

(a) The names of individuals and/or firms to whom loans have been made by the Government of Newfoundland for the encouragement of the Fishing industry—this to include all loans or guarantees with initial dates of granting or guaranteeing together with the amount of the loan or guarantee, and the amounts still outstanding on any such loans, as also the terms of said loans or guarantees.

(17) MR. HOLLETT—To ask the Honourable the Minister of Finance to lay on the table of the House the following information relative to the Agreement with the Newfoundland Asbestos Limited:

1. Has the Government been called upon to pay the interest on any loans or bonds of said Company?

2. If so, on what dates and in what amounts?

3. Has any Minister of the Crown entered into any supplementary agreement with the Newfoundland Asbestos Ltd. under Section 4 of the Newfoundland Asbestos Ltd. (Confirmation of Agreement) (Amendment) Act 1952? If so, what is the text of the supplementary agreement?

(18) MR. HOLLETT—To ask the Honourable the Minister of Finance to lay on the table of this House:

(a) The exact amount to the credit of the Consolidated Revenue Fund on the Books of the Bank of Montreal as

at April 1st, 1952. How much of this amount represented an overdraft, or advance or loan from the said Bank?

(b) The total net receipts from the ten million dollar Bond issue of 1952.

(c) The total revenue receipts up to February 28th, 1953 for the fiscal year '52/53 under the various headings (exclusive of the ten million dollar Loan) and paid into the Consolidated Revenue Fund.

(d) The total monies paid out from the Consolidated Revenue Fund for the present fiscal year, under various votes, up to February 28th, 1953.

(e) What amount of money was at the credit of the Consolidated Revenue Fund on the books of the Bank of Montreal as of February 28th, 1953?

(19) MR. HOLLETT—To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information :

1. Is the Agreement entered into by the Government of Newfoundland with Dr. Arthur Siegheim of Staffelsstein, Bavaria still current, or has said Agreement lapsed?

2. If the Agreement is still current, what is the world market price for timber as determined by the Federal Institute for Forestry and Timber Economy of Reinbek near Hamburg?

3. Has the timber controller of Canada given to Dr. Siegheim of Staffelsstein, Bavaria in Germany any permission to export timber pursuant to Agreement between him and Her Majesty the Queen in right of Newfoundland?

4. What proportion of the 200,000 cords allowed to be exported under this Agreement was exported during 1952?

5. Have any monies been paid to the Government by Dr. Siegheim as royalties as per Section 7, (2) of the Agreement?

6. If not, does the Government consider the Agreement between it and the said Dr. Siegheim null and void?

7. Has any notice been given Dr. Arthur Siegheim under Section 7, (3) of the Agreement?

8. What address to which all notices may be sent was given the Government by Dr. Siegheim?

9. Has the Government yet cancelled the license to cut timber, and the permit to export which was to be procured to Dr. Arthur Siegheim over an area of 1400 sq. miles of Labrador?

(20) MR. HOLLETT—To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information :

1. The total amount of monies loaned to the Canadian Machinery and Industry Construction Ltd. as of the following dates :

- (a) December 31st, 1951.
- (b) June 30th, 1952.
- (c) December 31st, 1952.
- (d) February 28th, 1953.

2. The total amount of interest paid into the Newfoundland Consolidated Revenue Fund on account of the said loans by the said Canadian Machinery and Industry Construction Ltd., on the following dates :

- (a) December 31st, 1951.
- (b) June 30th, 1952.
- (c) December 31st, 1952.

3. What advance of the amount of \$500,000 as set down in Section 4 (c) of the Canadian Machinery and Industry Construction Ltd., (Confirmation of Agreement) Act, 1951 has been made to the said Company?

4. Has the said Company executed a first Mortgage on all its Assets in favour of the Government of Newfoundland?

5. What amount, if any, of the loan to said Company has been paid back to the Newfoundland Government?

6. Has the said Company yet succeeded in negotiating a commercial Bank Loan and/or what amount of monies have been received by said Company on account of the sale of its guaranteed Bonds?

7. Has said Company established a sinking Fund for liquidation of its Government Loan or its Government Guaranteed Loan and if so, what amount of money has thus far been paid into said sinking Fund?

8. What amount of Insurance has been placed by the Canadian Machinery and Industry Construction Ltd. against loss or damage by fire of all its fixed assets in Newfoundland? With what Insurance Company is said insurance placed?

9. Give the total number of people employed in this plant together with total paid in wages since January 1st, 1953.

(21) MR. HOLLETT—To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information:

(a) The names of the various New Industries introduced into Newfoundland through the efforts of the Government since April 1st, 1949 together with their location.

(b) The amount of financial interest of the Newfoundland Government in each such New Industry. What amount of loans and/or guarantees in each instance?

(c) The names of the Directors of each New Industry.

(d) The present stage of construction and/or production of each New Industry.

(e) The number of employees, and where production has started, the wage rates being paid in the different wage categories by each category by each New Industry.

(f) The total amount of advances on account of each New Industry, and/or the total amount of guarantees on account of each such industry.

(g) In the Cement Mill, Gypsum Mill and Birch Plant, give the following information:

(1) The total advance paid to each by the Government to date.

(2) Total earnings in each instance to date (not to include advances by Government).

(3) The total running expenses including wages paid to date since construction was completed.

(4) Salaries paid or fees paid to each Director and Executive Officer.

(5) The amount of profits, if any, of each of these three industries.

(22) MR. HOLLETT—To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information:

(a) What is the present value of all Assets of the Atlantic Hardboard Industries Ltd. in Newfoundland?

(b) From whom did the said Company acquire the land for the site of the plant for the Atlantic Hardboard Industries Ltd. in Newfoundland?



(c) How much money was paid as interest on any loans advanced to said Atlantic Hardboard Industries Ltd. on the following dates:

- (1) June 30, 1952.
- (2) December 31, 1952.

and how much money had been advanced to said Company on said dates?

(d) What items of Machinery listed in Schedule A of the Atlantic Hardboard Industries Ltd. (Confirmation of Agreement) Act, 1952 have been landed in Newfoundland for said Company, and list cost of Industrial items?

(e) Has the construction of the Building mentioned in Section 4 (d) of said Act been completed, and if so, what amount of money was advanced by Government to said Company on completion?

(f) Did the Company import pre-fabricated buildings for the plant, and if so, what was the landed cost of same?

(g) Has the Government obtained in its favour from said Company a first Mortgage on all its Assets?

(h) Has the said Company repaid any portion of its Government loan or Government guaranteed loan?

(i) What amount of Insurance if any, is made payable to the Government of Newfoundland on account of any loss or damage by fire and what Insurance Company has underwritten said loss or damage?

(j) How many people are employed in this plant at the present time? And how much has been paid out in wages since January 1st, 1953?

(23) MR. HOLLETT—To ask the Honourable the Minister of Economic

Development to lay on the table of the House the following information relative to the United Cotton Mills Ltd. and the Government of Newfoundland:

1. Has the Government of Newfoundland been called upon to pay any interest of any loans raised by said Company to date, if so, in what amounts?

2. At what stage of construction are: (a) the Making-up Factory; (b) the Weaving Mill; (c) the Spinning Mill—and how many operations are employed in each?

3. How much money has been advanced by the Government to said Company under the Agreement to date?

4. How much money, by way of interest on loans was paid to the Government as of the following dates:

- (a) December 31, 1951.
- (b) June 30, 1952.
- (c) December 31, 1952?

5. Has all Machinery—(a) for the Making-up Factory; (b) for the Weaving Mill and the Spinning Mill—been delivered at St. John's, and at what dates were final deliveries made?

6. What security has been given by the said Company to the Government for any loans or guarantees?

7. What, if any amounts, of said loans have been repaid to the Government?

(24) MR. HOLLETT—To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information: 1. How much money has been advanced or loaned to the Newfoundland Tanneries, William Dorn Ltd.?

2. Have any guarantees of loans been made to the said Company?

3. What amount, if any has been paid back to the Government by said Company by way of interest on the following dates :

(a) December 31, 1951; (b) June 30, 1952; (c) December 31, 1952?

4. How many people are employed by this Company, and how many of these are Newfoundlanders?

(25) MR. HOLLETT—To ask the Honourable the Minister of Economic Development to lay on the table of the House :

1. A complete report of the operations of the Crown Corporation known as the Newfoundland and Labrador Corporation Ltd., covering—

(a) Its financial status as of February 15th, 1953, showing revenues and expenditures including Salaries and Fees paid out.

(b) The rights and leases granted by the said Crown Corporation together with the parties to whom rights and leases were transferred, and the conditions governing the disposal of said rights and leases.

(c) The complete correspondence relative to the resignation from this Crown Corporation of Sir William Stephenson.

(d) What, if any part of the Government's ninety per cent Shares in the Crown Corporation of NALCO have been the subject of negotiations recently with financial and/or industrial interests?

2. A complete report on the finances of the Newfoundland Hardwoods Ltd., and the Cement and the Gypsum Plants—to include revenues, earnings

and expenditures, the number of men employed and the total amount paid out in wages by each of these three industries.

Has either of these plants been sold or leased, if so, on what terms and to whom sold or leased?

3. Give total cost to the Newfoundland Government to date of :

(a) Cement Plant—(b) Gypsum Plant—(c) Newfoundland Hardwoods Ltd. to include advances on operational account.

4. How much money has thus far been advanced by the Government to :

(a) United Cotton Mills Ltd.—(b) Canadian Machinery and Industries Ltd.

(c) to each of the other New Industries assisted by Government advances and Loans.

5. List the various amounts of guaranteed loans made by the Government of Newfoundland since April 1st, 1949, and to whom each separate guarantee was given together with the terms of the Loan relative to repayment, interest charges, and date of maturity.

(26) MR. HOLLETT—To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information :

1. Give the names and addresses of all persons whom now constitute the body corporate known as the Newfoundland and Labrador Corporation Limited.

2. What is the total number of common shares now outstanding in the name of said Corporation?

3. Give names and addresses of all holders of such common shares and the amount of money paid into the

said Corporation for said shares, as also the number of fully paid up shares held by each shareholder.

4. Have any additional shares, beyond one million shares, been issued? If so, to whom, at what price, and the number of same to any such person?

5. Has the said Corporation sold, transferred, conveyed, or otherwise disposed of any of the rights granted to it in the Incorporating Act; if so, give particulars with names of transferees.

6. Has the Corporation lent or advanced any monies to any person, firm, or corporation and if so, to whom and for what purpose?

7. Has the Corporation promoted any company or companies for the purpose of acquiring any of the rights or property of the Corporation? If so, give names of such companies with particulars.

8. What percentage of the total of outstanding common shares of the Newfoundland and Labrador Corporation Limited are presently held by the Government of Newfoundland?

9. What percentage of the total of the then outstanding common shares was held by the Government at the time of the last annual meeting?

10. Did the holders of a majority of the then outstanding common shares by a separate vote at said last annual meeting, elect a Director? If so, give name and address of such Director.

11. Has there been any delegation of the powers which are listed under Section 17 of this Act to any Officer or Director of the Corporation. If so, to what extent?

(27) MR. FOGWILL—To ask the Honourable the Minister of Education to lay on the table of the House the following information :

1. The total number of classrooms in the schools of Newfoundland.

2. The total number of teachers employed in these classrooms at the present time.

3. The total number of Certified Teachers, and

4. The number of non-certified Teachers.

5. The number of classrooms remaining closed at the present time on account of a shortage of Teachers.

6. Give the total number of pupils attending school in all schools in Newfoundland this year.

7. List salaries to different grades of Teachers.

(28) MR. FOGWILL—To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information :

1. How much money to date has been paid over to Dr. Sennewald under the Agreement entered into with him by the Government for the manufacture of eyeglass frames?

2. Have any eyeglasses or eyeglass frames or any other products yet been produced here by Dr. Sennewald.

3. How many men and/or women are in his employ at the present time?

(29) MR. FOGWILL—To ask the Honourable the Minister of Public Works to lay on the table of the House the following information :

(a) What length of road was built from Botwood Highway to the Badger Highway as a diversion to by-pass Grand Falls.

(b) What was the total cost of this road and who were the builders or contractors.

(30) MR. FOGWILL—To ask the Honourable the Minister of Finance to lay on the table of the House the following information :

1. How many licenses to sell wine and/or beer are presently at issue?

2. How many hotel licenses to sell spirits have been issued?

3. Give the names of all licensees and the location of premises and registered owners of said premises.

4. Give the total amount paid to each licensee to procure said license.

(31) MR. FOGWILL—To ask the Honourable the Minister of Finance or other appropriate Minister to lay on the table of the House the following information :

1. What amount of money is owed the Newfoundland Government and/or the Industrial Development Loan Board by the Guardian Press Limited?

2. What is the nature of the security given on any such loan?

(32) MR. FOGWILL—To ask the Honourable the Premier to lay on the table of the House the following information :

(a) The amount of salary being presently paid to Dr. Alfred A. Valdmanis, Chairman of the Crown Corporation, Newfoundland and Labrador Corporation Limited.

(b) What are the terms and conditions governing the employment of Dr. Alfred A. Valdmanis as Chairman of the Board of this Crown Corporation?

MR. SMALLWOOD: Mr. Speaker, I move the following resolution: That this House desires to record the expression of its deep sorrow at the

death of the late Walter Stanley Monroe, D.C., LL.D., one time member of this House as one of the representatives of the District of Bonavista, member of the Legislative Council, Prime Minister and Minister of Education of Newfoundland.

Since the last session the Honourable Walter Monroe passed away. Honourable members will remember that at every opening Session since Responsible Government was restored to Newfoundland the late Mr. Monroe was always a visitor to us in this Chamber and occupied a place of honour in the front row of visitors' chairs. Mr. Monroe almost to the day of his death maintained a keen interest in the Legislature, and I am sure that we all felt it a great pleasure and a great honour that he came here on opening day at each Session. Mr. Monroe was, in my belief, one of the finest men ever produced by the public life of Newfoundland. He had never sat as a member of the House until he came in here as Premier. He had before that contested a seat in Bonavista Bay only to meet defeat. On the next occasion when he ran, he ran as Leader of his party which was returned in 1924.

At that time I was a newspaperman who attended all Sessions of the House. I have, therefore, vivid recollections of Mr. Monroe as a member sitting quite close to where I stand at the present moment, as Premier and Leader of the Government. He was a most eloquent speaker with a magnificent voice and choice diction, a fluent and very pleasing speaker. Those of us who were on the opposite side politically did not of course agree with what he said always nor with his policy, but we all agreed that he was a man of almost childlike simplicity, there was

no guile in him, he was frank almost to the point of embarrassing his party and his Government. I remember, for example, attending a meeting of the Board of Trade in St. John's at which Mr. Monroe spoke saying that, with a stroke of the pen he could reduce expenditures of the Government by, I think it was, half a million dollars. Then later after he was elected to the House and served here for a year or more as Premier and knew a lot more about public finance he stood here and very frankly admitted that what he had said on that earlier occasion was nonsense; now that he knew more he knew that he had been wrong. That kind of utter frankness on his part endeared him, I believe, to his followers and compelled sometimes an unwilling respect. But he had always the respect of the people of Newfoundland. I think that it was the verdict of the people of Newfoundland that although Mr. Monroe as one of the country's finest businessmen, fish merchants of the day, might not have been a conspicuous success as Prime Minister he was sincere in his efforts, he had honestly desired to advance Newfoundland's interests, and if he had less success than he hoped for it was probably because of the limitations imposed upon him by his training in commerce and his lack of experience in the public life of this country at that time.

All that, of course, is a long time ago. It is now a good many years since Mr. Monroe sat as a member in this Chamber, and having had that brief excursion of four years or less into public life he retired completely from it and devoted the remaining years of his life to the general trade and commerce of Newfoundland and in that he was an undoubted success. It was therefore as a businessman, as

a progressive and rather venturesome merchant that Mr. Monroe came to be even more highly respected than he had ever been as a public man.

Mr. Monroe was extremely fortunate in having Mr. Arthur Monroe for his son. For in Arthur Monroe who is continuing to carry on the business affairs and increasingly more and more in recent years, it was he, as the House will remember, I believe, pioneered in modern development of the frozen fish industry so that today he heads the Fishery Products, a concern which, I believe, absorbed the Monroe Export Company and is now, I believe, one of the two or three largest fishery concerns in the entire Canadian nation, and that means a lot when we remember the great McMillan fishing empire in British Columbia and the great Canadian fishing companies of that same Province.

Mr. Monroe was a man who gave himself devotedly and very unstintingly to quite a number of good causes in this city and on this island. He was for years Chairman of the Canadian Institute for the Blind here in Newfoundland.

Mr. Monroe was not, I believe, born here on the Island. He was a Newfoundlander by adoption having come here from a family of quite distinct lineage in Ireland, to serve an apprenticeship with his uncle, another great and famous Newfoundlander in the person of the Honourable Moses Monroe, I believe the founder of the Colonial Cordage Company, popularly known as the Rope Walk. But as one who became a Newfoundlander by choice he was a great citizen, a great son of Newfoundland and this Province, its industry and mercantile interests, the community and the great

causes of charity have all lost a great man they can ill afford to lose. So I have the honour to move this resolution today.

At the same time, Mr. Speaker, I would like to draw attention to the fact that two other former members of the House have passed to their final reward since we last met. I refer to Harold Mitchell who was member for Trinity South, I believe, entering the House at the same time as did Mr. Alderdice in 1932 and served here for a brief space of less than two years. Harold Mitchell too was a most excellent Newfoundlander, a man of transparent honesty and sincerity, a man of great convictions, a man who would go to almost any length to live out his convictions. Then finally the late Sergeant Frederick P. LeGrow who has died since we last met.

"Freddie," as most of us knew him, entered politics for the first time, if I recall correctly, as a member of the House in 1919 under the leadership of Sir Richard Squires when he was one of two Liberals elected for the District of Bay de Verde which at that time was a two man constituency. I believe his colleague at that time was the late W. H. Cave. I believe Freddie LeGrow was a regimental sergeant in the First Royal Newfoundland Regiment. He was an extremely popular figure here in this city, and Newfoundland is the poorer for the loss of these three great and admirable Newfoundlanders.

MR. HOLLETT: Mr. Speaker, in rising to support the resolution all I need to say is that we on this side of the House endorse wholeheartedly the sentiments so ably expressed by the Premier. We join from this side of the House in supporting this resolution, Mr. Speaker.

MR. SPEAKER: The resolution moved by the Honourable Premier and seconded by the Honourable Leader of the Opposition is adopted unanimously by the House.

#### Notice of Motions

MR. SMALLWOOD: 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 of Newfoundland and Atlantic Gloves Limited."

MR. CURTIS: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill to further amend the Judicature Act.

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-operatives Societies Act, 1939."

HON. DR. F. W. ROWE (Minister of Mines and Resources): 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 International Forest Products."

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I crave your permission and the indulgence of the House for a very brief moment to refer to a matter which has been entrusted me to bring to this Honourable House and to the people of Newfoundland. Recently it was my good fortune to be in the City of Toronto at the opening of the Ontario Legislature. On that occasion I was a guest of the Honourable George Doucett, the Minister of Highways for Ontario, and he very kindly in-

vited me to be present with him on the occasion of the opening of the House.

The Prime Minister, Honourable Leslie Frost, whilst speaking that afternoon took time out to extend the usual welcome to a visitor from some other Province and conveyed that welcome to me in no uncertain terms, and in doing so referred in glowing terms to the Honourable Premier of Newfoundland. He asked that I convey to the Honourable Premier and through him to the people of Newfoundland the continued good will and good wishes of the people of the Province and of the Government of Ontario.

Honourable members will recall that shortly after the date of union we in this House were the recipients of various gifts from the various Provinces across the Dominion. I believe the seat in which you sit, Mr. Speaker, was donated to us by the Government of the Province of Ontario.

Mr. Frost in his kindly expression of good will toward the people of this Province paid glowing tribute to the Premier and to the Province generally in connection with its progressive policy of industrial development. He went so far as to say that if Newfoundland continues the trend of progress they have already shown since the date of union that we in this Province of Newfoundland bade fair to become one of Canada's greatest Provinces. I think, Mr. Speaker, that it is unnecessary for me to modify that. Everyone very well knows the Honourable Premier did not mean by way of population, but he felt this Province was really making great strides and that the people generally were enjoying much prosperity. As I have already said he paid glowing

tribute to the Premier and the Government generally. I feel, Sir, that this is the first opportunity I have had to convey this message to you and the Premier and the people of this Province. I refrained from doing so through the press following my return, as I felt it was my duty to convey that message first through the people's House. I was very happy to be the guest of the Government of Ontario on that occasion in their great House where they have such a very bountiful seating capacity catering to some fifteen hundred or more guests.

The Premier, Mr. Frost, did pay a very glowing tribute to us in this Province, and I feel I perform a very humble duty in passing that on to the Premier and the people of this Province through you, Sir, in this House.

**MR. SMALLWOOD:** Mr. Speaker, not being one who follows the calendar very closely and therefore not realizing what day Tuesday next is, I was going to move the adjournment until Monday. But my honourable friend on my right has reminded me that Tuesday is St. Patrick's Day, what would be the point therefore of meeting on Monday only to adjourn for Tuesday, why not therefore meet on Wednesday instead? The practice is, of course, the House opens on Wednesday and adjourns until Monday of the following week, but as Tuesday is St. Patrick's Day my motion is that we adjourn until tomorrow Wednesday at 8:00 of the clock. That will give my honourable friends of the Opposition ample time, I believe, in which to study the Speech from the Throne and be prepared to go forward on that day with the debate.

Now, if the House will be indulgent and allow me to do so I will say this: The Coronation, (as everyone knows) is on the 2nd, of June. His Honour the Lieutenant Governor and two of His Ministers are going. The two Ministers are going by boat, but that was not my doing I may say, the boat sails on the 21st of May. Give us a day before the boat sails, if you like to keep the House open until two days before the boat sails, give us a day to get packed and ready. If the House desires it can remain open until two days before we leave for the Coronation. By that I am trying to convey that there is no thought nor desire on my part, no desire in the world to rush anything nor deny the House all the opportunity it wants for debate of anything it may properly debate, and there is no desire whatsoever to suppress any information that we may properly give. There may be information we cannot properly give and that we won't give. Anything else we have we will give and as rapidly as the various departments concerned can assemble the answers. There has been quite a number of questions tabled here today, it must run up to a hundred or more, a couple of hundred perhaps, however there are a large number and the various departments must assemble the answers. The Ministers hardly ever receive them until the day they are handed to them for presentation to the House, they are all done by permanent officials of the various departments and they are reasonably busy people. Maybe when the House meets on Wednesday we will have the answers to quite a number. In fact I did not listen to all of them, but some I did hear I would have answered off hand by memory but others will require a lot of research. As

fast as they can be prepared the answers will be given.

MR. SPEAKER: The motion is the House at its rising do adjourn until tomorrow, Wednesday, March 18th at 3:00 of the clock.

Motion carried.

—  
WEDNESDAY, March 18th, 1953.

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

#### Presenting Petitions

HON. E. S. SPENCER (Minister of Public Works): I understand there are no petitions and that, to the Department of Public Works, is interesting.

I have the honour to place on the table of the House copies of Regulations published by the Department of Public Works under the Department of Public Works Act, 1950, dealing with road matters. Copies are available to members of the House.

HON. G. J. POWER (Minister of Finance): I would like to lay on the table of the House copies of the Public Accounts of the Province of Newfoundland for the year ending March 31, 1952; together with the Auditor General's Report thereon.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Honourable members will find on their desks a copy of Pamphlet No. 5 in the series published by the Department of Welfare, "Welfare and the Whole Man" the general purpose of which is to give an interpretation of the work and operation under which this is being carried on.



**Presenting Reports of Standing and Select Committees**

MR. MORGAN: The Report of the Select Committee to draft a reply to the Speech from the Throne is as follows:

To His Honour the Lieutenant Governor,

Sir Leonard Cecil Outerbridge,  
Knight Bachelor, C.B.E., D.S.O.  
May it please your Honour:

We, the Commons of Newfoundland, in legislative Session assembled, beg to thank your Honour for the gracious speech which your Honour has addressed to this House.

(Sgd.) C. S. Brown,

James D. Higgins,

A. B. Morgan,  
Chairman.

MR. SPEAKER: The Motion is that this Report be adopted. Is it the pleasure of the House to defer the debate which follows until a later hour of the day?

HON. L. R. CURTIS (Attorney General): I think it should be proceeded with now. I understand there are a number of questions to be tabled. We are hoping that the Premier will be here within an hour.

MR. HIGGINS: I have some questions to table.

MR. SPEAKER: I am trying to find out if you wish to proceed with the debate now.

MR. M. M. HOLLETT (Leader of the Opposition): We of the Opposition are perfectly willing to postpone the debate on the matter.

MR. CURTIS: It is immaterial.

MR. SPEAKER: We will table the Notice of Motion and Notice of Questions.

**Giving Notice of Motion and Question**

MR. CURTIS: I give notice that 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 the Superior Rubber Co. Ltd."

HON. DR. F. W. ROWE (Minister of Mines and Resources): I give notice that I will on tomorrow ask leave to introduce the following Bills:

A Bill "An Act to Amend the Wild Life Act, 1951."

A Bill "An Act Further to Amend the Forest Fires Act, 1933."

HON. MYLES MURRAY (Minister of Provincial Affairs): I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938."

**Notice of Question**

MR. HIGGINS—To ask the Honourable the Minister of Fisheries and Cooperatives:

(a) Have all four of the Icelandic Boats been sold, and if so, to whom have they been sold?

(b) On what terms were these Boats sold or transferred, and what amounts have been paid to date by the purchasers for each of these boats?

MR. HIGGINS—To ask the Honourable the Minister of Fisheries and Cooperatives to lay on the table of the House the following information:

(a) An itemized list of the realizable assets of the Crown Company Richard Limited.

(b) An itemized account of all payments in the total outlay of \$412,000 for this Crown Company, and the names of the parties to whom each payment was made.

MR. HIGGINS—To ask the Honourable the Minister of Public Works to lay on the table of the House the following information:

(1) The total amount of money spent on the Trans-Canada Highway—

(a) Since April 1st, 1949; (b) in each fiscal year since April 1st, 1949, how much of this amount was expended,

(i) By the Federal Government; (ii) By the Provincial Government?

(2) Give the total number of men employed last year on the Trans-Canada Highway, and the total monies spent in wages.

(3) Give the total mileage of new road construction on the Trans-Canada Highway—(a) since April 1st, 1949; (b) in each fiscal year since April 1st, 1949.

(4) How many miles of road remain to be constructed, and the number of bridges together with approximate estimates of cost apart from paving?

(5) What is the average cost of paving per mile of road?

(6) How many miles of secondary roads were constructed during the past fiscal year and where located?; together with the cost of same, and the names of contractors or builders.

(7) How much money was spent on repairs of secondary roads during the past fiscal year?

(8) What amount of money was spent during the past fiscal year on

roads in (a) the Ferryland District; (b) in each of the other electoral districts, (not to include the Trans-Canada Highway)?

MR. HIGGINS—To ask the Honourable the Minister of Finance to lay on the table of the House:

(c) Information showing the exact amount of monies expended by the various Departments of Government to account of Travelling Expenses since March 31st, 1952.

(b) The total amount paid for travelling expenses, hotel accommodation, etc., on account of each separate Cabinet Minister since March 31st, 1952.

(c) Information showing the exact number of days since March 31st, 1952, spent outside the Province by each Cabinet Minister, and the exact amount of monies chargeable to and paid out of Treasury Funds on account of each Minister, on each separate period of absence from the Province.

MR. FOGWILL—To ask the Honourable the Minister of Municipal Affairs and Supply:

How many Co-operative Building Groups have made application for loans as provided for under Subhead 1315-01 of the 1952-1953 estimates of expenditure, answer to include the number of applications approved as well as the amount advanced to each group together with a statement showing the regulations and conditions for each loan, also state where these Co-operative Groups are located and the number of persons in each Group?

MR. FOGWILL—To ask the Honourable the Minister of Finance:

To table a statement showing the total amount collected under the pro-

visions of the Social Security Assessment Act for each month from April 1st, 1952 to February 28th, 1953 inclusive, also state at what date the Assessment was imposed upon food stuffs.

MR. FOGWILL—To ask the Honourable the Minister of Finance for the following information :

1. What quantity of Liquor, Beer and Wine in bottles and/or gallons was held in the retail stores and in bond by the Board of Liquor Control as at April 1st, 1952 and what was the cost of same?

2. How many bottles of Liquor, Beer and Wine was sold by the Board during the period April 1st, 1952 to February 28th, 1953 inclusive?

3. How many bottles of Beer was sold by Manufacturers' agents and reported to the Board during the period April 1st, 1952 to February 28th, 1953, how many agents are there and where are these agents located.

4. Table statement showing total number of bottles and/or gallons of Liquor, Beer and Wine purchased by the Board during the period April 1st, 1952 to February 28th, 1953, the cost of such Liquor, Beer and Wine, from whom purchased, and also the quantity bought from each person or persons or firms concerned.

5. What was the total quantity of Liquor, Beer and Wine held in the retail stores and in bond as at February 28th, 1953, also state the total amount paid into the Exchequer during the present fiscal year and the amount of cash on hand as at February 28th, 1953?

6. What was the total amount of Customs Duties, Excise Duties and Taxes paid by the Board to the Fed-

eral Government during the period April 1st, 1952 to February 28th, 1953.

MR. HOLLETT—To ask the Honourable the Minister of Fisheries and Co-operatives to lay on the table of the House the following information :

1. In the matter of the four Icelandic Boats, give the following particulars :

(a) How many months was each of said boats in the care of Messrs. Job & Company and tied up to Job's wharf?

(b) How much money was paid said Company on account of the care of each said boat?

MR. HOLLETT—To ask the Honourable the Minister of Fisheries and Co-operatives or other appropriate Minister to lay on the table of the House the following information :

1. How much monies have been paid out of the Treasury to date on account of the Walsh Fisheries Commission?

2. What amounts have been paid to the various Commissioners and other persons employed in carrying out the inquiry of the Walsh Commission into the fishery?

3. What amount of monies have been paid out on account of travelling expenses of said Commission?

4. Is it the intention of the Government to set up similar Commissions of inquiry in connection with forest development and farm development as intimated in the Speech from the Throne?

MR. HOLLETT: With regard to questions asked at the last Session, I beg leave to ask that a correction be made in the printed Question No. 23

(2) c. the Spinning Mill—how many "operations are employed in each?" should read "how many operatives are employed in each?"

MR. SPEAKER: The Motion before the House is the Report of the Committee to draft a reply to the Speech from the Throne. The Motion is before the House for debate.

#### Orders of the Day

MR. HIGGINS: In rising to discuss the Speech from the Throne, my first remarks must, of necessity, be addressed to the honourable member for Green Bay and the honourable the member for Bonavista South, the Mover and Seconder. I think that both these honourable gentlemen have acquitted themselves manfully. Indeed it was no surprise; having heard last year the member for Bonavista South; but it was the first time that I, at least, heard the honourable member for Green Bay. I think it is not overstating the case to say both these honourable gentlemen did credit to themselves and to this House.

I should like to join in the expression of congratulations to the two newly elected members of the House, the Honourable Minister for Provincial Affairs and the Honourable Minister of Mines and Resources. It has been my privilege to know both these gentlemen outside this Chamber and if they measure up even half as well to the standards they have set and achieved in other fields, I think this House will be the better for their presence.

The Speech itself, Mr. Speaker, does not lend itself to very lengthy discussion. I am very happy to see that in connection with the Coronation of Her Gracious Majesty, the Queen, this Province is going to be represented by

the Lieutenant Governor, by the Premier and by the Minister of Education who, I think, might well be called the Minister of Protocol as it seems he is the one member whom the Government has elected to handle all Affairs of State—anything involving the Big Brass. And I think, apart from considerations of party politics, we all agree that the official representation of this Province is a very capable one. I am sorry that the Premier is not here this afternoon; because it is not too often that we on this side have a chance to have anything nice to say about him. But I am sincere when I say that on certain occasions when it was a question of representing this country, the Premier has got a knack of rising to the occasion. I do not think any of us is small minded enough to forget the Royal Visit in 1951 when her present Majesty, at that time Princess Elizabeth, came here; and I think we were all proud of the reception and of the Premier's speech on behalf of Newfoundland. As I say, we of the Opposition are well satisfied that the representatives of this newest Province and oldest Colony will certainly acquit themselves in a manner that will do credit to this country.

I understand the Honourable the Minister for Provincial Affairs is going to form one of the detachment of Newfoundland War Veterans, who will form part of a larger contingent of Canadian servicemen to attend the Coronation and he tells me that there will be nothing to distinguish the Newfoundland detachment from the rest of the Canadian crowd who will be there. That is a matter of some regret. Whilst it is true that we have been absorbed into the Canadian pattern, it must not be forgotten that Newfoundlanders had their own Regi-

ment during the War, had their own distinguishing markings; and if it is not too late, and if it is not an impertinence, I would make bold to suggest that some consideration be given to having some distinct markings for the Newfoundland War Veterans who will be attending.

The other thing that stands out in the Throne Speech was the reference to the campaign undertaken for funds to relieve the sufferers in the floods which ravaged the coast of Britain, Belgium and Holland in February; and there is no question about it but that the Government acted (and when I say 'the Government,' I mean the Premier as head of the Government) promptly in the matter and the response of the public was nothing short of magnificent. Indeed, I understand, subject to correction, we stand somewhere about fifth in all of Canada in our response.

These are the general features of the Throne Speech.

As I understand it, Mr. Speaker, I have been told by some of my colleagues who have been in this House long enough to know what one can and should say in a debate on the Throne Speech, one can discuss almost anything. I propose to advert now to a matter that is of considerable importance to a very great number of people in my own district of St. John's East. I refer to the situation that exists insofar as one of our public utilities is concerned. Very early in the life of the present Government in 1949, legislation was introduced in connection with the setting up of a Public Utilities Board—legislation with which I think everybody concurred as being long overdue and being very sound in its theory. The point is, Sir, I have today to bring

before the House concrete evidence of where the Public Utilities Board does not seem to be on its toes. Back in September, 1952, a group of citizens living in the Mount Scio area in the Long Pond vicinity, wrote to the Public Utilities Board complaining of the telephone system or service, or lack of it, being offered to the residents of that area. At the same time a copy of that communication appeared in the local papers and a copy forwarded to me. The House was not in session at the time and this is the first time I have had an opportunity to bring it up. In brief, Sir, the position is that some forty odd families are living in the Mount Scio area without any telephone services. Inquiry reveals that in 1935 there was a very limited installation put in, and nothing was done then until 1946 when a four-party line was installed. These people applied to the company, and in evidence of their good faith, Mr. Speaker, their names are all appended to the letter they sent to the Public Utilities Board. They were told by the Avalon Telephone Company—"Next year we will do something for you." The convenor of that group with whom I was speaking at two o'clock today tells me that she is now informed that nothing will be done in that area this year because some other area has to be attended to. Now, Mr. Speaker, I do contend that if we have this Public Utilities Board let it do some investigations of reports like that. The only action taken by the Public Utilities Commission was to write a very polite acknowledgement of the complaint made by those people, and let it go at that. I do contend that if this Board is working, and it is, we had a very fine report from them last year, beautifully printed by an organization

now defunct, the Guardian Press. Nevertheless it was a very fine job of printing. I think if we had a little more action and a little less printing, people would be a whole lot better serviced.

Another thing, Sir, there is no reference that I can see in the Speech from the Throne to the question of tourist development. There has been a lot of talk in the papers and over the radio about the tourist development. Undoubtedly under the management of the new director, Mr. O. L. Vardy, a lot of work has been done. Indeed we are informed today that Mr. Vardy is taking off as soon as the ceiling lifts to address certain people and to arrange further consultations with the Sheraton Hotel Chain to build hotels here and he is also, I think, going to address a group of sportsmen in Toronto, and discuss this new film that is being made. All these things are fine, Sir, but one of the things that strikes me is that we are overlooking certain tourist developments at the moment when we are talking about the fishermen and the sportsmen who are going after the big game by not concerning ourselves with the ordinary small-fry tourist (if you want to call them that) who save up, come down on a cruise ship, and have just a little bit of money to spend and spend it in driving around the city and in the country just outside the city. Now, I know whereof I speak because for some five or six years in the early 30's I worked at the Tourist Bureau which was at that time situated where the hotel barber shop now is. In those days the principal cruise ships were the "Narissa" and the "Fort St. George." They would come up (or come down I never could get it straightened out) from New York via way of St. Pierre and arrive

on Thursday morning and stay in port until Saturday afternoon. Most of the people who come on those cruises had just enough money for the trip and to buy a few souvenirs and do a little driving. In those days they had three principal drives; there was the drive around the bay from St. John's to Harbour Grace; the drive from St. John's to Placentia, and the shorter drive, the one which I would say was the most popular, the Marine Drive which went right through St. John's East. Now, these people came in those days, and these people still come, Sir, and these are the people, with all due respects to the more glamorous tourists who come here, who will constitute a very large part of our tourist trade. Sir, that Marine Drive, and I say it with knowledge, and can speak for my colleague from St. John's East as well, that Marine Drive has been totally neglected. It has been so long since any real work has been done in the District of St. John's East it is a wonder that any roads are there at all. Indeed if it were not for the fact the original road was so well built I doubt if there would be anything there today. Apart altogether from fixing it up for tourists, some heavy work has been going on down on the Logy Bay Road for the past twelve months. Whether it is defence work or what it is I don't know. But this I do know: The traffic on that road has been heavier than anywhere else in the city of St. John's over a comparable period, and nothing has been done to attend to that road. I would draw the attention of the responsible Minister to that and ask that something be done for the roads in St. John's East, not only, as I say, from the tourist standpoint, but from the standpoint of common decency towards some of the

finest people in this country. We have had nothing done in St. John's East. I don't know if it is, Mr. Speaker, because the people of St. John's East comprise the only district in the country which has always said; we will elect whom we like. It is the only district, Mr. Speaker, which since 1949 has not submitted to the blandishments of the Liberals (whether spelled with a big "L" or a little "l"). Is it because they have reserved the right to use their intelligence? (and I use the word advisedly). If so, then we have come to a pretty pass.

Now, this Throne Speech, Mr. Speaker, in the main looks forward. The Government says; we will do such and such; we contemplate this or that. But any discussion, Mr. Speaker, on that speech might also profitably include a little looking backward; looking backward to the days not so long ago when the talk was always of new industries, when there were going to be so many jobs we would be sending up to the States and sending to the Mainland of Canada and inviting Newfoundlanders to come back and fill the jobs that were offering.

Mr. Speaker, I doubt if there is anybody in this Chamber who does not remember those gaudy utterances, which whether they were made in this Chamber or on the outside, they were said.

Not long ago in the columns of the "Evening Telegram" where there is a column known to all of us, I think, written by a gentleman known to all of us, a gentleman who has never been regarded as anti-Government though he might be honestly critical at times. There was an article dealing with the creation of these Government industries. If my memory serves me

right he analyzed the net result of the new industries in terms of jobs created. That was some time in December, Mr. Speaker. By simple arithmetic he arrived at the figure that approximately forty million dollars had been spent and approximately one thousand men had gotten employment, which means that to employ each of these men cost this country forty thousand dollars. Now, if these figures are even remotely near the mark, then, Mr. Speaker, I suggest to you, Mr. Speaker, if it is going to cost a little country like this forty thousand dollars for every job created we are much better off without creating any jobs.

Now, some of these schemes have died aborning. There is the famous one—the Premier himself is not here which, as I have previously said, I regret. I am sorry he was not here to hear something nice about himself and even more sorry now as I don't like to talk about a man behind his back. Be that as it may, the Premier himself said, and quite frankly that the Icelandic Scheme was a "Cod" a "Flop". Said they went to all that trouble and did not succeed. It so happened that particular year there was not a herring anywhere in Newfoundland. But he has never yet told us, Mr. Speaker, why he did not go back the next year. There was some five hundred thousand dollars involved in those boats. I do hope that we will know when the questions filed today are answered. It will be interesting to find out what did happen, the Lord knows they cost us enough.

Then there is the Birch Plant: What is the present status of the Birch Plant? Certain it is that numerous questions have been asked about it and no satisfactory information has

as yet been forthcoming. The public press has reported that there has been from time to time labour troubles in there. We do know that people have come down here and expressed pious hopes about the future of it. But what we do not know and apparently are never going to know is how much this plant is making or losing. Not too long ago in another paper, Mr. Speaker, the "Sunday Herald" of St. John's, dated March 22, issued last Saturday (I think it is dated a week ahead) on page 2 of that issue, and I propose to table this, Mr. Speaker, it says: "... a good question they want to know if one industry is losing eighty thousand dollars a month?" The article goes on to say: "Premier Smallwood's opponents are going to ask him point blank shortly if it is true that one of the new industries is losing eighty thousand dollars a month as has been reported from several Mainland sources. No verification of the loss has ever been received. On the other hand no financial statement has been made on the new industries and there is little doubt that this will be one of the major questions opposition members will be wanting to hear from the Government, whether they will get it or not is another question. Several officials connected with the industry have admitted quite frankly the industries are at present operating at a loss, but have pointed out that no industry can be expected to make a profit during the first year or two, etc., etc." Now, as to that paper, Mr. Speaker, I don't vouch for its sense of responsibility, but it is significant, Sir, that that same paper has on occasions had an inside track on events that were going to happen, that they knew what decisions were going to be made by the Government, whether it be by some coincidence or otherwise I

don't know, but the inference is, Mr. Speaker, the "Sunday Herald" is not unkindly disposed toward the Government. If a statement like that is made in a paper like that, suggesting that any one of the new industries is losing eighty thousand dollars a month, then, Mr. Speaker, I do say the time has come to at least let this House know whether these industries are paying or whether they are not.

Now, we come to the Cement Plant: The Cement Plant has been sold, at least that is the understanding we were given. We were not told in this Chamber, Mr. Speaker, for how much it was sold. I don't know why. I suppose sometime in the fullness of time we will be told, either that we can't be told—it is not in the public interest to know how the public money is spent—or that there is some other reason for it. All we do know is that something in the vicinity of three and a half million dollars or more was spent. We don't know the price that the Government received for that plant nor indeed if the purchase price has been paid.

We go from the West Coast over to Carbonear to the next industry, the tannery. This was going to be a huge concern. We don't know yet how many Newfoundlanders are working there. I do venture to suggest, Sir, they are not in excess of fifteen and that is an outside figure. Despite all we have heard about this new tannery the only thing that has been produced so far is a green leather coat for the Premier and a couple of bags for Bowring's window, I don't know if you can call that evidence of success.

I remember, Sir, and I am sure every honourable member who was in the Chamber in March of last year when



the Premier delivered his speech on Government policy, a speech which was later reduced to print and put out in a booklet entitled *I believe "Newfoundland is on the March."* At that time some fifteen new industries were listed as having been either commenced or completed, and one of the first of these industries was promised for that loyal old district of Harbour Grace, the district of the then Minister of Health who is now the Honourable Minister of Education.

The oil hardening plant, Mr. Speaker, died on the drafting board and there has been considerable stalling and equivocating but the sad fact had to be told to the people of Harbour Grace that they were not going to get an oil hardening plant. A special visit was made and they were told: "Don't be annoyed by this. We are going to take care of everything. We are going to give you now a boot and shoe factory." Mr. Speaker, not too long ago the people of Harbour Grace saw their own boot and shoe factory, a local concern, going to the wall. Is there any wonder that they are now perhaps a little dubious of these promises of a foreign factory. Talking about the Harbour Grace boot and shoe factory folding up whatever did happen to that aid that was going to be given last year to the Newfoundland Clothing Factory. I remember, Mr. Speaker, and I am sure more of the people who were in the House at the time remember the Honourable the Premier saying one afternoon—"I have today saved the Newfoundland Clothing Factory. I have seen Mr. Leslie Marshall and the Newfoundland Clothing Factory will be saved and will continue to employ Newfoundlanders." That statement was made here, Mr. Speaker, but within a month the Newfoundland Clothing Company

as it was then known was out of business.

What happened, Mr. Speaker, to the Imperial Tobacco Factory? One would have imagined that was one of the most soundly buttressed of the Newfoundland Industries. The Imperial Tobacco Factory has now suspended operations. Here you have the extraordinary position obtaining that Newfoundlanders employed at that factory, if they want to continue to be employed by the Imperial Tobacco Company, will have to move to the Mainland. In order to earn a living, Newfoundlanders have to leave their own country yet foreigners can come in and find jobs. Mr. Speaker, there seems to be something inconsistent in that type of support of industries.

The cotton mill: I don't know, Mr. Speaker, if there is anything can be said about the cotton mill but conjecture. Nobody seems to know but they have their troubles, I believe. Reading in the papers I saw something about some land owner up around Cornwall.—Certain it is we have not seen any of the finished products on the market as yet. Then we have Dr. Sennewald where at least some progress has been made. The doctor is coming here, where he is going to go we do not know, nor what his prospects are. The only thing we know with certainty is that he has a hundred and fifty thousand dollars of our good money. I presume he is going to put up at least a token resistance to prevent us from taking it back.

Then adverting, Sir, to that outline of Government policy to which we listened with such attention last year, you will remember, Mr. Speaker, the reference which was made to the steel mill which was tentatively scheduled for Bay Roberts. You will re-

member, Mr. Speaker, the enthusiasm with which the steel mill was talked of. It was the one industrial achievement which would almost in a single bound put this Province in the forefront of the industrial Province of Canada. The one plant, he said, (the Minister of Economic Development) which, if he could only get that he would be prepared to forget all the others. It was to be the wonder of the 20th century as far as this Province was concerned. Mr. Speaker, there is no steel mill yet and not even talk of a steel mill. Bay Roberts is still waiting for an industry. But they were promised, you will remember, later on—We probably can't get a steel mill yet, either we can't get the coal to the steel or the steel to the coal or the two at one time—But don't worry about that—we can't give you a steel mill but we will give you a small machinery plant. Now, when I use the word small, Mr. Speaker, I use it purely in reference to the type of machinery that was to be manufactured. The plant itself was going to be another one of these super-duper productions but the things it was going to turn out were going to be small. Lest any of the other districts or industries should be affronted, great care was taken to point out that this plant in Bay Roberts would not constitute any threat to the machine plant at the Otagon. Well, it certainly has not constituted any threat, Sir, it has not been heard of since.

Speaking of the Machine Plant: I forget the exact date on which that machine plant opened, but certain it is, Sir, that it has been opened now long enough to be on full scale production visualized at the time. If I mistake not we were told that the plant hardly had time to get the visitors out of the way on opening day

before the machinery started turning over, defense orders were piled high. I don't know in which desk they apparently must have hidden them. We heard about Mr. Howe being just bursting at the seams to get them down to this machine plant. Mr. Speaker, with the exception of some repair jobs for the U. S. Bases and a few front bumpers for Capitol Coach Lines we have not heard of any other work being done. The "Daily News" put in some sort of a story that the plant may be moved to the Mainland. With that, indignation flew all over the place and the "Evening Telegram" rushed in with an article showing men all at work with lathes turning and everything else. I don't know, Sir, what is the right of it, but both these people are equally responsible people. The "Daily News" is not the kind of paper one would imagine would publish a scare story. On the other hand I find it difficult that the "Evening Telegram" would be willingly or knowingly a part of having pictures cooked up just to show things are well. The point I am making is this: If that plant was doing the business which it is supposed to be doing we could not help but know, things would be humming in there. But pass that plant any time of the day and if you hear an engine turning over it is the exception rather than the rule. What they do I don't know. It is impossible to conceive of any outfit as big as that being in operation and nobody knowing about it. It is impossible to believe that people are employed in there and nobody sees them passing through the town with their pay cheques.

DR. POTTLE: Have you been in there yourself?

MR. HIGGINS: No, doctor, I have not been in there. I don't vouch for information given in these reputable papers, but I say if that is the case it is an extraordinary situation. I can hardly conceive of the plant going at full strength without the Government letting us know about it. Sir, as I see it we have a yaffel (I think is the word) of industries but we have no concrete evidence that any one of them is on a paying basis, not one single industry has been a proven success.

We had last year in the very initial stages of the session a report which was drawn up by the firm of Coverdale and Collpitts, a report that was very exhaustive, a report which I have no doubt cost us some money. That report, Sir, would be summarized in the last few lines in which they said that, unfortunately our investigation came six months too early to give you an accurate picture. It expressed hope, yes, that this thing is probably going to be good but as far as being able to give an accurate picture they could not tell, they came too early.

We have the other famous report which seems to have been banging about since the Government first came into power, the IBEC Report. I don't know anything about the IBEC Report, Sir, I have heard it discussed here by some of the more mature legislators, I have heard some harsh things said about it—That it has cost this country one hundred and twenty-five thousand dollars, and that it has never seen the light of day. Why, Sir, I don't know. But I do say that it is an extraordinary thing that a country so comparatively poor as we are could fling out a quarter of a million dollars for something that the people, whose money it is, are not allowed to

see. In all these industries, Mr. Speaker, there is something frightening about the way the Government has plunged into them. Has there ever been any precedent, Sir, in the history of this country for Government financing of private industries in the way these have been done. Now, I am not talking about guaranteed loans, that has been done with notable success, I believe. What I am talking about, Sir, is the direct cash advance made to some of these companies. We are told we need not worry, we have investigated these things and the Attorney General's Department have mortgages on them. Mr. Speaker, in the love and honour of common sense what are the good of mortgages on steel plants if no work, on Mr. Dorn's tannery if the tannery fails or on Dr. Sennewald's eyeglass frames? It may be technically sound—the Government can say: yes, we have got mortgages. But, Mr. Speaker, would any private investor advance money by way of mortgages on any of these firms? I say, no, Sir. Then we are told that we are now going to have another new company. In the words of the Speech from the Throne: "My Prime Minister has succeeded in arousing the interest of British concerns of world-wide repute in the natural resources of Newfoundland and Labrador," and that, Mr. Speaker, we were told could happen and has now become a fact, that this House is shortly going to be asked to approve of an Agreement between the Government of Newfoundland and some new outfit which is known in the public press as "BRINGO." I hope by the time we get through with it it will not be known as "BUNKO". Because, Mr. Speaker, in the Newfoundland and Labrador Corporation Agreement (and I am not talking in generalities and

I do not want the Attorney General to fire across my bow some legal technicalities—but somewhere in the Newfoundland and Labrador Corporation Agreement there is a provision regarding the control of the waterpower, the Hamilton Watershed; and under certain circumstances if the Government does not hold 90% of the issued shares of the Company, that control is vested in the Directors of a Company other than the Government. So that you can conceivably find arising a situation where some gentlemen such as Mr. McIntosh or Harriman-Ripley might hold the key to the Hamilton Watershed. If that be so, then Harriman-Ripley could hold up the whole development. As I said, I am not prepared to discuss that matter with any degree of certainty. I have not gone into it sufficiently to speak with any certain knowledge. I do say this, that when this BRINCO Agreement comes before the House I trust we can rely on the assurance given that ample time will be given the House to study the Agreement before any decision is made. Speaking of Mr. McIntosh, who cannot help but remember when Sir William Stephenson was introduced to the House. We were told he was the man who was going to take this country and put it on the road to Eldorado; he was going to give it his personal attention. Sir William Stephenson was the man whose word in the financial world was law. Sir William Stephenson came here in June or July—he was certainly functioning here in July—he could not raise a loan; and in September we have the appalling news that Sir William Stephenson cannot continue. Why, we do not know. We are given the explanation in an exchange of letters that Sir William Stephenson's work was done. Mr. Thomas was the

man who was going to direct all the mining work. He was the man who knows all about mining. He promptly packed his bag and was out of the country before the end of the year.

If we are going to have a new Agreement, let us make sure, that this time, the matter is fully and properly explored and we trust, as I said before, we can rely on the Government's assurance that we will be given a chance to go into the matter and give it the full attention it deserves.

I can assure you that this Opposition is here not to oppose for the sake of opposing. We do feel that we have just as much obligations to the people of the Country as the Government. We are going to see that anything in the public interest is supported and anything not in the public interest is opposed.

Thank you, Mr. Speaker.

DR. ROWE: I am not quite accustomed to parliamentary practice, but I understand it is usual before a lengthy speech to have a brief recess, and I would ask for such a recess before getting into my talk.

MR. CURTIS: That recess was really to assist the stenographer. Other years we had only one stenographer, this year we have two.

MR. HIGGINS: There is no reason why we cannot have a recess.

MR. SPEAKER: The House will recess for ten minutes.

DR. ROWE: Mr. Speaker, my first duty today is to thank you, Sir, the Honourable the Premier, the Honourable the Leader of the Opposition and the honourable gentlemen who preceded me and all members of the House for the cordial welcome they

gave me last week when I was introduced here. The honour that was conferred on me as a citizen, as is the honour conferred on any citizen elected to the Legislature of his own democratic land, is one whose responsibilities and obligations cannot be regarded lightly. And so in response to those good wishes I received from both sides of the House, I can only say that I shall endeavour to bring to bear on my duties as a member of the House the same efforts, the same concentrated efforts, that I endeavoured to bring to bear on other avenues of employment where it has been my privilege to labour before I entered the Government.

I should like, before going any further, to extend my congratulations to the Mover and Seconder of the Motion and also to congratulate the honourable member for Ferryland on his election to the House of Assembly a few months ago.

Because I am making my first effort in the House and because my term of service in active politics has been short, I do not intend to get involved, voluntarily, in some of the controversial issues that revolve around the debate on the Speech from the Throne.

I would like to divide my remarks into two portions today, the first, if I may, with reference to the District which I represent and, secondly, with reference to some of the implications in the Speech from the Throne, particularly insofar as those implications affect the Department which I represent.

My deepest thanks must go to the people of Labrador who elected me last summer. In fact, insofar as I was able to judge from the uncontested election, the people were unanimous

in their good wishes for my future as their representative. And during my extended visit there last summer, a visit which started in June and did not terminate until some time in August, during that time I met only one person who was at all critical of the Government's policy and I was subsequently assured that, had the election been contested, that man would have voted for the Government's candidate. I am sure there were others along that vast coastline who would have exercised their inherent right to differ from the majority, but if there were, I neither met them nor heard of them.

The confidence of the people of Labrador in the Government is based on the fact that prior to 1949 the people of Labrador did not enjoy rights as citizens of a free country. Only since 1949 were they given the rights of citizenship and as a people for the first time, they became an integral part of the planning and thinking of the Government of Newfoundland and they realize this (and I am not saying this for political reasons)—they realize that the welfare of the smallest child in Hebron and the oldest man in Lance au Clair is just as important to the Government of this Province as is the welfare of any man, woman or child in Conception Bay or Bonavista Bay. Then too, I should add, that not only do the white people enjoy these rights and considerations of the Government's planning and thinking, but the Eskimo and the Indian are also included in the Government's planning. I do not want to give the impression that Labrador's previous connections with Newfoundland were entirely black; that the record was entirely a record of neglect and indifference. In fact, I shall later on in my remarks refer to one

important exception; but it is generally true, and I have said this on several occasions and I have never heard it contradicted by any person in Newfoundland, that the attitude of Governments of Newfoundland towards the people and territory of Labrador was identical to that of the Government of England towards the people and territory of Newfoundland one hundred and fifty years ago. Labrador existed as a place where Newfoundland fishermen went in June and returned home in September or October—a place where the fishermen landed every summer; a place where they bought furs; a place where we bought salmon and seal and sealskins. Before the Government came to consider Labrador or what was needed or necessary for Labrador, it was always a question of what did the Newfoundland fishermen who spent a few months there need. Now there was nothing wrong with that; certainly I would be the last one in the world to criticize it because the thousands of Newfoundlanders (particularly since my own father spent some thirty odd years on the Coast of Labrador)—these Newfoundlanders were entitled to some consideration during the months they spent away from home, but the needs of the floating population should not have monopolized, as they did, practically all the considerations of the Government, at the expense of the permanent settlers of Labrador. This was true in other important respects. Prior to 1949 what did the Governments of Newfoundland do for the people of Labrador in medical and educational lines? Outside philanthropic organizations have done more, many times more, for the people of Labrador than had the Governments of Newfoundland in all the years prior to 1949. Here one

needs only to think of the medical and educational work of the International Grenfell Association. Also the work of the Moravian Missions who spent far more money in Labrador—money they had to go outside to get—than did the Government of Newfoundland. And yet no part of Newfoundland territory has ever poured, directly and indirectly, more wealth into the coffers of Newfoundland than has Labrador, for the past 100 years. The returns from the Labrador fishery—codfish, salmon and seal and the returns from the Labrador trapping operations, furs of all kinds, were perhaps better on a per capita basis than the returns from any proportionate number of people in the entire country. Actually and literally it was a case of our taking all and giving nothing. One example will suffice: I have been unable to find out where, prior to 1949, the Government of Newfoundland spent one cent on roads in any part of Labrador. That, in spite of the fact that even fifty years ago there were five thousand permanent settlers on that coastline. Today this situation no longer exists. The people of Labrador, white people, eskimos, indians now have the same rights as you and I, our friends and relatives and fellow citizens right here in St. John's, have. In 1949 the social services were implemented at the same time or even somewhat earlier than they were here in Newfoundland and for obvious reasons which I don't need to go into. The impact of these social services was far greater in Labrador than they were in most parts of Newfoundland badly as they were needed here.

Then again, for the first time in 1949 the people of Labrador had a spokesman, someone who could speak in their interest in the Government

Chambers, an elected member for Labrador, Mr. Horwood (I personally know as I was connected with Labrador and was deeply concerned with its interest at that time in another way) the elected member for Labrador traversed that great territory summer and winter examining their needs and reporting back to the various Government Departments and agencies, actively interesting himself in every phase of eskimo needs. For example; he realized the need for an importance of starting some scheme of communications down there, the need to destroy the ancient fallacy that existed as it had in Newfoundland some years ago that the only communications desirable was communication by sea. Thanks largely to his efforts a basic plan for an inter-connecting road system was laid particularly for the more thickly populated parts of the Strait of Belle Isle and Lance au Clair near the Quebec border up to Battle Harbour. That plan is being carried out, and I am confident that within the next eight or ten years these places will be all linked up by a road system from Lance au Clair up to perhaps Alexis Bay, or Port Hope Simpson. I desire at this time to pay tribute to the conscientious and enterprising efforts made by my predecessor on behalf of the people of Labrador.

I referred earlier to important exceptions in the past. I would like to spend a moment to go into that as I think it is important to our consideration of Labrador now. Before I go into it I want once more to emphasize something not generally understood by Newfoundlanders who had not had intimate connections with Labrador. Of the total population of Labrador five out of every six persons there is a white person of English, Scottish or Irish decent like ourselves, the eskimo

and indian population constitute the remaining one sixth made up of eskimos or part eskimos because of inter-marriage and to a lesser extent of the indians domiciled in the northern part of Labrador. They have nothing to do with nor know more about the southern half and have less to do with them than the people of Ferryland have to do with the people of the Codroy Valley. North then of Gros Water Bay, a very good starting point, the population is predominantly eskimo or part eskimo and part indian. There are somewhere, I believe, upward of fifteen hundred people including white people there too. Now, that population of some twelve or fifteen hundred is located at places widely separated geographically. I think I can enumerate them in geographical sequence: Makkovik, Hopedale, Davis Inlet, Nain, Nutak and Hebron. Davis Inlet where the indians are living and Nain the headquarters of the Moravian Mission. Prior to 1942 their trading needs, community needs, communication needs and in some small way their welfare needs were looked after by the Hudson Bay Company who had posts at nearly all the places I have just cited. In 1942 the Hudson Bay Company indicated its intention of withdrawing completely from any operation in the northern half of Labrador—their most northerly point would be Lake Melville in Gros Water Bay. The Commission of Government, and that is something to its credit, realized that without some trading and overseeing agency in the northern half of Labrador, which mind you in certain years may only have a navigation season of two months in the most northerly part of it, realized that unless some other agency would go in and take the

place of the Hudson Bay Company the results might well be tragic because the Eskimo people were not in a position to fall back on their traditional way of life as they had gotten away from them. Accordingly an association called the Northern Labrador Trading Operation had the multiple function of ensuring that sufficient supplies were available there throughout the year, of purchasing the products of the natives and settlers, codfish, seal skins, trout and other things, and in some degree trying to rehabilitate and look after the welfare needs of the Eskimos in an attempt to have them re-adjust to the encroachment of the white man's way of life. I am quite certain that later on in this session the Honourable Minister of Public Welfare will probably be enlarging on that very matter when the estimates come around. That function has subsequently been expanded and the operation is now viewed as basically a welfare operation and in consequence has been placed under the Department of Public Welfare. But I wish at this time, Mr. Speaker, and I am quite sure the Honourable Minister of Public Welfare under whose department the Department of Labrador Affairs is now administered will concur with me in this; I wish to pay tribute to the foresight and energy of the man who was principally responsible for the setting up of the ground work of that organization. I refer to the Deputy Minister of the then Department of Natural Resources, Mr. A. J. Carter who worked indefatigably against great difficulties, and, as I happen to know, sometimes at very great personal inconvenience to establish that operation on a sound basis.

I would like also, Mr. Speaker whilst on the subject to express my personal

satisfaction at the progressive way in which the Division of Northern Labrador under the Honourable Minister of Public Welfare is attempting to carry out the duties imposed in this regard. Insofar as that Division of Labrador Affairs is concerned I have one other point to make. We cannot hope, any more than the people of the United States can hope out of the Indian reservations or the people of Canada out of their Indian reservations, we can never hope in the foreseeable future to have this Division of Northern Labrador Affairs a profit making organization. Its principal function, as I see it, is a means of rehabilitating our Indian people so that they may derive the maximum from their somewhat circumscribed environment. I do not want to be an alarmist on this nor anything else. I did not intend to say this, Mr. Speaker, but I think that perhaps if the Government had not gone in there, the Commission of Government, and if we were not continuing that policy, by now our Eskimo population would be very considerably depleted and the Indians of Davis Inlet would be now just as extinct as the Beothics are.

I have no time to say much more about Labrador, but I want to make one or two observations about the general resources of it. We have heard a great deal about the wealth of Labrador, its forests, water-power and mineral resources. I want to say this in passing that insofar as the timber is concerned, no company has ever been able to operate profitably over any long period of time although attempts have been made. The history of every company engaged in timber operations in Labrador is a history of eventual bankruptcy. The costs there, the climatic and geographic difficulties are so very great—we might as



well face up to it now, Mr. Speaker—the Government will not get any company to go in there to operate under the same terms and conditions as they would agree, let us say, to go to Bay D'Espoir and conduct a timber enterprise, providing the same timber resources were available in Bay D'Espoir as in Labrador. The record is there for everyone to see.

I want to make this second observation about our resources in Labrador: As long as the forestry and water-power resources in Labrador remain undeveloped tremendous waste is taking place. You might say—well the Grand Falls are always there, we can always go and use them—that is true, but Grand Falls represents a continuous and inexhaustible source of power potentialities and if we don't develop it, in ten or twenty years it means the waters going over the falls are gone, we have lost those ten years. Water-power and timber are not like minerals, a static thing. If there is iron ore there in the Straits of Belle Isle, and I personally think there is, it will be there in ten years time and will be in the same quantity if we don't mine it. But that is not true of forests. We sometimes forget that a forest is not a static thing but a crop, something that has to be harvested year after year. I am speaking of a mature forest where no cutting is taking place, unless harvested a certain percentage dies every year from over age and from other causes, it is destroyed by various causes. So if we delay development of the timber resources of the Labrador it means that we lose over, let us say twenty years, from one cause or another if not utilized on a substantial basis, a large percentage which will have been lost to us for evermore.

There is one other thought I would like to express—about mineral deposits down there. True, as I said a moment ago, whilst it is a standard thing, yet we have also to bear in our minds the question of technological progress and changes. It is quite within the range of probability that some of our mineral deposits to which we attach considerable importance at the present time may very well in twenty-five or thirty or even forty years time be no longer attractive in a commercial sense. The use of these minerals may have died out in the light of new scientific progress and discoveries of one kind and another. I don't mean to elaborate on that but we can all see how that could possibly destroy the present economic development of such minerals—that could happen. So that it is an urgent obligation on the part of any Government to try and get mineral development going as soon as possible. We are living in a scientific age and what may be very valuable today may not be so in twenty-five years time.

The Speech from the Throne, Mr. Speaker, emphasizes this policy of Economic Development. It also indicates this development would not be haphazard and inconsistent. In particular it mentioned the Government's determination to set up a Commission on Forestry and one on Agriculture. I would like to say a few words about that right now.

In actual dollars and cents the pulp and paper industry pays more money into the hands of our people than does any other including the fisheries. That is just the pulp and paper not other related forestry industries. At a rough estimate from this source alone our people this year in Newfoundland will receive roughly, through the

operation of the two pulp and paper operations, thirty-four or thirty-five million dollars, which is twenty cents of every dollar earned in Newfoundland. We have, I think the exact number is, 1320 saw mills in this Province whose total production would certainly be several million dollars. Furthermore, we have the direct and indirect earnings from the cutting of railway ties, pitprops, snow fences, telegraph and telephone poles, wharf sticks, certainly a substantial amount. Nobody knows the exact amount, nobody can even guess. On top of that our people derive from our forests, as estimated by the officials of my Department, two or three million dollars worth of fuel taken from the forests of Newfoundland.

Now, our two paper mills are taking from their concessions well over one million cords of wood every year. In addition we must also make some allowance for the wood that is lost for one reason or another. A substantial number of trees are destroyed by disease, loss from storms, age and such things. This year the heaviest losses in the recorded history of the forests of Newfoundland occurred in these terrific storms. We estimate that about four hundred thousand cords were broken off and destroyed. Then of course a certain amount is destroyed by fire. We as a Government don't know if the two paper companies have enough timber to guarantee indefinite production. We don't know that, but we should know it, it is our duty to know. We can never forget it is the paramount duty of any Government to make sure that these two great industries (I am not speaking on behalf of the industries but of the people) are able to carry on indefinitely this tremendous source of earning power. We have two enlight-

ened corporations. I think I can say that in all fairness. They, no doubt, make mistakes. But I think they are enlightened corporations who contribute to the general good in Newfoundland far beyond the letter of the law. You have only to go to Corner Brook and Grand Falls to realize that. We owe it to the people and to those two corporations to see what steps, necessary to maintain good production indefinitely, are taken. I would say in passing that the highest standard of living, in my opinion, to be found in this Province, affecting perhaps eighty thousand people directly or indirectly, is in the areas of the operation of these two great corporations.

On the matter of our Crown Land timber resources, we, as a Government, have a still greater obligation. Nobody else is interested in the Crown Lands if the Government is not. We estimate (and again you will notice I am using the word "estimate" because one of the greatest deficiencies at present facing us is the lack of detailed and precise information) that there is left on our Crown Lands in Newfoundland about seven million cords of wood. Now forestry engineers and scientists say that the annual cut from any forested area should not exceed two per cent in any year if you are to maintain that forest on a substantial yield basis. If that is true and if we applied that to our Crown Lands Forests in Newfoundland we should be cutting about a hundred and fifty thousand cords. Certainly even allowing for a large margin of error they should not be cutting more than two hundred thousand cords. If we remember that our 1320 saw mills operate mainly on Crown Lands, that the bulk of our railway ties, snow-fencing, wharf material, construction

supplies and fuel, if we remember all that comes from Crown Lands. Fuel alone would probably account for anywhere from two hundred thousand to two hundred and fifty thousand cords annually, and the total cut from Crown Lands is in the neighbourhood of four hundred thousand cords every year. We are taking four hundred thousand cords from our Crown Lands annually, and yet by the most liberal estimates we should not be taking more than two hundred thousand cords.

Mr. Speaker, I don't think I have the reputation of being an alarmist in the past, and I am not that now. But I think it is my duty to say that all of those who have qualified and studied this situation carefully are convinced that at the rate we are going in twenty-five years time there will be no Crown Land timber left in Newfoundland.

Nor is the amount that is cut the sole consideration. There is such a thing as the manner in which the wood is cut, the location of the cut, the almost complete lack of any discretion in cutting, the effect of cutting on water supplies, the effect on game and wild life, on soil, etc. We have seen what happens here on the Avalon Peninsula. There are areas in Newfoundland where no wood has ever been cut yet where year after year (if I had a map I could put my fingers on it, a pretty large area in the heart of the country) hundreds of thousands of cords die and are destroyed. There are other areas where they have been cleaned as if with a scythe. Where that happens it is commonly known that reproduction or the reproductive capacity is either destroyed or very seriously delayed.

This matter, Mr. Speaker, is far too important for any person to take a

mere political view. I am not attaching any blame to any Government. This Government is as much to blame as any other, for that matter no one is to blame. We all know our people in the past enjoyed certain liberties, traditional rights in respect of our Crown Lands, and we all know that our forefathers abused those rights in certain ways. This problem has been apparent to government after government in the past, has often been discussed right here in this House of Assembly, yet no government has—well I put it that way, they have all hesitated to take any drastic measures, some because of political considerations and others because of economic considerations. Now, it would be a comparatively easy job for this or any government to make immediate drastic curtailments. But any abrupt and unconsidered steps along those lines would inevitably create hardships and in certain areas might well disrupt the local economy. I think the most sensible solution is to have the whole question studied by a qualified commission, whose findings based on scientific, economic study would enable them to recommend to the Government a long term programme in which conservation plans would be included together with a programme of utilization on a substantial yield basis in which the interests of all our people would be observed. This is what the Province of British Columbia had to do in 1943 when they set up a Royal Commission on Forestry and the Province of Ontario set up a Royal Commission for precisely the same purpose in 1946 as did the Province of Saskatchewan in 1947. If these provinces where the forests, valuable as they are, do not have such a proportionate significance to the total economy as do the forests right

here in Newfoundland, if they found that necessary, as they did, how much more important is it for us to take some such action.

The Speech from the Throne also dealt with the need for an agricultural commission. I recently have been studying also the programmes adopted by various governments in the past on agriculture. I think that I can say agricultural expectations have fluctuated through the years from tremendous optimism to utter frustration. Whiteway, Bond and Morris and others sponsored programmes which set out in high anticipation and often ended in disappointment. In our own generation the Commission of Government undertook a number of ambitious policies, most of which were highly expensive and some of which were certainly not examined properly nor in sufficient detail. I am not saying that critically but am merely stating an opinion. They had some very serious problems in 1934-36 and found they had not the time to do that. At any rate they did attempt some fairly extensive programmes and some of them, not all, failed and some of them met with reasonable success. I have examined the expenditures on agriculture over the past eighteen years. I found the total expenditure directly for agriculture was some six and a half million dollars. Now, that six and a half million dollars was much more important and would have much more significance in the 1930's and would have a much more significant effect than it would have today, we might have to double the amount to get the picture. From time to time policies of one type or another were introduced and in the light of bitter experience were discarded, for example: Three million dollars spent

on land settlement based primarily on agriculture, demonstration farms at Mount Pearl which cost the Government nearly a half million dollars. So I could go on. Now, I am not referring to these things critically but merely stating the facts as a matter of record. It is the opinion of this Government that any agricultural programme involving large expenditures of public money should be based on a long term and well thought policy. Accordingly it is felt that the setting up of a commission to study all aspects of our agriculture, land clearing, the blueberry industry, live stock, marketing schemes, horticulture, regional planning, the possibilities of large scale commercial farming, the poultry industry, the Government's role in subsistence and supplementary farming, the application of new technological processes, the acquisition of scientific and technical information through controlled surveys—all these and many others as well—the setting up of a policy to consider all these is the duty of any government which is concerned with the future.

Now, while on the matter of the Forestry and Agricultural Commissions, I would like to set this House at rest on one score and that is that it is not the intention of the Department of Mines and Resources, nor of the Government, to take advantage of the setting up of these two Commissions and the time lapse that must inevitably occur before reports can be made to adopt a do-nothing policy in the interim. It is not the intention of the Department of Mines and Resources to sit back and adopt this "do-nothing" policy. The function of these Commissions reports will, we hope, be in the nature of recommending to the Government a blueprint for a long term policy. If, in

the next twelve or fifteen years, for example, the Government is to spend say ten million dollars on overall agricultural development, it certainly ought to be based on carefully thought out schemes and not on a haphazard basis.

The ground work laid by the Government during the past three years in the study of the economic potentialities of our resources has already borne fruit in a number of ways. Last summer, for example, the following Companies carried out exploration and prospecting work in the Province of Newfoundland (note the emphasis on "exploration and prospecting" work): Falconbridge, Frobisher (Newfoundland), Independent Mining, Cape Copper, Buchans Mining, American Zinc, Reynolds, New Jersey Zinc, Nfld. Fluorspar, John Fox, Iron Ore Co. of Canada, Labrador Mining and Exploration, Frobisher (Labrador), American Metals, National Lead and Atlantic Iron Ore.

Besides this, considerable exploration was done by private individuals and the total amount spent on prospecting and exploration work (not on development) was approximately two and one half million dollars, much of which found its way into the pockets of our people. And that has no reference to the one and one-half million dollars paid in wages by the Iron Ore Company of Canada to Newfoundland workmen engaged in the railway construction work in Labrador. It has no reference to that. The two and a half millions spent was wholly and solely on prospecting and exploration. If no tangible development ever took place as a result of this exploration and prospecting, it would still have been a good thing, comparable to a good-sized industry;

but we do not anticipate that nothing will result. Some of the Companies spent \$350,000 on prospecting alone and a big company does not spend that much money without some very good hopes of results. It is the considered opinion of the Government that within the next three years there will be two or three new mines in actual operation in the Island of Newfoundland. (I am not referring to Labrador in this instance).

One other phase of our resources development which will occupy our attention is the wild life of the Province. When we consider that every year a half million dollars worth of meat is secured by our people from moose at comparatively very little cost — (\$5.00 for a license)—and when we consider that less than fifty years ago moose were introduced in this Province and from which our people are more or less guaranteed a half million dollars worth of fresh meat every year, I think it is clear that further studies and programmes in wild life should be undertaken. One other thing, this year a programme to introduce moose into Labrador is being implemented. We worked it out and if the thing is successful, it would mean that in twenty or twenty-five years, our people in Labrador will be able to take, if they care to, just as many moose as the people in Newfoundland can and that would be a very significant thing to these people.

The Government through the Department of Mines and Resources is giving some consideration to other species here. I want to say that no decision has been taken and no decision is likely to be taken for some months, other than introducing the moose. But only today I received information regarding white tailed deer, possibly

from the highest source in North America. But I can assure the House that no steps will be taken—

MR. CASHIN: Talk about white tailed deer has been moving around here for years. We haven't seen any yet.

MR. HOLLETT: There is one white tailed deer in Bowring Park.

DR. ROWE: No steps will be taken without the most thorough investigations by most qualified persons. Also the question of game birds is under consideration. We know too little about the life and habits of our ptarmigan and partridge population. Take, for example, ten most experienced sportsmen and you will get ten different opinions on what we should or should not do. Yet it is obvious that a buildup of this species of game would increase Government revenue, would be a further attraction to tourists, would be a source of pleasure and recreation to our people and would, in certain parts of the Province at any rate, add materially to the standard of living just as the moose have done in other parts. May I say that here, as elsewhere, Newfoundland has been backward in acquiring a fund of scientific information which ought to be a pre-requisite to any large-scale experimentation or development. We must get precise information before we can do anything about those things.

And so, Mr. Speaker, I could go on but I have already been a little selfish in respect of time, and there will be other opportunities for me to elaborate on the matters. But I have said enough to indicate my conviction that we are only on the fringe of realizing our potentialities in this Province.

In this my first speech I shall end on a note of affirmation. First, my profound faith in the dynamic leadership being provided by the Leader of the Government. Secondly my conviction that this Government, while it must inevitably make mistakes and while those mistakes will rightly be under fire and criticism, not only in the House, but outside as well—yet it is my profound conviction that this Government will not make the unforgiveable mistake of adopting a laissez faire policy, the "do-nothing" policy. I wish to affirm also that while allowing for the normal ups and downs in national and international trade, or current fluctuations and, maybe, depressions; allowing for that I wish to affirm my belief, my absolute confidence that we in Newfoundland are on the threshold of the greatest era of development such as we have never dreamed of before.

MR. HOLLETT: It was the intention, Mr. Speaker, that the Honourable member for Harbour Main-Bell Island would move the adjournment of the debate, but he was called away on a labour matter and he asked me to move it on his behalf.

MR. SPEAKER: Moved and seconded that the debate be adjourned.

Motion carried.

#### Answers to Questions

MR. SPEAKER: Question No. 1.

MR. MURRAY: That question should have been directed to the Department of Municipal Affairs instead of Provincial Affairs.

MR. CASHIN: Can it be done now without having to re-write it?

MR. MURRAY: The Minister is not here today but it will be called to his attention.

MR. SPEAKER: Question No. 2.

MR. CURTIS: I would be pleased to table the Report of Mr. Hunt—I have it here in my briefcase and would be happy to show it to any member of the House—but it would be unfair at the moment to table it because when it is tabled it is released for publication and that would not be

fair to anyone who may be prosecuted. Prosecutions are intended and it would not be fair (and I am sure the legal member for St. John's East will agree with me in that)—it might prejudice any Jury empanelled to try the case.

MR. HIGGINS: That depends on what is in the Report.

MR. CURTIS: I would be happy to show it to any member of the House either here or at the office.

MR. SPEAKER: Question No. 2 (2) What was the cost of the inquiry? Cost of Inquiry was \$6,039.20

Disbursed as follows:

|                                   |                                  |            |
|-----------------------------------|----------------------------------|------------|
| Miss Blaikie Ayre                 | Reporting .....                  | \$ 368.00  |
| Miss Catherine Murphy             | Reporting .....                  | 368.00     |
| Gerald G. Tessier                 | Conduct Money for Witnesses ...  | 26.00      |
| Charles E. Hunt, Q.C.             |                                  | 1,750.00   |
| Hon. P. J. Lewis, Q.C.            |                                  | 2,500.00   |
| Gerald G. Tessier                 |                                  | 1,000.00   |
| Hunt, Emerson, Stirling & Higgins | Binding of Books of Evidence ... | 27.20      |
|                                   |                                  | <hr/>      |
|                                   |                                  | \$6,039.20 |

MR. SPEAKER: Question No. 2 (3) Is it the intention of the Government to take any legal proceedings in connection with the Report made by the R.C.M.P. covering the administration of the Mental Hospital?

MR. CURTIS: The answer is: It is.

"Table a copy of the Report made by the R.C.M.P."

The answer to that is that it would come under the same category. It is available to anybody in the House. I have only one copy and that is in the hands of the Prosecutor.

"Why was it necessary to have a further inquiry following the Report made by the R.C.M.P.?"

The situation there is that the R.C.M.P. made the customary inquiry. It was an inquiry made by way of Statements, not under oath. The inquiry showed that something was wrong. There had been considerable misdoings at the Hospital and it was felt therefore that we could get at the base of the matter if we had an inquiry where witnesses could be called and examined under oath. That was done and considerable information was gleaned.

I might say that prosecution is indicated but still further investigations are being conducted. As to where and when the prosecutions will begin, I am hoping before the end of the present session to be able to tell you that.

MR. CASHIN: Is it in order to supplement my question there? In connection with Dr. O'Brien, I would like to know, is there any prosecution being taken against him?

MR. CURTIS: None, and none is contemplated.

MR. CASHIN: In other words Dr. O'Brien is innocent.

MR. CURTIS: Yes; as I said before, no prosecution is contemplated.

MR. HOLLETT: Have you any idea when the prosecutions will take place? It seems unfair to these people to have suspicion cast upon them.

MR. CURTIS: I agree with my honourable friend; but as I said, we are doing everything possible; but as my honourable friend the member for St. John's East will know, we have been beset with criminal matters.

MR. HIGGINS: Don't blame me.

MR. CURTIS: You should thank us. But I do say that we are not procrastinating of our own choice; it is necessity. With regard to the question of legal fees, I have that information.

The sum of \$90.00 was paid to H. H. Cummings, as Counsel in the case of R. Vs. Rendell & Woolridge.

In connection with No. 5 (a) Yes. No proceedings were taken, but the Premier has addressed correspondence to the Prime Minister of Canada. The matter has been referred by the Prime Minister to his Minister of Justice and the Minister of Justice of Canada and the Attorney General of Newfoundland are following the matter up.

MR. CASHIN: No legal fees or retaining fees were paid?

MR. CURTIS: No legal fees were paid to anyone. The policy of the Government is to do what it can to collect this money.

MR. SPEAKER: Point 1, Question 2—Since the Attorney General has stated that prosecutions will take place and that the Report will be made available to members, publication either by word written or spoken or otherwise indicated of the contents of the Report would be the highest breach of faith by the House. Members will therefore be very careful. No matter may be discussed in the House relative to matters pending prosecutions.

MR. CASHIN: I appreciate your point, but I would remind the House that in my supplementary question to the Attorney General, the statement was made that Dr. O'Brien had been proven innocent of any misdoings and this can be referred to.

MR. CURTIS: I did not say that. I said no prosecution was contemplated.

MR. CASHIN: And I said "therefore Dr. O'Brien is innocent." And you said "yes."

MR. CURTIS: The Report did not indicate prosecution.

MR. SPEAKER: I would remind the members that this Report is about to be given confidentially and as this Report may result in prosecutions, the contents of the Report of Mr. Hunt are not to be referred to.

MR. SPEAKER: Question No. 3, addressed to the Minister of Public Works.

MR. SPENCER: The answer to that is that the information is in the course of preparation.



MR. SPEAKER: No. 4 addressed to the Honourable the Minister of Public Health.

(Minister absent).

MR. SPEAKER: No. 5, addressed to the Honourable the Minister of Municipal Affairs and Supply.

(Minister absent).

MR. SPEAKER: No. 6, addressed to the Honourable the Minister of Finance.

MR. POWER: The information is being prepared.

MR. CURTIS: I can reply to the last item in No. 6—"Table the last available Financial Statement of the Bowater Paper Company for which the Government are Guarantors of a substantial amount." I have here a copy of the Report, and as it is the only one I have, I would appreciate it if my honourable friend would return it.

MR. SPEAKER: No. 7, addressed to the Honourable the Minister of Finance.

MR. POWER: The information is being prepared. In connection with No. 8, I have the answer.

(1) \$7,358,156.89.

(2) \$10,850,000.

**Total Current Revenue by Departments 1st April, 1952, to 28th February, 1953.**

| Department                         | Amount                 |
|------------------------------------|------------------------|
| Finance .....                      | \$23,643,565.79        |
| Provincial Affairs .....           | 420.24                 |
| Education .....                    | 330,351.79             |
| Attorney General .....             | 96,792.52              |
| Mines and Resources .....          | 827,440.26             |
| Public Works .....                 | 1,000,954.04           |
| Health .....                       | 973,082.23             |
| Public Welfare .....               | 747,136.21             |
| Board of Liquor Control .....      | 2,600,000.00           |
| Municipal Affairs and Supply ..... | 24,265.65              |
| Fisheries and Co-operatives .....  | 31,304.51              |
| Economic Development .....         | 177,000.71             |
| Labour .....                       | 10,975.98              |
| <b>TOTAL .....</b>                 | <b>\$30,463,290.03</b> |

The above figures are subject to final audit.

| Description                                 | Received   | Estimated            |
|---|------------|----------------------|
|   | to 28/2/53 | 1/3/53<br>to 31/3/53 |
| Statutory Subsidies .....                   | 1,569,133  | NIL                  |
| Tax Rental Agreement .....                  | 10,108,813 | 2,668,725            |
| Transitional Grant .....                    | 5,650,000  | NIL                  |
| Grant-in-Aid :                              |            |                      |
| Vocational Training .....                   | 64,949     | 13,051               |
| Teacher Training .....                      | 6,900      | 8,000                |
| Trans-Canada Highway .....                  | 149,847    | 390,150              |
| Hospital Construction .....                 | 7,778      | 52,222               |
| Expansion of existing Health Services ..... | 408,225    | 141,775              |
| Old Age Assistance .....                    | 611,433    | 226,067              |
| Blind Persons' Allowances .....             | 87,771     | 32,229               |
| Esquimeaux and Indian Assistance .....      | NIL        | 35,000               |

**Total Current Expenditure by Departments 1st April, 1952,  
to 28th February, 1953.**

| Department                         | Amount                 |
|------------------------------------|------------------------|
| Consolidated Fund Services .....   | \$ 531,089.66          |
| Legislative .....                  | 62,777.36              |
| Executive .....                    | 56,939.86              |
| Finance .....                      | 852,604.11             |
| Provincial Affairs .....           | 47,095.42              |
| Education .....                    | 5,133,597.43           |
| Attorney General .....             | 1,316,866.05           |
| Mines and Resources .....          | 943,014.41             |
| Public Works .....                 | 3,664,553.33           |
| Health .....                       | 5,188,356.08           |
| Public Welfare .....               | 5,394,595.69           |
| Board of Liquor Control .....      | 211,176.82             |
| Municipal Affairs and Supply ..... | 703,763.71             |
| Fisheries and Co-operatives .....  | 311,334.41             |
| Economic Development .....         | 165,390.17             |
| Labour .....                       | 59,420.33              |
| <b>TOTAL .....</b>                 | <b>\$24,642,574.84</b> |

The above figures are subject to final audit.

Total Capital Expenditure by Departments 1st April, 1952,  
to 28th February, 1953.

| Department                       | Amount                 |
|----------------------------------|------------------------|
| Consolidated Fund Services ..... | \$ 460,000.00          |
| Education .....                  | 601,514.95             |
| Mines and Resources .....        | 10,753.05              |
| Public Works .....               | 3,345,524.74           |
| Health .....                     | 404,984.79             |
| Municipal Affairs & Supply ..... | 603,016.71             |
| Fisheries & Co-operatives .....  | 139,882.45             |
| Economic Development .....       | 4,734,369.53           |
| <b>TOTAL</b> .....               | <b>\$10,300,046.22</b> |

The above figures are subject to final audit.

**Financial Surplus Account**  
From Date of Union to 28th February, 1953.

|   | Available to<br>meet Current<br>A/C Deficits | Available to<br>meet Capital<br>Expenditures | Total         |
|---|--|--|---------------|
| Surplus estimated as of Date of<br>Union March, 1949 .....  | 13,427,716.14                                | 26,855,431.28                                | 40,283,147.42 |
| Add:  |  |  |               |
| Collection of pre-Union Assets,<br>less payment of pre-Union li-<br>abilities during the period ended<br>28 February, 1953: |  |  |               |
| 1950 .....  | 316,507.26                                   | 633,014.51                                   | 949,521.77    |
| 1951 .....  | 534,450.52                                   | 1,068,901.05                                 | 1,603,351.57  |
| 1952 .....  | 279,151.39                                   | 558,302.79                                   | 837,454.18    |
| 11 months to Feb. 28, 1953 ....   | 60,579.63                                    | 121,159.26                                   | 181,738.89    |
| Surplus as of 28 February, 1953, as<br>adjusted .....   | 14,618,404.94                                | 29,236,808.89                                | 43,855,213.83 |
| Add:  |  |  |               |
| Surplus on Current Account for<br>year ended 31 March:  |  |  |               |
| 1951 .....  | .....  | 649,489.59                                   | 649,489.59    |
| 1952 .....  | .....  | 1,698,399.38                                 | 1,698,399.38  |
| 11 months to 28 Feb. 1953 ....  | .....  | 5,820,715.00                                 | 5,820,715.00  |

## Deduct :

|  |                     |                      |                      |
|--|---------------------|----------------------|----------------------|
| Deficit on Current Account for year ended 31 March, 1950 ..... | 3,735,875.04        | .....                | 3,735,875.04         |
| Capital Expenditures for period ended 28 Feb. 1953 :           |                     |                      |                      |
| 1950 .....   | .....               | 5,632,372.76         | 5,632,372.76         |
| 1951 .....   | .....               | 9,856,141.09         | 9,856,141.09         |
| 1952 .....   | .....               | 15,967,097.89        | 15,967,097.89        |
| 11 months to 28 Feb. 1953 .....                                | .....               | 5,949,801.12         | (a)5,949,801.12      |
|  | <u>3,735,875.04</u> | <u>37,405,412.86</u> | <u>41,141,287.90</u> |
| Estimated Surplus as of 28 February, 1953 .....                | 10,882,529.90       | .....                | 10,882,529.90        |

The above figures are subject to final audit.

## NOTE :

|  |                 |
|--|-----------------|
| (a) Total Capital Expenditure 11 months to Feb. 28, 1953 ..... | \$10,300,046.22 |
| Less Capital Account Revenue .....                             | 478,325.15      |

9,821,721.07

|                               |              |
|-------------------------------|--------------|
| Charged against Surplus ..... | 5,949,801.12 |
|-------------------------------|--------------|

\$3,871,919.95

MR. SPEAKER : Question No. 9 Auditor General's Report.—Tabled.

MR. SPEAKER : Question No. 10 —In the course of preparation.

MR. SPEAKER : Question No. 11.

MR. POWER : (1) \$4,185,872.

(2), (3) and (4). These sections of the Question have been referred to the Honourable the Minister of Economic Development.

(5) Cost of Gypsum Plant to 28/2/53 : \$2,450,394.42.

(NOTE : The remainder of this Question has been referred to the Honourable the Minister of Economic Development).

(6) Working capital advanced to 28/2/53 : \$500,000.

(NOTE : The remainder of this Question has been referred to the Honourable the Minister of Economic Development).

MR. CURTIS : No. 12. That answer is being prepared.

MR. SPEAKER : No. 13—addressed to the Minister of Public Works.

MR. SPENCER : The answer there is that it is in the course of preparation.

MR. SPEAKER : No. 14, addressed to the Premier.

MR. CURTIS : I presume the answer is that it is being prepared.

MR. SPEAKER : No. 15 addressed to the Honourable Minister of Fisheries.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): The information which the Government has regarding storm damage is in the hands of a Minister other than myself. He is not present in the House at the moment. Undoubtedly when he has the information he will submit it.

MR. HOLLETT: May I ask who the Minister is?

MR. KEOUGH: The Honourable Minister of Health.

MR. SPEAKER: No. 16—addressed to the Minister of Finance.

MR. POWER: The Government would like some clarification of the question—how far back does the honourable member want us to go?

MR. HOLLETT: April 30, 1949.

MR. SPEAKER: No. 17—addressed to the Minister of Finance.

(i) No.

(ii) Answered by (i) above.

MR. CURTIS: In connection with 17 (3), I would say the answer is "no." I might say in this case the Government did not issue any guarantee, but the Department of Economic Development found the money and it was paid out of Current Account and the legislation amending the Act will be introduced at this session.

I may say for the information of the House that in this case the Government did not issue any guarantee but the Department of Economic Development found money and it was paid out of current account. The proper legislation amending the Act will be introduced in this session.

MR. HOLLETT: Mr. Speaker, I am not quite clear on that—

MR. CURTIS: I say that was a case where the Government paid a bill and made an agreement to guarantee two hundred and fifty thousand dollars to the company—instead the Government, the Department of Economic Development found the money and took securities. Legislation will be introduced this year to ratify what has been done. In other words instead of having the agreement come under the guarantee passed last year it will probably be a loan and guarantee Act.

MR. SPEAKER: Question No. 18.

(a) Credit Balance of \$3,057,034.57. No advance or loan from Bank.

(b) See reply to question No. 7 (1). Proceeds of bond issue: \$9,850,000.

(c) See annexed statement.

(d) See annexed statement.

(e) See reply to Question No. 8 (1). \$7,358,156.89.

| Department                         | Current         |                 | Capital      |                 | Financial Surplus |              |
|------------------------------------|-----------------|-----------------|--------------|-----------------|-------------------|--------------|
|                                    | Revenue         | Expenditure     | Revenue      | Expenditure     | Revenue           | Expenditure  |
| Consolidated Fund Services .....   | \$ .....        | \$ 531,089.66   | \$ .....     | \$ 460,000.00   | \$ .....          | \$ .....     |
| Legislature .....                  | .....           | 62,777.36       | .....        | .....           | .....             | .....        |
| Executive Council .....            | .....           | 56,939.86       | .....        | .....           | .....             | .....        |
| Finance .....                      | 23,643,565.79   | 852,604.11      | .....        | .....           | 14,543.16         | 85,602.85    |
| Provincial Affairs .....           | 420.24          | 47,095.42       | .....        | .....           | .....             | .....        |
| Education .....                    | 330,351.79      | 5,133,597.43    | .....        | 601,514.95      | .....             | 7,564.30     |
| Attorney General .....             | 96,792.52       | 1,316,866.05    | .....        | .....           | .....             | .....        |
| Mines and Resources .....          | 827,440.26      | 943,014.41      | .....        | 10,753.05       | .....             | 10,308.69    |
| Public Works .....                 | 1,000,954.04    | 3,664,553.33    | 159,026.90   | 3,345,524.74    | .....             | 19,405.23    |
| Health .....                       | 973,032.33      | 5,188,356.08    | .....        | 404,984.79      | .....             | .....        |
| Public Welfare .....               | 747,136.21      | 5,394,595.69    | .....        | .....           | .....             | .....        |
| Board of Liquor Control .....      | 2,600,000.00    | 211,176.82      | .....        | .....           | .....             | .....        |
| Municipal Affairs and Supply ..... | 24,265.65       | 703,763.71      | 93,075.89    | 603,016.71      | .....             | 13,455.53    |
| Fisheries and Co-operatives .....  | 31,304.51       | 311,334.41      | 1,222.36     | 139,882.45      | .....             | 59,944.45    |
| Economic Development .....         | 177,000.71      | 165,390.17      | 225,000.00   | 4,134,869.53    | .....             | .....        |
| Labour .....                       | 10,975.98       | 59,420.33       | .....        | .....           | .....             | .....        |
|                                    | \$30,463,290.03 | \$24,642,574.84 | \$478,325.15 | \$10,300,046.22 | \$14,543.16       | \$196,281.05 |

NOTE: Figures to 28/2/53 subject to final audit.

MR. SPEAKER: Question No. 19.

MR. CURTIS: I presume, Mr. Speaker, the answer is being prepared.

MR. SPEAKER: Question Nos. 20, 21, 22, 23, 24, 25, 26.

MR. CURTIS: All these questions are addressed to the Honourable Minister of Economic Development, I ask they be deferred until tomorrow.

MR. SPEAKER: Question No. 27.

HON. S. J. HEFFERTON (Minister of Supply): The answer is now in course of preparation, Mr. Speaker.

MR. SPEAKER: Question No. 28. Answer deferred until tomorrow.

MR. SPEAKER: Question No. 29.

MR. SPENCER: In connection with Question No. 29, Mr. Speaker, the question is extremely vague as far as I can see. The answer to that question as it is phrased there is; nil. But I really think the honourable gentleman was inquiring regarding a section of Trans-Canada Highway which joins sections of the existing Trans-Canada Highway leading from the Trans-Canada Highway near the station at Windsor on to connect with the highway joining the town of Grand Falls and near the highroads shed just outside the town. I think that is what the honourable gentleman had in mind and the answer to that question will be provided.

MR. SPEAKER: Question No. 30. In course of preparation.

MR. SPEAKER: Question No. 31.

MR. POWER: 1. Newfoundland Government: \$4,246.20.

2. Industrial Development Loan Board: Referred to Board for atten-

tion. Reply will be tabled in due course.

MR. SPEAKER: Question No. 32. Deferred.

#### Orders of the Day

Second reading of Bill "An Act Further to Amend Chapter 111 of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and other Documents.'"

MR. CURTIS: Mr. Speaker, I ask that order be deferred.

First reading of Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government of Newfoundland and Atlantic Gloves Limited." Moved by Mr. Curtis in the absence of the Premier.

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 Judicature Act."

Read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Mines and Resources asks leave to introduce a Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and International Forest Products Limited." Read a first time, ordered read a second time tomorrow.

Honourable the Minister of Fisheries and Co-operatives asks leave to introduce a Bill, "An Act Further to Amend the Co-operative Societies Act, 1939." Read a first time, ordered read a second time tomorrow.

MR. CURTIS: Mr. Speaker, I move that the House at its rising do adjourn until tomorrow Thursday at 3:00 of the clock.

MR. SPEAKER: Before I put the motion to adjourn I have to extend to the House the greetings of the House of Commons of Westminster conveyed to me by letter and by hand from Mr. Speaker Morrison.

In addition I am also asked to extend to this House the good wishes from the Senate of Ceylon again conveyed by letter through the Honourable Senator, Sir Lalita Rajapakse, Minister of Justice of Ceylon. The Honourable Minister has been interested in Newfoundland for some time and expressed his wishes to extend good wishes to the Newfoundland Legislature. I omitted to do that on opening day.

The House is now adjourned until Thursday, March 19th, 1953, at 3:00 of the clock.

THURSDAY, March 19th, 1953.

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

#### Presenting Petitions

MR. MORGAN: Mr. Speaker, I beg leave to present a petition signed by fifty-two residents of Burlington in the district of Green Bay. Actually, this is the second instalment of the petition which I presented last year, containing some eleven hundred and twenty-one names, bringing the total number of signatures to eleven hundred and seventy-three.

The petitioners request that a road be constructed from the settlement of Burlington to connect with the present road leading from Baie Verte in towards Deer Lake. The distance to be constructed is some eight to ten miles.

From the number of signatures to the petition, it can easily be seen that the request is a practical one. The road is being used quite extensively by residents of all the northern side of Green Bay, and particularly by the lumber men going to work at Baie Verte.

In 1950, I believe, the Government spent some money on this road, and made it passable as a snowmobile trail. The present petition prays that the road be put in shape for vehicle traffic. I move the petition be placed on the table of the House, and referred to the proper department.

MR. DROVER: Mr. Speaker, I rise to support this petition—I spent three winters travelling over land from LaScie to Burlington and I know the hardships of the people, their lack of communications and roads. The only means they have to get to hospital at Baie Verte in White Bay district is by sea, and I feel sure that if this road is built from Burlington to Baie Verte it will alleviate much of the suffering that the people of that district must endure. We are hoping to build a hospital at Baie Verte, and that will be the nearest hospital in the northern part of Newfoundland to people of the north side of Green Bay.

It is also within a short distance of the Trans-Canada Highway, from White Bay to Baie Verte, and I have much pleasure in supporting the petition.

MR. BROWN: I beg leave, Sir, of this House to present a petition signed by seven hundred voters in your district requesting that a bridge be erected over Taylor's Brook.

The petition is signed by the residents of Daniel's Harbour, Parson's



Pond, Cow Head, St. Pauls, Sally's Cove, Green Point, Baker's Brook, Rocky Harbour, Norris Point and Woody Point.

The petitions pray, Sir, that a bridge be erected across Taylor's Brook. The span of the bridge would be in the estimation of the petitioners, one hundred and ten feet. At high tide, the depth of the water is three feet. They point out, Sir, that winter travel in that district, as you know, is always difficult, and it is made harder in this particular area by the hazards of a rough and a swift current. All travellers to Bonne Bay, including the sick going to hospital, must cross this brook and sometimes must wait for hours with no shelter until someone from a nearby settlement comes to ferry the patients across. The absence of such a bridge, Sir, makes it impossible for snowmobiles to make a continuous run, and so mail is delayed and winter freight handling is made very expensive.

The petition, Sir, is endorsed by the magistrate for the district, Mr. Spracklin, and I have much pleasure, as indeed you know, to support this petition and ask that it be received and referred to the department concerned.

MR. MORGAN: Mr. Speaker, having had the experience of living in that area for just over a year, I can endorse everything that has been said by the honourable member for Bonavista South in presenting that petition. I, myself, have had the experience of walking up to Taylor's Brook late in the evening and waiting for two or three hours until our good friend Tom Decker got across from the other side to take us across the very swift moving river.

As a matter of fact, in September last, I crossed there in a boat, and was

talking to some of John Fox's men, drillers up at St. Paul's and Parson's Pond. They told me then, that but for the lack of a bridge to cross Taylor's Brook, and the difficulty in crossing, they would have found their operations much more simple and far less costly than they have been. At the present time, they have to bring their equipment by barge from Bonne Bay up to St. Paul's and Parson's Pond, but if there were a bridge there, they would be able to move their supplies over land.

I have much pleasure in supporting the petition.

MR. DROVER: Mr. Speaker, I wish to present from the residents of Raleigh, Quirpon, Englee, Boat Harbour, Little Harbour.

They are requesting a cheaper medical service and an extension of medical services in that area. The petition is signed by one thousand and thirty-five voters of the district of White Bay. It would probably seem a little strange to this House for me to ask for extension of medical services for people of White Bay and to get a cheaper rate, but in supporting this petition I wish to say that in most parts of Newfoundland, hospitalization is given to the people in the rural areas at the rate of \$15.00 a year, but my people pay that in a day. Apart from a nurse at Jackson's Arm in White Bay, there is no other nurse outside of St. Anthony apart from that at Englee. I believe, Sir, that whilst the International Grenfell Association is giving a very magnificent service to the people in that area, yet in this day, they are not doing their part as far as helping the people in the isolated areas. As you know, and this House is aware, we have no roads in White Bay, we have

no communications from one settlement to another, apart from boat and dog team in the winter time. I, Sir, heartily support the one thousand and thirty-five voters of White Bay in requesting cheaper medical services on par with that given other rural areas of Newfoundland, and also the extension of the services in the north. I respectfully request, Sir, that this petition be tabled in the House, and be sent to the department concerned for consideration.

#### Presenting Reports of Standing and Select Committees

MR. SPEAKER: I should like the members of the library committee in the next three or four days, to see the librarian in regard to the list of books which may be purchased for the library.

#### Giving Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I beg to lay on the table of the House, the annual report of the Newfoundland and Labrador Corporation. I may say, that report answers pretty well, all the questions of which notice was given on the corporation. There may be one or two others about which information was requested, the answers to which are not to be found in that report. If that is so, I propose to give the answers now in reply to the other questions.

MR. SPEAKER: Are there any further notices of motion or questions?

Question No. 33 appearing on the Order Paper today.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I have here the answers to

questions Nos. 33 and 34, which I now table:

33. (a) No. Only one of these boats, the M.V. Grotta, has been sold to Mr. Alex Duffett of Clarenville.

(b) The tender submitted by Mr. Duffett, and which was accepted was an offer of \$25,000, \$5,000 of which was paid upon execution of the Bill of Sale, the balance is payable in annual instalments of \$5,000, together with interest at  $3\frac{1}{2}\%$  per annum on the balance outstanding.

34. This question is improperly addressed to the Minister of Fisheries and Co-operatives.

MR. SPEAKER: Question No. 35.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, the answer to that question is not yet ready. I checked on it before leaving my office today, and I hope to have the answers to all three questions referred to my department in here in the next day or so.

MR. SPEAKER: I should like to point out in that respect, that some of these questions overlap and repeat which is not quite the correct procedure.

Question No. 36.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I don't have any answers to questions today. All the information requested is being prepared and will be tabled in due course.

MR. SPEAKER: Question No. 37.

HON. S. J. HEFFERTON (Minister of Supply): The answer is being prepared, Mr. Speaker.

Questions Nos. 38 and 39 being prepared.

MR. SPEAKER: Question No. 40.

MR. KEOUGH: The answers to question No. 40 and No. 41 are in course of preparation, Mr. Speaker.

MR. SPEAKER: Question No. 5, Order Paper March 18th.

MR. SMALLWOOD: That question requires considerable delving into two or three departments, but the answer will be forthcoming within the next few days.

MR. SPEAKER: Question No. 4.

HON. P. S. FORSEY (Minister of Public Health): Mr. Speaker, I have the answer to question No. 4 with reference to persons presently engaged by the Transport of the Department.

Answer tabled as follows:

4. (1) It is presumed that the question refers to the appointment in December, 1952, of Mr. Kenneth Cutts to the post of Clerk, Grade II in the Ambulance and Transport Service of the Department of Health at the commencement point on the relevant salary scale \$1800-70-2500.

His appointment was made on the recommendation of the Civil Service Selection Board at a meeting convened on December 6th, 1952. The post had been circularized throughout the Civil Service and advertised in the Daily Papers on a number of occasions during 1952 without attracting a qualified applicant. A final advertisement in the public press brought, amongst others, an application from Mr. Kenneth Cutts, a British subject, ex-serviceman, prisoner of war in Germany for four and a half years, who subsequently was attached to the British Control Commission in Germany where he worked in an administrative capacity for a British Motor

Transport Division. He is exceptionally well educated and highly qualified for the post he now holds and was unanimously recommended by the Civil Service Selection Board. Since his appointment he has been discharging his duties in a most commendable manner and the Department considers itself fortunate in obtaining his services.

4. (2) I am reluctant to table copies of all correspondence between the former Minister of Health and Dr. G. J. O'Brien leading up to his removal from the position as Superintendent of the Mental Hospital. I do feel that all the pertinent information has been revealed in the recent public inquiry and that public interest in the whole matter has been fully served. I am, therefore, not prepared to satiate further any idle curiosity on personal incidents resulting in departmental disciplinary action without the written or oral permission of Dr. O'Brien. If such consent is to be obtained, I shall be pleased to table all copies of correspondence.

4. (3) The post of Secretary at the St. John's General Hospital is held by Mr. Martin Kennedy who commenced duty in January, 1953, with salary on the relevant scale of \$2800-100-3300. For some years efforts had been made to fill this post without success. Repeated advertisements appeared in the Daily Papers and the Civil Service Selection Board after a number of meetings were unable to recommend a qualified person for the position. The final public advertisement made by the Civil Service Selection Board resulted in few and similar responses to those previously received with the exception of two applicants from England, one of whom, Mr. Martin Kennedy, was highly qualified

and experienced inasmuch as he was a Diplomat of the Institute of Hospital Administrators, being an Associate Member, as well as a Member of the Institute of Public Administration. He obtained his Third year in Economics at Sheffield University and has had considerable experience in Hospital Finance, contracts and supply as Secretary to a large English Management Committee. The recommendation for his appointment was approved by Cabinet in October, 1952.

The post of Secretary at the St. John's Sanatorium is filled in a temporary capacity by Mr. Oliver L. Walsh, who commenced duty in January, 1953, with salary at the rate of \$2600 per annum. Mr. Walsh is also a highly experienced official, being a Fellow of the English Hospital Administrators Association and having been in complete charge of a large hospital for quite a number of years before coming to Newfoundland to visit relatives.

Both these gentlemen are British subjects and are ex-servicemen. The Department of Health is fortunate in having these highly experienced and competent men in its employ.

In the case of Mr. Kennedy, he is under contract for two years, with Mr. Walsh accepting a temporary appointment until such time as a competent Newfoundlander can be located or trained for the post. In the latter connection it should be observed that the Department of Health has obtained a Federal Health Project through Ottawa whereby several promising Newfoundlanders can be trained for employment in hospital administration, and presently three Newfoundlanders have been chosen to take the course in Hospital Adminis-

tration, which will involve study and final examination at Toronto University.

With reference to the question asked by the Honourable Leader of the Opposition, Question No. 15, report of storm damage: That report has been compiled and made to the Government on the various affidavits and deposits made by fishermen who sustained losses. The Government has not yet made any decision as to what action will be taken in the matter, but I should think the decision will be made very shortly.

M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, may I ask if that will be during this session?

MR. FORSEY: I would think so.

MR. SPEAKER: Question No. 12.

MR. SMALLWOOD: Mr. Speaker, most of this question has been answered in the report that I have just tabled. To the question: Advise the House if the Government has purchased further stock in the company which would be in addition to the nine hundred thousand dollars originally used for the purchase of 90% of the issued stock, the answer is; no.

Inform the House whether or not it is the intention of the Government to dispose of its holdings in the Corporation to private interests as indicated by statements in the public press recently; the answer is the Government has no such intention.

MR. SPEAKER: Question No. 13.

MR. SPENCER: As previously stated, Mr. Speaker, the answer to that question is being prepared.

MR. SPEAKER: Question No. 14. In course of preparation.

MR. SPEAKER: Question No. 15.

MR. KEOUGH: Yesterday, I think, I answered that question by advising the honourable member that another Minister will answer that question.

MR. HOLLETT: Mr. Speaker, may I ask a supplementary question there as to the total of damage caused to the fishery. I take it reports have been made to the Government of the damages.

MR. FORSEY: The total amount of damages, that is, damages sustained by fishermen, who indicated by affidavit will be prosecuting the fishery this coming season is in the neighbourhood of forty-five thousand dollars. The amount of damages that has been submitted by fishermen currently engaged in other trades and who have stated they propose to follow another trade this coming season would amount to another twenty-five thousand, roughly. The amount of damages suffered by others, other than fishermen, that is ordinary people who probably had the roof blown off their houses or something like that, amount to roughly another twenty-five thousand dollars.

MR. SPEAKER: Question No. 19.

MR. SMALLWOOD: Mr. Speaker, this whole question has to do with the Seigheim concession in Labrador, and it is broken down into nine sections. I think I may answer all of them by saying that Dr. Seigheim never did carry out this undertaking on the concession, and for that reason the concession has lapsed. Indeed the Government has proposed legislation that will be brought down to cede the area to another association. I don't know if the Honourable Leader of the Opposition insists on a play-by-

play answer, I could do it, but in fact the concession has lapsed, nothing ever came of it.

Questions Nos. 20 through 26.

MR. SMALLWOOD: Some of these I probably can answer now, some I know I cannot answer at the moment.

Question No. 20. I do not know the full amount at the moment. I do know the amount of two and a half million dollars has been advanced to the company.

(2) I cannot say at this moment what were the amounts paid on those dates. I can say they have paid the interest on each occasion as and when it fell due.

(3) The total amount of \$500,000 as set down in Section (4) c. The answer to that is; all of it.

(4) It has not as yet been requested to do so.

(5) None—they are not supposed to pay any back for, I think it is, after the expiration of two years.

(6) In each case the answer is, none.

(7) No. They are not required as yet to do so.

(8) One million dollars. By agreement with the Government the amount of one million dollars was considered to be adequate in view of the nature of the construction of the building itself, and of the nature of the fire protection and prevention services, and of the nature of the equipment in the building, one million dollars was considered to be quite sufficient an amount in which to insure.

MR. FOGWILL: A million and a quarter?

MR. SMALLWOOD: I think it is a million. Perhaps this question might well have been addressed to the honourable member instead of to me.

MR. FOGWILL: The Auditor General says it is one and a quarter.

MR. SMALLWOOD: (9) I suggest, Mr. Speaker, that question might properly be addressed to the company. I have no idea whether they would be prepared to answer it, I certainly know this House is no place for such a question to be asked, and certainly the Government has no intention to giving any information whatsoever on it.

Question No. 21. That will have to wait as I have not the answer.

MR. HOLLETT: We are prepared to wait.

MR. SMALLWOOD: I may say this, in regard to (e) the number of employees, the wage rates being paid, we have no intention whatever of answering that. If any member wants that information they will have to ask the Company concerned. The same observation applies to (g) 2, 3, 4 and 5.

In connection with 22, we will give the answers to (a), (b), (c), (h), and (i), but not (j).

In connection with No. 23 (1) the answer is "no."

(2) The make-up factory is now completed. The last word I had on the make-up factory was that they are to open the plant in a matter of days. I am just informed that invitations are out for the formal opening.

It is the intention to employ 120 girls and three or four men—a mach-

inist in charge of the mechanical plant, to take care of its maintenance and equipment; a Boiler House man and a Superintendent. The rest will be girls as it is virtually a Clothing Factory.

(3) I will have to bring down that answer; I have not got it at the moment. That applies also to the remaining parts of that question.

No. 24—I will bring down shortly—probably tomorrow.

No. 25—I think that is answered in the Report tabled.

With regard to (c)—I will be glad to bring down the two letters, Sir William Stephenson's resignation and my letter of acceptance. They have already been published in the press. There was no other correspondence on the matter. If the Leader of the Opposition wants these, I will bring them.

25 (d) The answer is "none."

25. (2) I will bring down a reply in connection only with the Cement and Gypsum Plant. That is insofar as revenues, earnings, totals paid out and so on. The others are private Companies, and we do not consider it our duty to inform the House of their affairs.

MR. HOLLETT: May I ask at what date the Newfoundland Hardwoods became a private company?

MR. SMALLWOOD: It was never built by the Government; the Government have no shares in it. They were a private company to whom the Government leased a plant. The Government leased the plant to the owners. The Newfoundland Hardwoods is purely a private company. The buildings are owned by the Gov-

ernment, but the company to whom the Government leased the plant is a private Corporation and this question might more properly be submitted to them.

MR. HOLLETT: You mean you are not interested?

MR. SMALLWOOD: We are very much interested, as we are in every concern in Newfoundland; but we do not say that our interest is sufficient to justify our broadcasting to their rivals and competitors any information we have as to their profits, their balance sheets or affairs of that type.

(3) We will answer. (4) We will answer. (5) We will answer. I have not got the answers at the moment.

No. 26 we will answer. The answer to 26 (4) is "none."

(5) is answered in the Annual Report.

The answer to (8) is "90%." The answer to (10) is "no." I am afraid I cannot answer (11) at the moment.

MR. SPEAKER: No. 27 addressed to the Minister of Education.

HON. J. R. CHALKER (Minister of Education): That is in the course of preparation.

MR. SPEAKER: No. 28 addressed to the Premier.

MR. SMALLWOOD: I will bring in a firm answer to (1). I think it is \$25,000. With regard to (2) and (3), he has not commenced manufacturing and, therefore, there are no employees at present.

MR. SPEAKER: No. 29 addressed to the Minister of Public Works.

MR. SPENCER: That is in the course of preparation.

MR. SMALLWOOD: With regard to No. 32, the question of salary paid to Dr. Valdmanis—that matter is not yet settled. The terms and conditions governing his employment as Chairman of the Board are not yet settled.

MR. FOGWILL: Mr. Speaker, might I call your attention to No. 30—part of which is on page 13 and part on the following page.

MR. POWER: That answer is being prepared.

MR. SPEAKER: Orders of the Day. Address in Reply.

#### Orders of the Day

MR. JACKMAN: Mr. Speaker, first of all I would like to congratulate the mover and seconder of the debate; but at the same time, of course, I am sorry to say, I cannot share their enthusiasm. I look upon our country today, Sir, as being in a serious situation. I will refer back later in that respect.

I would like also to congratulate the Minister of Provincial Affairs who finally got in here. It took a little time, but he got in. I would also like to congratulate the member for Labrador, the Minister of Mines and Resources. I like these two gentlemen, the first one in particular, because I know him real well, we went to school together; in fact we boarded together at St. Bon's. The other gentleman, I like him too. However, I am sorry to have to add in that respect, that I feel now, and I am certain, that their tenure of office will be short; but whilst they are in here, I wish them every success.

And, now, Mr. Speaker, last, but not least, I wish to offer my most sincere congratulations to our new leader, to a man who is one hundred

per cent Progressive-Conservative Newfoundlanders, to a man who will be in a short period of time, the next Premier of our country.

You will note, Sir, since the last sitting of this House, our ranks on this side have been depleted. We have lost one. Some people might say "does it not make you feel discouraged?" does it not make you feel like giving in and throwing up the whole thing?" No! It gives us much more courage. What we did, the four of us, was to close our ranks and present to our people a front of unity and solidarity. We will take nothing less than that on this front.

I realize this is the Holy Season of Lent, and we are all asked to abide by the rules of the Church, and we are all christians. I doubt if there are any christians better in this world than Newfoundlanders. Sometimes our christianity and our faith is taken for softness; sometimes we are thought to be clanny. But I am proud that the Premier himself had something to say about it recently, and I am proud that CJON (a station which has no use for me or for the Opposition) came on the air to tell the people of this world that Newfoundlanders gave 32¢—32¢ for every man and woman in this country—to help the people over there in England, Belgium and Holland.

As I said a moment ago, it is the Holy Season of Lent, and I wish to be charitable—as charitable as I can be. The only thing I can say about this Government, and personally I know most of them; some of them I went to school with—(I do not know if I should mention names) but I went to school with the Minister of Provincial Affairs and with the member who ran against me in Harbour

Main-Bell Island. I know the Minister of Labour, and I give him my respects and may God bless him. The Minister of Public Works was one of the first to try and start a union on Bell Island, and he did not like the way things were going and he told them to go to H E two sticks. And with regard to him, (I am speaking from the heart—I have no notes)—but with regard to the Honourable Minister of Public Works, I do not know what the Premier had in mind when he picked him, but the Premier, at least once in his lifetime showed darn good judgment when he picked him.

With regard to the Speech from the Throne, I must refer to the first paragraph wherein it refers to the Coronation of Her Majesty, a young lady, a lovely lady (but I do not think any of us should comment in that respect). I will say in regard to Her Majesty, God bless her, and long may she reign.

I would refer again, briefly, to the paragraph in the Speech from the Throne, which refers to the people of Newfoundland giving so generously to the people who were up against it. I have heard in the past, I have heard it from outsiders—Canadians and Americans—I did not hear it from many others—I heard them say we were clannish. I want to put myself on record and say the answer to that is this, that our softness is real toughness. I am sorry for these people. If it does so happen, that we observe the Golden Rule, and the Sermon on the Mount, the other people can take the Golden Calf and worship it from now until doomsday.

With regard to other matters in the Speech from the Throne, I have very little to say apart from this, naturally I am a working man, I



sprang from labour, I belong to labour; it is in my body and soul; and I feel that members on the other side of the House feel the same—there is only one thing I have about you people on the other side of the House, I am sorry you were so hasty to make yourselves Canadians. However, that is the situation.

Now, I come to the meat of my argument, and that is when we come to the paragraph here dealing with prosperity. I have heard the words used on different occasions, "unprecedented prosperity." I am beginning to believe that is a joke; nothing more than a cliché. I am certain of it, and I am going to prove it. With regard to the prosperity of the country—I will agree that there is more money coming in—I will go further and anticipate the Budget. I am sure the Minister of Finance is going to bring in a beauty this time. I will talk on the Budget later. But this so-called prosperity we hear about. Where is it?

I have been thirty-two years in the Labour movement; please God, next Spring, I will celebrate my thirty-second year in the Labour Union, and next Fall, I will celebrate my twenty-first consecutive year as Leader of the Workers at Bell Island—almost a continuous operation. Then I see the Minister of Labour over there, and I see how much he has done for Newfoundland. But with regard to prosperity, I would say this that large payrolls and full employment do not necessarily mean prosperity. If this Government has the answer to it (I said a moment ago our Leader would be the next Premier); but if you on the other side can answer it, you are in for the next twenty-five years. The point I am trying to raise is this, what

have we here insofar as prosperity is concerned? I am speaking for the people who put me here, speaking for the people I live for and would die for—they are not Liberals, or Tories, or C.C.F. or Social Credit; they are hard-working Newfoundlanders. And speaking for them, my question is what is the Government going to do about the real approach to our prosperity?

We on this side are well satisfied to follow the leadership of the new Leader; he does not bind us down too tightly; we do not have to follow the party line too strictly, and I say this, if we on this side could see in this Economic Development Programme—but I forgot one thing, Mr. Speaker, I forgot to point out that as small as we are, there are only four of us, we are only four in numbers, we are small in numbers, but do not forget this, we have 69,400 outside who originally followed us, who stood by us. We were called dictators, because we voted against a situation which was not right. We come back to this again, and I give notice to the Minister of Finance that when he comes along with his Budget he should drop a few of his superlative adjectives.

I am going to refer to the cost of living. I remember when I was sitting over there on that side of the House alongside the Premier. The Honourable Minister of State, in Canada, Mr. Bradley was sitting next. We argued back and forth and here is what these gentlemen said "come on in, the water is good; we are going to have great times when we get into Confederation." I say this at the risk of being called an anti-Confederate; but I do not think it is much of a risk. However, I will have to refer to a statement which was recently advertised

when we had a man down here from Ottawa—it does not make much difference what his name was— but I think he was the Minister of Fisheries, and he came down— I don't know his name, and would not even mention his name—but he came down with a fish story that we here in Newfoundland received three to one from those Canadians. I would just mention this man and to anyone who listens to me—I would refer back to where I found the information; I got it from our own Premier, his own Book of Newfoundland. I will tell these Canadians today that we do not forget what they did with us back in 1891. I think our Premier took fairly good notice of that—I am not afraid of any Canadian or American.

Now, Sir, before I sit down, I realize of course I have, if I wish to use it up, ninety minutes to talk. But I would like to say I don't like any long-winded speeches, I don't like any nonsense, I don't like political skullduggery, but will probably hear it before this is all over. What I have to say is from the heart, and say it not as a capitalist, if you like, there are none here anyhow, not as a businessman, but as a workingman. I know what that man does, know what he thinks when he punches the clock and goes to work in the bowels of the earth. Now, Sir, I am coming to my main point, and I owe to you an apology for listening to me so far. I might say gentlemen you have been very nice. Now, the question I have to ask, Mr. Speaker, is in regard to our present position in Newfoundland, our expanding prosperity.

I would like, Mr. Speaker, and I would like every man here in reach of my voice to figure this out—where does it come from, this expanding

prosperity? I can answer one part of it—I can answer this: Through the efforts of organized labour which I happen to be associated with. There is not any question about it, it is done in this country today through the means of organized labour. In our country only a few days ago we had a gentleman down here who, I think, said before it was all over, Newfoundlanders were the most highly organized people in the whole of Canada, that is a fact, I could go a little further and I will, before I am finished.

With regard again, as I said before, to the main point, and that is one which affects every one of us, that is one that affects every man and woman in this country. I have heard, and I have read, on numerous occasions of so many heroes, given the Victoria Cross, the Purple Heart and everything else, but I say now to you, Mr. Speaker, the unsung heroes are the women who fight the battle in the kitchen, day in and day out in this country.

I refer, Sir, to the position of our dollar in 1947—I am sorry I have not my notes, I missed my notes, after all, yesterday was St. Patrick's Day, but I think I can go on from memory—just in case I can't, I would say to you, Mr. Speaker, I am prepared to table an itemized account of the cost of living in this country. I am prepared to do that, and I will tell you why: I am prepared because I am the father of seven children myself, and the cost is something. But anyway, as I have said, I don't believe in these long repetitious speeches, I don't believe in skullduggery, or this stuff of getting up and saying something, unless you have something to say. I don't care who he is, or what

he is, let him be on this side, or the other side, though I don't think any of us on this side can be accused of that, at least what is left of it.

I want to refer briefly, Mr. Speaker, before I sit down, to the expanding prosperity of our province. I say that is fictitious, I say it is nice to look at, it is nice to read about, but it will not bear up under the scrutiny of the real facts. I say in 1947, that was the last, I am on the wrong side of the House, then I was over there, but when the change of Government comes next time, I will be over there again—but at that time we were discussing the merits of Confederation, and we were told by the Premier, and by the Honourable Minister who sits up in Ottawa, the Minister of Fisheries, and the Honourable Minister of Labour are there yet, I don't know where the rest of you came from—anyhow, we were told that our cost of living was going down—you came in here, but it went up—"Come in with us and you are going to get two dollar flour, cheaper tobacco for twenty-two cents a plug." Only yesterday in the House of Commons in Ottawa, the member for Burgeo-LaPoile said; your budget is one of the best we have ever had, but for God's sake, help the fellow on the Bill of Cape St. George, and give him cheaper Beaver, he has to pay 66¢ for it now.

I don't refer to our strategic position, but what Newfoundland really could have, as our honourable Premier himself said, when he used, and he backed it up at that time, a statement from one of the most learned men on the North American Continent, Professor McKay. What did McKay say? He said that Newfoundland was the corner stone in any defense set up to protect Washington,

or the United States and Canada. I don't like either one of them, I am a Newfoundlander.

MR. SMALLWOOD: If the honourable gentleman would allow me, just by way of assisting him in his argument—he attributed the quotation from Mr. McKay to me—he is wrong there—it was Mr. Gordon Higgins who did that—I was the one who pointed out he was quoting Dr. McKay—Mr. Gordon Higgins not I, on a very notable occasion.

MR. JACKMAN: I was not sure—I knew it was one or the other of you.

MR. SMALLWOOD: There is quite a difference.

MR. JACKMAN: There is a difference, one is a PC and the other a Liberal, however, that is beside the point. The point I am trying to get to is the cost of living, and as I said in my opening remarks, we labour people—now I don't work any longer, my people pay me to look after their interests, and they don't pay me chicken feed wages either—if you want to know what they pay me, it is \$105 a week—I don't care who knows it, they are good people. They ask me; "Jackman, what are they doing over there in the House?" I do not refer to our old, good celebrated Commission, but there was a time before Confederation, when we could get a lovely bottle of rum. In fact, I was in New York just previous to Confederation—I have to travel once in a while you know, although, I am just a common old Bobby Burns of today—I met a man there who said: "Nish, when you go back, send me up a good bottle of screech." That was before Confederation, Mr. Speaker, and so I did that. The last time I had occasion to see him, was last Fall. I also hap-

opened to meet a man at that time, who happened to know the Premier, and he told me to send along his best regards. Don't think for one moment I was not delighted to say he was the Premier of the country and how much I liked him. However, to get back to the bottle of screech, and it is now \$3.59.

I want to refer back again to the position we were in in 1947, when we dictators said we did not like at that time the cost of living in this country, which was 143, now that has been upped to 191, an increase of fifty points. I tried to work that out in figures, and even had to get my child to tell me how it was worked out to get the difference. She told me. She is only eight years of age—a cute little Newfoundlander. She said: "It is fifty points, Daddy." In 1947, a budget was prepared for a family of five, and I took it, I stole it from him at the time, and it is still around—he was a real Liberal and a real Confederate (am I giving away anything?) That budget stated that for a family of five, it cost \$66 a week to live. And I say I criticized that budget, after all I am a family man, I have a family to feed, seven children. I am going to tell you something more about these seven children, they will never be brought up to be second-class Canadians. I will have to wait until the youngest gets to the age of reason, she was born after Confederation, only eighteen months of age. But I don't think I will have any difficulty whatever in persuading her, when she reaches that age. I think she will immediately have nothing to do with Canada, and she will say; "Daddy, I am a Newfoundlander."

MR. SMALLWOOD: How much family allowance do they get?

MR. JACKMAN: I anticipated such a question, and I am very proud to be able to answer. Yes, Sir, I can tell you what they get. They get on an average seven dollars a month. I have to shoe or shod them, whatever you call it, put the shoes on them. This last week I had to put shoes on the seven of them, and the average price for shoes was five dollars—there is your baby bonus. And sometimes I like a cigarette and sometimes a cigar, and do happen to get one sometimes. However, there is where it goes. I am not going to say anything about that, Mr. Speaker, all I have to say, before I sit down, is this, we are in Confederation. I am not saying I am altogether against Canada. I like Canada, I have some real good friends in Canada, in fact my boss is a Canadian, God love him, and God bless him. But I ask you government people just what you are going to do about this 63¢ beaver, this \$10 sack of flour, and about a lot of other things—what are you going to do? Before I sit down, I will say this, you can't do anything, I don't like to end on a mean note, because, as I said before, this is Lent, and Lent is a time we must be very charitable. I will say this; we are not so concerned about the small number we have. I will say this; God live you and God bless you, and I hope you will all live to survive your term, but it is the last term you will ever have in Newfoundland.

Before I sit down again let me tell the Premier whom I like personally, he is most likable, a real man, a real fighter. I have no doubt whatsoever that if he had to hold back a little while, I have no doubt whatsoever he would have gone down to posterity as the greatest Newfoundlander ever known. I have no doubt that you

will agree with me he will, but this is the tag that will be attached to him—he was in too much of a hurry to come into Canada.

MR. FOGWILL: Mr. Speaker, if there is no one else to take part in the debate this afternoon, I would like to move the adjournment until tomorrow.

#### First Readings of Bills:

"An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1948." Bill read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Wild Life Act, 1951." Bill read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Forest Fires Act, 1933." Bill read a first time, ordered read a second time on tomorrow.

#### Second Readings:

A Bill, "An Act Further to Amend Chapter III of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and other Documents.'"

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I beg to move second reading of this Bill. The object of this Bill is to enable deeds executed in Newfoundland to be proven by a notary public. At the moment deeds executed on the mainland and in the United States and in England have affidavit of proof taken before a notary public. In Newfoundland that has not been the practice in the past. Affidavits in Newfoundland had to be taken either before a commissioner of the Supreme Court or a Justice of the Peace. It is

desired to change the law in this regard. The change is purely a nominal one enabling people in various parts of the country more easily to prove documents. I move the second reading of this Bill which I have no doubt will be acceptable to the House.

MR. HOLLETT: Mr. Speaker, the Bill has just been placed in the hands of the Opposition and we would like to have time to go back into particular parts of the Act. Would it be in order to adjourn second reading until tomorrow?

MR. CURTIS: If that be so, Mr. Speaker, I would move that the debate be adjourned until tomorrow.

Second reading of Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government of Newfoundland and Atlantic Gloves Limited."

MR. SMALLWOOD: Mr. Speaker, I have much pleasure in moving second reading of this Bill. This Bill sets forth the terms of an agreement between the Government on the one hand, and Atlantic Gloves Limited on the other. It provides for the establishment of a glove manufacturing factory in this Province. The factory itself is to be built in the town of Carbonear.

The owners made a study of conditions in and around the city of St. John's, and a number of places around Conception Bay. It was their own decision to build in the town of Carbonear. The site on which they will actually build is in the Western end of that town fairly close to the site of the leather tannery. They will employ in the neighbourhood of a hundred and fifty persons over half of them male and rather less than half female.

The hope is to increase the production and sales to the point where they would need to employ some two hundred persons. The company is owned by people who have been manufacturing gloves for about a hundred years. The firm in Europe owned by them was established by the grandfather of the present owner. It was carried on by his father and on his father's death he took over the active management. The Attorney General and I had the pleasure of going through the plant in Europe, owned and operated by the people who are establishing here in Carbonear.

The plant is made up of two types of buildings, one consisting of a group of very old structures and the other of a group of stream-lined, modern, or modernistic buildings that have been erected since the recent war. In all the buildings they operate an extremely efficient glove manufacturing operation. Their gloves are sold all across the continent of Europe and in the United States of America and in the United Kingdom. Previous to the late war their gloves were sold in Montreal and Toronto by Eatons and Simpsons, Morgans and Ogilvies, and in the chain of Eaton's and Simpson's stores across the Canadian Continent. They have not, since the war, resumed their sales in Canada, although they have done so in the United States.

The owners have made a very careful study of the markets in Canada, and they are thoroughly satisfied in their own minds that they can in fact sell successfully and at a profit a sufficient number of gloves across Canada to pay their expenses, to repay the loan which we are to make with the approval of this House, and to pay a reasonable profit, profit which of course would grow considerable as

soon as they have paid off the loan from the Government.

In Europe, they have a chain of shops of their own—retail shops in which their own gloves are sold at retail. And, as I say, wherever you go on the Continent of Europe, in every modern city, you see there, a grand display of Hohlbrock gloves in the window of every haberdashery store and department store offering gloves for sale.

They make gloves only of leather, all kinds of leather; but their great specialty is gazelle skin gloves. The gazelle is a tiny animal that flourishes, I believe, in Africa, and this particular firm is their biggest consumer of gazelle skins and their gazelle-skin gloves for ladies are very high priced and fashionable, and you will find them on sale in most of the fashionable shops in Fifth Avenue in New York, on St. Catherine Street in Montreal and in London. That is their specialty. But they also make gloves from goat skin and pig skin. They make gloves for men, women and children; gloves of leather, raw materials for which is goat skin, pig skin and cow hide, and other forms of leather. They make no gloves of any material but leather. Many of them are lined and many not lined, and made in all price ranges to suit all possible demand for gloves.

I, personally, made a survey of the consumption of gloves made of leather here in this Province, and I found that last year, 1952, the consumption of gloves within the Province of Newfoundland, gloves made of leather for men, women and children, and including mittens, was of the order of ninety thousand pairs and obviously as the consumption of everything is increasing in Newfoundland, as the

degree of prosperity expands, the consumption of gloves is apt to go on increasing with everything else.

Now, the economics of the plant requires that they sell one hundred and fourteen thousand pairs of gloves per year as a minimum to amortize their loan and pay their operating expenses—to amortize their loan over a period of years and to service it, to pay their operating expenses and make a reasonable profit.

The real question the Government had to ask was, could a Glove Company operating in Newfoundland sell at a profit a minimum of one hundred and fourteen thousand pairs of gloves? In asking ourselves that question, we considered naturally that the market for the factory would not be limited to Newfoundland, that all of Canada might well be a potential market and that if a firm such, for example, as Eatons wanted to do it, they could buy the entire minimum output of that factory, placing one single order that would absorb the entire year's production from the standpoint of the necessary minimum number they have to sell. Another order from Simpsons and they would need to put on a second shift; another order and they would have to put on a third shift.

Assuming that they got rather less than half of the trade there is here in the Province of Newfoundland—if they sold forty thousand pairs a year within this Province, it would take very little in the way of orders for them to dispose of the total minimum production necessary to service and amortize their loan and make a profit for themselves.

When you speak of one hundred and fourteen thousand pairs of gloves,

you have to take into account of course, a wide range and variety of quality and price. Some of these gloves are cheap work gloves and sell retail at quite low prices. On the other hand, some of them are high-classed gloves for evening wear made of white chamois reaching up beyond the elbow and they sell for \$10, \$12 and \$15 a pair. I know I had to buy a pair recently for my wife. She felt she had to have a pair for the forthcoming Coronation in London, and I got strict orders to buy her a pair of these gloves. I bought them in New York at one of the great department stores—Gimbell's—known to a great many of you—and they cost me the sum of \$15.00; add Canadian duty (if I had paid it; but having been out of Canada for twenty-four hours, I was permitted to bring them in without duty and sales tax). In this popular and low-priced store the price was \$15.00 a pair; and I would say they range in retail price from \$1.50 to \$18.00 a pair, the vast majority being \$5.00, \$6.00 or \$8.00 a pair.

The Honourable the Attorney General visited their plant; and the Honourable the Minister of Public Works and the Honourable the Minister of Finance, together with us, saw a large assortment of their products of the factory. They were brought to our Hotel and we spent an hour looking at them. They were an impressive display of gloves. I say that to impress on the House this point—that the firm we are dealing with is one that is thoroughly competent in the manufacturing of gloves. Their name is known round the world in the trade that deals in gloves, and their quality is excellent.

If they bring in thoroughly modern equipment, put it in a factory here in Newfoundland; bring a sufficient

number of a staff of skilled key men to take charge while Newfoundlanders are being trained in the work, and the market exists, we see no reason to doubt that the plant can operate at a satisfactory profit. There was one unusual aspect to this company, and it was this—they were unable to meet the Government's normal formula followed in most instances, not in every instance—the normal formula of requiring that the Company concerned should invest themselves, half of the total investment involved. This Company was not able to meet with that formula. So the House will find that in a total investment of \$550,000.00, the Government loan is to account for \$350,000.00, the owner of the Company finding the balance; a difference, I think, of \$200,000.00. More than a year ago we brought this Company to Newfoundland; the owner of it, and we had negotiations with him and we signed a gentleman's agreement—not a legal and binding affair, merely a gentleman's agreement, and he went back and reported finally that he could not fulfil the terms because the gentleman's agreement envisaged their putting up one half of the amount. Well, the Attorney General and I visited the factory (it was on a Sunday and our colleagues were not able to accompany us, it was away from the city and they had other business), so the Attorney General and I brought the owner back to the city where the four of us discussed the matter and came to the conclusion that this was an industry so sound in its prospects, so promising in its prospects that rather than lose it, we ought to stretch our formula to the extent shown in the agreement now before the House.

The owner was recently in Newfoundland again and visited Carbon-

ear, which he had visited a year ago and confirmed his decision to put the plant there, and indeed, went so far as to select the actual site for the plant. He is ready, if this House confirms the Agreement, to come on early in the Spring, early as practicable, to commence construction of his factory in the hope—and indeed, in the firm belief that he would be ready to go into production in the Spring of 1954. Because, obviously, what is required is that he must manufacture his gloves in time to enable his salesmen to visit the buyers in the Fall for Spring delivery in the following year. If he is to do that, he must commence construction in the Spring, complete construction in the early Fall and go into production at once, so that he could commence his sales campaign in the great department stores across Canada, and at the same time, among the principal buyers of gloves here in the Province of Newfoundland.

I do not know if there is much more that I can add. The Honourable the Attorney General reminds me that I have not told the House of an incident which occurred when we visited this factory on the Sunday. We arrived in a little town of some thirty thousand people perhaps, where the factory is, and it was about five minutes before noon on Sunday, and we drove along a great public Square, we saw twelve or fifteen thousand people forming a square within a square surrounding a large platform in the centre of the public Square. The owner of the plant, who was driving, was intent on taking us to the factory, but we wanted to know what was going on, and he began to explain to us that this was the Town in which a famous event was supposed to have occurred—and, indeed a



famous poem was written about it, and it dawned on us that the name of the Town about which the story was told was the Town of Hamelin, and that, I know, gives a glorious opening for the Opposition side—the story of the Pied Piper of Hamelin. We all learned the poem in school and the Attorney General and I saw the story of the Pied Piper of Hamelin enacted, as they did for many years past in the summer time, and there were hundreds of children there taking the parts of the mice and the rats, while further down the older folks piped, the children scampered over the platform, while twelve or fifteen thousand people from all over Europe watched, as they had been doing for many years in that little Town. It was one of the quaintest sights I have witnessed in my life.

But it has no bearing on the economics of the industry. The Pied Piper of Hamelin and the re-enactment of the story will not help in the least, the financial success, or assist in the least the Government in getting paid back the money we propose to lend this Company. The Company must stand or fall on its own merits, and I can only express my own complete conviction that it will be a success, that it will make money, that it will pay back our loan. It will be employing, at least one hundred and fifty Newfoundlanders. I had better add this—I have had enough experience with these new industries to suggest that the number to be employed had better be given with some restraint. As yet, the forecast has not been realized. We must make allowances for the fact, in common sense (after all we will not have a general election for three or four years and we can be quite candid), it may take a couple of years for the plant to get

the kinks ironed out, get into production, achieve their markets and become a flourishing and successful Company. When I say the owners of the plant assure me they will be employing one hundred and fifty persons, I beg leave to take that with a grain of salt, and will be satisfied myself if they employ one hundred and fifty persons by the Fall of 1954—I will still be happy to have one hundred and fifty Newfoundlanders in the historic old Town of Carbonear, who will be earning a decent living in their own Town.

**MR. HOLLETT:** In rising to make a few remarks with regard to the principle of this Bill, I am sure we can visualize the four pied pipers of Newfoundland, in excellent order, piping Newfoundland dollar bills into the lake running into the cavern by the side of the hill. Our pied pipers did not pipe away the children of Newfoundland, but in excellent order, they have managed to pipe many dollars down the drain in a good many instances.

Mr. Speaker, I am not against economic development, none of us on this side or anywhere in Newfoundland—none of us is against economic development or industrial development. We on this side, however, have in the past, expressed our deep concern over the doubtful way in which this Government disposed of not only the surplus saved up from the hard work of our fishermen, our miners and all our people during fourteen years—forty-six million dollars all gone—but we are also concerned about the fact that only recently this Government had to raise a loan of ten million dollars to finance some of these, I say, doubtful industries which they have endeavoured to import into this coun-

try from foreign lands. We on this side would much prefer that the Government spend more of its time in thinking of our own people, of the manner in which our own people are earning their livelihood, that they would think of the fifteen or twenty thousand fishermen residing along our Coast, pleading for just such assistance as has just been given to these others.

I took time out to look up the registration of this Atlantic Gloves Ltd., and I find that not only do they manufacture gloves, but according to the Registry, they can manufacture shoes, boots, and footwears of every kind and description. They can engage in the tannery business and in the making and manufacturing of leather. This particular man, by name is Gerd Hohlbrock of 6 Teichstrasse, Hamelin, Germany, and associated with him in the Registry of this Company is one Wilhelm Jennin, another German, whose address is 56 LeMarchant Road—I take it he is now in this country—and one Rena Jennin, his wife, I presume, she lives with him at 56 LeMarchant Road, St. John's. These are the three people who have registered the formation of this Company, which, according to the Premier, is going to concentrate on the manufacture of gazelle gloves reaching up to the armpits. We have no gazelles. We do have seals, cattle, horses and fish. If the Premier could introduce gloves made from these skins, then I think he would be doing something in regard to our own natural resources.

I wonder what the people of White Bay think of our recklessly lashing out money when we have nothing to assure us of the success in the manufacturing of gazelle gloves. The only evidence being submitted is the ex-

pert knowledge of the Honourable Premier, the Attorney General, the Minister of Finance and the Minister of Public Works. I have some cause to doubt the evidence of these experts with regard to the possibility of manufacturing economically gazelle gloves or any other kind of gloves when they have to import the raw material. What do the people of White Bay think? These people who today presented a Petition, requesting some assistance with regard to improved medical health services? What will the people of Grand Falls who donated \$700 for the erection of a hospital in White Bay—what do they think of our lashing out \$350,000 without any evidence of success? What do the people of Burin and Petty Harbour, who lost their fishing gear last Fall—what do they think of our lashing out \$350,000 to this German Company of the Town of Hamelin? Will they not call the Government a bunch of pied pipers? In my opinion they would have a perfect right to do it.

I am not going to speak to the various sections of the Bill in which \$350,000 is to be advanced by this Government to this Company which is capitalized at \$200,000, but I do note that one section says that this Company will repay the money we give them—when? When they are able to do so. At the end of seven years they may possibly be called upon to pay it, but the Act says they shall pay back to this country the money "when they are able to do so."

Now, Sir, I am not against industrial development. I am against any further throwing out of the funds which we have in the Consolidated Revenue Funds or any funds which we have acquired: I am very much

against throwing out any further money until something has been done to salvage what is left of our fisheries, particularly salt codfishery; not only salt codfish, but fresh fish.

We have gotten Petitions not only for medical services, but also for roads, bridges and other things. \$350,000 could build a hospital in the White Bay District. But no, you are not going to build the hospital in White Bay. They have the money, the \$350,000 to give this man Hahlbrock and two other Germans. You have not got the money to give the people of White Bay in the isolated section of this country, to build a hospital. You have not got the money to assist the people in the far North of Labrador about whom the Minister of Mines and Resources so forcibly spoke yesterday. You have not the money to reimburse the fishermen who lost their fishing gear last Fall, yet you ask the House to vote \$350,000 to this German Company. I have nothing against them, had nothing against them when they endeavoured to stab a bayonet in my guts, Sir, and I ask you to pardon the language. But I do have something against the Government lashing out money to these people about whom we know absolutely nothing.

It is about time, Sir, the people of this country rose up in their wrath and said to the Government, halt, go easy with this—

I have before me an address, celebrated now, of the Premier, made last year—Newfoundland is on the March—we are not going to engage in this economic development programme to any great extent in the future, said that address; but will depend on the Newfoundland and Labrador Corporation, NALCO, to be

our economic arm to whom these things will be passed over—these Germans, Mr. Speaker, should have been passed over. That was the intention last year, yet now we find the Government introducing this Bill asking this House to vote three hundred and fifty thousand dollars for three Germans, two of them living up on LeMarchant Road, in my district.

MR. SMALLWOOD: For a while.

MR. HOLLETT: For a while I grant you. I take it, Mr. Speaker, that remark could be made to apply to every member of this House— I still have my head, and I defy the Honourable Premier or anybody recently associated to put any dent in my head as far as the people of St. John's West are concerned, and I can say more of that if I have to. But I am speaking about the hide of Newfoundland at the present moment and not gazelle hides. We have people in this country, whole sections of them living very well at the moment, because we are in a moment of prosperity, not brought on, mind you, by union with Canada, by our good fisheries, not brought on by anything that the Government had done on the other side of the House, unless you want to go back and talk about the family allowance and the old age pensions again. I grant you they had something to do with bringing it in, or at any rate bringing in Confederation. But our present era of prosperity, Mr. Speaker, has nothing whatsoever to do with our present Government, or any Government. If the P.C. Party sitting on our side of the House were on the other side they could not get the praise for the present era of prosperity. But I am sure if they were over there, they would not have spent twenty-five or twenty

million dollars on industries on which so far the Government are ashamed to give us any information. We heard this afternoon the Honourable the Premier refusing to tell us how many employees there are in these plants.

MR. SPEAKER: The honourable member is wandering from the subject.

MR. HOLLETT: Pardon me, Mr. Speaker, I was speaking of the principle of this Bill, Sir. I think it is most unfortunate—mind you I have a great regard for certain efforts at any rate of members on the other side of the House. Whilst I criticized a good many, that was only a case of necessity as they needed to be criticized, but I do agree with certain things. I am not against industrial development of the natural resources. But I am very strongly against the principle of this Bill, and we only got it yesterday evening—that this Government will lend three hundred and fifty thousand dollars to this German, Hohlbrock from Hamelin in Germany, Tear Street, I believe, but we are the ones who will shed the tears—to hand out three hundred and fifty thousand dollars to these people whose duty it will be to pay us back when they are able to do so, as the Act says. I am against it, Sir, so long as large sections of our people in Newfoundland suffer for the want of that very three hundred and fifty thousand dollars—I am very much against that particular principle, Sir.

MR. SMALLWOOD: I won't delay the House long, Mr. Speaker, in my reply to the honourable gentleman, the Leader of the Opposition. He says he is not against economic development. I believe him; I must—it would be very unparliamentary not to do so. I do. Nevertheless,

when the honourable gentleman says he is not against economic development we all believe him—he is not against economic development, but he will vote against this Bill. He will vote against every Bill we bring into this House this session, I prophesy, calling for economic development. But he is not against economic development in general, but on every individual Bill beginning with this one, which we will bring into this House this session his vote will be; no, I am against it—but he is not against economic development. Of course, it is the honourable gentleman's right, but nevertheless, when the honourable gentleman says he is not against economic development, we all believe him—I believe him, he is not against economic development, he is only against every industry we propose in this session as he was against every industry we proposed in the last session, and he will be in the one following this one, and as long as the honourable gentleman is in this House, which will be until the next general election, he will be against every single case of economic development, which we will bring before the House.

Then he was curious to know what the people of White Bay, and he mentioned Grand Falls, and he mentioned Burin District, curious as to what the people down there think about this Government. I thought it had been made fairly obvious what the people of those districts think of this Government. Is there any room left for any doubt as to what the people of all those and many other districts think of this Newfoundland Government? I am surprised.

Then I am sorry that the honourable gentleman misunderstood me.

when I said the specialty of this company in the parent factory was the manufacture of gazelle skins. I am sorry that the honourable gentleman did not understand that this plant would do much more work than merely specializing in gazelle skins. They will not confine themselves to the manufacture of gazelle skin gloves. Here is a factory, he said, going to manufacture gazelle skin gloves. He also added boots and shoes, and a number of other things (quoting from the articles of association). That is an old one. I have heard that trotted out here in this House twenty-five years ago, an old trick. Any company that is incorporated to start a shop on Water Street, if you read out the list of the articles of association, the long list of things they have power to do; they can manufacture battle-ships, they can buy and sell land and real estate and build ships, engage in transportation—there is no limit to what any company incorporated in Newfoundland can in fact do under the law, it is all in the memorandum of association. I am so sick of intelligent men standing in this House and trying to draw a red herring across the trail, diverting attention from the reality by reading out some of the powers conferred upon any company that starts anywhere in North America.

I say now that this company will make gazelle skin gloves, it will be their specialty and will constitute perhaps ten or fifteen per cent of their whole output. But they will use Newfoundland skins, seal skins, goat skins, sheep skins.

MR. CASHIN: So long as Newfoundland is not the goat.

MR. SMALLWOOD: I agree with my honourable and gallant friend—they will use many skins besides

gazelle skins, but they will also use gazelle skins.

Now, my honourable friend said that it would be far better if this Government, this unimaginative Government, this blind Government in its economic development would pay some attention to the fisheries. Well, it is a good point. But will it hurt the fisheries to have a factory in Carbonear? Will it hurt the fisheries to have a factory in Harbour Grace? Will it hurt the fisheries to have a factory in Bay Roberts? Will it hurt the fisheries to have a cement plant in Humber Mouth and a plaster board plant in that town? Does it hurt the fisheries to have that machinery plant at the Octagon, and that plywood and flooring plant at Donovans or the new press board plant, or the textile mill in the West End of St. John's? Does it hurt the fishermen if these are created, if there are new mines created and forest development takes place, new factories are built, does that hurt the fishermen of Newfoundland? Anything that enhances our general economy, anything that puts a dollar in the pockets of any of our people, any considerable number of them helps the fisheries. That is common sense. It is insulting to our intelligence that I should have to say it. The day is gone in Newfoundland when the only way to help the fisheries is to help the fisheries, that day is gone. The gentlemen are living in a dream, living in years gone by when they think that the only way to help the fisheries is to help the fisheries. You can help the fisheries with every kind of economic development which takes place and help the fisheries by actual help to the fisheries, and that, please God, there will be before this year is over, there will be ample opportunity

to vote on the Government's proposals for this year and next year arising out of the report of the Walsh Committee when we receive it.

As to the references to the nationality of the gentleman who is starting this new industry, I will not waste the time of the House replying to that except to say that it is a little late in the day to hear echoes of the anti-German talk of a couple of years ago. Nothing is quite so dead in Newfoundland today. Anyone who has any sensitivity as to public sentiment, anyone who keeps his ear to the ground, not living in a dream house of his own; let me put it this way, anyone who is not intellectually bankrupt for ideas, political ideas, knows there is nothing quite so dead today as Anti-German talk here in Newfoundland; it does not arouse the slightest bit of feeling in Newfoundland today, except a feeling of pleasure that we have German nationals here in our midst. No antagonism is left. I tell the Opposition now they are banking on a rotten foundation when they try now at this late date to galvanize Anti-German feeling in Newfoundland. I no longer have to say Europeans—they are Germans—and I am proud I brought them to Newfoundland, and so is Newfoundland. They showed it in the last election. We had brought the Germans here then and the Opposition had done their damnest to blacken them and arouse public hatred against them, prejudice and bigotry against them, and it failed completely. Now, with a public mandate, the people having spoken, after all the propaganda against the Germans, now I can say the people have spoken, they want the Germans in here, glad enough of them. Honourable gentlemen will now find there is no future,

no political future left in any attempt to express contempt or hatred for the Germans, for two reasons: (1) The people of Newfoundland just don't care what may be the nationality of people who come here to start industries, so long always as they come from this side of the Iron Curtain, so long as they are not Russians or people dominated by Russia. So long as they come from the democratic west, be they British, Danish, German, Norwegian, or our own flesh, English, Scottish and Irish and Welsh, our people are not concerned with the nationality of the particular men who come and start industries and (2) It is a waste of time to try and arouse that racial prejudice today, because the people of Newfoundland, like the people of the world, who have come to see that whatever Hitler was, whatever Naziism was, you can't blame, not in equity, in justice, in common sense, every last German for the crimes of Hitler, any more than you can blame every last Russian for the crimes of communism, any more than you can blame any last Newfoundlander for the mistakes this Government occasionally make, but not very often.

I tell the honourable gentlemen opposite, particularly the Leader of the Opposition, who is popularly supposed to have some feeling for public sentiment, that he is out of date. He might have scraped a few votes a couple of years ago, but now it is old fashioned, as dead as the great auk.

MR. HOLLETT: How do you know? You have not been in the country for the last six months.

MR. SMALLWOOD: I can be ten thousand miles outside of Newfoundland and know more about the hearts

of the people than the honourable gentleman who never sticks his nose outside it.

**MR. HOLLETT:** What a man!

**MR. SMALLWOOD:** He is still Premier, and this is a Province of Canada, and we will be here after the votes are counted after the next election, especially in St. John's West.

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 Judicature Act."

**MR. CURTIS:** Mr. Speaker, I beg to move the second reading of this Bill. The Newfoundland Judicature Act does not contain a clause that will be found in the Judicature Acts of other provinces, and in the Judicature Act of the Dominion. That is a clause which permits the Government to go to the court in connection with any piece of legislation and ask the court in advance whether or not that legislation is constitutional.

It is necessary now, Mr. Speaker, that we give our Supreme Court such authority, particularly as under the recent tax rental agreement provisions are made for applications to court to interpret, and given other functions as well.

The amendment sought in this Bill is a normal amendment which gives the Court of Newfoundland the right where any matter arises relating to questions arising out of any agreement entered into between the Government of Canada and the Government of the Province of Newfoundland, which provides for a reference to the Supreme Court to hear, con-

sider and determine questions so arising, the Court under this Bill will have the power to hear the pleadings and to consider it and to give us a certificate which would not be actually judgment but in the nature of a judgment giving the ruling of the court.

A recent incident of the effect of such a situation was exemplified on the Mainland recently when the Minister of Finance in Ottawa brought in certain taxes which taxed Bowaters amongst other companies, contrary to the provisions of the Newfoundland Statutes under which this organization operates. This matter was dealt with by the Supreme Court by a reference such as the reference which our own court will be able to undertake after this Bill has been enacted. In that matter it was referred to the Supreme Court, parties were heard on both sides and the court gave its decision. I don't think there will be anything controversial about this Bill. It is the same as exists in every other Province in Canada, and I have pleasure in moving the second reading.

**MR. HIGGINS:** Would the Honourable the Attorney General tell me; does this Bill envisage the point that there are to be four judges of the Supreme Court. I thought that sub-section (1) made reference to the Supreme Court consisting of at least three judges. Then sub-section (b) makes provision for appeal. Now, if we only have three judges as at present, would the appeal then be to the Supreme Court of Canada? We are not going to have a fourth judge?

**MR. HOLLETT:** Excuse me, just one moment, Mr. Speaker. The Lieutenant Governor in Council may refer to the Supreme Court any matter

which he thinks fit to refer to the court. I think the Attorney General specified some particular piece of legislation—would it give you the authority to refer any matter to the court?

MR. CURTIS: I think, Mr. Speaker, the intention is clear: Any matter which requires a legal decision, a binding legal decision. As you are aware, any lawyer can give an opinion and sometimes you can get as many opinions as there are lawyers.

MR. HIGGINS: That is how we live.

MR. CURTIS: But in that case instead of asking an opinion, and that of course would be proceeded with, but in addition the court would be asked which of the opinions is the correct opinion, and the Government would be enabled in future to get not only an opinion, but to get an opinion confirmed by the court.

As to the point raised by my honourable friend, the member for St. John's East, I think he was correct when he said that the three judges should hear any such case. Even if there were four judges there would be no appeal from any three of them, the appeal in that case would be to the Supreme Court of Canada.

MR. HOLLETT: In that case, may I say just a word?

MR. CURTIS: I think the debate is closed.

MR. HOLLETT: I am just asking a question.

MR. SPEAKER: The Honourable the Attorney General summed up the debate.

MR. HOLLETT: If you object to my speaking—

MR. SPEAKER: It is not a matter of objecting. It is a rule of the House. The Honourable the Attorney General made a motion. I paused and looked directly at the Opposition. There was a comment from one member. I waited for any other member of the House, questions were asked and the proposer of the motion summed up the debate.

MR. HOLLETT: Mr. Speaker, the honourable member for St. John's East did get up and speak to the motion. I do not see very much whereof I could speak unless I could ask the Honourable, the Attorney General a question. When I did ask and he answered the question I wanted to say something.

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

The House then adjourned accordingly.

FRIDAY, March 20, 1953.

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

#### Presenting Petitions

MR. COURAGE: I am pleased to present a petition on behalf of the people of Harbour Mill in Fortune Bay, asking that a road be constructed from the Terrenceville-Marystown highroad to link up that settlement.



This petition is signed by some one hundred and fifty residents, voters of that old settlement of Harbour Mill.

I have much pleasure, Sir, in supporting this petition. I believe that motorable roads are necessary for the people of this country and we have very few such roads in Fortune Bay.

I may say that a link connecting Bay L'Argent was completed last year and that it is already proving itself a great benefit to the people of Bay L'Argent.

I would ask leave of the House to have this petition tabled and referred to the Minister of Public Works.

Moved and seconded and carried that this petition be tabled and referred to the Department concerned.

MR. BROWN: I beg leave to present a petition on behalf of the residents of Canning's Cove. The petitioners request that a road link be established between Canning's Cove and Musgravetown.

There are one hundred and thirty-seven names on this petition, Sir, and I understand it represents the entire voting population of that place.

Some years ago, if I remember correctly, Mr. Russell submitted a similar petition, but to date no action whatever has been taken and these people are still anxious to have something done about it.

Such a link would prove of material value to the residents of Musgravetown and Canning's Cove. There is a trail there which is not even passable for trucks. The stretch is about two miles. The roadbed is quite solid and gravel pits have already been dug out there.

I have much pleasure in supporting this petition and I request that it be referred to the Department of Public Works.

MR. BUTTON: I beg leave to support the petition presented by the member for Bonavista South, for this reason: I know the road mentioned in the petition today; I have travelled over it for a number of years doing relief work in that vicinity and I think it is a shame that the people of Canning's Cove have not a road leading to Musgravetown. When a Doctor is needed they have to get a boat to come to Musgravetown. The people of Canning's Cove are hard-working people and when they could get work, never sought relief. I think the Government today owes these people a motorable road.

It is only a matter of two miles approximately, and a bulldozer can do that road in almost a month.

I take great pleasure in supporting the petition and I trust the Department of Public Works will give the people of Canning's Cove a motorable road.

Moved, seconded and carried that the petition be received and referred to the Department concerned.

MR. M. M. HOLLETT (Leader of the Opposition): I have the honour to present a petition from the people of St. Phillip's and people on the Thorburn Road which connects St. Phillip's with St. John's.

There are three hundred and fifty-five names signed by people of the Thorburn Road and of St. Phillip's. They maintain that the road is in a wretched condition (and I can vouch for that); it is practically impassable, although at the present

time there are six buses making four trips each day between here and St. Phillip's and these buses are carrying forty passengers. There is no other way to get to St. Phillip's except by boat, and that is rather a roundabout way. There are very few stores in St. Phillip's and the people have to come to St. John's for most of their essentials—commodities. I am very happy to present this petition and I beg leave to table the petition and to present it to my friend, the Honourable Minister of Public Works. I have been recently in his District in Grand Falls and I know he will consider the petition favourably.

MR. CASHIN: I have pleasure in supporting that petition. On opening day I tabled a question to the Honourable Minister of Public Works asking if there was to be any programme of road construction in that particular territory.

It is about eight miles from St. John's to St. Phillip's, with a fine roadbed and deserves to be built up. As a matter of fact when the Estimates come down later on in connection with roads, I propose to have something to say with respect to the possibilities of having roads to travel on.

I have great pleasure in supporting the petition and I feel sure that the Minister and the Government will see that it is done, along somewhat similar lines to what was done on the Portugal Cove Road. There is a stretch of paved road between here and the Airport, leaving six or seven miles unpaved on the connecting line between Bell Island and the Mainland. It would be a very nice drive if motorists could drive through Portugal Cove across to St. Phillip's and it would be a great help, if we had a

decent road, in diverting considerable motor traffic off the Topsail Highway. The Topsail Highway is crowded on every holiday and is dangerous, particularly at night time; and more decent roads in certain sections would relieve that traffic.

Again I say I have great pleasure in supporting the petition.

MR. FOGWILL: I would also like to lend my support to this petition as this road runs through part of St. John's East. I believe it runs through Red Bridge on the Thorburn Road.

I wholeheartedly give my support to this petition.

Moved, seconded and carried that the petition be tabled and forwarded to the Department of Public Works.

#### Presenting Reports of Standing and Select Committees.

None.

#### Giving Notice of Motions and Questions

HON. L. R. CURTIS (Attorney General): I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Newfoundland and Labrador Corporation Ltd. Act, 1951."

HON. MYLES MURRAY (Minister of Provincial Affairs): I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Shop Closing Act, 1940."

#### Answers to Questions

MR. CASHIN: Might I call attention to No. 3 on the Order Paper of March 18th, a question addressed to the Honourable Minister of Public Works. Also No. 5 addressed to the Honourable Minister of Municipal

Affairs; No. 6 addressed to the Honourable Minister of Finance and No. 10 also to the Minister of Finance.

HON. S. J. HEFFERTON (Minister of Supply): Answers to Numbers 1, 5 and 37 will be given on Monday.

HON. G. J. POWER (Minister of Finance): I will have replies to all questions on Monday.

HON. E. S. SPENCER (Minister of Public Works): The honourable member for St. John's West has referred to No. 3, I am pleased to say that, if I may, I can now give the answer to that question. The question was to table the following information: "The total number of miles of Trans-Canada Highway completed in Newfoundland—the total cost to

the Province of Newfoundland for such mileage completed; the total number of miles paved." The answer is as follows:

No mile of highway has been completed but 100 miles of rough grading including bridges have been constructed at a total cost to the Province of \$2,666,000.00. Contracts have been awarded and rough grading is proceeding on an additional 24 miles on which the total expenditure to date is \$82,212.00, of which latter sum the Province will have to pay half. No mile of road has been paved. I would like to say in passing that I shall not elaborate, except to answer supplementary questions regarding same. I have copies, so that every member of the House may be supplied.

Question No. 3 (2) on that Order Paper—number of bridges completed on this new Trans-Island Highway and the cost of each bridge.

Here, Mr. Speaker, I have a list of 18 bridges completed, their location or approximate location and costs. I shall endeavour to go over the items as slowly as possible in order that those who may desire to copy same may do so and others may be properly informed.

|   |          |
|---|----------|
| Salmon Pond, Glenwood—Notre Dame Junction .....             | \$ 9,189 |
| Salmon River, Glenwood—Notre Dame Junction .....            | 20,453   |
| Island Lake, Glenwood—Notre Dame Junction .....             | 2,967    |
| Lake O'Brien, Glenwood—Notre Dame Junction .....            | 4,701    |
| Eel Brook, Notre Dame Junction—Norris Arm .....             | 10,791   |
| Middle Brook East—Norris Arm .....                          | 35,697   |
| Pharoah's Brook—Norris Arm .....                            | 10,155   |
| Bundell's Brook—Norris Arm .....                            | 6,718    |
| Middle Brook West—Between Norris Arm & Bishop's Falls ..... | 11,320   |
| Jumpers Brook—Between Norris Arm & Bishop's Falls .....     | 27,888   |
| Corner Brook .....  | 8,154    |
| Camp 14—Corner Brook—Stephenville Crossing .....            | 7,179    |
| Pinchgut Brook—Corner Brook—Stephenville Crossing .....     | 14,718   |
| Camp 22—Corner Brook—Stephenville Crossing .....            | 6,013    |
| Campbell's Brook, St. Andrew's—Port aux Basques .....       | 7,875    |
| Cooper's Brook, St. Andrew's—Port aux Basques .....         | 9,486    |
| McDougall's Brook, St. Andrew's—Port aux Basques .....      | 21,939   |
| Big Pond, St. Andrew's—Port aux Basques .....               | 8,243    |

(3) The number of miles of Trans-Island Highway remaining to be constructed and an estimated cost of such construction in Newfoundland?

(a) 122 miles to be constructed,  
 (b) 378 miles to be reconstructed, (c) 600 miles to receive sub base and base course, (d) 600 miles to be paved.

I think, Mr. Speaker, I should clarify this point. This 122 miles of highway refers to sections of the Trans-Canada Highway on which to the present time nothing but a survey has been done. In other words it is entirely new construction. 378 miles to be reconstructed, as you will readily see refers to sections where roads exist at the present time but must be brought to Trans-Canada standards. In section (c) the six hundred miles to receive the sub-base and base course and (d) is the six hundred miles to be paved.

Question No. 3 (4):

Q. The total amount of money expended in the construction of Trans-Island Highways by the Province of Newfoundland—the total amount expended by the Federal Government to date. Finally the estimated amount which the Province will be called upon to spend to complete the road as well as the estimated amount which the Federal Government will have to expend? These amounts to include paving and the completion of the road and bridges on a standard required.

A. Total amount of money expended by the Province of Newfoundland is \$5,496,783 of which \$2,106,340 has been refunded by the Federal Government to date. The estimated amount which the Province will be called upon to spend to complete the

road will be approximately \$27,000,000 with the Federal Government expending an equal amount.

(5) Is it the intention of the Government to expend any money in the present year on the improvement of the St. John's to St. Phillips Road. The St. John's to Portugal Cove Road as well as the roads leading east from St. John's to Pouch Cove—the Marine Drive as well as the roads leading from the Goulds down to Petty Harbour? Give full particulars of any proposed work to be done in the districts of St. John's West and St. John's East.

MR. SPENCER: I propose, Mr. Speaker, with your forbearance and that of the House, to answer the latter question only orally. I have in the meantime obtained information that I shall use for that purpose, some statistics. (1) The St. John's to St. Phillips Road; very little money has been spent in that area in the last few years. There was, however, in 1951-52 an expenditure made to do some paving or resurfacing. In 1952-53 there was no expenditure except for maintenance on that much travelled road, and about which we had a petition this afternoon, I might go further and say, a road about which we in the Department of Public Works are very concerned. We know it is needed and for some time have been endeavouring to spread the funds at our disposal in such a way that we might be able to do something beneficial on that road. A provision of forty thousand dollars is being included in the estimates for road programmes for this year. Now, I have no assurance that I can get that forty thousand dollars for that particular job, that is a hope that we have, whether this House will vote it or the Government can find it is a matter for authority other than I to say.

On the road leading from St. John's to Portugal Cove; honourable members will recall that a very considerable amount of work has been done in the past two years and a fairly substantial sum was spent on the road ballasting and preparing the road for paving between the intersection of the New Portugal Cove Road on to the intersection of the road leading to the Torbay Airport. The year before last we spent some seventy-five thousand there in paving. No expenditure except for ordinary maintenance was made there in 1952-53, and nothing up to date is contemplated for 1953, 1954, as far as we know at this moment. In addition to this some \$7,600 was spent on the section leading from St. John's to Torbay Airport, all on the Portugal Cove Road, in all just over ninety thousand dollars was spent on the St. John's-Portugal Cove Road in 1951-52.

Now, we come to a road that will be of interest to the honourable member for St. John's East. On the opening of the debate in reply he referred to this road, and his colleague the senior member for St. John's East referred to that road from time to time. If I may be permitted I will gladly concede that the need is great, of that there is not the slightest doubt in the world. But I should add that it is by no means (if I say this I dare not go to Torbay again). Nevertheless, I say without fear of contradiction that the need is not as great as in many places around Newfoundland. But it is so great that we in the Department of Public Works are very concerned and anxious to find the day when the money can be found to really do a decent job down there. However, in 1951-52 we started a programme and in Torbay something like twenty-five or thirty thousand dollars were spent

as a beginning. This year we hope to be able to continue that programme—again I am in the hands of the Gods as to what money can be made available for that particular road and/or any other roads.

MR. HIGGINS: The Logy Bay Road?

MR. SPENCER: I have no notes on the Logy Bay Road but would say from memory that I have no particular programme for it up to today—that is the Marine Drive. I would be remiss if I did not point out at this time to my honourable friend across the way that the Canadian Telephone Corporation who are just now building their new offices in St. John's and who are about to lay a cable between St. John's and Middle Cove are negotiating with us in connection with the right of way for their cable along the side of the road leading to Middle Cove and of course sections of the Torbay Road. I know that some considerable work will be done there this year but there is no plan as far as public works is concerned for the Marine Drive this year, much as we would like to have it done. It might be a little bit of news to members to know I was privileged to help survey that road in 1926 when an employee of the Department over which I now preside. I was privileged to help widen the road to Middle Cove, Pouch Cove and other intervening sections. It was my privilege to make the survey for the road and the famous curved bridge at Middle Cove. I surveyed around the cliff out there for the Eastern End of the Marine Drive, laid out and helped to construct the road from there, and it would be a great pleasure if I could come back in here before the end of my term and say they are going to make this road an accomplished fact.

I realize, and agree entirely with the honourable member for St. John's East when he says that road would provide a very splendid drive which would be an outlet for our motorists from this rather crowded city. We have very little outlet for our motorists in this section, but very many demands in other sections, as honourable members will appreciate. We had here this afternoon no less than three petitions demanding roads, and these three are possibly merely about one per cent or less of the number we have received in the Department of Public Works.

Mr. Speaker, I apologize for taking a little of the time of the House here but this subject is so dear to my heart. I love road building so keenly I would almost eat gravel. I am not sure I could not even continue existence for a while on it, but to apply the old adage—"Bricks cannot be made without straw."

Before the closing of the House of Assembly this year, please God, I will make reference to the demands for additional wages. Up to now the answer of our Department has not gone through so I do not propose yet to give anything to the House but we have some figures which when presented here, Mr. Speaker, will, I fear, astonish this House. Again I repeat that "Bricks cannot be made without straw." The costs are growing year by year, mounting almost beyond anything imaginable that we could have had when we started the highway programme just a few years ago. I sincerely trust the time will come when we will be at least as well off in this Province for highways as they are in some of the other neighbouring Provinces of the Dominion.

I table these answers in reply to the questions, not my oral rambles.

MR. SPEAKER: Question No. 6. Tabled by Mr. Power.

| Name  | Advanced<br>to<br>Paid to Minister<br>Travel for<br>Agencies Expenses |                | Visit to                        | Particulars | Date       |
|---|---|----------------|---------------------------------|-------------|------------|
|   | \$  | \$             |                                 |             |            |
| Hon. J. R. Smallwood<br>(Premier)                             |   | 497.50         |                                 |             | 1952       |
|   |   | 250.00         |                                 |             | May        |
|   |   | 500.00         | U.K. and Europe                 |             | July       |
|   |   |                |                                 |             | Aug.-Sept. |
|   |   | <hr/> 1,247.50 |                                 |             |            |
| Hon. J. R. Smallwood<br>(Minister of Economic<br>Development) | 880.90  | 1,000.00       | U.K. and Europe                 |             | Aug.-Sept. |
|   | 281.65  | 300.00         | Ottawa, New York and<br>Chicago |             | Oct.       |
|   | 632.70  | 500.00         | Germany                         |             | Nov.       |
|   | 345.60  | 200.00         | New York (2 visits)             |             | Dec.       |
|   | 186.75  | 150.00         | Montreal and Ottawa             |             | Jan. 1953  |
|   |   | 100.00         | Ottawa                          |             | Mar. 1953  |
|   | <hr/> 2,327.60  | <hr/> 2,250.00 |                                 |             |            |

| Name                 | Advanced<br>to                      |                                   | Visit to             | Particulars | Date          |
|----------------------|-------------------------------------|-----------------------------------|----------------------|-------------|---------------|
|                      | Paid to<br>Travel<br>Agencies<br>\$ | Minister<br>for<br>Expenses<br>\$ |                      |             |               |
| Hon. G. J. Power     | 215.75                              | 300.00                            | Toronto              |             | May           |
|                      | 893.40                              | 1,500.00                          | U.K. and Europe      |             | Aug.-Sept.    |
|                      | 172.80                              | 50.00                             | New York             |             | Dec.          |
|                      | <u>1,281.95</u>                     | <u>1,850.00</u>                   |                      |             |               |
| Hon. M. P. Murray    |                                     | 300.00                            | Ottawa               |             | Oct.          |
|                      |                                     | <u>300.00</u>                     |                      |             |               |
| Hon. S. J. Hefferton | 123.65                              | 65.91                             | Prince Edward Island |             | July          |
|                      | 197.65                              | 152.65                            | Toronto              |             | Sept.         |
|                      | <u>321.30</u>                       | <u>218.56</u>                     |                      |             |               |
|                      |                                     |                                   |                      |             |               |
| Hon. L. R. Curtis    | 172.80                              |                                   | New York             |             | May           |
|                      | 172.80                              |                                   | New York             |             | June          |
|                      | 880.90                              | 1,500.00                          | U.K. and Europe      |             | Aug.-Sept.    |
|                      | 172.80                              |                                   | New York             |             | Jan. 1953     |
|                      | <u>1,399.30</u>                     | <u>1,500.00</u>                   |                      |             |               |
| Hon. Dr. F. W. Rowe  | 246.55                              | 288.24                            | Montreal and Ottawa  |             | 1952<br>Nov.  |
|                      | <u>246.55</u>                       | <u>288.24</u>                     |                      |             |               |
| Hon. W. J. Keough    | 551.70                              | 460.91                            | Vancouver            |             | April         |
|                      |                                     | 165.00                            | Ottawa               |             | Sept.         |
|                      | 181.60                              | 400.00                            | Ottawa               |             | Nov.          |
|                      | <u>733.30</u>                       | <u>1,025.91</u>                   |                      |             |               |
| Hon. J. R. Chalker   | 192.65                              | 300.00                            | Montreal             |             | 1952<br>April |
|                      | 391.30                              | 400.00                            | Saskatoon            |             | Jan. 1953     |
|                      | <u>583.95</u>                       | <u>700.00</u>                     |                      |             |               |
|                      |                                     |                                   |                      |             |               |

|                    |                 |                 |                       |            |
|--------------------|-----------------|-----------------|-----------------------|------------|
| Hon. E. S. Spencer |                 | 400.00          | Ottawa                | June       |
|                    | 880.90          | 2,000.00        | U.K. and Europe       | Aug.-Sept. |
|                    |                 | 600.00          | Ottawa                | Oct.       |
|                    | 167.65          |                 | Montreal              | Jan. 1953  |
|                    | 215.75          |                 | Toronto               | Feb. 1953  |
|                    | <u>1,264.30</u> | <u>3,000.00</u> |                       |            |
| Hon. Dr. Pottle    | 167.65          | 409.66          | Toronto               | June       |
|                    |                 | 1,675.00        | India                 | Sept.      |
|                    | 177.00          |                 | New York              | Nov.       |
|                    | 215.75          |                 | Toronto               | Feb. 1953  |
|                    |                 | <u>560.40</u>   | <u>2,084.66</u>       |            |
| Hon. P. S. Forsey  | 181.60          | 150.00          | Ottawa                | 1952       |
|                    |                 | 270.05          | Ottawa                | May        |
|                    |                 | 200.00          | Ottawa                | June       |
|                    | 184.45          |                 | New York and Montreal | Oct.       |
|                    |                 | <u>366.05</u>   | <u>620.05</u>         |            |
| Hon. C. H. Ballam  | 631.10          | 500.00          | U.K. and Europe       | Nov.       |
|                    |                 |                 |                       |            |
|                    | <u>631.10</u>   | <u>500.00</u>   |                       |            |

NOTE: The figures shown under "Advanced to Minister for Expenses" do not necessarily represent the actual expenses incurred by Ministers O.H.M.S. In some cases, the figures constitute the amount of travel imprest originally advanced and may be increased or decreased when accounted for finally. Similarly, there may be refunds outstanding on 'plane tickets,' etc., which have not yet been brought to account.

**Travelling Expenses of Dr. A. A. Valdmanis from 1/4/52 to 11/3/53**

|  |           |                   |
|--|-----------|-------------------|
| (i) April 3 to 16—Visit to New York .....  | \$ 363.16 |                   |
| (ii) Aug. 11 to Sept. 20—England, Belgium, Germany,<br>Switzerland and Italy ..... | 1,743.34  |                   |
| (iii) Oct. 23 to Nov. 5—Visit to New York .....                                    | 444.18    |                   |
| (iv) Nov. 17 to Dec. 7—Montreal, London, Germany<br>and Amsterdam .....            | 528.94    | \$3,079.62        |
| (v) Transportation costs for above journeys .....                                  |           | 3,300.68          |
| <b>TOTAL .....</b>   |           | <u>\$6,380.30</u> |



## Details to Contingent Liabilities as at 28th February, 1953.

**Guaranteed Debentures :**

|   |              |
|---|--------------|
| Bowater's Newfoundland Pulp & Paper Mills Ltd. 3½% "B" Mortgage Debenture Stock due 1970. Guaranteed as to Principal and Interest by Act No. 35 of 1942. Amount outstanding at 31 March, 1952 (£905,400 @ \$2.75 per £) ..... | \$ 2,489,850 |
|---|--------------|

**Guaranteed Bank Overdraft :**

|   |         |
|---|---------|
| Northern Labrador Trading Operations—maximum guarantee (Administered by and under the direct supervision of the Department of Public Welfare) ..... | 350,000 |
|---|---------|

**Guaranteed Bank Advances Repayable over Periods up to Sixteen Years :**

|  |         |
|--|---------|
| Andrews (Labrador) Fisheries Ltd. ....             | 120,000 |
| Olsen Whaling and Sealing Ltd. ....                | 300,000 |
| Alberto Fisheries Ltd. ....                        | 65,000  |
| Fishery Products Ltd. ....                         | 303,000 |
| Fishery Products Ltd. (x) .....                    | 66,000  |
| Springdale Fur Farmers Co-operative Society .....  | 6,865   |
| Arctic Fisheries Products Ltd. ....                | 112,500 |
| Northlantic Fisheries Ltd. ....                    | 675,000 |
| Dunphy's Ltd. ....                                 | 96,000  |
| Hollett Sons and Company Ltd. ....                 | 112,500 |
| St. Lawrence Corporation of Newfoundland Ltd. .... | 400,500 |
| United Church Board of Education (x) .....         | 20,000  |
| United Engineers and Contractors (x) .....         | 70,000  |
| Newfoundland Hardwoods Ltd. ....                   | 150,000 |
| Town of Carbonear (x) .....                        | 10,536  |
| Town of Corner Brook East (x) .....                | 6,000   |
| North Eastern Fish Industries Ltd. ....            | 350,000 |
| John Penney & Sons Ltd. ....                       | 90,000  |

NOTE: All above secured by Mortgages on land, buildings and/or equipment and/or fishing boats or other property except those marked x which are unsecured.

**Guarantees Authorized by Legislation but not Implemented :**

|                                |           |
|--------------------------------|-----------|
| Western Cold Storage Ltd. .... | \$350,000 |
| Placentia Bay Fisheries .....  | 495,000   |

**Town Council Guaranteed Bond Issues :**

|                                |           |
|--------------------------------|-----------|
| Fortune .....                  | \$115,000 |
| Grand Bank .....               | 200,000   |
| Harbour Grace .....            | 50,000    |
| Lewisporte .....               | 120,000   |
| Springdale—South Brook .....   | 160,000   |
| Channel—Port aux Basques ..... | 250,000   |
| Deer Lake .....                | 120,000   |
| Freshwater, P.B. ....          | 120,000   |

**Carbonear Water Company :**

Capital Stock—4% Interest guaranteed, Acts of 1884; Interest fully paid to 31 December, 1950. Princlial outstanding ..... \$40,000

**Deposits in the Newfoundland Savings Bank and Interest Payable thereon :**

Deposits secured by cash and investments at 31 March, 1952 .....\$24,875,733

**Registrar of the Supreme Court :**

Guarantee of all sums required to discharge liabilities of the Registrar as Administrator, Guardian, Trustee, etc. (Judicature Act Cap. 83 Consolidated Statutes, 1916).

**NOTE :**

- (1) There is agreement in principle, subject to the working out of details, for the guarantee of the bond issue of the Town of Greater Corner Brook within a maximum of \$4,000,000.
- (2) There is agreement in principle, subject to the working out of details, for the incorporation of a Crown Company to generate electricity on the Burin Peninsula with a Provincial Government guarantee of its bonds up to \$1,500,000.

**No. 6 (5) :**

This question has been referred to the Honourable the Attorney General as the representative of the Newfoundland Government on the Board of Directors of Bowater's.

MR. SPEAKER : Question No. 7.

**MR. POWER :**

- (i) Proceeds of bond issue : \$9,850,000.
- (ii) Expenses of bond issue : \$213,833.30.
- (iii) The proceeds of the bond issue were, pursuant to Section 3 of the Revenue and Audit Act, 1951, placed to the credit of the Consolidated Revenue Fund in the Bank of Montreal and merged with the balances therewith.

**I. CASH LOANS**

| Name                                    | As of 28 February, 1953   |                         |
|---|---------------------------|-------------------------|
|   | Authorized<br>Limit<br>\$ | Total<br>Advanced<br>\$ |
| Nfld. Fur Industries Ltd. (a) .....     | 750,000                   | .....                   |
| United Cotton Mills Ltd. (a) .....      | 2,000,000                 | 326,914                 |
| Canadian Leathergoods Ltd. (a) .....    | 50,000                    | .....                   |
| Atlantic Hardboard Industries Ltd. .... | 635,000                   | 384,000                 |
| Atlantic Optical Co. Ltd. (a) .....     | 150,000                   | 69,983                  |

**II. GUARANTEED BANK LOANS**

| Name  | As of 28 February, 1953     |                           |
|---|-----------------------------|---------------------------|
|   | Limit of<br>Guarantee<br>\$ | Advanced<br>by Bank<br>\$ |
| Placentia Bay Fisheries Ltd. (b) .....        | 495,000                     | ... (1)                   |
| Northeastern Fish Industries Ltd. (b) .....   | 350,000                     | 74,847                    |
| United Engineers & Contractors Ltd. (a) ..... | 75,000                      | 30,000                    |

## III. GUARANTEED BOND ISSUES

| Name                                | As of 28 February, 1953 |               |
|-------------------------------------|-------------------------|---------------|
|                                     | Limit of<br>Guarantee   | Bond<br>Issue |
|                                     | \$                      | \$            |
| Western Cold Storage Ltd. (b) ..... | 350,000                 | ... (2)       |

## NOTES

For information as to whether or not some of the above listed undertakings may be cancelled, please refer to the Hon. the Minister of Economic Development with regard to those marked (a) and to the Hon. the Minister of Fisheries and Co-operatives with respect to those marked (b).

Re (1) above—No formal guarantee has yet been issued to the Bank.

Re (2) above—The Company has not yet proceeded with the proposed bond issue.

MR. SPEAKER: Question No. 10 (Answer tabled by Mr. Power).

| Name  | Amount<br>Outstanding |
|---|-----------------------|
|   | as of 28/2/53         |
| Blue Water Shipping Co. Ltd (a) .....                     | \$ 12,000             |
| Geo. T. Dixon Ltd. (a) .....                              | 9,000                 |
| Lake & Lake Ltd. (a) .....                                | 33,583                |
| Nfld. Dehydrating Process Ltd. (a) .....                  | 200,000               |
| Northlantic Trawling Co. Ltd (a) .....                    | 272,889               |
| Northeastern Fish Industries Ltd. (a) .....               | 260,000               |
| John Penney & Sons Ltd. (a) .....                         | 40,000                |
| Nfld. Building and Loan Association Ltd. (b) .....        | (b)                   |
| St. John's Housing Corporation (b) .....                  | (b)                   |
| Humber Housing Co-operative Society (b) .....             | (b)                   |
| Railway Employees' Welfare Association (b) .....          | (b)                   |
| Westmount Veterans' Housing Association (b) .....         | (b)                   |
| Corner Brook Townsite Housing Association (b) .....       | (b)                   |
| Grand Falls Ex-Servicemen's Housing Association (b) ..... | (b)                   |
| Church of England College (c) .....                       | 16,752                |
| Gander Amalgamated School Committee (c) .....             | 7,500                 |
| Loans to Handicraft Students (c) .....                    | 1,662                 |
| Pupil-Teacher Advances (c) .....                          | 33,806                |
| Land Settlers' Loans (d) .....                            | 8,099                 |
| Customs Collector, Curling (e) .....                      | 3,751                 |
| Town Councils (b) .....                                   | 12,029                |
| Medical Students (f) .....                                | 9,700                 |

## NOTES

(a) For further details, refer to the Hon. Minister of Fisheries and Co-operatives.

(b) For further details, refer to the Hon. Minister of Municipal Affairs and Supply.

(c) For further details, refer to the Hon. Minister of Education.

(d) For further details, refer to the Hon. Minister of Mines and Resources.

(e) For further details, refer to the Hon. Minister of Public Works.

(f) For further details, refer to the Hon. Minister of Health.

| Name   | Amount<br>Outstanding<br>as of 28/2/53 |
|--|--|
| Canadian Machinery & Industry Construction Ltd. (1)            | \$2,500,000                            |
| Nfld. Asbestos Ltd. (1)  | 250,000                                |
| Co-operative Development Loan Board (2)                        | 100,017                                |
| Industrial Development Loan Board (3)                          | 144,600                                |
| Fisheries Development Loan Board (2)                           | 500,017                                |
| Atlantic Optical Co. Ltd. (1)                                  | 69,983                                 |
| Atlantic Hardboard Industries Ltd. (1)                         | 384,000                                |
| United Cotton Mills Ltd. (1)                                   | 301,914                                |
| Nfld. Tanneries (Wm. Dorn) Ltd. (1)                            | 368,000                                |
| Hanning Electric Co. Ltd (1)                                   | 89,060                                 |
| Superior Rubber Co. Ltd. (1)                                   | 313,183                                |
| St. John's Stadium Committee (4)                               | 100,000                                |
| Atlantic Films & Electronics Ltd. (1)                          | 150,000                                |
| St. John's Housing Authority (5)                               | (5)                                    |
| Gaulois Fisheries Ltd. (2)                                     | 425,000                                |
| Central Mortgage & Housing Corporation (5)                     | (5)                                    |
| Northeastern Co-operative Fisheries Society Ltd. (2)           | 35,000                                 |
| Loans to Fur Farmers (6)                                       | 59,044                                 |
| Lourdes Co-operative Society Ltd. (2)                          | 50,000                                 |
| Loans to Commercial Farmers (2)                                | 6,430                                  |
| Bonavista Fish Meals & Oils Ltd. and Thompson Nickels Ltd. (2) | 40,500                                 |
| Northern Labrador Trading Operations (7)                       | 85,000                                 |
| Trepassey Fisheries Ltd. (2)                                   | 50,000                                 |
| Loans to Town Councils (5)                                     | 138,961                                |
| St. John's Municipal Council (8)                               | 122,727                                |
| Public Utilities Commission (9)                                | 30,000                                 |
| Humber Housing Co-operative Society (5)                        | (5)                                    |
| R. C. Board of Education, Corner Brook (10)                    | 30,000                                 |
| Amalgamated School Committee, Corner Brook (10)                | 60,000                                 |
| Clive Planta (11)  | 3,338                                  |
| Pupil-Teacher Advances (10)                                    | 33,366                                 |
| Loans to Handicraft Students (10)                              | 831                                    |
| Loans to Medical Students (12)                                 | 19,250                                 |
| Richard Limited (2)  | 397,144                                |

## NOTES

- (1) For further details, refer to the Hon. Minister of Economic Development.
- (2) For further details, refer to the Hon. Minister of Fisheries and Cooperatives.
- (3) See Act No. 71 of 1949. No repayment has been made to date.
- (4) For further details, refer to the Hon. the Premier.
- (5) For further details, refer to the Hon. the Minister of Municipal Affairs and Supply.
- (6) For further details, refer to the Hon. the Minister of Mines and Resources.
- (7) For further details, refer to the Hon. the Minister of Public Welfare.
- (8) Interest free; repayable in ten equal annual instalments. Repayment is being made accordingly.
- (9) See Act No. 100 of 1949. Repayment of \$10,000 made in March, 1953, reducing loan to \$20,000 as of even date.
- (10) For further details, refer to the Hon. the Minister of Education.
- (11) To be repaid in monthly instalments of \$206. Repayment is being made accordingly.
- (12) For further details, refer to the Hon. the Minister of Health.

| Name   | Amounts<br>Guaranteed |
|--|-----------------------|
| Lourdes Co-operative Society Ltd. (a) .....                | \$ 40,000             |
| Seaway Co-operative Society Ltd. (a) .....                 | 20,000                |
| Andrews Labrador Fisheries Ltd. (a) .....                  | 160,000               |
| Alberto Fisheries Ltd. (a) .....                           | 65,000                |
| Fishery Products Ltd. (a) .....                            | 110,000               |
| Olsen Whaling & Sealing Ltd. (a) .....                     | 425,000               |
| Springdale Fur Farmers Co-operative Society Ltd. (a) ..... | 7,000                 |
| St. Lawrence Corporation of Nfld. (b) .....                | 537,500               |
| Richard Ltd. (a) .....                                     | 250,000               |
| Fishery Products Ltd. (a) .....                            | 350,000               |
| Northeastern Fish Industries Ltd. (a) .....                | 350,000               |
| Northeastern Co-operative Fisheries Society Ltd. (a) ..... | 35,000                |
| Arctic Fisheries Products Ltd. (a) .....                   | 125,000               |
| John Penney & Sons Ltd. (a) .....                          | 125,000               |
| Northlantic Fisheries Ltd. (a) .....                       | 675,000               |
| Dunphy's Ltd. (a) .....                                    | 45,000                |
| Hollett Sons & Co. Ltd. (a) .....                          | 125,000               |
| U. C. Board of Education, St. John's (c) .....             | 40,000                |

|  |         |
|--|---------|
| Newfoundland Hardwoods Ltd. (d) .....              | 500,000 |
| Gaultois Fisheries Ltd. (a) .....                  | 425,000 |
| United Engineers & Contractors Ltd. (d) .....      | 75,000  |
| Town of Corner Brook East (e) .....                | 10,000  |
| Town of Carbonear (e) .....                        | 22,000  |
| Town of Grand Bank (e) .....                       | 115,000 |
| Town of Lewisporte (e) .....                       | 50,000  |
| Town of Fortune (e) .....                          | 35,000  |
| Rural District of Springdale-South Brook (e) ..... | 55,000  |

## NOTES

For information as to whether or not agreements made for the repayment of the above listed guarantees have been carried out, reference should be made as follows :

- (i) Items marked (a)—to the Hon. Minister of Fisheries and Co-operatives.
- (ii) Items marked (b)—to the Hon. Minister of Mines and Resources.
- (iii) Items marked (c)—to the Hon. Minister of Education.
- (iv) Items marked (d)—to the Hon. Minister of Economic Development.
- (v) Items marked (e)—to the Hon. Minister of Municipal Affairs and Supply.

| Name of Company                          | As of 28th February, 1953 |                          |                            |
|--|---------------------------|--------------------------|----------------------------|
|  | Authorized<br>Limit<br>\$ | Amount<br>Advanced<br>\$ | Amount<br>Guaranteed<br>\$ |
| Atlantic Hardboard Industries Ltd. ....  | 635,000                   | 348,000                  |                            |
| Atlantic Optical Co. Ltd. ....           | 150,000                   | 69,983                   |                            |
| Atlantic Gloves Ltd. ....                | 350,000                   |                          |                            |
| Atlantic Films & Electronics Ltd. ....   | 150,000                   | 150,000                  |                            |
| Canadian Machinery & Industry            |                           |                          |                            |
| Construction Ltd. ....                   | 2,500,000                 | 2,500,000                |                            |
| Canadian Leathergoods Ltd. ....          | 50,000                    |                          |                            |
| Hanning Electric Co. Ltd. ....           | 325,000                   | 89,060                   |                            |
| Nfld. Tanneries (Wm. Dorn) Ltd. ....     | 368,000                   | 396,000                  |                            |
| Nfld. Fur Industries Ltd. ....           | 750,000                   |                          |                            |
| Superior Rubber Co. Ltd. ....            | 1,000,000                 | 313,183                  |                            |
| United Cotton Mills Ltd. ....            | 2,000,000                 | 326,914                  |                            |
| Canada Ceramics Co. Ltd. ....            | 1,000,000                 |                          |                            |
| Nfld. Chemicals Ltd. ....                | 450,000                   |                          |                            |
| Boot & Shoe Plant .....                  | 1,000,000                 |                          |                            |
| Marine Oil Hardening Plant .....         | 1,200,000                 |                          |                            |
| United Engineers & Contractors Ltd. .... | 75,000                    |                          | 75,000                     |

## I. CASH LOANS

| Name                             | As of 28 February, 1953 |                   |
|----------------------------------|-------------------------|-------------------|
|                                  | Authorized<br>Limit     | Total<br>Advanced |
|                                  | \$                      | \$                |
| Nfld. Fur Industries .....       | 750,000                 | .....             |
| Canadian Leathersgoods Ltd. .... | 50,000                  | .....             |
| Marine Oil Hardening Plant ..... | 1,200,000               | .....             |
| Atlantic Gloves Ltd. ....        | 350,000                 | .....             |
| Canadian Ceramics Co. Ltd. ....  | 1,000,000               | .....             |
| Nfld. Chemicals Ltd. ....        | 450,000                 | .....             |
| Boot & Shoe Plant .....          | 1,000,000               | .....             |

## II. GUARANTEED BANK LOANS

| Name                              | As of 28 February, 1953 |                     |
|-----------------------------------|-------------------------|---------------------|
|                                   | Limit of<br>Guarantee   | Advanced<br>by Bank |
|                                   | \$                      | \$                  |
| Placentia Bay Fisheries Ltd. .... | 495,000                 | .....               |

## III. GUARANTEED BOND ISSUES

| Name                           | As of 28 February, 1953 |               |
|--------------------------------|-------------------------|---------------|
|                                | Limit of<br>Guarantee   | Bond<br>Issue |
|                                | \$                      | \$            |
| Western Cold Storage Ltd. .... | 350,000                 | .....         |

- (i) The total cost of Birch Plant constructed and equipment was \$1,788,658.02.
- (ii) For information regarding cost of machinery, please refer to the Hon. the Minister of Economic Development.
- (iii) Working capital advanced to Company to 28/2/53: \$806,634.79.
- (iv) For audited statement of Company along the lines requested please refer to the Hon. the Minister of Economic Development.

MR. SPEAKER: Question No. 16  
(Tabled by Mr. Power).

This Question requires clarification. Would the honourable member indicate more definitely (a) the period in respect of which the information requested is required and (b) if he wishes to have the information for all loans and/or guarantees made in that period or only those which are still current.

MR. SPEAKER: Question No. 13.

MR. SPENCER: I think, Mr. Speaker, inasmuch as I have taken up

a little time in answering question No. 3, I hope for the edification of the House I might be able to add a little touch of humour which has been recently passed to me by an honourable gentleman of this House who does not have the opportunity to rise up and express himself in behalf of his constituents. A few moments ago in my comments I said that I loved road building to such an extent I could almost enjoy eating gravel. I received a very pert little note from His Honour the Speaker saying that they have the most edible gravel in

the country in the district of St. Barbe. I think that is very well put, Mr. Speaker.

MR. SPEAKER: Question No. 13.

MR. SPENCER: 13 (2) The answer is as follows: Whilst discussions have been held between the Government of Newfoundland and the Government of Canada no final decision has as yet been received. I would say, however, in relation to this point, if I am permitted, Mr. Speaker, that the Honourable the Premier has together with myself and without me at times discussed this matter with members of the Federal Government at Ottawa. The correspondence will show you that in my humble capacity as far back as the 13th of May, 1950, I wrote a fairly lengthy letter to the Honourable the Minister of Public Works for the Dominion of Canada. During my temporary absence from the Province the Acting Minister of Public Works, the Honourable the Attorney General corresponded with him as well on my behalf. All of that correspondence is available, but the latter part of the question, the answer is that the repairs to the said wharf are at present in a state of flux. Surveys have been made both by the Federal Division in this Province and by members of my Department. There have been negotiations regarding the possibility of having the Federal Government rebuild or build a wharf at Portugal Cove, and there is a tentative decision that we of the Provincial Government of Newfoundland would then build onto it a section suitable for the docking of the boat serving between Bell Island and Portugal Cove. That has not been decided definitely but the issue is very much alive and we hope in the not too distant future to be able to pres-

ent to the Government, and possibly to this House when the time comes, more detailed information regarding this question No. 13.

MR. SPEAKER: Question No. 29.

MR. SPENCER: I have a reply to another question No. 29 on the Order Paper of March 18, which I shall table. The length of that piece of road is 1.5 miles, Mr. Speaker, and my next word will possibly present the first real shock on road building to this Honourable House that it has been my good will or ill fortune to present. The cost of that 1.5 miles of road (don't drop in your seats, I will endeavour to give you the reason) I am quite sure you will be as astonished as I was when I saw the figures of what it cost us, \$165,201.

On receiving that figure, Mr. Speaker, naturally it was my duty to investigate why. Honourable members will perhaps just do a little calculation for one moment and they will see that the actual rate was \$110,000 per mile. I have gone into it very carefully and I am very satisfied. I want to tell you that in the hope that you may be satisfied to accept my word. I am very satisfied that we have gotten good value. I would not go so far as to say that had I been the engineer on the laying out of the road I would have perhaps laid it out quite so elaborately as it has been done, being the type of fellow known, I believe, to my colleagues and other members of the Honourable House who have been after me to get money for road building in various sections of the Province, from whom I am getting the name of a tight wad in the Department of Public Works.

The contractors were the Concrete Products Newfoundland, Ltd. Here



I shall give you the reason for the cost. The road in question was not built to by-pass Grand Falls (that is a little bit of information for my honourable friend who asked the question). It was built as a part link in the Trans-Canada Highway. The cost is higher than average for Trans-Canada Highway primarily because a deep muskeg was crossed which had to be excavated and back filled. The Honourable Leader of the Opposition recently visited my district and must know where that piece of road has gone across a very heavy swamp and quite a gorge through which one time the spur for the Anglo-Newfoundland Development Company passed through Windsor and the Town of Grand Falls. I am sure he is quite familiar with the muskeg valley. As it must come up to Trans-Canada Highway standards the muskeg had to be excavated. In other words we could not in present day road construction pass over a swamp and build a bridge across it, as it were and fill in with gravel and wait until the gravel sinks and so become consolidated. That is not allowed any more. If we do not agree to do it to standard, Mr. Speaker, they will not contribute their proportion of the cost. (a) All this muskeg had to be excavated and backfilled with solid material. (b) Expensive drainage of muskeg had to be undertaken (c) a railway siding belonging to the A.N.D. Company raised to the level of the Trans-Canada Highway and (d) some of the material had to be hauled a distance of approximately four miles. Now, I realize that could be, as I stated at the outset, Mr. Speaker, a slight shock to us that our roads in Newfoundland could cost in the vicinity of \$111,000 a mile.

MR. HOLLETT: Is it paved?

MR. SPENCER: No. You can add another twenty-five thousand dollars on top of that before the paving is done. I do want to give you a little more detailed information so that we of the House of Assembly and visitors may not have their minds all filled with the idea that this is simply throwing away a hundred and sixty-five thousand dollars which belongs to the people. The increase in the total estimates went from \$48,000 to \$70,000 caused by the decision to construct the grade 36' wide rather than 30'. There is a place where possibly Tight Wad Spencer might have said 30' wide is good enough. If I were on it I would be inclined to do just that, but I am proud of the piece of road built. I recently went over it and, apart from the fact that it is almost level for the entire section of road leading from Windsor Station to a point on the highway near the Highway Garage, a half mile or so outside the Town of Grand Falls, I feel it has been a very wonderful job, but I would have changed it, I think, in the light of my own knowledge of the great need for funds and the need for spreading them as far as possible, I would not be so proud as to build it up level but would have it going down and up a little grade as long as we maintained the standard. Excavating the muskeg cost some \$29,000 including the refill being hauled some four miles. A further twenty-seven cubic yards of excavation were required to provide adequate drainage. The total difference between the original and the revised estimate that was made was solely other material "OM" in our road construction. The increase in the cost was only \$16,500. The total difference was not "OM," for unfortunately besides the twenty-two thousand yards of excavation it

was found necessary to replace the excavation with rock or other material.—However, Mr. Speaker, I have much more detailed information with which I do not propose to worry the House at the present time, but will add just this one comment the cuts between 13 and 15 were practical solid rock, the cuts at 12 and 14 thirty per cent solid rock and the overburden another thirty per cent.

#### Notice of Questions

MR. HOLLETT—To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information relative to the operations of the Newfoundland and Labrador Corporation Limited.

1. Give an itemized statement of Travelling and Subsistence expense on account of employees up to December 31, 1952 totalling \$55,210.76; name the Employees and amount of Expenses of each Employee for Travelling and for Subsistence.

2. Give a statement showing expenses incurred by the several Directors on account of Travelling and Subsistence totalling \$5,551.64 as of December 31, 1952.

3. Give names of persons to whom \$6,001.97 was paid as professional fees and the amounts paid to each.

4. To what party did the Corporation pay:

(a) Office Rent of \$3,749.98;

(b) Living Quarters Rent of \$3,494.50, up to December 31, 1952.

5. List Surveys and Reports made showing persons who made same, together with amounts paid in each case under these headings totalling

\$21,918.98 as listed Profit and Loss Account.

6. Give itemized account of \$9,849.61 listed as Organization expenses.

7. What are the specific rights conceded to the 10% private capital referred to in the report of the President and the Chairman of the Board of Directors?

8. Table copy of the sub-concession to Newmount Mining Corporation. What agreements have been reached with the following Companies: (a) American Zinc; (b) Lead & Smelting Co.; (c) The John Fox Oil Interests.

9. Have the present Stockholders other than Government consented to give up their special rights under the Act?

10. List Salaries paid up to December 31, 1952 totalling \$40,603.13, with amounts paid to Individuals naming said Individuals.

#### Orders of the Day

Address in Reply:

MR. FOGWILL: Mr. Speaker, in entering upon this debate, Sir, first of all, I would like to add my few words in respect to the Coronation of our Queen, Elizabeth II, and I hope, along with all the loyal subjects of the Empire that her reign will be blessed with peace and happiness and prosperity.

Secondly, I wish to congratulate the mover and seconder of the Motion, the honourable member for Green Bay and the honourable member for Bonavista South. To me, Sir, it has always been a privilege, and I will say, a pleasure to listen to the honourable members on the other side, particularly those who do not at all

times have the opportunity to express themselves except in proposing a Motion such as that which we have before the Chair.

Thirdly, I wish to congratulate the Honourable Minister of Mines and Resources and the Honourable Minister of Provincial Affairs on their being elected to this Honourable House and I wish to add that they will add to the dignity of the Legislature and bring honour to this Assembly.

Mr. Speaker, in the Speech from the Throne, which is very short this year, I wish to say that there is one thing strikes me for the past four years, since this present Government came to office, that is their theme song of "develop or perish." That song is one which has been brought about by the present Premier, I would say; that the people of this country must develop or perish. I believe the people will have to develop or they will have to perish. That, in itself, is not a new story; it is not a new theme song. It is something as old as the world. It is not something new brought into this century and into the times in which we live. It is something evidenced since the world began. All people must develop or perish. I do not mean perish and die and go away from the face of the earth; in the sense that they would die or perish in that they would have to be content with lower standards of living and lower standards of education and so on.

As far as "develop or perish" is concerned, Mr. Speaker, that is something we all know about; and if we cast our minds back to not so very long ago—perhaps sixty or seventy years ago, the same thing may be applied to the great United States when their economy was practically a

farming economy. They did not have the benefits of the new industries, the new inventions. They did not have the benefits of the Railway, the iron age. They did not have the benefits of electricity and all those things which we have today and which are used to make life comfortable.

The same thing may be applied to Canada of which we are a part today. Canada itself was practically only a farming economy up to 1912 or 1914, at the time of the first World War. The industrialization of Canada only took place after that. Canada has come a long way since then in developing her economy, by new manufacturing, developing the farm lands, oil wells, fisheries and so on.

Now, Mr. Speaker, any country can only develop insofar as their natural resources permit them, taking into consideration their geographical position in the world and the need in the world for what they have got. And so, Mr. Speaker, I do not think this present Government can take any great credit for the development of this country. I will say that, under the leadership of the Premier, they may have accelerated this past couple of years, the development of Newfoundland; but they have not yet proven to me or to the members of the Opposition that this Government are the ones to develop Newfoundland. So far, Mr. Speaker, it is not in the record.

Perhaps it might be well at this moment to tell a little story about the development of breeding animals in agriculture. I know, some time ago, one of the Agricultural Colleges in the United States took upon themselves to breed an animal which they thought would be bred to a point where they would have the best re-

sults in the particular area in which they lived. It took them twenty years to develop that breed of animal. The end result was that it took twenty years to breed an animal that would be the last word. And at the end, they thought, perhaps they should give it a name; I think the name was "Kacabonconcentrate." For twenty years they concentrated their efforts and all their experience in breeding other types, into the breeding of this particular animal.

Now, this present Government, the Liberal Government; it appears they want to do that in three, or four years.

As I said in the first place, we must develop or perish. I believe in that. You cannot do it in the short period of time at the disposal of the present Government. There is not sufficient thought and energy put into the different schemes, which have come to this House. In other words, the Government has gambled; it has gambled the money, it has gambled the taxes of the people of Newfoundland.

Another thing about which I wish to say a few words is the Premier's statement of last year when he said "Newfoundland at long last is on the march." I do not believe that. Mr. Speaker, Newfoundland has been marching for a long time. Newfoundland has been marching for one hundred years. I would say, Sir, that Newfoundland began its march at the advent of Responsible Government in 1855, just about one hundred years ago. With the advent of Responsible Government and with their efforts to bring about a better standard of living to the people who for three hundred years had been tied to a fishing economy, these people at that time had a very difficult task. But I be-

lieve they buckled down to it; and as a result Copper Mines were opened in Notre Dame Bay, the Railway in 1885, Bell Island opened in 1898, Grand Falls pulp and paper mill in 1905, Corner Brook in 1923; Buchans in 1927 and in 1936 we had Knob Lake and Seven Islands. So, this Government has not put this Island on the march. We have been marching for the past one hundred years. I cannot see how this Government can take credit for putting it on the march. They might take credit for having accelerated our march, but they did not put Newfoundland on the march.

Mr. Speaker, in these new industries which the Newfoundland Government assisted this past two or three years—the Cement and Gypsum Plant, the Birch Plant, the Machinery Plant, the Textile Plant, the Tannery and Eye-glass Factory—the number of employees in all of those do not equal the number of people employed by two firms on Millionaire Street—Water Street—which is called Millionaire Street by members of the Government.

This Government takes credit for everything that is going on. They take credit for unprecedented prosperity, which I agree we have. In 1952 Newfoundland had greater prosperity than it ever did before. And why did we enjoy this prosperity? It was because paper was \$126.00 a ton; it was because the people on Bell Island were digging out the iron and selling it; because the people in Buchans were digging out the ore and selling it to people who wanted it. Also there were thousands of our people employed at Fort Pepperrell and at Fort McAndrew, at Harmon Field, at Goose Bay, Knob Lake, at Seven Islands and in Greenland. All

of these are people from all over the districts of Newfoundland and are working in these places and this new money is coming into this Province. We have prosperity, Mr. Speaker, but it is not caused by the efforts of the present Government. The fifteen or sixteen hundred people who have been given employment at the new industries are very low returns for the fifteen or eighteen million dollars outlay. There are perhaps two hundred and fifty or three hundred people employed at the Cement & Gypsum Plant. There are very few at the Octagon. And I might say, in connection with the Machinery Plant, that was supposed to be a production plant—they were going to build elevators, Cement Mills; going to build agriculture machinery; they were going to build cement mixers; going to build all of those things. And what are they building? At the present time the Machine Plant at the Octagon is only interfering with the small machine shops in St. John's. I believe that is the truth. They may fix bumpers for the Capital Coach Lines or they make machine rods or piston rods for the Birch Plant at \$250, and which can be done in St. John's for \$60; and I know what the machine shop is. This Machine Plant at the Octagon is a glorified repair shop. That is all it is. It is equipped with quite a lot of new machinery and quite a lot of re-built machinery—

HON. J. R. SMALLWOOD (Prime Minister): There is not one single re-built machine in it.

MR. FOGWILL: I am not going to disbelieve the Premier, but I still hold to my own opinion. I have also the opinion of people who went in there, people who have spent their lifetime at machine work and as far

as machinery is concerned, they have a better eye than the Premier.

MR. SMALLWOOD: Name them!

MR. FOGWILL: I do not have to, but I will name them in the proper place.

MR. SMALLWOOD: Here is the place to name them.

MR. FOGWILL: Shut up.

MR. SMALLWOOD: I submit the honourable member has no right to make a statement like that without naming his authority and I say he is imagining someone told him that. I have a right to say that when he does not name his authority. Further I say it is a piece of fiction. There is not one single piece of rebuilt machinery there. It is all spick and span new machinery. Name the parties, I say, in common decency name them. Tell us about the bolts and nuts.

MR. FOGWILL: I maintain my opinion insofar as the Machine Plant is concerned. It is quite possible that the Government will have a white elephant on its hands.

MR. SMALLWOOD: Tell us about the nuts and bolts.

MR. FOGWILL: I see plenty of nuts and bolts opposite me.

MR. SPEAKER: If the honourable members would refrain from descending to personalities, these regrettable incidents would not occur. I am not going to rule in favour of one or the other. When one member throws out personalities and another replies with personalities, the Chair cannot make a decision. The honourable member was expressing an opinion. He may be of the opinion the machines may be constructed of pure silver and to say it is so or not so is impossible for the Chair.

MR. FOGWILL: I have no wish to be out of order. I have been contacted by several individuals in respect to their employment with the Government. These individuals have intimated to me that the rate of pay is much lower for their classification of work than the current rate of wages in the surrounding area, and I refer to the city of St. John's. The rate is 10 cents an hour lower, and these individuals do not want me to tell who they are, and why? Because they are afraid, they told me, that they would lose their jobs. That is what they told me. That is enough about mentioning names. I do not want to bring names in and be the cause of people losing revenue or wages. I do not want to be out of order; I will be sorry if I do. I have no intention of getting out of order.

Yesterday, in another debate—and this, I know I am not allowed to refer to.

MR. SPEAKER: If the honourable member knows he is not allowed to refer to the matter, he is decidedly out of order.

MR. FOGWILL: Mr. Speaker, personally, I do not like Germans. In saying that, I am not going to say I dislike them, any more than I like or dislike any people who come to this country and are prepared to settle down, make a living and become citizens. I am not going to say I like or dislike them. But I do not see any reason why the Newfoundland people should be proud to have Germans come in here and I do not see any reason why they should not be proud to have Germans come in here. But they are here now in any case. I understand, Mr. Speaker, that there are quite a number of them who have come in here during the last couple

of years, partly Europeans, but now frankly referred to as Germans. I do not like them. I can go back a few years ago and I remember a Declaration of War in 1939, and I remember the news broadcast that morning when the "Athenia" was sunk; I can remember reading of the flattening of Coventry, the sinking of the "Caribou." I can remember, as well as the people in this House can remember these things. But because of that, I do not like the Germans. I cannot say I like them. I cannot say the people of this country are proud to have them. If they come in here with their know-how, if they come in with machinery; if they come to develop the country, I look upon them as I look upon people from the United States, Canada or England who come in here to make a dollar. They are not coming here to help us, and why should we be proud of these people? Let us deal with them as if they came from Timbuctoo. If they come in with money; if they come in and want to develop our natural resources, let them come. These people are not going to bring the money in here unless on speculation. They bring it in to make a dollar. How much money has the Government brought in from outside sources? Mr. Speaker, they have not brought a cent. The great development on the Labrador is purely an American and Canadian project, and was initiated away back in 1936. Two or three hundreds of millions of dollars has been brought in by those people to develop the iron mines of the Labrador. It was not because they love the Newfoundland people or the Government. Such ridiculous nonsense I never heard in my life.

These people coming from Europe are coming in on speculation. It is

a good deal for them, all the money is put up by the Newfoundland Government. It is a good deal for them. Where would they get a deal like that in Europe today? They could not get it.

Now, Mr. Speaker, as I have said, we have a lot of prosperity in this country today. Last year was one of the most prosperous years we ever had in the life of this country. It did not come, Mr. Speaker, from the efforts of this present Government but from the paper, the iron mines on Bell Island, Seven Islands and Knob Lake, from Greenland, from Fort Pepperrell and the White Hills where two thousand additional people were employed in addition to the permanently employed; from Fort McAndrew and Harmon Field and Goose Bay and from the United States and Canada where many of the Newfoundland people are working and sending back money to this Island.

Now, Mr. Speaker, we have the introduction of some more Germans here in the persons of females, German ladies have been introduced into this Island. I saw a few days ago where there were six or seven. I don't know about those blond bombshells, they may cause an increase of wolf whistles on Water Street, I don't know if they will or not, but they may.

As far as the fisheries are concerned: It is the Government's intention, I believe, to do something about the fisheries this year. I hope they will. But, Mr. Speaker, I hope they will not continue in the same pattern as they did in 1951 when according to the Auditor General's Report they equipped two Labrador Schooners as vocational training schools for Danish Seining Methods.

These two vessels cost the Government \$125,000. We have not that kind of money. I do hope, Mr. Speaker, the report of the Walsh Committee on fisheries will bring in a report the Government can take hold of and do something about.

Mr. Speaker, we have heard a lot about NALCO. I am not going to say anything much about it. In any case it was understood last year from the address delivered here in the House by the Premier, understood by me at least, that NALCO was to be, as I quote my honourable friend here, the economic arm of the Newfoundland Government, and they would purchase the three Government owned plants, Cement Mill, Gypsum Plant and Birch Plant. There was legislation passed in this House guaranteeing the floating of a loan by NALCO amounting to ten million dollars. I assumed so at least because in this speech NALCO was to take over all the assets of the Government in respect of economic development. The Government would guarantee a loan of ten million dollars to the Newfoundland and Labrador Corporation. I presume that legislation was passed for the purpose of purchasing these three plants. Then why when NALCO went and looked for money from the bonding houses could they not get it. Is it possible for any member here to think that the bond houses did not have faith in these three plants? If they did, Mr. Speaker, I believe they would have loaned the money particularly when guaranteed by the Newfoundland Government. In any case they could not get the money, and the Government had to go to the markets themselves and get the loan.

Now, Mr. Speaker, we have this new company coming in here "BRINCO." Whoever they are we don't

know yet. I suppose we will find out bye and bye. My honourable friend here, my colleague for St. John's East referred to BRINCO as being "Bunko." Perhaps the name "Bingo" another gamble, just another gamble. Mr. Speaker, this Government today are gambling the future of this country, and tying up our natural resources with people who are speculative, people who can envisage the making of a dollar if they can come in here and get all the concessions they need, and sell out if they feel they are not making any money out of it.

Mr. Speaker, we were promised here that we would have a lower cost of living and lower taxes. That has not taken place. None of the promises of the present Government have been fulfilled. They have not provided employment for our people. They have not lowered the cost of living. They have not lowered taxes. They have not provided adequate school rooms and an adequate number of school teachers for our children, which has been evident during the past year when, Mr. Speaker, three or four thousand of our children are out of school, many schoolrooms closed, school buildings delapidated. They cannot get enough teachers. Why? Because they don't pay them the money. You have to pay a servant adequate wages, a reasonable living wage if you want them to work for you. Still, Mr. Speaker, they are going to show a surplus of five or six million dollars at the expense of the children of Newfoundland—that is the way I look at it.

What about St. John's East to which I have heard reference this afternoon? I will say this, Mr. Speaker, you will find no better people anywhere in this land. You will find no

better people in the world. You will find no more industrious people anywhere than the people of St. John's East. They are long suffering. Mr. J. G. Higgins who was the Leader of the Opposition in the last assembly and I, at that time in those two years when we were here did not make any special appeal, Mr. Speaker, for the people of St. John's East, made no complaints, just sat here and did what we could to aid and help the legislation as it came along. I am not making an appeal today, not making a complaint to the Government. But I want to point out, Mr. Speaker, some salient facts in regard to that district being neglected. I will express this opinion, Mr. Speaker, it has been neglected deliberately. Most of the people of St. John's East live in the city of St. John's, that is the Provincial district, with several small settlements outside, Quidi Vidi, Logy Bay, Middle Cove, Outer Cove, Torbay, Flatrock, Inner Cove and Pouch Cove. These people and their needs have been neglected. They are an industrious people. If there is any work on the go anywhere these people will go and seek that work. Where are they? They work at Fort Pepperrell, Mr. Speaker, many of them. If they can't get work there they go to Greenland and further afield. They go anywhere. They ship on vessels sailing out of here to the four corners of the earth, seeking employment, wages and a decent living. They will pay their taxes. They work at McAndrew and Harmon Field and in the city of St. John's. We have fishermen and there are no better fishermen to be found in Newfoundland than in Bauline, the people of heavy anchors and stout rope. And they have been neglected. They pay their taxes and they pay plenty. I



don't see any reason why, Mr. Speaker, these people are neglected as they are. There has been some money spent in the district but not in proportion to the number living there, and in proportion to the taxes they pay. Of course, Mr. Speaker, I will say this; that there are people living in the rest of the Island of Newfoundland equally industrious and they need the same services as the people of my district. But, Sir, the people in my district and in the district of my colleague here have been neglected, and I take this opportunity to bring this to the attention of the House today, in justice, Mr. Speaker, to these people they should get a better deal from the Government.

I do not want, Mr. Speaker, to refer to the Honourable Minister of Public Works Department in any way that might hurt him, but I must say that as far as our district is concerned when our people refer to the Roads Division of the Public Works Department, we make reference to that as the Pothole Division, because, Mr. Speaker, all we have in St. John's East, outside the city of St. John's with the exception of two or three miles of paved road, is potholes.

There was some work done in 1951. I remember quite well going to Pouch Cove in November, 1951 when the people down there were very busy spreading gravel. There was an election on in November, 1951 and the people were very busy spreading gravel. There was some gravel spread last year between Torbay and St. John's, and the road between the Airport and Baird's Cottage was actually paved. With the exception of that, Mr. Speaker, there has been nothing done. It is time for myself and my honourable friend here to

make complaint in justice to these people of St. John's East. It is time, Mr. Speaker, that they got a square deal. They have not gotten one in the past four years.

Mr. Speaker, in closing I want to make one or two remarks about one particular department of the Government, the Board of Liquor Control. During the past four years, Mr. Speaker, since this Government has come into power what has been their greatest revenue, or where did it come from? It came from the sale of liquor. Now, this is well known, Mr. Speaker, about the liquor traffic. In 1949-50, Mr. Speaker, the Government collected upwards of three million dollars on the sale of liquor; in 1950-51, two million three hundred thousand dollars; in 1951-52 they cleaned up a profit of two million six hundred thousand dollars; and the estimated profit for this year is two and a half million dollars. A total, Mr. Speaker, in four years of ten million four hundred thousand dollars on the sale of liquor to the Newfoundland people—what a disgrace. But that is just the profit. During the same period they will have sold to the people of this country twenty million dollars worth of liquors, beers and wine. How much satisfaction does that give to the Honourable Minister of Public Welfare, when he can say that the Government's revenue has been bolstered during the past four years with a revenue of ten million four hundred thousand dollars from the sale of liquor.

MR. SMALLWOOD: Should we stop selling it?

MR. FOGWILL: That is a lot of money, Mr. Speaker.

MR. SMALLWOOD: Would the honourable member have us stop selling it?

MR. FOGWILL: Did I hear an echo, Sir, or just a noise? Perhaps it was just an echo. Anyway, Mr. Speaker, three Ministers are involved in this: The Minister of Finance I think is responsible for the Department. He probably would rub his hands with glee when he sees the revenue coming in and he can show a surplus, whereas we have children out of school, no teachers, no school-rooms. Yet we have ten million four hundred thousand dollars in four years, two million and a half this year on liquor with children still out of school, no roads to walk on, go through the briers, climb over fences and through bogs to the nearest road to the school. There is something wrong. Then we have an Honourable Minister to look after the price control. I know two years ago they had quite an inquiry about the profits made by the business people of this country. It was said in an official statement made at that time that if they found any profiteers in this land they would be put behind bars—here we have ourselves, the Government, making a profit of over fifty per cent on the sale of liquor.

MR. SMALLWOOD: It is still not high enough, it should be two or three hundred per cent.

MR. FOGWILL: When the Alcoholic Liquor Act was introduced it was brought in as a Temperance Act. I don't think any alcoholic liquor is a Temperance Act when it brings in to the revenue of the country ten million four hundred thousand dollars in four years. It should not be brought in as a Temperance Act but

as a Revenue Act, and any act brought in under the same heading should be classed as that.

That is about all I have to say, Mr. Speaker. But I will say this in closing—as we go ahead, and as we develop, we develop and we progress in accordance with what we got, what the people on the outside want and are prepared to get to develop those resources and in accordance with our geographical position in the position in the world etc. We cannot develop any quicker nor any faster than the needs of the world require. There is one other thing, Mr. Speaker, as far as prosperity is concerned, this prosperity, Mr. Speaker, is not something which is confined to a place like Newfoundland, prosperity is international not national. If the United States fails to be prosperous or comes upon hard times, Canada will do likewise and so will Newfoundland. Prosperity is not something that belongs to us. Prosperity is not something that can be brought about by the Premier of this country nor by this Government. It cannot be brought about by any one Government. It is international and can only be brought about by the relationship between this Government and all the Governments of all the Provinces, by the Government of Canada and the United States, and in the particular time in which we live, in accordance with the needs of the people concerned.

Thank you very much.

MR. MURRAY: Mr. Speaker, I move the adjournment of the debate.

Committee of the Whole:

On Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government of

Newfoundland and Atlantic Gloves Limited," and to a Bill, "An Act Further to Amend the Judicature Act."

Clauses 1, 2 and 3 read by Clerk.

**MR. HOLLETT:** Mr. Chairman, I feel that we on this side of the House cannot let that section pass without saying a few words on it. We have here a section which guarantees another loan of three hundred and fifty thousand dollars to this Atlantic Gloves Company, a Company which was only formed at least registered in this country on February 10th. I fail to see what information or what knowledge the Government has of this particular company.

**MR. SMALLWOOD:** Mr. Chairman, this is Committee of the Whole and not second reading.

**MR. CHAIRMAN:** The honourable member may not properly discuss the principle. That was discussed yesterday.

**MR. HOLLETT:** I move then, Mr. Chairman, that the amount be reduced to one dollar instead of three hundred and fifty thousand dollars.

**MR. CHAIRMAN:** I cannot accept that motion since the amount is included in the principle involved.

**MR. HOLLETT:** If I made it seven hundred thousand dollars would that be against the principle? I fail to see, Mr. Chairman, what difference the amount has to the principle. The principle I take it I cannot even discuss. At any rate I rise to register my objections to this House against a loan of three hundred and fifty thousand dollars and the interest on it. I can say very little more about it.

**MR. CHAIRMAN:** The honourable member may register his objections.

Carried.

Guarantee read by Clerk.

Pursuant to the Act No. — of 1953 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.

#### SCHEDULE

THIS AGREEMENT made this 10th day of February Anno Domini One thousand nine hundred and fifty-three BETWEEN Her Majesty 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 Gloves Limited a company incorporated under the laws of Newfoundland and having an authorized capital of two hundred thousand (\$200,000.00) dollars divided into two thousand shares of one hundred (\$100.00) dollars each (hereinafter referred to as "the Company") of the other part WHEREAS the Company is desirous of establishing and operating in Newfoundland a modern and up-to-date factory for the manufacture of leather gloves, mitts and mittens AND WHEREAS the Government has agreed to finance the Company to an amount of three hundred and fifty thousand (\$350,000.00) dollars at the times and in the manner and under the conditions hereinafter appearing.

NOW THIS AGREEMENT WITNESSETH:

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 of leather gloves, mitts and mittens at a cost of not less than three hundred and seventy thousand (\$370,000.00) dollars. The aggregate value of all assets of the Company in Newfoundland so established shall not be less than five hundred and fifty thousand (\$550,000.00) dollars.

2. The Government will lend or cause to be loaned under Government guarantee to the Company the sum of three hundred and fifty thousand (\$350,000.00) dollars which sum is to be available at the times and in the manner hereinafter appearing.

3. The Company will 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 thereon accruing from day to day at the rate of five per centum (5%) per annum from the date or dates of each and every loan.

MR. HOLLETT: I want to know if that is "sand plant" or "Said Plant."

MR. SMALLWOOD: That is pretty heavy stuff.

MR. HOLLETT: Not as heavy as the gravel my honourable friend would eat.

MR. SMALLWOOD: A very heavy objection. It is a typographical error. The Honourable Minister of Public Welfare must have been caught napping.

Clauses 4 and 5 read by Clerk.

4. The Company undertakes that it will have all the said plant installed in the said building before the thirty-first day of December Anno Domini One thousand nine hundred and fifty-three.

5. The Government agrees to make advances available to the Company as follows:

(a) The sum of one hundred and seventy thousand (\$170,000.00) dollars to be advanced in instalments 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 Newfoundland of the said plant against receipt by the Government of satisfactory evidence thereof PROVIDED HOWEVER that total advances under this sub-clause shall not at any time exceed the amount of expenditure by the Company for the purchase of the said plant.

(b) The sum of one hundred and twenty thousand (\$120,000.00) dollars if and when requested by the Company upon the completion of the said building and installation therein of the said plant as provided for herein the same to be certified by the Minister of Economic Development.

(c) The sum of sixty thousand (\$60,000.00) dollars in instalments as and when requested by the Company and for purposes to be approved by the Minister of Economic Development PROVIDED HOWEVER that total advances under this sub-clause shall not at any time exceed the amount of the expenditure by the Company in cash or its equivalent in the acquisition and clearing of plant site laying of foundations, the construction of buildings and the instal-

lation therein of the necessary plant. Payments hereunder will be made upon the certificate of the Minister of Economic Development.

MR. HOLLETT: Is there any time limit? It says "as and when requested by the Company."

MR. SMALLWOOD: The Attorney General would be the more appropriate Minister to answer that. As I read it, and as I understand it, it means we would advance the money after the arrival here in Newfoundland of the Plant. Perhaps the honourable gentleman's colleague could answer it.

MR. HIGGINS: Does it mean "after arrival" or "after installation"?

MR. SMALLWOOD: After its arrival; after we have verified its arrival.

MR. HIGGINS: Sub-section 4 says "The Company undertakes that it will have all the said plant installed in the said building before the thirty-first day of December Anno Domini One thousand nine hundred and fifty-three. If it does not meet the deadline of December 31st, 1953, what happens?"

MR. SMALLWOOD: In actual fact, we would be inclined to take the view that if they had made a genuine effort to carry out their obligation—

MR. HIGGINS: That is not a rigid clause then?

MR. SMALLWOOD: It is a rigid clause. If in actual fact, due to circumstances we believe to be beyond their control occurring, only after they had made a genuine sincere effort to carry it out, we would give them an extension.

MR. CURTIS: The answer is in the fourth line "for purpose to be approved by the Minister of Economic Development." The Company might want to start and get a site immediately; they might want to start the building immediately, and they have the right to ask for the money, but they have not got the right to get it unless they explain what they want it for and unless it satisfies the Minister that it is reasonable. And the money will be given on such terms as he accepts, subject to security being given. I think it is quite clear.

MR. HOLLETT: They do not get any money prior to that? They can send in a whole plant without any money from us?

MR. CURTIS: Yes.

MR. SMALLWOOD: Every plant has done that. The only case where we have paid money out before arrival of the plant has been when the firm had to acquire land on which to erect a building; in cases where acquisition of land had to take place before the actual plant began to arrive. In which cases we have advanced money for the purchase of the land.

No. 6 (1) "Before making any loan or guaranteeing any loan to the Company the Government may require the Company to give security satisfactory to the Economic Development."

MR. HIGGINS: What would you regard as "security satisfactory." The Government is putting \$350,000.00 into a \$550,000.00 business. That would be the only security you would require?

MR. CURTIS: You might note that sub-clause (2) keeps its finger on the disbursement clause.

(2) Pending the furnishing of such security if and when required by the Government any money advanced by the Government or secured by the Government guarantee shall be disbursed only as approved by the Minister of Economic Development."

No. 7. (1) "The Company will repay to the Government the amount of its loan as soon as it is able to do so and will repay any loan made by the Government as soon as the Company has succeeded in negotiating a commercial bank loan or the sale of its bonds and in any event within seven years from the first day of March Anno Domini One thousand nine hundred and fifty-six."

MR. HOLLETT: I wonder if there is any way in which the Government could see fit to take out the words "as soon as they are able to do so." It seems silly to me, from a financial point of view.

MR. SMALLWOOD: Today the honourable gentleman does improve on the position he took recently. Recently he would only go so far as to say "as soon as they were able to do so." Today he read the whole clause.

MR. HOLLETT: Yesterday I quoted it.

MR. SMALLWOOD: The honourable gentleman quite clearly said "they will pay only when they are able to do so."

MR. HOLLETT: I did say 'as soon as they were able to do so;' and I also distinctly remember saying that they might be called upon to pay after seven years.

MR. HIGGINS: Might I ask why "within seven years from March, 1956" rather than 1954?"

MR. SMALLWOOD: Make it a ten year loan?

MR. HIGGINS: The net result is the same.

MR. SMALLWOOD: This was negotiated in Germany, and if I remember correctly, in the first three years they would try to make a commercial loan. For that reason it was split up between three and ten. It is impossible to expect any Company starting new, without any record of earnings, to get a bond issue. We allowed them three years to do that. When the three years have elapsed they will be able to get a bond issue.

MR. HIGGINS: The interest is running all the time?

MR. CURTIS: Yes, the temporary loan is from the Government. We hope they will be able, after three years, to go to the market and get the money.

MR. HOLLETT: How is the Government going to find out when they are able to pay?

MR. CURTIS: We want to withdraw from the industries at the earliest possible moment. If they are able to pay earlier, it is in their own interest to do it. They have our consent to pay us off. This gives them the right. It enables them to pay us to demand.

MR. HOLLETT: How is the Government going to find out if they are able to pay or not. You cannot go in and find out what their financial status is. It is not a Crown Corporation. The words are absolutely redundant and silly.

MR. SMALLWOOD: They do not do any harm do they?

MR. HOLLETT: They do harm to the Government. It is so childish.

MR. SMALLWOOD: We are a childish Government.

MR. CHAIRMAN: Order.

(2) The Company will repay any bank loan guaranteed by the Government as soon as it is able to do so and will repay any such loan as soon as the Company has succeeded in negotiating the sale of its bonds and in any event within seven years from the first day of March Anno Domini One thousand nine hundred and fifty-six.

8. The Company will use its best endeavours to raise the sum of three hundred and fifty thousand (\$350,000.00) dollars from a commercial bank or by the sale of its bonds.

9. If within the period between the date of this agreement and the first day of March Anno Domini One thousand nine hundred and fifty-six the Company has not been able to raise the sum of three hundred and fifty thousand (\$350,000.00) dollars from a commercial bank or by the sale of its bonds the Company shall establish a sinking fund and shall pay into the sinking fund annually moneys sufficient with accumulated interest to liquidate within seven years from the first day of March Anno Domini One thousand nine hundred and fifty-six the amount of any loan made by or guaranteed by the Government under this agreement.

10. In order to facilitate the Company in raising the sum of three hundred and fifty thousand (\$350,000.00) dollars by commercial bank loan or the sale of its bonds the Government agrees to guarantee such loans or bonds both as to principal and inter-

est and any such bonds shall mature within ten years from the date of issue and interest thereon shall not exceed five per centum (5%) per annum.

MR. HOLLETT: In other words, in addition to giving this Company \$350,000 dry cash—hard-earned cash by the people of this country—the Government will also guarantee a bank loan of \$350,000, together with interest, in order to facilitate this Company. You are making yourselves responsible not only for the \$350,000 cash but for the \$350,000 loan, if they can raise it from the banks. They can go to the Bank of Montreal or the Royal Bank of Canada here (it is quite easy to get a loan there—\$8,000.00 went out from there recently on the word of somebody)—and having received \$350,000, they can raise another \$350,000, and this Government is responsible for the repayment of the loan, plus interest. We are making ourselves responsible for \$700,000 for the distinct honour of manufacturing gloves.

MR. SMALLWOOD: The honourable gentleman is wrong. I think he is trying to pull our legs. Read the section. The honourable gentleman's legal knowledge must be the envy of his colleague on his left.

MR. CURTIS: Section 1 says "The Company will repay to the Government the amount of its loan as soon as it is able to do so and will repay any loan made by the Government as soon as the Company has succeeded in negotiating a commercial bank loan or the sale of its bonds."

MR. HOLLETT: They have to sell and you have to guarantee them first.

MR. CURTIS: Oh well.

MR. CASHIN: This is a private Company; we are guaranteeing money; should not the Government be represented on the Board of Directors?

MR. SMALLWOOD: That is a very good question. We prefer not to. We certainly have pretty thorough power over them. We can wield a pretty big stick, but only if they are not meeting their obligations. If they are, we want to have as little as possible to do with them. I go, practically every day of my life, into the Octagon Plant; I saunter through it; I keep a sharp eye on everything; I do not speak to anyone, except to say "good morning;" and similarly with the plywood and flooring plants; similarly with the chipboard. I go in there every day. I take an hour a day; it is the only relaxation I get. Today I was in to the Cotton Factory, part of the Cotton Mill. I propose, as soon as the summer comes to get to Holyrood and Carbonar.

So long as they pay their debts, and when the time comes, pay their interest and principal, we feel we have the power without being on the Board. By being on the Board we might be held accountable to some degree for their success or failure. We do not want to be accountable. Let them paddle their own canoe. If they run into a snag or difficulty, for instance in getting personnel, they come to me always. We are not trying to run their business for them. We therefore decided as a matter of deliberate policy not to have any representation on their Board of Directors. I think we are right. I think it is sound policy. We can see what goes on.

MR. CASHIN: When we guaranteed ten millions to Bowaters there were one or two representatives of the

Newfoundland Government on the directorate of the Corporation. I appreciate the fact that Bowaters is a big outfit and these things are only two-cent things, but I believe having a Government representative would be a help. After all, we do not know these people; they come here overnight. They may be highly competent, but I believe, in order to protect our money, we should have direct connection there on all of them. You can go in there as Minister of Economic Development, but if you are not a Director, they can fire you to blazes out of it. There have been things happened—cases where Companies paid interest for seven years out of the principal. I do not want to go into details at the present time; but some are paying interest out of the principal because they have no profits. Consequently if you have not a finger on their pulse and if you do not attend Board meetings, how do you know what is going on. I make the suggestion that a representative of the Government—it might be the Auditor General or Deputy Minister of Finance or Deputy Minister of Natural Resources, should be on the Boards of all of them for that matter. There are ten million dollars tied up and we have no representation there at all. We had ten millions in Bowaters, nine hundred and odd thousand pounds (sterling).

MR. CURTIS: Two and a half million.

MR. CASHIN: Sterling is down to \$2.75 now from \$4.86, that is the reason for that. The bonds were sold in sterling and not in dollars. If sterling went up to \$4.80 or \$5.00, your liability would increase accordingly. You have two Directors in that Corporation, one of the biggest paper



mills in the world. You have no representation here where there is half a million, two and a half million, two million and so on, tied up. I suggest to the Government right now, and I am honest in this, I believe we should have representation on these Boards. Do not make it a job for somebody; give it to somebody who understands more about it than a public man. You are leaving yourselves wide open for the whole amount. In all of those Bills that have come before us, they are really duplicates; the only difference is the amount. We have passed them for tanneries, machine plant, textile plant, shoe factory and every Bill is identical.

MR. SMALLWOOD: There is so much wisdom in what the honourable gentleman said that it might seem ungracious to argue against him. But perhaps when we began this programme, of which this Bill is only one of a series, we ought to have done it. I still do not think so. But that was the time to do it if it was really desired. Now, where are we? Today we are considering another factory which is the sixth, eighth or tenth in a series. We cannot do it for those already established. We are going to do it for the one or two which are left—the rubber factory, shoe factory, and machinery plant at Bay Roberts? And these contracts have been made within the past twelve months. What we are doing here is giving the necessary legislative sanction, if we do it, of agreements actually made; are we to come back to the firms with whom we made Agreements a year ago and say “we want to have representation on your Board.” We can say the Assembly desired it. Would they not say at once “what about the earlier ones?” Unless the House is

going to insist in having the earlier contracts changed.

MR. HOLLETT: NALCO is to be changed.

MR. SMALLWOOD: That is for a particular reason and when the time comes it will be explained.

MR. HOLLETT: You own \$250,000 in this Glove Factory.

MR. CURTIS: The same way we own Bowaters.

MR. SMALLWOOD: We are creditors of the firm; if it goes through they become our debtors. When we put up the money to establish Gaultois Fisheries, what did we put up? \$450,000 and we did not demand membership in their Directorate. When we put up the money for the Fishery Products we did not demand representation on their Board. When we put up the money for the Arctic Fisheries, Labrador Fisheries, Olsen Sealing & Whaling and the other Companies—in most cases there was no representation and we considered it carefully, mullied it over and debated it, and came to a decision that although there was a case in favour of being represented, we concluded it was better not to have representation on the Board, especially in view of the fact that these foreigners are so much at the mercy of the whole population. They can live here only if they have a decent psychological atmosphere; if they are not afraid to go out at night. If they think the Government is unfriendly to them they will not be happy. These foreigners are very much at the mercy of everybody in Newfoundland. If they take up the paper tomorrow morning and if they read, in fear and trembling, that some member of Parliament—all of them have very

much respect for Government, Parliament; they have a tremendous respect for authority they do not draw any distinction between Legislature, Parliament or State—if they read that some member of Parliament has made an attack on them, it reverbrates throughout the whole lot of them. They try desperately to be friends and to be friendly with every one they meet.

MR. HOLLETT: The Germans?

MR. SMALLWOOD: Yes. I had ninety of them to the House on Boxing Night and tried to make them feel at home at Christmas time.

MR. HOLLETT: Why would they not be nice to you? Don't get angry.

MR. SMALLWOOD: I am not getting angry. If he came to the honourable gentleman the Leader of the Opposition and wanted a favour done, would he remember the fellow in uniform in 1914. If he were an elderly man would he say, he is one of the beggars I was fighting? But if he is a younger man he is not going to hold him accountable for it.

MR. HOLLETT: Go on and fight for the Germans.

MR. SMALLWOOD: Let us give them the help we give them and call it quits. Let them do their part to make a success of these plants, produce a good article, sell it, make a profit, pay the interest on our loan and when the years pass and they begin to be under an obligation to pay back the principal let them begin paying back. We all hope they succeed that is all. I honestly think we ought not to be on their backs.

Carried.

Move the Committee rise and report having passed this Bill without amendments.

Committee of the Whole on Bill, "An Act Further to Amend the Judicature Act."

Sections 1, 2, 3, and 4 read.

MR. HOLLETT: Just one point. It looks to me as though what we are doing there is making the Lieutenant Governor in Council as sort of star chamber, they may refer anything they so desire to the legislative Cabinet, twelve men in the Government may refer anything whatsoever to three judges of the Supreme Court. It does not even say one has to make a complaint except in section 9.

MR. SMALLWOOD: Mr. Chairman, to a point of order. The honourable gentleman is just as well aware as I am at least that he is not supposed in Committee of the Whole to go all over the principle of the Bill. It was discussed and decided on at second reading. He knows that and if someone does not object in a matter of days it becomes the common practice to have two debates on every Bill, in second reading and in Committee of the Whole. Someone must object. The honourable gentleman is out of order.

MR. CHAIRMAN: It is very difficult for the Chair to object until an honourable gentleman goes so far—in the beginning the Chair does not know whether an honourable gentleman is going to discuss the principle or not. The principle of this Bill is definitely that the Lieutenant-Governor in Council shall have the right to refer any matter to the supreme Court. I think the honourable member was out of order in raising that point.

MR. HOLLETT: Mr. Chairman, I have to mention that in order to make a suggestion.

MR. CHAIRMAN: The principle may not be discussed.

MR. HOLLETT: Well I have established the fact it is the principle. You can do what you like.

MR. SMALLWOOD: On that point again: When any matter comes before this House, I wish everyone would take notice of this within hearing of my voice, when any matter on second reading, as far as the rules of the House will allow any member may speak on it, every member may talk up to his own time limit. But when that is done and the debate is finished—it is not that the Government is trying to railroad anything through the House. If we object to it being debated in Committee of the Whole, it is because it is unlawful according to the rules we made here ourselves, and according to rules in every Parliament in the World.

MR. CHAIRMAN: I thought it was understood by members it is not only unparliamentary here but it is unparliamentary. The principle may be discussed in second reading but not after second reading.

MR. HOLLETT: Mr. Chairman, I must protect myself. Yesterday I asked that the matter might be held over today for second reading so that I might discuss the Bill.

MR. SMALLWOOD: If that is so, Mr. Chairman, if the Honourable Leader of the Opposition asked to have the Bill held over, it is agreed, let us all hold it over and let us have full debate on the principle.

MR. CHAIRMAN: The honourable gentleman is out of order. It

was discussed yesterday. The Chair too has a memory. This is not the Bill so referred to yesterday. It was another Bill which was held over, "An Act Further to Amend Chapter 111 of the Consolidated Statutes (Third Series) Entitled 'Of the Registration of Deeds and Other Documents.'" That is the Bill which was left over.

Carried.

Moved the Committee rise and report having passed the Bills without amendment.

MR. COURAGE: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have passed the Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government of Newfoundland and Atlantic Gloves Limited," without amendments.

Ordered read a third time on tomorrow.

MR. COURAGE: And have passed the Bill, "An Act Further to Amend the Judicature Act," without amendments.

Ordered read a third time on tomorrow.

MR. CURTIS: Mr. Speaker, I move that orders 4, 5, 6, 7 and 8 be deferred.

Carried.

Second reading of Bill, "An Act Further to Amend Chapter 111 of the Consolidated Statutes (Third Series) Entitled 'Of the Registration of Deed and other Documents.'"

MR. SPEAKER: The debate on this Bill was adjourned.

MR. HOLLETT: Yes, I asked you to adjourn the debate, Mr. Speaker, we had only just received the Bill. I will agree now I did ask that that one be adjourned. I said we had had no time to read it. I thought we were introducing legislation which would possibly only allow a notary public to fix up deeds, but I find it is in addition. Therefore I have no objections to it at all, Sir.

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

MR. CURTIS: I move, Mr. Speaker, the House at its rising do adjourn until tomorrow Monday at 3:00 of the clock.

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MONDAY, March 23, 1953.

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 Salvage. The petitioners humbly request, Sir, that a bridge be rebuilt across a neck known as Salt Water Pond, the bridge being known as the Salt Water Bridge.

I would point out, Sir, this is the sole connection between one end of Salvage and the other. It is at present in a dangerous condition, and in urgent need of rebuilding. I would further point out that repairs to the bridge would not be sufficient as the foundations are practically gone. The petition, Sir, is endorsed by the clergyman down there, Reverend Smith, and I have much pleasure in supporting

the petition and asking that it be laid on the table of the House to be forwarded to the department concerned.

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, I beg leave to present a petition on behalf of the residents of Island Cove, Hodges Cove, Caplin Cove, Little Harbour, Southport, Gooseberry Cove, Butter Cove. This petition, is in reference to a road which was started in 1949, continued in part in 1950, but leaving some twelve miles unfinished.

The petitioners, in the neighbourhood of some five hundred names, point out what has been stressed here previously, that this road will answer the requirements in part of all the residents of South West Arm. At the present time, they are without any connection with the railway except by means of boat, which is dangerous and hazardous during the winter months. Last year when this matter came up, there was a conflict between this road and the causeway at Random Island, and the causeway was done. The petitioners are requesting that this year, some attention be given to the completion of this road. I heartily support the prayer of the petition, and ask leave to table the petition and have it referred to the department concerned.

Mr. Speaker, on this arm, on the opposite side to the places for which I have just presented a petition, there are three small settlements, and I have a petition here signed by some one hundred and ten people, asking for a road to be built between Hillview and Heads Cove in order that they be linked up with the main highway. Although the number of petitioners are small, I know something of the disadvantages under

which these people suffer. I have much pleasure in presenting the petition and ask that it be laid on the Table of the House, and referred to the department concerned.

#### Presenting Reports of Standing and Select Committees

HON. C. S. BALLAM (Minister of Labour): Mr. Speaker, I ask leave to lay on the table a report on the matters transacted by the Minister of Labour in 1952, under the provisions of the Labour Relations Act, 1950. Also a report of the Labour Boards for the year 1952, and proceedings of the Board established under the Minimum Wage Act, 1950, covering the year 1952.

#### Giving Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): I give notice I will on tomorrow, ask leave to introduce a Bill, "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland," and to Create a Tourist Development Loan Board for Newfoundland.

HON. L. R. CURTIS (Attorney General): I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951."

MR. HEFFERTON: I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Local Government (Elections) Act, 1951."

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

1949." Also, a Bill, "An Act Further to Amend the Old Age Assistance Act, 1951" and a Bill "An Act Further to Amend the Blind Persons' Allowance Act, 1951."

MR. BALLAM: I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Boiler and Pressure Vessels Act, 1949."

I give notice I will on tomorrow ask leave to introduce a Bill, entitled "An Act to Amend the Community Councils Act, 1952."

HON. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, entitled "An Act Further to Amend the Timber License (Revision to Crown) Act, 1951."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I beg leave to table in the House, copies of reports of the Fisheries Loan Board and the Co-operative Development Loan Board for the period ending March 31, 1952.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I give notice I will on tomorrow, introduce a Bill entitled, "An Act Further to Amend the Insurance Companies Act," and a Bill entitled, "An Act Further to Amend the Accident Insurance Companies (Licensing) Act, 1949."

MR. CASHIN: I give notice that I will on tomorrow ask the following questions:

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

1. Inform the House if the \$500,000.00 Bank Guarantee given the

Newfoundland Hardwoods Limited as reply to Question 10, Sec. 3 is in addition to the amount of \$806,634.79 given in answer to Question 10.

(6) In other words what is the total amount of cash advanced and guaranteed this Company by the Government.

To ask the Honourable the Minister of Fisheries and Co-operative to table the following information:

Give particulars of the position of the Placentia Bay Fisheries Ltd., which Company has been guaranteed the sum of \$495,000.00. Inform the House whether or not it is the intention of that Company to proceed with the construction and operation of the proposed fish plant. Also give similar information with respect to the Western Cold Storage Ltd., which Company has been guaranteed an amount of \$350,000.00.

To ask the Honourable the Minister of Finance to inform the House what has been the total amount of money advanced to the Cement Plant at Corner Brook for working capital. This information to be in addition to the cost of this plant.

To ask the Honourable the Minister of Economic Development to table the following information:

1. What was the total cost of the machinery used in the construction of the Cement Plant at Corner Brook—from what company was the machinery purchased? Give the name of such company or companies, and if such Company were not the manufacturers of the machinery, why was such purchase made from a middle party.

2. Has the cement plant been sold to the Canadian Machinery Company operating at the Octagon? What were the terms of such sale and what amount if any has been paid the Government on the sale of such plant? Give full particulars of this transaction.

3. What was the total cost of the machinery and equipment used in the construction of the Gypsum Plant at Corner Brook? From what firm or firms was such machinery purchased? Was the machinery and equipment purchased direct from the manufacturers and if not, why was it purchased from a middle party?

4. When did the Gypsum Plant begin production operation? Give a statement showing the gross amount in dollars of the production of this plant up to January 31st., 1953 as well as the cost of such production. What amount of the product has actually been sold—what amount was realized on such sale—what amount of the product is on hand at the present time and the approximate value of such amount. Give a complete financial statement of the operations of this plant.

5. Give a complete statement of the amount of cement manufactured by the Cement Plant at Corner Brook—the total sales—the cost of production and the total amount in stock at the latest report.

To ask the Honourable the Minister of Economic Development to table the following information:

From what firm or firms was the machinery and equipment used in the construction of the Birch Plant purchased? Was such machinery or equipment purchased from the manu-

facturers direct or through a middle party. Give the total cost of such machinery and the amounts paid each firm or firms for such machinery and equipment. Table a complete financial statement of the operations of this plant since it began production.

#### Answers to Questions

MR. SMALLWOOD: Mr. Speaker, I have the replies to several questions directed to me on the Order Paper of March 18th.

#### Question No. 22.

(a) I am not prepared at the moment to answer that.

(b) The position is that the Government had already bought some thirty odd acres of land in that immediate area, some of which was occupied by the Newfoundland Hardwoods, and some of which was not. Part of the area not occupied by the Newfoundland Hardwoods, namely, the area on the South Side of the Railway Track was sold by the Government to Atlantic Hardboards Industries Limited.

MR. HOLLETT: Mr. Speaker, on that point, may I ask a supplementary question? From whom did the Government purchase that land?

MR. SMALLWOOD: That I don't recall. The Government purchased two lots of land, first the original ten acres on which the Newfoundland Hardwoods built was purchased from two ladies, who had previously operated a tearoom. Subsequently, the Government purchased another area of some twenty odd acres, but from whom, I don't know. I could have it brought down here. I could ask and table the information. But the question I have answered is; from the

Government. Now, if the honourable gentleman wishes to know from whom the Government bought it, I can gladly get that information.

(3) June 30, 1952, \$27,500.00, \$117,000.00.

18/10/52 \$1,000.

22/10/52 \$40,500.

Payments made by the company in respect of the loans advanced to them. \$2,640.18.

(d) I believe all has been landed there. There was a steamer bringing the final consignment, and I believe that ship has arrived, but I will confirm that, and will have a more detailed reply.

No. 22 (c) Has the construction of the building mentioned in Section 4 (d) of said Act been completed, and if so what amount of money was advanced by Government to the said Company on completion?

The answer is, it has. The building is completed.

What advances? I think I have given the answer to that.

(f) Did the Company import pre-fabricated buildings for the plant, and if so, what was the landed cost of same? The answer is, they did for virtually all of them. What was the landed cost? That, I can bring down.

(g) Has the Government obtained in its favour from said Company a first Mortgage on all its assets? Answer is, we have not. We may do so any time we care.

(h) Has the said Company repaid any portion of its Government loan or Government guaranteed loan? The

answer is, it has not. It is not required to do so for some years, or for a year or two.

(i) What amount of insurance, if any, is made payable to the Govern-

ment of Newfoundland on account of any loss or damage by fire, and what insurance company has underwritten said loss or damage?

Answer tabled as follows:

**Insurance Coverage:**

| Company   | Coverage |
|---|----------|
| (i) Nfld. American Insurance Co. Ltd. ....      | \$49,000 |
| Canadian Fire Insurance Co. ....                | 30,000   |
| British America Assurance Co. ....              | 15,000   |
| Globe Indemnity Insurance Corp. Ltd. ....       | 38,000   |
| Ocean Accident & Guarantee Insurance Corp. .... | 38,000   |
| Progressive Insurance Co. ....                  | 30,000   |
| British Crown Assurance Corp. Ltd. ....         | 15,000   |

Above insurance coverage effected on value of fixed assets pursuant to Section 12 of Company's Agreement with Government.

(j) How many people are employed in this plant at the present time? And how much has been paid out in wages since January 1st, 1953? That is already answered.

have one hundred and twenty or one hundred and thirty girls trained.

Answers to 23 (3) and (4) tabled.

No. 23 (1) Has the Government of Newfoundland been called upon to pay any interest on any loans raised by said Company to date, if so, in what amounts? The answer is "no" and "none."

No. 23 (5) Has all the machinery arrived? Were final deliveries made?

The answer is: All the machinery for the make-up factory has arrived and is installed and will shortly commence to operate. Some of the machinery for the weaving and spinning mills has been installed and if the honourable gentleman wants dates, I will be glad to get them.

(2) At what stage of construction is (a) the make-up factory. The answer is "completed." I believe they go into production in a day or so. Invitations are out to all of us to attend. The construction of the spinning mill is just beginning; they will commence in a matter of weeks, when the weather is suitable for construction work.

No. 23 (6) What security has been given by the said Company to the Government for any loans or guarantees? The answer is "none."

MR. HIGGINS: They have the right to take a chattel mortgage.

How many operatives are employed? None in the weaving and spinning mills. Five or six girls were brought in from Germany to train local girls in the operations of the make-up factory and that will go on until they

MR. SMALLWOOD: The answer to (7) is none. Not required to pay for two years or so.

No. 24. How much money has been advanced or loaned to Newfoundland Tanneries, William Dorn Ltd.?



Answer tabled as follows:

**Advances made:**

|                              |           |
|------------------------------|-----------|
| (1) To 31/12/51 .....        | \$146,800 |
| (ii) 1/1/52 to 30/6/52 ..... | 161,200   |
| (iii) 19/8/52 .....          | 500       |
| (iv) 24/20/52 .....          | 30,000    |
| (v) 11/12/52 .....           | 26,800    |

24 (4) How many people employed by this Company and how many of these are Newfoundlanders? I think that question might more properly be addressed to the Company.

25 (1) A complete report of the operations of the Crown Corporation known as Newfoundland and Labrador Corporation.

That, I think, has been tabled. The next is a question which covers quite a number of Companies—Newfoundland Hardwoods, Cement Plant, Gypsum Plant—I have asked for information with regard to the Gypsum Plant because that plant, being a Government plant, we will, of course, give the information and we do so without hesitation. The Newfoundland Hardwoods and others, being purely private Companies, we have no intention of tabling information regarding revenues, expenditures, number of men employed, total paid out in wages—we have no intention whatever of tabling that.

MR. HOLLETT: You ought to be proud to do it.

MR. SMALLWOOD: If we did, the next thing we might be asked to table records of the finances of any Company or Companies whose returns we have. We do have the financial returns of certain Companies and we might be asked to table them; and if we did, we would be making no difference whatever between one private Company and another.

The terms of lease of the hardwoods plant have already been tabled. I have asked the Department of Finance to have copies typed, and I have a note here from the Department which I received this afternoon, and they say they will have it typed and in my hands tomorrow, and I will then table it here. All the rest, I believe, have been answered.

No. 26. If I may, for the moment, I will pass over (1) (2) and (3) and come back to them later. The answer to (4) is "no." The rest of the question, therefore, does not arise. No. (5) "Has the said Corporation sold, transferred, conveyed or otherwise disposed of any of the rights granted to it in the Incorporating Act; if so, give particulars with names of transferees." Here I am in some little doubt. NALCO has made contracts with Newmont Mining Corporation, the American Zinc, Lead and Smelting Co. of St. Louis, Missouri. These agreements have been ratified by the shareholders and directors of NALCO and I cannot, up to the moment, determine to what extent we would be justified in tabling in the House, the details of the particulars of individual business transactions and deals made by NALCO with other Corporations. Certainly our desire is not to have NALCO's affairs bandied about and possibly sullied and dirtied by a debate in the House of Assembly. That is particularly true because of the fact that legislation is to come up which will in fact, denationalize NALCO and have the majority of shares owned by private interests; and it would be poor business, in view of that, to bring NALCO into the debate in the House of Assembly.

(6) Has the Corporation lent or advanced any monies to any person,

firm or Corporation, and if so, to whom and for what purpose?

The answer is "no."

(7) Has the Corporation promoted any company or companies—property of the Corporation? The answer is "no."

(8) What percentage of the total of outstanding common shares of the Newfoundland Labrador Corporation Limited are presently held by the Government of Newfoundland? The answer is 90%.

The answer to part 9 is the same as the answer to part 8—90%.

(10) Did the holders of a majority of then outstanding common shares by a separate vote—elect a Director? The answer is "no." The rest of the question, therefore, does not arise.

(11) Has there been any delegation of the powers which are listed—to what extent? The answer is "yes." Under that section of the Act powers were delegated to an Executive Committee of NALCO consisting of J. R. Smallwood, Chesley Pippy and Dr. A. Valdmanis. These have been delegated administrative powers as per the attached Resolution.

Resolution read and tabled.

Now I come back to (1), (2), and (3) of the question.

(1) Give the names and addresses of all persons—Labrador Corporation Limited: (2) What is the total number of common shares—said Corporation: (3) Give names and addresses each shareholder.

I have here a list of the shareholders of the Corporation. They consist in general, of two classes—(1) the Gov-

ernment holding 90% of the shares and (2) a number of private shareholders, including the firm of Harri-man-Ripley of New York, and Wood Gundy of Toronto and several others. I have the list showing the names and addresses of each shareholder; the number of shares issued and fully paid up. I have the list from the Secretary of the Corporation, Mr. Ronald Turta and in a covering letter to me he says: "Dear Mr. Premier: If at all possible and in the event the minority shareholders have objection to this procedure" (that is having their names and amounts tabled) treat as confidential."

I, therefore, table the copies confidentially so it will not appear in the public press. If the Leader of the Opposition desires it, I would be glad to ask private shareholders if they have any objection to being named in the public press.

MR. CASHIN: Any objection to the Independent member for St. John's West having a look at that?

MR. SMALLWOOD: No, but do not give it to the Press.

Mr. Keough tabled written answers to question.

MR. HEFFERTON: I am sorry, but I have not the answer to question 1. I have here No. 5. It is rather lengthy and I do not intend to read it out.

Answer No. 37 tabled as follows:

Applications have been received from eight Co-operative Building Societies for Loans under Subhead 1315-01 of the 1952-53 estimates. Two applications, both from St. John's, have been approved. The others were submitted only within the last month and are still under consideration.

The amounts advanced to the approved groups as at March 20th, 1953, were \$40,000 and \$15,000. Membership is 12 and 9 respectively.

Terms of the loans in both cases are as follows:

1. Societies must be registered under the Co-operative Societies Act, 1939.

2. Plans and specifications of the houses must meet National Housing Act standards.

3. Societies must produce an assurance from Central Mortgage & Housing Corporation that mortgages will be taken by the Corporation upon completion of houses.

4. The maximum loan shall be \$7,000.00 a unit, but in no cases shall it exceed the amount for which Central Mortgage & Housing Corporation has agreed to take a mortgage.

5. Loans bear interest at the rate of four per centum per annum and are secured by a mortgage on the houses and land.

6. Mortgages are released to Central Mortgage & Housing Corporation upon their advancing the amounts originally loaned by the Department.

MR. SPEAKER: No. 42 addressed to the Minister of Economic Development.

MR. CURTIS: The Minister is absent at the moment, but he will be back shortly.

MR. SPEAKER: Orders of the Day: Adjourned debate on the Address in Reply.

HON. MYLES P. MURRAY (Minister of Provincial Affairs): I do not wish to speak on it today.

MR. HOLLETT: Mr. Speaker needless to say the position in which I now find myself is one which was entirely unexpected by me a short while ago. Nevertheless, and in spite of the manner of my arriving to this position, I do, Sir, feel honoured to occupy it. I think it is a great honour to be the Leader of the Opposition in Her Majesty's House of Assembly in this ancient Province—I should not say ancient Province, rather an ancient part of the British Commonwealth.

In reply to the Speech from the Throne, Mr. Speaker, I understand one is given a certain amount of latitude if one lets one's hair down (in case one has any hair to let down). In any case, we do the best we can. Particularly on the Opposition side, we do the best we can to bring before the House and before the people of the country the situation, financially and otherwise, as we on the Opposition side of the House see it; and without any more ado, sir, as I see the position at the present time, (and unfortunately, I have to say this: As I have seen it for a considerable time), I have to charge the Government with a certain amount of waste and extravagance. I shall endeavour to show the House that that is a fact and not purely fancy on the part of us on the Opposition side. Waste and extravagance is evident on every hand; waste and extravagance by the Government, and I shall endeavour to prove that.

Sir, I also have to state that, in my opinion, the Government of this small Province is allowing a certain amount of graft and corruption to be carried on under their very noses without any effort, so far as I can see, to eliminate it from this youngest Province of the Dominion of Canada.

MR. SMALLWOOD: Point of order. I submit it is completely out of order for the honourable gentleman to make that charge except as part of a move on his part to propose the appointment of a Select Committee or some such means which would hear the specific charges, and that unless he intends so to move, his remarks are completely unparliamentary and out of order, and he should desist at once from any further remarks of that kind.

MR. SPEAKER: There is a point to the point of order taken. The honourable member has said, if I heard correctly, that graft and corruption are being carried on under the noses of the Government.

MR. SMALLWOOD: And that the Government are allowing it.

MR. SPEAKER: I waited to see if there was a charge of graft and corruption, which would be out of place to make at this time; and I am not clear if such a charge was intended or if a mere figure of speech was used.

MR. SMALLWOOD: The honourable gentleman went on to say that the Government were taking no steps about it, which, of course, makes the Government, if it is true—

MR. HOLLETT: I said "in my opinion."

MR. SMALLWOOD: And it is with his opinion, his expressed opinion, I am dealing with. If his statements were true, (1) that graft and corruption are taking place under the Government's noses; and (2) the Government are not taking steps to cope with it or to do anything about it; then the Government are equally guilty with the grafters, which is a

very serious charge to make, except in the correct way, as part of a motion to set up a proper Committee to hear and investigate the charges. I submit, therefore, that the honourable gentleman is definitely out of order.

MR. SPEAKER: I would have to uphold that. Perhaps the honourable member would care to re-phrase that.

MR. HOLLETT: Mr. Speaker, you will observe that I charged no member of the Government with graft and corruption, and from my interpretation of the section, I forget the section, I think somewhere around 232. I did not charge any member of the Government with graft and corruption. It is in order, if a member so desires to make such a charge at the Government, and mind you, sir, I do not charge the Government with graft and corruption, but merely charge them with allowing to let it proceed under their very nose and without any effort, insofar as I can see, to put an end to it. That is so, in my opinion, I would not say it otherwise. May I proceed, Mr. Speaker?

MR. SPEAKER: To be clear about the implications: If the honourable member sought to imply that a state of affairs did exist with the Government's knowledge, then the Premier's point is quite clear, the Government would be equally culpable. Therefore, the Government would be accused of graft and corruption. I think that the honourable member's choice of words there was an objectionable one. However, since the honourable member is quoting "Beauchene," I think we might have that venerable gentleman here and see the paragraph in question.

MR. HOLLETT: I could pass on then, Sir?

MR. SPEAKER: I think the honourable member had better wait. The section the honourable member has referred to is based on a very ancient decision dating back to 1679. I shall read it for the guidance of all members.

"To present misunderstanding and for avoidance of offence speeches when matters are debating either in the House, or at committee, personal, sharp, or tasking speeches be forbore; and whatsoever answereth another man's speech shall apply his answer to the matter without wrong to the person; and as nothing offensive is to be spoken, so nothing is to be ill taken if the party that speake it shall presently make a fair exposition, or clear denial, of the words that might bear any ill construction; and if any offence be given in that kind, as the House itself will be very sensible thereof, so it will sharply censure the offender, and give the party offended a fit reparation, and full satisfaction."

If the words might bring any ill construction—it refers chiefly to personal matters. The honourable member could make this point without making the charge. However, quite a lot of other things are written in "Beauchene" and in "May" too. As the Premier has pointed out; certain charges may be made against a Government, as against members of the House, but may not be done on ordinary speech, but may be done on separate motion. That is the point of order taken which causes me to suggest to the honourable member that he might rephrase what he had in mind without making the indirect charge that the Government were

condoning certain deplorable actions. The honourable member may resume.

MR. HOLLETT: Before leaving that point, let me say, Mr. Speaker, I have no intention of making any such charge against any honourable member, anything I say in this address is directed against the Government, and I am afraid they will have to take it—it is not to any individual.

MR. SMALLWOOD: To a point of order, Mr. Speaker: May I have Your Honour's ruling as to whether it is competent for a member without singling out any particular member of the Government to attack the Government as such and make charges against the Government except on a substantive motion made for that purpose? Does an honourable member of this House, not being a member of the Government, or being a member of the Government have the right to attack the Government in general, and, because he has not singled out any one individual member of the Government is thereby excused from offending, is that the position, Your Honour? Can I have a ruling on that?

MR. SPEAKER: I will not be placed in the position of being asked to rule on something not yet occurred. I can make this point clear, at least to my own satisfaction. We have already quoted from one of the best of authorities. The Government may be criticized, its policy may be criticized, its intended actions may be criticized certainly, but as I have already indicated, there are certain points in a criticism which may be interpreted as charges levied against individuals or the Government.—These

are covered under restriction of speech, subsequent motion may be made, but it would not be in order to level a charge against a Government in ordinary debate even in a debate on the Speech from the Throne where relevance is permitted. The honourable member is unwise to say he would do this or that. It could possibly happen, it might be out of order to do that, and I would have to rule that it would be. I am not going to rule on a hypothetical question. I will content myself to say the honourable member may criticize the Government's policy and if a charge is offered during the speech, I will rule on it when it arises.

MR. HOLLETT: Thank you, Mr. Speaker.

I was, Mr. Speaker, more or less trying to make a brief statement of opinion on things that have happened. One of the things which I was charging the Government with was: parting with the public domain without providing that such a separation of the public domain would be in the best interest of the people or not. I shall bring up also, sir, one or two incidents of neglect of the public welfare. I say that advisedly—Now I will pay a compliment to the Honourable Minister of Public Welfare, and his department generally. In my opinion, he and his department have done an excellent job with regard to the public welfare except in a few instances, which I shall bring forward probably later. But I do compliment him, sir, not only the Minister, but the whole department for a good many things which they have done in the interest of public welfare.

Having said these few words of introducing myself, Mr. Speaker, I

would like to take us all back to April 1st, 1949. We had, as you know, been through trials and tribulations for a good many months. The upshot of the whole thing was that the people of this country decided by a very small majority, I think around seven thousand, to enter into union with the great Dominion of Canada. At that time, sir, prior to entering into union, we were a small country, the oldest colony, Britain's ancient oldest colony, with a population of three hundred and fifty thousand people; with a national debt of somewhere around eighty million dollars. We had a railway, a customs department, a post office, a telegraph office, and we had all sorts of things, Mr. Speaker, for these three hundred and fifty thousand people to keep up.

On April 1, 1949, sir, we had no national debt, whatsoever, except about three million dollars; we had no post offices, no post office employees, telegraph office employees, no customs officials, no railway, which for a great number of years had been creating or adding on to our national debt. We did not have to keep up the Newfoundland Hotel—as a matter of fact, I think the Canadian Government are having a job to keep it up.—They have had it torn to pieces since they took it over. We had no Gander Airport to take a million dollars a year out of the people. We had no defense expenditures, sir. I would like to go back, sir, when speaking of defense expenditures and recall the years 1914-18, when we, with three hundred and fifty thousand people in this country, kept a regiment of soldiers in the field in France, and the people of this country paid for it, and in doing so, increased our national debt by forty-five million dollars. After April 1, 1949, this Government had no such expen-

ditures. They did not have to provide any services, sir, for the protection and encouragement of the fisheries, no lighthouses to keep up, no fog alarms, buoys, beacons and such like aids to shipping. They did not have any public broadcasting systems, and they did not, or should not, have had to provide any geological or topographical or geodetic, or hydro-electric surveys. That was all taken care of when we entered into union with Canada. Over and above all that, sir, having taken from us all these public services, to which the people of the whole of Canada were to pay in the future, we had a legacy from the Commission of Government, which grew to the staggering amount for this country, to approximately forty-six million dollars. That was forty-two millions plus legacies which were afterwards turned into money—some forty-six millions of dollars.

On top of that, sir, we had none of these services to look after. Forty-six millions in the bank—the Canadian Government paid us in subsidies and otherwise, some twenty million dollars a year. I put it to you all, Mr. Speaker, that the position of this Province on our entry into confederation, was indeed a more than happy one. How much more happy were we financially than any of the other Provinces when they entered into union?

MR. SMALLWOOD: We were in a happy position.

MR. HOLLETT: Financially — I qualify it.

MR. SMALLWOOD: Happy confederates, yes.

MR. HOLLETT: I hope that we will all be happy confederates long. There were quite a lot after the 1st

of April 1949, but I assure you, Mr. Speaker, they are diminishing in number—There are not so many happy confederates today as then. They are beginning to see that some of us here on the Opposition side of the House, who during that fight (and I call it a fight) gave many reasons why they should not enter into union under these terms—they are beginning to see we were partly right, if not wholly so.

How much of that forty-six million dollars is left, Mr. Speaker? How much is left today? Let me turn to the public accounts on page 4. We were laughed at in the last session of the House when we said the Government was broke; when we said it had no money on capital account for capital expenditures. The idea was pooh poohed—is that the word or not? At any rate, we were laughed at. Let me draw your attention, sir, to page 4 of the Public Accounts—Where we had ten million dollars at the end of March last year, 1952, \$10,600,000 in the Bank of Canada, that is to remain there apparently. But let me look at the amount available for capital expenditures. We find that on the 22nd of March, 1952, there was a paltry \$7,000 or \$7,926.86 in the Bank for capital expenditures. So the Government were quite right in laughing at us. They did have seven thousand dollars out of more than thirty million dollars just three years prior to that. That, sir, at the end of March last year, and mind you, they had commitments up to ten million dollars, and they found themselves with only seven thousand dollars in the bank.

We remember, sir, the unhappy position in which we found ourselves last year, when it was necessary to find more money. You will remember, sir, and I will go into that in a

moment, how the House had to be hastily summoned and arrangements had to be made to raise a loan of ten million dollars to meet commitments, which the Government had passed.

But getting back to the statement I made, sir. We have spent forty-six million dollars, and increased our national debt, sir, by ten million dollars. We had done that, sir, in March a year ago. The position at the present time I am not going to mention at the present time. I prefer to have the Honourable Minister of Finance give us some particulars about that. I will say, sir, that when I charge this Government with waste and extravagance I am putting it very leniently, very lightly. I charge them with worse than that, sir, I charge them with blind bidding, sir. In Newfoundland, we play auction forty-fives. I have often played. Somebody gets desperate, having poor hands, and suddenly goes thirty for sixty. I maintain, sir, the cabinet, on the opposite side of the House have bid thirty for sixty so often in the last three years, that they are likely to find themselves so far in the hole that our people for generations to come will be suffering on account of it.

Of course, there was some excuse for the prodigal son, but we all know what he had to do, all know what he had to come back to. I pray God, sir, the people of this country don't have to come back and eat the husks of swine because of the extravagance and waste of the present administration.

MR. SMALLWOOD: The fatted calf is what he came back to, you know.

MR. HOLLETT: That is what he got.

MR. SMALLWOOD: We ate the husks before confederation.

MR. HOLLETT: He was lucky enough to get back. I am afraid the Government will never be able to get back, this is no laughing matter. They had nothing last year, no money, and had to go to the money markets. Sir William Stephenson was going to get ten million dollars. But what did he do? Made an ass of himself and fools of the Government. And they had to come back and raise, or get authority to raise another ten million dollar loan.

Waste and extravagance, sir. The Province of New Brunswick, with one-and-a-half times the population of this Province, I believe, have five or six (I am not sure which) cabinet ministers. The last time I looked it up, they were getting around some thirty-five hundred dollars salary. What did our prodigal son do, on the opposite side of the House? Mr. Speaker, they immediately set up a Government of twelve Cabinet Ministers and paid them ten thousand dollars each.

MR. SMALLWOOD: No, seven thousand dollars.

MR. HOLLETT: Plus two thousand five hundred.

MR. SMALLWOOD: That is sessional pay. The honourable gentleman gets almost as much as I do for a full time job.

MR. HOLLETT: I am Leader of the Opposition, why should I not? I say, Mr. Speaker, for a small little province like this, there is no need to have twelve men in the Cabinet. And if New Brunswick only pays thirty-five hundred dollars to Cabinet Ministers, there is no reason why our



people should have to pay seven thousand plus twenty-five hundred sessional pay, now I believe it is three thousand so that makes it ten thousand dollars.

So we see, sir, from the beginning, they started in to be, what I still say, is wasteful. Then, sir, I look around today—

MR. SMALLWOOD: If the honourable gentleman will allow me—At last Cabinet Ministers are up to what the commissioners got. Yes, we are now up, at three thousand dollars a year sessional pay, and seven thousand dollars a year as Ministers, to ten thousand a year. Now, after three years, we are up to what the commissioners were getting before we came in.

MR. HOLLETT: Mr. Speaker, I thank his Honourable Premier for his information—but he failed to add there were but six commissioners.

MR. SMALLWOOD: But would add the Government now are doing about four times the work the commissioners did.

MR. HOLLETT: Why, Mr. Speaker—with only about one-quarter of the work to be done. I don't know how they are doing it. The customs gone, post office gone, telegraphs gone, railway gone, all gone. There is nothing to do now but look after the hospitals and schools.

MR. SMALLWOOD: We are just loafing.

MR. HOLLETT: No, not by any means loafing, but travelling all over the world. Why I am beginning to think this little province of ours holds the whole peace of the world in its hands, the peace of the whole world depends on it with the Honourable

Premier in Bermuda with Winston Churchill and our friend, the Honourable Minister of Public Welfare having conferences with Neru in India, I am quite sure the peace of the world hangs by a bare thread, a cod-fish's tail in this province. The decisions made on that side, sir, are momentous. Therefore, as the Premier said, there is no reason why they should not get more money, as much money as the commissioners who had nothing to do. If they had anything to do, Mr. Speaker, the honourable members on the opposite side, referring to the Cabinet, they would not spend most of their time on the Continent of North America or over in Europe and down in India. I would ask, sir, who looks after their departments in their absences from this country. If the work is being done, and the country is being satisfied, then truly sir, it is not on account of the wisdom of the Ministers. Therefore, as I say, the country might very well afford to do without half of them—waste and extravagance.

MR. SMALLWOOD: We get bored and go off on a long holiday. We have nothing to do so that when we get good and bored we go off on long holidays around the world at public expense.

MR. HOLLETT: That is about right. I thank the Premier for using the words.

MR. SPEAKER: At this point, let me remind visitors, no matter how amusing they may find the debate, they must keep their opinions to themselves, and not express them by laughter or any noise whatsoever, or the galleries will be cleared.

MR. HOLLETT: Mr. Speaker, who would have thought that when the

new Government came in in 1949, having all that money, dry cash, and twenty millions a year coming in from the Federal Government, who would have thought that before embarking on any wildcat schemes they would not have set up the proper commissions, though I am fed up with commissions of inquiry, but who would have thought that they would have had no proper means set up whereby they would be able, if they were going to indulge in economic development, means whereby they would have been able to start certain things with some assurance to the people that these things were worthwhile ventures.

I have only to look at certain items on Page 9 of the Public Accounts with regard to expenditures—

Air Magnometric Survey, \$220,000; Richards Limited—that is the Icelandic Boats—\$412,000. I have to hand it to the Premier. He admitted they were a distinct failure, and he is man enough to take the blame. I have to admire him for that.

Then there is "Fisheries Development Committee, \$40,000." I wonder if that "Fisheries Development Committee" is not wrongfully named. I wonder if it is the "Fish Prices Commission." That cost us \$30,000.00. Then there was a special investigation with regard to Tourism \$6,000; and there were some Economic Development investigations which cost \$271,000.00. The one and only Cement Plant; the one and only Gypsum Plant; we are going to get information about those. Let us look at these: Development of Industries; Cement, \$3,342,000; North Star Cement Ltd., \$436,000. Gypsum, \$2,380,000; Atlantic Gypsum Ltd., \$307,000.

If we go on down the list we come to Secondary Industries" (advertising) —\$74,007.07. That was for advertising secondary industries; that was the "Buy Newfoundland Products" Campaign. That must make the Government wince at times.

After a while, the Premier and the Government decided to get up the Department of Economic Development. I would like to go back to Hansard, Page 51; if I may quote the Hansard. At that time in 1949, the Honourable the Premier was just setting up the Department of Economic Development and he spoke of various things; he was referring to a clause in the Terms of Union, a clause (quote) "which states that if within two years of Union, Newfoundland should institute an economic survey of the Province, which includes Labrador, for the purpose of determining what new industries could be established, and what existing industries could be extended, Newfoundland having initiated such a survey, the Government of Canada will back it with its resources of men and machines, with its technicians, its various survey departments, and other resources of that type, and these are amongst the best in the world. And further, that the Government of Canada will make a special effort, and I think these are the exact words, 'special effort' to bring up to the level existing throughout the other Provinces the knowledge of the natural resources of Newfoundland that such a survey would produce. Now, I am in hopes that that survey will involve an expenditure by the Government of Canada of many millions of dollars." How many millions have they put into it?

MR. SMALLWOOD: A couple or three.

MR. HOLLETT: Surveys of what?

MR. SMALLWOOD: We have surveys all over the Province.

MR. HOLLETT: (Quote) "Nothing," he says, "nothing will satisfy Newfoundland less than a thorough-going combing, or scouring of the Island and of Labrador in a search for natural resources, and the measuring of them, and a photographing and blueprinting of them, so that Newfoundland will be put in the position, a position, incidentally, in which she has never yet been, after all our four and a half centuries, put in the position of being able to go to potential investors, capitalists, bankers, investment houses, promoters, with actual detailed blueprinted data of the actual natural resources which we desire to develop and into the development of which we desire positively many millions of dollars to come from the mainland of Canada." (unquote).

I quote that to show what the Premier and the Government had in the back of their minds when they set up the Economic Development Department.

Then, we all remember, I am quite sure, the optimistic speeches on the other side of the House about the advent of Rockefeller into this country. This great Rockefeller, the man with the multi-million dollars and our future was to be assured. He came, he saw and he sent in IBEC; and IBEC was engaged to make a survey of the natural resources of the country and report back to the Government. They reported back to the Government and they paid them \$228,000.00.

MR. SMALLWOOD: Not half of it.

MR. HOLLETT: That is what the Public Accounts say.

Now, I presume the Government has seen the IBEC Report; a few of them have seen it at any rate; and that was another flop. I put it to the Government that that was a flop. In my opinion, IBEC made no survey at all. I suggest that the Report only contained information already acquired by the Commission Government. It was a beautiful book; beautifully bound and contained maps and diagrams; but not one iota of information in it other than what it would cost to build a mill on the Labrador. Bowater's or the A.N.D. Company should have done that without having IBEC at all. But the Premier is a man who never gives up. I hope he never will give up; but I do wish he would give up throwing money to so many Corporations.

And so, he went to Canada and saw the man who was going to save Newfoundland, build up our natural resources; it would be Eldorado; everything would be happy. He brought in Dr. Valdmanis, and according to what was said about him, he would be entitled to a salary of \$25,000 a year. And that is exactly what he got. And, sir, he was instrumental in bringing in some various industries. I have here some books—incidentally the books I have here are the ones we paid \$21,000 for—and on page 113 (Cement Plant)—there he says the total revenue would be \$2,352,700, less production costs of \$1,062,910, less depreciation \$438,250. Leaving a net revenue of \$831,540. The most valuable information is given there and Dr. Valdmanis persuaded the Premier to build it, persuaded the Government to

pay out the cost of it, and we have been paying the running expenses of that plant ever since. Dr. Valdmanis prophesied in this book that the first year would see a profit of \$831,540.00.

Then, not satisfied with that, he decides to build a Gypsum Plant. Then again we had a book and the same story. There on pages 105 and 106 is given the actual cost as stated by Dr. Valdmanis and he gives the total profits as being \$728,267. There is \$700,000 from the Gypsum Plant and \$800,000 from the Cement Plant, that is \$1,500,000 from these two plants should be coming into the Government each year, the Government who build the plants. What happened? Nobody knows who owns the Cement Plant. The Premier has promised the House he will bring in this information in a day or so.

Then the Hardwoods. (I am sorry I have not got the Birch Plant here). I have here a book on the Hardwoods Plant and I have others here. There is one here I would like to say something about, and that is the Machinery Plant. We have so many here, it is difficult to say what we have. All this is the work of Dr. Valdmanis. The Machinery Plant has cost the Government, so far, \$2,500,000. How many men are employed? They will not tell us. I am not sure that members of the Government are allowed in the Plant, but Germans are. Valdmanis, the founder of these industries, says, "The Industrial Machinery Plant is to become one of the keystones in the economic structure of this Province. This vast experience will be a guarantee that the new industry will not lack the necessary know-how."

They must have forgotten to bring over the know-how. They knew nothing when they came here; certainly

they knew nothing of the cost of the stuff they were supposed to turn out.

He goes on: "It is self-evident that the plant, which is not specializing in any particular type of machinery, but can be adapted to the production of many types, should fit well into the economic structure of this country."

It is fitting well into two million five hundred thousand dollars, which is gone already.

"The new plant will provide employment in the first stage of development for some 500 workers, rising in the final stage of development to 3,000 workers."

I only hope and pray, Mr. Speaker, that you and I will live to the day when this plant will have 3,000 workers, with a payroll of \$2,000,000.

He says further "According to prevailing wage rates in Canada this payroll for the plant will amount to some \$2,000,000 a year, and in addition there will be heavy payments to transportation and servicing workers."

Then, sir, this Dr. Valdmanis—he must be a genius—

MR. SMALLWOOD: Why not leave him alone, he is not working with the Government any more.

MR. HOLLETT: Is the Honourable the Premier prepared to leave him alone?

MR. SMALLWOOD: As far as backbiting and scratching is concerned, yes. Let him alone. He did a good job.

MR. HOLLETT: He did a good job on NALCO all right. NALCO cost this country \$900,000. But whether I should refer to NALCO now, I am

not quite sure. We have legislation coming up with regard to NALCO. Twenty-three thousand square miles of our territory was given to NALCO. They were given rights in the Hamilton River for ninety-nine years. This NALCO was going to be the economic arm of the Government. And here I would like to quote from the Daily News of March 28th. This is a statement made by Sir William Stephenson who at that time had just been appointed Chairman of NALCO. It is an interesting story. He was to have solved our troubles and difficulties in this country. I quote now from the Daily News:

"STEPHENSON OPENS CORPORATION MEET."

... "The policy of this Corporation is, obviously, a matter, not only of importance to those members of it who sit, or are represented around this table, but it is also of some consequence to the Government and further than that, to all the people of this Province. In my view, the Premier and his Cabinet and other officers concerned, have achieved a magnificent success in what I may describe as "priming the pump." There has been a great deal of criticism in other places directed against the rapidity with which this operation has been carried out. Actually, of course, that criticism is directed against the rapid expenditure of the funds which were available for this and other purposes of a more directly humanitarian nature as the outcome of union. There may be some validity in these charges, but they are a consequence, I think, of the necessity for more recently implementing promises which were made in the earliest stages of the efforts to promote interest in the development of secondary industries which

would provide employment for the people.

"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 agree, however, that it was in a laudable cause, and one that the businessmen amongst you will understand."

That was just a year ago.

He goes on, "Now, one of our first jobs as the Crown Corporation, as I see it, is to consider ways and means of raising the necessary funds to purchase some of the industries already under way", (that is the Cement and Gypsum Plant, Hardboard, Birch Plant and so on), "to assist the Government to carry out its obligations to others that are following. 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 to producing preliminary information as to their possibilities, of a quality acceptable to technicians of major operators who would be prepared to send high level representatives to make investigation.

"Of this latter, there is no problem. I have had the heads of several of the largest groups approach me on the prospect of taking an interest in this area, which is more or less new to them."

This is important in connection with Sir William Stephenson. We all re-

member the fanfare with which he was introduced here. He was a big man—I am beginning to think he was a great man; much greater than I thought a year ago.

“Upon my acceptance of the Chairmanship of the Corporation it was agreed by the Government.

THAT 1. THE CORPORATION should develop the resources of Newfoundland on the broadest scale possible.

2. The Corporation should be regarded as the Government's economic arm;

3. The policy should be to centralize all economic development under or through the Corporation to the maximum extent possible.

4. The Corporation and its work should be kept out of the field of politics, as far as possible and that it must operate on strictly business-like lines. Nepotism and any political appointments and favours would be excluded. All appointments would be on the basis of necessity and ability only.

5. I should be the Government's principal representative in the United States and all contacts with courses in that country should be through me or reported to me.”

I want to stress that. Everything should be reported to him. What do we find shortly after that? We find that within a few weeks the Government loaned a Company \$350,000 without considering Sir William Stephenson. Another month went by and we find the Premier and the Attorney General went off and came back with fifteen new industries tied up snugly in their attache cases. Sir William Stephenson had not been consulted.

How long after that did he resign? I say we lost this man through the impetuosity of certain individuals on the other side of the House.

MR. SMALLWOOD: Was not the Honourable member glad when we lost him?

MR. HOLLETT: It is not hard to answer that; but that question should be written on paper so that I could study it.

MR. SMALLWOOD: It is taking you a long time to answer it.

MR. HOLLETT: I want you to table the question. Why, I could dispose of him in a matter of seconds.

Mr. Speaker, I wonder if we could have a recess of five minutes?

MR. SMALLWOOD: May I say, if the honourable gentleman wants it, it is all right, but we have two stenographers.

MR. SPEAKER: If the honourable member and the House desires it, the Chair is quite willing.

MR. HOLLETT: My colleagues on my left thought a five-minute recess would be acceptable to the Government. But I shall proceed.

Now what happened then? The Atlantic Hardboards—I think everybody here remembers that this Government passed legislation whereby the Atlantic Hardwoods would be given a loan of \$575,000. I am open to correction on that; but I am quite sure it is correct. I want to charge now, sir, that not \$575,000 has been given the Atlantic Hardwoods, but \$645,000, and I would like to know on whose authority that was done. I should like the Government to answer that. Who gave the authority to give them a further \$60,000?

With regard to the Superior Rubber Company—we have the legislation before us—I do not know if I can refer to that; we have seen the Bill.

MR. SPEAKER: Is it on the Order Paper?

MR. HOLLETT: The second reading comes up today.

MR. SPEAKER: The honourable member will have the opportunity to state his views at that time.

MR. HOLLETT: What I want to say is that the Agreement with the Superior Rubber Company was not signed until March 23rd, of this year; whereas I find an answer to a question that up to the 28th of February of this year, that Company had already been advanced \$313,000. I ask you, sir, under what authority? What right has the Government to bring in here legislation and ask us to pass legislation to sanction an Agreement with a Company which has already been paid \$313,000 three days before the Agreement was signed.

If these things can be done, then there is something wrong somewhere.

Let me refer you to page 4 of the Auditing and Public Accounts Act, "No issue of money ——— authority.

I searched the Act, and I find in Section 37 the following "where the Legislature is not in session——— urgent."

There is the only section by which the Government might make some effort to excuse themselves. But I can find no reason why they could pay out this money; because there was no legislative authority for it.

If they can do that; if the Cabinet can do that, they can mortgage the

future of this country forever. Not only for the Superior Rubber Company, but they could give one million dollars to any other company which might come in here and then come back here to have it ratified.

MR. SPEAKER: I think the honourable member is anticipating the second reading of the Bill.

MR. HOLLETT: All these things, sir, as far as I can find out are children of this man Valdmanis—I hope and trust that something will come of them. Then there was his particular baby, "NALCO."

MR. SMALLWOOD: No, it was mine.

MR. HOLLETT: Well, it is a fact that the baby died aborning. There is something wrong. They were granted a 99-year lease to the watershed on the Hamilton River, now you are taking it away and giving them the property Seigheim had down there.

MR. SMALLWOOD: No.

MR. HOLLETT: Then I will look at the report of the NALCO people written by Dr. Valdmanis. I put it to you, the Government of this country today consists of one man only, Dr. A. Valdmanis, the advisor to the Government on all things.

At the annual meeting of NALCO 1953, the following were approved. "The Auditor's Report and the Financial Statements for our first year ending December 31, 1952.

Contract with Newmont Mining Corp.

Principles of our Agreement with the John Fox Interests (that is something we want to look into).

Principle of our Agreement with American Zinc Lead and Smelting Co.

A resolution to ask the Government of Newfoundland, to cause the Legislature to amend the Newfoundland and Labrador Corporation, Limited, the main feature of the proposed Agreement being:

The exchange of 1480 square miles of mineralized area, Seigheim Concession against a similar area in South Western Labrador.

The vesting into our Corporation of an additional 1500 square miles timber area in Southern and Western Labrador on both sides of the Quebec North Shore and Labrador Railway.

The granting of a 15 years (as against the present ten years) exploration period on all (some 13,400 square miles) mineralized areas, and a 99 year (as against the present 50 years) development period.

A Resolution to issue the second million non par value shares of the Corporation (out of a total of five million NPV shares authorized.

On the basis of the valuable work accomplished in 1952, and the extensive mining and forestry exploration programme which has been launched for 1953.

There is every likelihood that this second million of non par value shares will be issued for five million dollars.

A Resolution—to request the Government of Newfoundland to agree to the privatization (whatever that is) "of our Corporation by refraining from purchasing any voting stock of the proposed second (one million NPV) shares issue, and, simultaneously, to request the present stockholders of our Corporation other than Govern-

ment, to give up their special rights in order to make, in the future, the shares of our Corporation freely marketable and transferable, and to direct and authorize our Executive Committee to execute this resolution.

MR. HOLLETT: Valuable work done in 1953, I ask you, Mr. Speaker, how any valuable work has been done. They say they got an Agreement with Newmont and American Zinc. They lost Stephenson, they lost Thomas, they lost Eric Bowring, Mr. Lewin, and nearly everybody they had, Mr. Speaker. The Newfoundland Labrador Corporation is not at all as it was in the first instance. This man McIntosh representing Harriman Ripley remains here. Why? I could go on and say why in my opinion he remained, but I had better leave it to a later date. But I do feel the Government are playing ducks and drakes with NALCO, I believe, in order to pacify the new baby, BRINCO, who wants the 99 year lease on the Hamilton River, and are going to take it away, I understand, from NALCO. It is to be expropriated again and handed over to BRINCO. What guarantee has BRINCO that the Government will not do the same to them. I put it to the Government on the opposite side, they are playing a very dangerous game.

Then it goes on to request the Government for privatization. I take it that is to make a private company out of the Corporation. And they ask the Government to refrain from purchasing any voting stock. Sir, it appears that our fears of a year ago were justified. NALCO, at that time, tried to raise a loan of ten million dollars. What happened? They could not raise the money, and they had to get the Government in order to get



the money to create a loan. The Government raised \$9,850,000 which they passed over to NALCO. What have they done with it?

MR. CASHIN: They have not passed \$9,850,000 over to NALCO.

MR. SMALLWOOD: Passed nothing over to them.

MR. HOLLETT: Then \$900,000 to NALCO. Well, I have here what they did with it. It shows their profit and loss account, and they spent it in travelling and subsistence \$15,000; they spent it for employees, for travelling and subsistence of the director. In other words \$20,762.00 spent for the travelling expenses of NALCO. They paid a rent for an office \$3,700. They paid rent for living quarters, for whom I don't know, but we are getting answers to that.

MR. SMALLWOOD: No, the honourable gentleman is not getting answers to that.

MR. HOLLETT: Not getting answers—now I can talk about it. Who in NALCO would get house rent or office rent free?

MR. SMALLWOOD: No one.

MR. HOLLETT: It was paid for—whom did they pay it to?

MR. SMALLWOOD: If the honourable gentleman will allow me, I will tell him.

NALCO last year brought in literally dozens of people from the great United States, the Mainland of Canada, from Belgium and Great Britain. They were geologists and mining engineers and company directors, brought in for the purpose of negotiating with them possible development on NALCO's Areas. There would be as

many as ten or twelve and fifteen here in St. John's at once, and they repeatedly found it to be quite impossible to find accommodations for them at the Newfoundland Hotel. They could not bring men here and leave them on the street. So they arranged to hire two bedrooms and a living room in the city, in a private home, upon Topsail Road West, in which to accommodate such persons. The amount shown there is the amount that cost. Against that, there is a revenue. We don't provide free board for these persons. They pay so much a day just as they would do in the Newfoundland Hotel. The office rent is paid to the Government of Newfoundland because the offices they occupy are owned by the Government of Newfoundland.

We charge NALCO rent for them.

MR. HOLLETT: I was of the impression the Premier was not going to answer. Now I know why these amounts were paid out for rent. But it is still not quite clear to me why we should finance these big fellows coming in from across the seas, multimillionaires and provide them with rent and sleeping quarters.

MR. SMALLWOOD: They are not provided with it. They pay for it, when they can't get into the Newfoundland Hotel.

MR. HOLLETT: It is listed under liabilities of NALCO.

MR. SMALLWOOD: Of course, it is paid by NALCO, but they collect their per diem rent. Because they want to make sure when these people arrive the accommodations are there for them.

MR. HOLLETT: Then we will see something on the revenue account?

MR. SMALLWOOD: Yes.

MR. HOLLETT: Then there is a survey report, twenty-two thousand dollars spent last year by NALCO. Well, all in all, sir, between the Rockefellers and Valdmanis and NALCO and our own Government they played around with some forty-six million dollars since 1949. Now we have something else, now we have BRINCO.

Somebody called it BUNKO, but I am not going to call it that.

MR. SMALLWOOD: Has the honorable gentleman got one himself?

MR. HOLLETT: I have, but I won't use it at the moment. I could use something on the Government itself. It is apparent, sir, that we in this House and the people of the country know less about what the Government of this country is doing than the people all over the world.

I want to refer you, sir, to "Time" Magazine of the last issue, in which I find that a newly formed Anglo-Canadian syndicate, the British Newfoundland Corporation took a lease on more than eighty thousand square miles of Newfoundland and Labrador to develop minerals, timber and hydro-electric power resources. The contract gives the Corporation mineral rights of fifty thousand square miles of Labrador and ten thousand square miles of Labrador plus a potentiality of ten million cords of Labrador black spruce, and a monopoly on all water power still reserved in both regions.

That is what our Government has done according to "Time" Magazine. I fail to see, sir, why the people in New York or London or elsewhere should be given full details and should be able to say that a lease has been signed for eighty thousand square miles of territory in our little prov-

ince whilst the people of this country know not a blessed thing about it. Oh, we have heard Wayfarer talk about it. He seems to know a lot about BRINCO. I was going to bring in one of his articles to table but did not. Here we are sitting down like a crowd of fools waiting for the Government to bring in an Agreement signed, sealed and delivered already, and which we are asked to ratify—"Rat" is the word. It has been ratified long ago. Valdmanis, Latuco, Nalco, Brinco. I would like to say another word, which comes to my mind, but can't at the moment.

Fourteen million dollars is our national debt now, sir. Where has it gone? Gone with the wind, sir. I said a while back that last March we had seven thousand dollars, not eight thousand dollars, but a little over seven thousand dollars in the Bank of Montreal. We borrowed ten million, which cost two hundred thousand dollars to borrow.

Then we put \$800,000 in the Bank, plus the \$7,000.00 we had down there. Yet in answer to questions a few days ago, I find the Government has spent over ten million dollars, so their capital account is busted again. They have not five cents there, sir, not five cents. We will give them another loan, I expect, I would not be surprised if we were asked for another loan of fifteen or twenty million dollars to finance a lot of industries listed for which no money yet has been paid out. I maintain, sir, over twenty-five million dollars has been practically wasted, simply because the Government did not take steps to avail themselves of an offer made by the Canadian Government when the terms of union were made. I will quote from Page 277, I think it is in

the Hansard of 1949, "Because," said the Premier in 1949, "as I have stated before one of the terms of union of which I am specially proud, as I happened to be the particular author, was the Government of Canada, the Federal Government, will place its resources of men and material behind an economic survey of Newfoundland, designed to measure and publicize the natural resources of the country, of the Province, with a view to creating new industries and expanding some of these already in existence. I think the honourable gentleman is right, (referring to the previous speaker) I think it will cost many, many millions of dollars to make that economic survey, and I am happy that term is in the Terms of Union to put the main bulk of the job on the shoulders, not on the Province of Newfoundland, nor the Government of Newfoundland, but of the great Canadian Nation itself."

All this was to be done, Mr. Speaker, Canada was to bring in surveys, find ways of and provide millions to help development. I, therefore, charge the Government with wasting that forty-six million dollars, in that they did not avail themselves of that opportunity which the Premier himself quoted here in March 1949.

Now I had better refer to the Speech from the Throne, I believe that is what we are speaking about. The Speech from the Throne, sir, is the most innocuous document I have ever had the misfortune to read.

First before we go on to that, I go to page 5, Sir, of Hansard 1949. "In line with the policy of my Minister of giving energetic support to the economic development of the Province, and the conservation of her natural resources, there will be laid before

you proposals for the creation of a Newfoundland Research and Conservation Commission, and for the creation of a Hydro-Electric Commission. The expectation is that men of outstanding experience and ability will be willing to head these two Commissions. My Government strongly believes it is."

Now we come to this Speech from the Throne: "It is generally known that the main feature of my Ministers' policy is economic development. This has taken the form for the most part, of encouraging the establishment of new mills and factories. My Ministers consider that the time has come, and that they are now ready, to proceed with other features of their policy, namely the development of the natural resources of the Province. These are the fisheries, minerals, water-powers, forests and soil.

I maintain, sir, these are the things they should have been concentrating on right from the first.

At any rate that paragraph 3 sounds very familiar. It is so much like the Speech from the Throne in 1949 that with the exception of a few words, it is exactly the same.

We must remember, sir, that it was for the development of our natural resources that the Commission of Government had earmarked that forty-six million dollars. Our natural resources, not the Rubber Company, Textile Mill, not all sorts of things, not Steel Plants, but it was to develop our fisheries, natural resources, our agriculture, mines, forests, to such an extent the present population which we have could have made a decent and respectable living.

Talking about the fisheries, sir, let me read you something which was on

a certain broadcasting station a few days ago. "Mr. So-and-so of such-and-such a place (I won't quote the name or place, somebody might know, but it does not matter) has for sale one trap 40 fathoms on the round, 9 feet deep, and all equipment, also one 10 h.p. McCormack engine, one 10 h.p. Acadia engine, all in good condition for \$950.00. Sir, I maintain if the Government of this country had to use that forty-six million dollars, supposed to be spent that way, in the development of the fisheries, that poor man in the north would not have to part with all that property for a paltry \$950.00. There is there, sir, some five or six thousand dollars worth of property, and he is parting with it for \$950.00. I put it to you gentlemen on the Government side, these are the things you should be busying yourselves with. We have fifteen to twenty thousand, it was twenty-eight thousand people, able-bodied men, engaged in the fishery and there is no future, whatsoever, before them, simply because you, the Government have done absolutely nothing to help them to develop and produce economically so that they can supply their customer markets. I could quote you, sir, dozens of cases like that, schooners worth ten thousand dollars for twenty-five hundred, cod traps worth a thousand dollars for \$150.00 to \$200.00. Does that mean anything to the Government, Mr. Speaker? Talking about textile plants and rubber plants, and all that sort of thing, when our fisheries and our agriculture are in such dire straits.

I refer again to our water-power. The Government of Canada promised us, they promised a lot of things, and I say they are doing the best they can to live up to a lot of them, they they would look after these surveys,

but no advantage whatsoever was taken of that, but the surplus, sir, which was meant to do these things for the natural development of our resources has been gambled away with the help of Valdmanis and a bunch of foreigners headed by Max Braun-Wogan. That man has come up in the world, Mr. Speaker. He came here as an interpreter, to interpret, I believe, to the Minister of Public Works, the statements to be made by some of his employees, for \$4800 a year. From that he developed into a kidnapper, and went to Gander.

MR. SMALLWOOD: Interceptor.

MR. HOLLETT: Interceptor is a better word. He picked up Sennewald, the eyeglass man.

MR. SMALLWOOD: That should be worth a half hour.

MR. HOLLETT: You will be sorry—at least I am sorry, Mr. Speaker, I could dispose of that man in ten minutes. I say the man, he is nothing but a man, but he is not the type I would like to associate with—then give away a hundred and fifty thousand dollars of the people's money and the people of White Bay want one hundred thousand to build a hospital and you won't give it to them. What does the Minister of Health think of that?

MR. SMALLWOOD: Not one cent. We lent him.

MR. HOLLETT: Well, advanced, but what guarantee have you got?

MR. SMALLWOOD: You will see.

MR. HOLLETT: You give away the people's money without any guar-

MR. SMALLWOOD: No such thing.

MR. HOLLETT: It has been done has it not? This man, this gutter-snipe, was given one hundred and fifty thousand dollars of the people's money. And Braun-Wogan put the gun to his head, literally, and said: "Come across, say nothing, if you do, no \$150,000." Now where do we find Max Braun-Wogan? Now, Sir, he is the key of all these new industries, practically, he is out there at the Machine Plant. They formed up another company, have taken over the Cement Plant, and now he is going to start a rubber goods plant, and is getting a million for that. I put it to you, Mr. Speaker, that sharper, that is what I call him, could continue going on like that for years, and as soon as he gets nearly broke form up another company and go to the Government and get another million dollars, keep the whole thing working round and round and round until finally down she goes.

MR. SMALLWOOD: May I help the honourable gentleman? Max Brown has nothing to do with the Machinery Plant any more than the Honourable Leader of the Opposition has, and nothing to do with the Cement Mill.

MR. HOLLETT: He sold them machinery. To the Company of which he was a member.

MR. SMALLWOOD: He did not.

MR. HOLLETT: I don't agree.

MR. SMALLWOOD: I tell the honourable gentleman he did not, he had no more to do with the Machinery and Cement Mill than the honourable gentleman himself.

MR. HOLLETT: I have a lot to do with it. I have \$2,500,000 part share in it. I am stating, sir, that Mr.

Max Braun-Wogan and I will go into that perhaps more carefully, has an interest in a good many companies in this drive for economic development. Talking about Germans, there was a time in this House I was laughed at, sir, because I got angry over Germans—"The people of this country," said the Premier, "want these Germans here." How does he know? I am one of the people and I don't want them here.

MR. SMALLWOOD: That is funny.

MR. HOLLETT: I hope you are enjoying yourself.

MR. SMALLWOOD: I am sitting on top of the world.

MR. HOLLETT: Beware the world does not topple over on you.

MR. SMALLWOOD: It did already on the honourable gentleman.

MR. HOLLETT: I am still here.

MR. SMALLWOOD: But where?

MR. HOLLETT: I say the honourable Premier won't be there long if this mess topples on him.

I was speaking about the Germans. Mr. Speaker, a few days ago, I was told of a man in our ward at the Hospital—and there are ex-servicemen on the other side of the House too—all good men, all good men, whether they went overseas or not—this man, I was told, went over the top on July 1st and he was wounded. And these German cowards came out in the night-time and bombed our wounded men, and the next day they threw out gas bombs to poison them. And I am asked to sleep with them. I am not going to stand up and testify to the fact that they are the people having the know-how.

I am not going to agree to give them the money we have. I know it is not a matter of whether I agree or not—I know they will get it; and if we had another forty-six millions, it would go the same way to these Germans. No, sir, I have not got to sleep with the people who engineered Buckenwald and these other Prisoner of War Camps.

MR. SMALLWOOD: Spoken like a statesman!

MR. HOLLETT: I do not have to do it, because the Premier says so. It would be much better if the Government, instead of lashing out money to help Max Braun-Wogan and a few others of that ilk, it would be much better if the Government stayed at home and looked after the business of the country. Instead, they have been spending most of their time visiting India, Palestine, Rome, Berlin, Paris, London and New York—going all over the world.

MR. SMALLWOOD: Not Paris.

MR. HOLLETT: You didn't go to Paris? What a pity! There are some lovely spots there.

MR. SMALLWOOD: Yes, I know; but not what we went away for.

MR. HOLLETT: It is a tragic travesty, financially, on a young Province, this giving away of forty-six million dollars; giving away every iota of the public domain which we ever had. How much more land have we got left? Soon we will not have enough room to build a fishing stage.

MR. SMALLWOOD: Sure, twenty-three millions wasted.

MR. HOLLETT: It is gone down the gutter.

MR. SMALLWOOD: Down the drain. Spoken like a statesman!

MR. HOLLETT: I am only a budding politician yet. I am not a statesman; just a politician.

MR. SMALLWOOD: You are not even a budding one.

MR. HOLLETT: I quote now from Hansard of 1949, when all these great principles of Government were established by the Government. Says the Premier, "Mr. Chariman, we have been, in our thinking, deadily afraid that the months and years would pass by and in the absence of a blueprint, the money, two-thirds of the surplus would be gone in a year or two or three and the legislature here and the Government might—have gone without having made any basic change in the overall economy of the country." What basic change has been made in the overall economy of the country? I use the word "basic" advisedly. None, whatsoever, and I defy any member on the opposite side to prove it.

We come now to the Fisheries, and naturally I must quote the Honourable Minister of Fisheries. He is not here at the moment, but that is no harm. He refers to this proposed Fisheries Loan Board—and lest I forget the Fisheries Loan Board, you will remember that \$600,000 was advanced to the Board by this Government. They were to use that for granting loans to the Fisheries. What do I find last year? They went to Mr. Baxter—or was it Mr. Baxter? Yes, it was. They said, "we are short of funds; we want some money for those German industries," and \$350,000 was paid over from the Fisheries Loan Board to finance some German industries last year.

MR. SMALLWOOD: That is not so.

MR. HOLLETT: That is what it says in the Public Accounts. I can quote it.

MR. SMALLWOOD: Sure, quote it.

MR. HOLLETT: I may have to delay the House a moment to look it up; but in any case, there is a note there by the comptroller, which says that \$350,000 was taken from the Fisheries Loan Board, and passed over to the Government and that it went into the Consolidated Revenue Fund to finance certain industries. It has been paid back.

MR. SMALLWOOD: Does it say "German" industries in the Public Accounts?

MR. HOLLETT: No, but any fool knows what it was for.

MR. SMALLWOOD: I called his bluff.

MR. HOLLETT: That \$350,000 was taken from the Fisheries Loan Board in order to finance Germans who wanted to set up certain plants.

MR. SPEAKER: Might I suggest we get back to the Address in Reply.

MR. HOLLETT: Yes, Mr. Speaker. What has been done by this Government for the fisheries? They have sniped at Nafel, but it still goes on; they were going to have all the fish merchants in gaol the first year we came into Union; they set up the Fish Prices Commission and what happened? They wasted more money on the Icelandic boats; now they are experimenting with Danish trawlers. I do hope they succeed, but I do admonish the Government that before going into the longliners that they

not only accept the word of Mr. Bradley—they should have proof positive there is a possibility of success with those longliners.

Meantime, three years have gone by and what are our fishermen doing? They are listening to the advice of the honourable member from Fogo who said "haul up your boats." They are hauling up their boats on his advice, I take it, or on the advice of the Government, because they saw, from the attitude of the Government on the other side, no hope of help; because they saw not nearly as much help as would be given the manufacturers of nuts and bolts in Germany. So they hauled up their boats.

Now, sir, I am sure the Government is concerned over the fisheries and if I make certain remarks, I trust they will take it in good parts. I am sure they feel the fisheries is one of the biggest problems we have in this country, or in any other country. I am not blaming them for the loss of time, but when I see a fleet of Portuguese vessels, beautiful white-painted vessels, steam and sail, eighty to one hundred of them, with cross-handed dories, going to the Labrador and apparently making good wages; and when I think back to the days when we had fleets comparable to these, and when I think of what we have now, my heart aches, and I am sure every man who lived in my time has the same sort of feeling. I would ask the Government at this very session to bring in something which will be of some value to the fishermen of this country.

A Commission was set up some two years ago—a Fisheries Commission—to bring in a Report to this Government and to the Federal Government as to what might or might not be done to assist the fisheries. This

Commission, sir, has been at it for two years—twenty-four and a half months, to be exact. I had a reply today in answer to a question. I asked how much money had been paid to the Walsh Fisheries Commission and the answer is the total expenditure was \$70,071.72. I asked what amounts had been paid in fees, etc., and the answer is one man received \$10,238; another \$10,238, a lawyer \$9,919 and so on. Travelling expenses—\$34,000. Surely after such an expenditure we will not have to witness the debacle which came about as a result of other Commissions, such as the Fish Price Commission. The Cost of Living Commission cost us \$30,000.

In paragraph 4 of the Speech from the Throne it says, "Foremost amongst these are of course, the fisheries, and their development must inevitably be the principal objective in such a policy. Nearly two years ago my Government and the Government of Canada agreed upon the need for a far-reaching investigation into the fisheries of Newfoundland for the purpose of determining the full nature of the problem and especially of recommending a specific programme designed to effect a successful solution. A Fishery Development Committee was accordingly created by the two Governments and intensive research and investigation into the fisheries has since been carried by that Committee. Their report and recommendations are expected very soon to be laid before my Government and the Government of Canada. My Ministers earnestly hope that the report and recommendations will constitute the chart and compass of a great new fishery development for this Province, and are determined, if this hope is realized, to seek the active participation of the Government of Canada, and to

undertake jointly and energetically such development." They go on to say they will implement that Report with energy and resolution. I put it to them, Mr. Speaker, more than energy and resolution are needed to implement the report. You have to have money. The forty-six million dollars is gone. I do not care how much the Federal Government puts into it; the people on the other side of the House have to find money to put into the fisheries policy. Whatever they do or have done in the past, they must do everything they can, borrow money if necessary, to try and keep our fishermen from vanishing completely. Unless, of course, it is the Government's policy to bring in foreign fishermen to replace them.

Mr. Sinclair was here a short time ago, and he said it was the intention of the Federal Government to assist the fisheries. "But remember," he says, "the Federal Government is not going into the business of the fisheries." Our own Minister of Finance has said that the Government of Newfoundland are not going into the fish business.

**MR. SMALLWOOD:** May I repeat that now? We are not going into the fish business.

**MR. HOLLETT:** You can do what you like, I guess. One would have thought that great strides would have been made in the fisheries. You remember the Honourable the Premier getting up in this House in 1949 and spoke with tears in his eyes about the fisheries. He wished he could find a man competent enough to act as Deputy Minister of Fisheries. Then he goes to the Mainland and he discovers this fishery genius, from the expression used on his introduction



here. I do not wish to say anything against the present Deputy Minister of Fisheries, but there is one thing which is causing me great mental disturbance; and I am sure it must be causing the people on the opposite side of the House considerable annoyance and anxiety.

During the period since we have had this \$15,000 a year Deputy Minister of Fisheries, certain things have happened which, in my opinion, are not in the best interests of good Government and certainly not in the best interest of this Province of ours. I want, sir, to remind you that some one and a half million dollars has been loaned to certain fish merchants (four of them to be exact) in this country during the period we have had this Deputy Minister of Fisheries. One and a half million dollars loaned to four separate fish merchants, during the tenure of office of this Deputy Minister. I want to point out to you also, that during that same period, each of these fish merchants here in St. John's passed over certain monies to this same Deputy Minister of Fisheries. Is not he the chief adviser of the Minister of Fisheries? Would not the Minister of Fisheries act on his advice? Each of these four merchants came to the Government looking for loans, and, I take it, the Deputy Minister advised the Minister accordingly. They got the loans. And during that period these same fish merchants gave this Deputy Minister of Fisheries—one loaned him \$1,750, another loaned him \$1,750, another loaned him \$2,625, another loaned him \$2,855. Sir, if that is playing cricket in Government, I know nothing about Government. If that is honesty and fair play; if that does not approach what I was called to order for in this beginning; if that does not approach that, there

is something wrong with my thinking. Here was a Deputy Minister, who had to advise whether or not it was advisable to give loans to four fish merchants and during that same time, he received these monies from these same fish merchants.

MR. SMALLWOOD: May I intervene to say that in no case, did the Deputy Minister have anything to do with the loans to these merchants. They applied to the Government, and the Government in each case, made the decision without any advice or consultation with the Deputy Minister.

MR. HOLLETT: It is, therefore, just coincidental that those four fish merchants loaned this man nine thousand dollars or more during that period.

MR. SMALLWOOD: It is not coincidental, because they were not the only people who loaned him money. Others lent him money. I lent him money, I helped him and others helped him. I am prepared to do it again.

MR. HOLLETT: I know Senator Petten loaned him \$8,000 and the Premier loaned him \$5,000. I know something else—remember I have the greatest respect for the Deputy Minister—I also know he got \$3,750 on his salary. He is not a Civil Servant. He was getting, I admit, a small salary for a man like that—but to me, it does not look right. It smells of the stuff that that dhap McCarthy in the States dug out; and I am digging this out now. And I tell the Government you cannot afford to keep such a man in your employ.

MR. SMALLWOOD: We cannot afford not to have him.

MR. HOLLETT: That is a pity. In all this great Dominion of Can-

ada, you can find only one \$15,000 a year man. I like this gentleman; but friends and foes are alike to me when I am here in this House. My duty is not to hide these things at all. Even my own kith and kin are alike when I am in this House, because when I was elected to represent St. John's West, and not only St. John's but the people of the country, I promised I would give them all the facts pertaining to this Government.

I put it to those on the others side of the House, if they like that kind of thing, to me it smells and if I am to be blamed for a statement I made in the beginning of this short address, I had reasons for making the statement.

There are other things I could say, but why bother? Is it in order for me to adjourn the debate until tomorrow?

MR. SPEAKER: If you can get a seconder.

MR. SMALLWOOD: I second the motion. Moved, seconded and carried. I move that the remaining Orders of the Day be deferred. Carried.

I move that the House at its rising do adjourn until tomorrow Tuesday at three of the clock.

Carried.

TUESDAY, March 24th, 1953.

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

HON. S. J. HEFFERTON (Minister of Supply): I have here the answer to No. 1 on the Order Paper of March 18th. The answer is quite lengthy.

Answer tabled.

HON. G. J. POWER (Minister of Finance): I have here the answers to Nos. 36 and 38. The others will be along tomorrow.

Answers tabled as follows:

|  |            |
|--|------------|
| (a) Travelling Expenses,<br>1/4/52 to 28/2/53: |            |
| Legislative .....                              | \$1,043.90 |
| Executive .....                                | 512.26     |
| Finance .....                                  | 4,740.48   |
| Provincial Affairs .....                       | 1,089.30   |
| Education .....                                | 28,490.79  |
| Attorney General .....                         | 17,212.06  |
| Mines & Resources .....                        | 63,962.47  |
| Public Works .....                             | 21,171.05  |
| Health .....                                   | 36,292.53  |
| Public Welfare .....                           | 53,479.49  |
| Board of Liquor Control .....                  | 2,326.82   |
| Municipal Affairs & Supply .....               | 13,004.46  |
| Fisheries & Co-operatives .....                | 32,972.70  |
| Economic Development .....                     | 11,188.83  |
| Labour .....                                   | 5,134.22   |

(NOTE: Above figures do not include advances charged to Expense Account and not accounted for as at February 28, 1952).

(b) Travelling Expenses of Ministers, 1/4/52 to 28/2/53:

The honourable member is referred to the answers already tabled by me to Question No. 6 (1) and (2). If these answers do not provide him with all the information he requires, I should be glad to look into the matter further upon request.

(c) Absence of Ministers from Province, 1/4/52 to 28/2/53:

It is suggested that the inquiry regarding "the exact number of days since 31/3/52 spent outside the Province by each Cabinet Minister" should be directed to the Honourable Ministers for attention. With regard to the remainder of this portion of Question No. 36, see (b) above.

No. 38.

For Month Ending—

|                |              |
|----------------|--------------|
| 30/ 4/52 ..... | \$222,045.50 |
| 31/ 5/52 ..... | 319,133.31   |
| 30/ 6/52 ..... | 305,302.37   |
| 31/ 7/52 ..... | 321,131.68   |
| 31/ 8/52 ..... | 303,843.73   |
| 30/ 9/52 ..... | 490,722.20   |
| 31/10/52 ..... | 421,725.83   |
| 30/11/52 ..... | 433,260.38   |
| 31/12/52 ..... | 363,862.44   |
| 31/ 1/53 ..... | 416,611.73   |
| 28/ 2/53 ..... | 409,415.92   |

The assessment on foodstuffs became effective on 1/7/52.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): The answer to No. 45 is being compiled.

HON. J. R. SMALLWOOD (Prime Minister): No. 46. To be quite frank, I have not got the detailed answers to this; but those I have not got, are being, so I am informed, compiled. However, there are one or two parts of the question which I can answer—"Give the name of such Company or Companies and if such Company were not the manufacturers of the machinery, why was such purchase made from a middle party?" The answer is that no purchases were made from a middle party. All purchases were made from the manufacturers; and not only were they the firm who manufactured all the machinery in the plant, but they were the firm who

had the contract to install the machinery and set the cement plant in motion. There are a few exceptions to that general statement.

For example, when they installed the electrical side of the plant, they decided to bring in special transformers manufactured on this side of the Atlantic Ocean. They were bought from Westinghouse Electric Company or Northern Company or one of the big Canadian Electrical firms. They were bought by MIAG on their own behalf in fulfilment of their contract with the Government of Newfoundland. There were no middle men. All equipment which went into the Cement Mill was bought by the Contractors and Manufacturers, MIAG.

Now, as to the cost of the machinery, I cannot give that to the honourable gallant gentleman, because it is not before me. The figures have been published and tabled in this House; and doubtless the Department of Finance will send them forward, and I will table them again.

As to the second part of the question—has the Cement Plant been sold, the answer is the Cement Plant has been sold to the owners of CMIC. That is to say, the CMIC is the plant at the Octagon, and that plant is wholly owned by a Company; and the Company that wholly owns it, is the Company that bought the Cement Mill. The ownership of CMIC at the Octagon and the Cement Mill is common; the one owner owns both.

MR. CASHIN: Who are they?

MR. SMALLWOOD: It is a Trust Company of which the President is Dr. Paul Hagenbach of Zurich, the Vice-President Dr. Roethe and the Assistant General Manager, Mr. Bar-

further who makes his headquarters at the CMIC at the Octagon.

"What were the terms of such sale and what amount, if any, has been paid the Government on the sale of such plant?"

Perhaps I ought not at this point attempt to trust to my memory, but I will tell the House the story as far as my memory will allow me to do so.

The Government built the plant at the grand total cost of \$4,000,000, that is to say, the two contractors; MIAC who built and installed the plant itself and William J. Lundrigan, who did the excavation, poured the concrete, erected the buildings under the supervision of MIAC—all these expenses were paid (the cost of acquiring the land was paid, all expenses involved in the cement mill were paid) by the Government and that came to a certain grand total sum of money—offhand, I forget the figures; four million dollars.

Now, the House is aware also that the Government floated, last year; early in the present financial year, a bond issue in the amount of ten million dollars.

The Cement Mill was sold on these terms: A price was fixed and the price consisted of two things; (1) the grand total cost to the Government of the whole enterprise and (2) a profit on all that, a profit, I believe, of \$200,000 over and above the purchase price; which purchase price was set comfortably to cover all the costs and then, over and above that, \$200,000. That was the selling price.

They had to pay down in cash an amount, to the Government, of \$100,000, I believe, \$100,000 cash down (it may be more; and when I get the in-

formation I will pass it on to the House).

MR. HOLLETT: It was \$200,000.

MR. SMALLWOOD: \$200,000 cash down. The remainder of the purchase price is to be paid for by the new owners in this way: By their servicing that portion of the ten million dollar bond issue floated by us, represented by the purchase price. That is to say, the new owners, the buyers, will service that portion of the bond issue (and by "service," I mean pay the interest, pay that part of the cost of raising the loan; because associated with the raising of a loan are commissions and fees to underwriters and brokers; but that portion of the costs involved in the raising of the loan is paid by the buyers of the plant)—so that they pay their share of the cost of raising the loan, pay the interest on that portion which the purchase price bears to the total loan and they pay off the principal sum of the bond issue.

MR. HOLLETT: You mean they set up a sinking fund?

MR. SMALLWOOD: Exactly. There is one aspect to this which I might mention, that was their undertaking, as a gentleman's agreement on their part, or between us, to install very considerable enlargements and improvements in the mill—improvements of a kind necessary to double the capacity. That is to say, if you intend to double the production capacity of a one hundred ton mill, you have to do more than merely install additional machinery; they had to have an additional rotary kiln, additional crushing capacity, mechanical equipment. More than that, they have done the things necessary as to the basic preparation by installing this

machinery. The next step on their part would necessarily be the installation of additional mechanical equipment; machinery and the second rotary kiln.

No. 46 (3) What was the total cost of the machinery and equipment used in the construction of the Gypsum Plant at Corner Brook?

That I have not got. I will bring it down when the Department of Finance passes the information to me. I could hazard a pretty close guess.

"From what firm or firms was such machinery purchased? Was the machinery and equipment purchased direct from the manufacturers and if not, why was it purchased from a middle party?"

There was no middle party. There were the actual manufacturers of the plant, Benno Schilde of West Germany—they manufactured the plant. Some of the patents on some of the equipment to be manufactured were in the possession of another Company in Germany—Noja Technique, Limited (or Incorporated); the principal personnel of which was Fred Kreiser and Max Braun Wogan, generally known as "Max Brown." ("W" in German is "B"). He was a Director of New Technique. He is not so any more. The firm now consists of Fred Kreiser in Germany. He was the principal owner of the Gypsum Plaster Plant in Germany. Before the war and up to the date of the war, he had the largest plant in Latvia where Brown was associated with him as Assisant General Manager. They had the patents. Therefore, all the machinery for the plaster board plant was purchased from the partnership consisting of Beno Schilde, who manufactured it and the firm of New Tech-

nique who held the patents on some of the equipment. There was no middle man in the picture from beginning to end. No commissions were paid. Nothing was paid except to the firm from whom the Government purchased the machinery, which firm had the contract in respect of the plaster plant, the same as MIAG had had it in respect of the cement mill. Both plants were constructed by the same Company—William J. Lundrigan of Corner Brook.

46 (4) I cannot answer that at the moment. I will give the information as soon as it arrives in my possession.

46 (5) I have no intention of answering that. I would suggest if the honourable and gallant member desires that information, he take it to the private Company whose business it is.

As to No. 47, I have not got the information as to the first part. I will not answer the last sentence of the second part. I suggest that that question be directed to the private Company known as the Newfoundland Hardwoods Limited, whose business it is.

#### Orders of the Day

Address in Reply:

MR. M. M. HOLLETT (Leader of the Opposition): I am reminded by a question which has just been answered by the Honourable the Premier of some statements made in this House relative to Max Braun-Wogan. I think I was informed at that time that he had no connection with any other Companies. I also, at this time, point out, New Technique, in my opinion, was associated with and had been set up to take advantage of all the machinery which was to be

shipped out to Newfoundland in connection with our economic development policy. In other words; in my opinion, at that time, and today that New Technique is headed by Braun-Wogan.

MR. SMALLWOOD: It was never headed by him.

MR. HOLLETT: Well, I mean very uppermost.

MR. SMALLWOOD: One of the directors.

MR. HOLLETT: He was the active director. He came out here as an interpreter for the Newfoundland Government at that same time was a director of New Technique, which was to supply the machinery for all these plants, in my opinion, Sir.

MR. SMALLWOOD: To a point of order, Mr. Speaker; the honourable gentleman, I submit to your Honour, has no right to violate his position as a member of this House. It is utterly untrue that the company in question had ever anything to do with the purchase or the sale or delivering of any machinery, except in the one instance of the plasterboard plant. Put that in your pipe and smoke it.

MR. HOLLETT: Is that the point of order, Mr. Speaker? I have violated my position as Leader of the Opposition. But I stated, Sir, and state emphatically, it is my opinion, that this New Technique was set up for the purpose of profiting out of our Government's economic development policy by selling the machinery for the various companies. I also further point out, at that time, Max Braun-Wogan, an interpreter here hired by the Government of Newfoundland, and paid \$4,800 as an interpreter, had the inside of the plans

relative to the machinery and was, therefore, able to advise his company.

MR. SMALLWOOD: To a point of order, Mr. Speaker: I cannot as the Leader of Her Majesty's Government, allow mis-statements and political falsehoods to be uttered and remain silent. The Agreement with which Max Braun-Wogan had been associated was made at least a year before he ever came here as an employee of the Newfoundland Government. It was made twelve months before he came here.

MR. HOLLETT: He was engaged as a servant of the Department of Economic Development, this German gentleman, whose company a year before that, had entered into an Agreement to supply machinery, was brought out here, and put in the Department of Economic Development with a salary of \$4,800, to supply machinery to the Government for economic development.

MR. SMALLWOOD: He is too stupid to get it right, too thick-headed.

MR. SPEAKER: Order. The honourable member has no right to address such remarks to another member.

MR. HOLLETT: I am used to that now. I know you can't tolerate it in your position, Mr. Speaker, and I appreciate the point you have taken. Stupidity in this case is an honour, apparently not enjoyed by certain members on the other side of the House. The fountain of wisdom, and the Germans are taking advantage of it.

Yesterday, Mr. Speaker, I referred to the Fishery Loan Board, and I pointed out the fact that this Fisheries Loan Board, and we have always heard and thought and believed, and I certainly

still believe that the fishery must essentially be one of the most important means whereby people can live and abide in this country. Yes you may set up all sorts of plants, cut down trees, dig ore out of the ground etc., but all these things can be exhausted. But the fishery is practically inexhaustible, year by year the supply is increasing. Therefore, I say, our great natural resources is the fishery. Away back in 1949, the Government set aside five hundred thousand dollars for fisheries development schemes. Last year, as I pointed out, Sir, the Government had to borrow from this Fishery Loan Board \$350,000 to help it to carry on the matters of Government particularly with regard to economic development, had to take \$350,000, though it was paid back, on page 127 of the Public Accounts for the year ending March 31, 1952, shows that the Government of Newfoundland, on the balance sheet of the Fisheries Loan Board Fund had \$500,000 less temporary withdrawals by Minutes of Council \$350,000. Taken away from the Fisheries Loan Board by Minutes of Council. Where is that minute of council? I wish to point out to the Government that this House opened on the 11th of March, and before the 26th of March, they should have in this House every minute of council they have passed relative to minutes of council. I don't want to wait until after the 26th and then charge the Government with neglect of its duty.

I will also turn to page 15, in connection with the report of the Auditor General, in connection with the public debt. "The decrease of \$187,351 in the funded debt is accounted for by the annual sinking payments on the dollar plus the redemption of the sterling debt maturing January, 1952;

the latter amount being £302,731.18.1 (\$1,223,037) against which a non-statutory sinking fund of \$1,188,163 was held. The sterling debt was taken into account in determining the financial surplus as of the date of Union. Although the funded or permanent debt decreased by \$187,351, the temporary debt, represented by Treasury Bills, increased by \$1,250,000; a net increase in the Public Debt of \$1,062,649. Of the sums borrowed \$900,000 was borrowed from the Newfoundland and Labrador Corporation, Limited, and \$350,000 from the Fisheries Loan Board of Newfoundland. As required by the Terms of the Revenue and Audit Act, 1951, governing temporary loans, these amounts have since been repaid.

In other words, Mr. Speaker, the Government, as we aforesaid pointed out, was in such sore straits for money prior to the raising of the loan last year that they had to take back that nine hundred thousand dollars they had already given to the Newfoundland and Labrador Corporation, Limited, and \$350,000 from the Fisheries Loan Board, in order that they might carry on the ordinary business of the Government.

MR. SMALLWOOD: All very normal.

MR. HOLLETT: Very normal—in view of the fact we had forty-six million dollars three years ago—quite normal.

MR. SMALLWOOD: We did it even when we had it, temporary accommodations at the bank, quite regular, perfectly normal.

MR. HOLLETT: I say, Mr. Speaker, it is most abnormal.

MR. SMALLWOOD: The honourable gentleman has never been in a

Government. That is why he would say so—he says it in his pristine innocence.

MR. HOLLETT: Innocence abroad.

MR. SMALLWOOD: And at home.

MR. HOLLETT: I would say that the honourable members on the opposite side of the House would be doing a much better job if they shared with me some of that vast amount of innocence I possess. I submit, Sir, they have none of it, and the people of this country will shortly inform them they are not so innocent as they would have the people to believe.

There are various things, Sir, in connection with the public accounts which I want to mention. One of these is the advance of \$313,000 to the Rubber Company. As I pointed out, three hundred and thirteen thousand dollars had been handed over to this Rubber Company, at least three days, they had the proposition months ago, but at least three days before any Agreement was signed with the Government.

MR. SMALLWOOD: May I help the honourable gentleman? We signed the Agreement some six months ago. It is perfectly true the subsequent Agreement was signed on the date the honourable gentleman refers to, but the actual Agreement was signed some six months before.

MR. HOLLETT: Therefore, I take it I was misinformed by the honourable gentleman who gave the answer to a question tabled here a few days ago.

MR. SMALLWOOD: No. He might have added the definitive one.

MR. HOLLETT: Probably did not know the definitive one from the

other. However, Mr. Speaker, it is all most indefinite. What I would like to ask Sir, is where the controller of the Treasury gets the authority to allow \$313,000 to be paid out of the Consolidated Revenue Fund before any Agreement whatsoever, in the first instance, and (2) before ratification by this House?

I quoted, Sir, a section in the Audit Act, whereby it said; "If there was grave danger to the country, the controller, on the advice of the Cabinet and Ministers, could allow funds to be taken out of the Consolidated Revenue Fund over and above what had been ratified by the House. I wish to submit there was no grave danger to this country, nor to any inhabitants thereof, in connection with dishing out \$313,000 to this Rubber Company.

I say the same in connection with \$89,000 given out to some electric company, I believe the Hanning Electric Company. I never heard of them before. I don't know, but I wonder if it is permissible to ask the members of the back benches if they know who that company is. I venture to bet they have never heard of it, and I am quite sure the people of this country never heard of it. No Agreement has been submitted here, and the House did not ratify the giving of this \$89,000, yet they had \$89,000 paid over to them. I want to point out, that is a very, very serious situation as far as I can see, when one or two men, I submit, two men, Sir, can do just as they like with regard to the funds of this country and with regard to the raising of loans—I shall come to that.

HON. E. S. SPENCER (Minister of Public Works): You are not privileged to sit on the councils of the



Government, or you might know differently.

MR. HOLLETT: Neither is Valdimanis. But he, in conjunction with the Honourable the Premier, has increased the national debt by ten million dollars.

MR. SPENCER: He cannot convey any loans.

MR. HOLLETT: Mr. Speaker, is that a point of order?

MR. SPENCER: I am merely making a statement. He makes recommendations, but he cannot make loans.

MR. SMALLWOOD: A new broom sweeping clean—what a new broom, not even a birch broom.

MR. HOLLETT: Certainly not a blockhead, Mr. Speaker.

I will now leave that for the moment. I was speaking about the Fishery Loan Board, Sir, and the fact that some three hundred and fifty thousand dollars was taken away from them in order to use it for other economic, Government purposes. It has, of course, been already paid back—I wonder—I want to refer to page 20—That is the Report of the Auditor General when speaking on Fisheries Development. "In 1951-52 Government acquired on a hire basis two Labrador schooners and equipped them as vocational schools for training fishermen in (1) long lining and Danish seining methods (2) the handling of fish (3) primary instruction in Diesel engineering and (4) general operations and navigation. The vessels were not insured against marine risks. The total cost of conversion, etc., was \$50,000. Actual cost of this experiment in 1951-52 was \$114,700 which takes into account proceeds of \$4,945 from the sale of

fish caught during operations. Additional charges of \$9,241 have been paid since the close of the year. Of the total expenditure \$7,000 is recoverable from the Government of Canada."

In other words, Mr. Speaker, the Government spent \$114,700 to get back \$7,000 in connection with this fitting out of two Labrador boats.

I want to go on to another most interesting one—this might cool the heads of some hotheads on the opposite side.

Cutting and storage of Ice—"This expenditure was incurred in connection with the procurement of approximately 716 tons of ice. The amount includes (1) the cost of construction of storage facilities at Gaff Topsail (2) freight on ice and sawdust (3) wages and maintenance of employees and other expenses peculiar to an undertaking of this kind. Approximately 300 tons of ice were sold, the proceeds from sales being \$3,689. Certain storage charges were deducted from the amount payable by one firm and approximately 70 tons of ice were supplied free of charge to Government operated boats." I want to point out that 300 tons of ice cost the Government \$3,689. As a matter of fact, that was just one of the costs. The total cost was \$34,195 for three hundred tons of ice.

I take it the Controller of the Treasury must have seen something peculiar about this when he brought particular attention to it.

Now, leaving the fisheries for a moment, we will go on to the cement plant, of which the Honourable the Premier went to much trouble a few minutes ago to tell us about the cost of it, and how the machinery was ob-

tained. The Auditor General says: "Since the close of the 1951-52 financial year the Cement Mill has been sold to North Star Cement Limited for \$4,340,000 and the shares in this Company, owned by the Government and having a par value of \$100,000, have been sold to Canadian Machinery Holding Trust for \$200,000. Funds to purchase the Cement Mill were advanced by the Government to North Star Cement Limited and this amount together with \$400,000 advanced to the Company for working capital, making a total of \$4,740,000, is secured by a first mortgage on the fixed assets of the Company in favour of the Government and bears interest at the rate of 4¾% per annum. The amount for which the Mill was sold represents approximately the sums expended by the Government in the construction and equipment of the Mill plus certain commitments amounting to \$115,000 approximately, made by the Government in connection with the erection of the plant, and unpaid as of the date of sale."

How the Auditor General arrived at that I don't know. The Cement Mill cost the Government four million dollars also paid for by the Government, yet has a par value of \$100,000. That has been sold to the Canadian Machinery Holding Trust for \$200,000. He says funds to purchase the Cement Mill were advanced by the Government to North Star Cement Limited and this amount together with \$400,000 advanced for working capital makes a total of \$4,450,000. In other words, the cement mill, built in the first instance by the Government costing well over three million dollars was sold to the North Star Cement Company for \$200,000. No, that is not right, it does not say what it was sold to the North Star

Cement Company for, but they in turn sold it for \$200,000 to Canadian Machinery Holding Trust and our own Government advanced the money to them so that they could buy this four million five hundred thousand dollars cement plant for two hundred thousand dollars. I think that it is nice financing, Mr. Speaker, very good. For \$200,000 which the Government lends them they can turn around and say, here take this \$200,000 and we can take the \$4,500,000 Cement Plant. If that is good business in the eyes of the people opposite, Mr. Speaker, certainly it is not in the eyes of a businessman, which I do not profess to be.

We have the same thing with regard to the Gypsum Plant. Not exactly the same thing, but I find there the total amount spent on the Gypsum Plaster and Wallboard Mill is approximately \$2,950,000, as of the date of this report. If you remember I stated yesterday that the initial advice given by Dr. A. Valdmanis as to the approximate cost, before the thing started, should be compared with these because I think it is enough to astonish anybody.

So we go on with all the rest of them. We have the Birch Flooring and Veneer Plywood Mill. It says something about that here in the Auditor General's Report. "Advances to the Newfoundland Hardwoods Limited total approximately \$2,000,000 up to 31st March, 1952. This amount is accounted for as follows: Expenditure on construction of Mill and installation of machinery and equipment \$1,789,999; Working Capital \$211,000. Since the close of the 1951-52 financial year, further amounts aggregating \$541,000 has been advanced to the Company as

working capital. In addition, a Bank loan to the Company of \$150,000 has been guaranteed by the Government."

Mr. Speaker, I have no objections to interruptions in the House, but I do object to interruptions outside made by certain Cabinet Ministers. If he wants to talk and gossip he should go somewhere else. I raise that point, Sir.

Whilst I am on the Auditor General's Report, Mr. Speaker, there were one or two other things which I think the House should know. If you look at the report on page 22 (in Roman figures) I would draw attention to the Department of the Attorney General which says:

"In paragraph 38 of my 1950-51 report attention was directed to the matter of the inadequacy of the stores accounting system at Constabulary Headquarters. Although representations continued to be made during 1951-52, no replies to correspondence were received and to date no action has been taken to remedy the defects in the system. The records presently being kept are useless from the standpoint of auditing or control since it is impossible to ascertain from them the quantity or number of units of any commodity received, issued, or required to be on hand. As stated in my 1950-51 report the need for a revision of the Constabulary Stores accounting system was first brought to the attention of the Department in 1942."

Well, it is all very well to blame the Commission of Government, sir, but this Government has been in power for three or four years and according to the Auditor General, no remedy has as yet been taken in this respect.

With regard to the Department of Natural Resources: "Test checks of stock record maintenance for stores and equipment, etc., held in St. John's by the Forestry Division and the Crown Lands and Survey Division, carried out in the course of audit, revealed certain discrepancies. There is a lack of adequate accounting control and supervision by the Department, and in my opinion, storage facilities are unsuitable. Certain buildings used for storage have inadequate safety measures and dampness is evident. Consequently, stores are deteriorating."

"Test checks of Hospital Store Accounts were carried out in the course of audit during the year and many differences were found between Stock Card Balances and actual stocks on hand. This applied particularly in the case of the General Hospital stores where a test check of fifty-one items disclosed twenty-seven discrepancies."

So it goes on. I merely mention these facts, sir, to bear out the statement I made yesterday, that there is extravagance and waste going on, and I charge it to the doors of the heads of the Government Departments. As I pointed out yesterday, I don't see how anything else could happen when ministers are continually roaming the earth in search of new industries and other things. These are very serious charges, Mr. Speaker. These are charges which, I take it, the House will take due cognizance of. I put it to the members on the opposite side—you, yourselves, have to take due cognizance of it, and not have the Auditor General coming back at you with a report like this.

Another point I would make here, Mr. Speaker, is the increase in the public debt last year when the debt

was increased by \$1,062,000 and by \$10,000,000 loan.

Now, sir, I come to NALCO: I asked a question relative to NALCO, and I did it designedly. The question which I asked was—First I shall read Section 17 of the Act, and that will clarify it. By it I

I pointed out to the Honourable Minister of Public Works a few moments ago, that two men in the Government can raise the national debt in the country anytime they want to do so by an amount of upwards of ten million dollars.

"Section 17 (2) The Corporation may from time to time with the approval of the Lieutenant-Governor-in-Council," (The Cabinet) "under authority of resolutions of the directors—"

MR. SPENCER: Point of Order, Mr. Speaker: May I inquire whether the honourable gentleman referred to proving to me—

MR. HOLLETT: You should ask my permission.

MR. SPENCER: Yes indeed—I am glad to ask your permission. I want it clarified. I am not sure as to it being a point of order. I understand you to say that you would prove to the Honourable Minister of Public Works that two men were entitled to do so and so, increase the public debt of Newfoundland by a certain sum of money—if that is what I understood, I definitely rise to a point of order. Well, very good—but you will have to go to a long distance.

MR. SPEAKER: I was about to interrupt the honourable member—I am not quite clear of the honourable member's reasons for quoting the Act. If you begin to criticize the Act, then

you will be out of order, because an Act of Parliament cannot be criticized, it is the law, and of course, it is not for any member of the Legislative Assembly to criticize the law, except when the Act is under consideration for amendment. I was not quite clear as to the purpose in quoting that Act. No comment can be made on the Act itself.

MR. HOLLETT: Mr. Speaker, I am merely making a statement that certain powers have been delegated which will allow two members of the Newfoundland Labrador Corporation to increase the national debt by ten million dollars any time they so desire. In order to do so, I have to read the section, if I may be permitted.

I asked if any such Directors had been appointed under that particular section to take charge of these delegated powers and the reply I got was that the Executive Committee of the Newfoundland and Labrador Corporation Limited, consisting of the Honourable Joseph R. Smallwood, Mr. Chesley A. Pippy, and Dr. Alfred A. Valdmanis had been delegated administrative powers under the aforementioned Section as per the Resolution passed by the Board of Directors. They quoted the Resolution, and finally in the end, they speak of a quorum:

"RESOLVED FURTHER that two members shall constitute a quorum of the Executive Committee."

I, therefore, maintain, that any two of three members, Mr. Pippy, the Premier, or Dr. Valdmanis—either two of these can borrow money on the credit of the country.

MR. SMALLWOOD: Provided the Lieutenant-Governor in Council con-

sents. That is slightly a proviso. They are the Government.

MR. HOLLETT: Who is the Government? I would point out that the Government consists of a smaller number of men than that; I mean the policy-makers of the Government.

I spoke before of the Superior Rubber Company. I hope they give us superior rubber. They got \$313,000 before the Agreement of March 3rd; Hanning Electric Company received \$89,000; the Glove Factory \$338,000. Which brings me back to yesterday when I was speaking of the duties of a Civil Servant in general, and the high and confidential duties of a Deputy Minister. To my way of thinking, Mr. Speaker, these facts surrounding this episode in Government activities are horrifying; they lower, in the eyes of myself at any rate, and I am afraid in the eyes of the world, they lower the dignity of the office of the Deputy Minister. Here you have a Deputy Minister, Sir, (they call him Deputy Minister, yet they say he is not a civil servant), he is being paid \$15,000 a year; you have this Deputy Minister the advisor to the Minister of Fisheries, who in turn advises the Cabinet as to whether, shall we say, Job Brothers should get a loan; or as to whether Crosbie & Co. should get a loan; or as to whether H. B. Clyde Lake should get a loan or as to whether Hazen Russell, who was at the time with the North Atlantic Fisheries should get a loan. I say the Deputy Minister should be in a position to advise his Minister if giving such a loan should or should not be the proper thing to do. Well and good, so far. I pointed out yesterday that one and one half million dollars had been loaned to four fish merchants—I have named the fish merchants

here—Job Brothers, Crosbie & Co., H. B. Clyde Lake and H. A. Russell—have been loaned approximately one and one half million dollars during the tenure of office of this Deputy Minister. And I pointed out that during that same period, while the loans were under negotiation, while the Government was deciding to loan one and one half million dollars, I pointed out that Messrs. Job Bros. loan (or given, I would say) the Deputy Minister \$1750; Crosbie & Co. loaned the Deputy Minister \$1750; H. B. Clyde Lake loaned the Deputy Minister \$2625 and H. A. Russell loaned the Deputy Minister \$2865.

MR. SMALLWOOD: I wonder if the honourable gentleman, who, I know, has no desire to besmirch the character of reputable mercantile firms, would he allow me to make a statement that will assist him and assist the House in the consideration of the matter with which he is now dealing? Whatever may be said with regard to Mr. Planta—

MR. SPEAKER: Does the honourable member give consent?

MR. HOLLETT: Yes, I get courtesies from the other side too.

MR. SMALLWOOD: Whatever may be said of the Deputy Minister, I suggest to the Leader of the Opposition that it is rather serious to suggest that four reputable mercantile firms, many of them old and long-established firms, have attempted to get loans from the Government by lending or giving money to the Deputy Minister. The second point is that the Deputy Minister had nothing whatsoever to do by way of advising or consulting with the Government in connection with these loans. And, thirdly, some loans made to the Deputy Minister were made be-

fore he came to Newfoundland, as much as two years before he came to Newfoundland. There was no connection whatever between any personal loans and the loans received from the Government. None whatever. I only ask the honourable gentleman to remember it is not sufficient to suggest that Mr. Planta received bribes; it follows that he was bribed by someone; and he is hinting that those who bribed him were four of the most reputable merchants of the Province.

MR. HOLLETT: I am not hinting. I am charging these four firms—reputable as they may be, and undoubtedly are (particularly the personnel) but they did loan money to this Deputy Minister at the same time they were negotiating for loans from the Government, and he was at the time adviser to the Minister of Fisheries and Co-operatives and he in turn would recommend to the Cabinet that these loans be made. I make that statement without any desire to besmirch the fair names of merchants on Water Street. I could quote from a daily paper of November 17, 1950, where the Premier made a statement relative to those merchants and how he describes them as whited sepulchres.

MR. SPEAKER: Where was the statement made?

MR. HOLLETT: It was made outside this House. That is another reason why I should not mention it, I suppose. We are all familiar with the Premier's description of the merchants. He accused them of strangling the fishermen of the country; they bled them white, they starved them to death and everything else, according to the honourable gentleman on the other side of the House. And yet, now, at the mere hint that they should offer a bribe to a Deputy Min-

ister, we find the honourable the Premier standing up in their defence. I appreciate the point. It is very well taken. But I do point out the deplorable fact that here you have a Deputy Minister receiving loans from fish merchants who at the same time were negotiating with him, keeping on the friendly side of him; keeping on good terms with him—we find them loaning him money—if that is playing cricket in Government circles. I am afraid it is a game I would not like to be engaged in.

I say it is likely to tarnish the name of a civil servant. We have a lot of Deputy Ministers, are they going to be tarred with this taint because this man brought in from Canada at \$15,000 a year would lower himself to accept money or loans from the people with whom he was possibly negotiating? I do say these merchants must have known about this man. They are not duds. They knew something about his financial position. Nevertheless, these four merchants loaned out this money to this Deputy Minister of Fisheries. Was it a mere coincidence that Planta went to Job Bros. or Crosbie & Co. and others? Was it a mere coincidence? I will direct your attention to something here in this report of the Comptroller and Auditor General, wherein it was recommended by Planta that a certain amount of money which was supposed to be due and payable on a certain date, the payment had to be postponed for three years. One of the same merchants who loaned him money had his debt cancelled or put back for three years on the advice of Mr. Planta. I may be a blockhead; but to me it is a most serious thing and I ask the Government to take it to heart and correct it immediately for the sake of the Civil Service. It

is a terrible thing to be tainted with such an idea. And unless the Government takes steps, I am afraid they are going to have further trouble in the Civil Service.

I know it is not considered nice to say these things. None of us are saints. Far from it. I believe it to be my duty to bring that before the House, come hell or high water. I believe it to be my duty to bring it out so that the whole matter may be put a stop to. The very idea of such a thing happening in Commission Government or in Responsible Government! Why, the Government would resign immediately. The present Government knew all about it, because the Honourable the Premier admitted that he, in Company with another man signed a note for \$5,000 and \$8,000.

MR. SMALLWOOD: We knew all about what?

MR. HOLLETT: You are not going to deny you signed a note?

MR. SMALLWOOD: I did. I backed many a note. I will go on doing it. What am I in the world for?

MR. HOLLETT: Did you back \$3030 of Government money?

MR. SMALLWOOD: There was no note backed.

MR. HOLLETT: I put it to the Government that they will have a mess over it when they fix it up. However you look at it, it is filthy.

MR. SMALLWOOD: It is filthy all right; in another way. I only hope the honourable gentleman will never find himself in a financial mess. Especially a mess caused by taking over other people's debts. I hope the hon-

ourable gentleman will not have the experience and if he does, I hope he will never be attacked in the House. I will not attack him.

MR. HOLLETT: I am stating facts. I am not attacking him.

MR. SPEAKER: Order!

MR. HOLLETT: I was going to quote from Hansard on the public men of the past; but under the circumstances, I think I had better leave it alone. The words used in the Hansard about our public men are not fit to read.

MR. SMALLWOOD: Read them out.

MR. HOLLETT: It is your invitation. You will not back them up now, I know.

The honourable the Premier at that time in speaking of the public men of the past who have occupied places in here in this House said: "... but the general standard of this present House is, I am quite sure, very considerably higher than that of any House in my time. I think perhaps that that is possible primarily because of the events of the past twenty-five years. And the type of men in this House today is justification for the stand I took myself when the Commission system of Government was first proposed, that it would mean that we were to have a political armistice, a political holiday, to give our people a chance to wean themselves away from the type of politics that had developed for some years before, and give some of the corrupt public men of Newfoundland a chance to die; the best thing some of them ever did for Newfoundland was to die; and the pity of it is that they did not die long before they did.

Arising out of something I said here on opening day, some members on the opposite side have accused me of running down the politicians of the past, because we had a fair share of crooks and scoundrels, nincompoops and imbeciles, irresponsible ignoramuses."

That is his description.

MR. SMALLWOOD: And didn't we have our fair share of them?

MR. HOLLETT: Do not let that sort of thing infiltrate into your Government at the present. That is exactly what happened in the old days: it crept in. If you can tolerate a Deputy Minister taking loans while negotiations were going on for loans to merchants, a Deputy Minister who was adviser to the Minister—

MR. SMALLWOOD: Did you say the Deputy Minister negotiated a loan with some Minister?

MR. HOLLETT: You ought to get a hearing aid. I say these things should not be tolerated.

Fisheries! You remember the charges made against the merchants in 1949. A Commission of Inquiry was set up to go into the price of fish and what was revealed? The facts revealed that the Company which was paying the lowest amount for Labrador fish was no other than the Company which was owned—51% of it—by the Government on the opposite side. And I believe the Minister of Fisheries was one of the Directors. They paid \$2 less than the merchants. I am not standing up for the merchants, particularly if what the Premier says is true about the loans.

The Speech from the Throne says, I believe, that the Government is now ready to proceed. If the Government

is now ready to proceed with the Fisheries, why not tell us about it?

MR. SMALLWOOD: The honourable gentleman will not give us a chance. The Opposition are doing all the talking.

MR. HOLLETT: We will make you talk.

MR. SMALLWOOD: The honourable gentleman cannot make us do anything; he cannot do that.

MR. HOLLETT: It says here "we are now ready." Are you going to tell us the plan? The whole of the forty-six million dollars is gone—I will not say "down the drain."

MR. SMALLWOOD: Half wasted!

MR. HOLLETT: They are now ready to put in another scheme to implement the fisheries. Yes, I believe, they say they are going to implement it with energy. They will have to implement it with more than energy. They have to have Newfoundland dollars and cents. Talk about surplus on current account! They are not going to use that.

MR. SMALLWOOD: Why not?

MR. HOLLETT: I do not know. You did not use it when you had it. They are ready to develop the mines, the waterpower and the soil! In my opinion the Government is ready for nothing unless they get another ten million dollar loan. I can see it in the offing, now. With another ten million dollar loan they will have another holiday next year.

MR. SMALLWOOD: Sure, that is all we do; have holidays.

MR. HOLLETT: I would point out that the Government is ready for



nothing, except to grant more concessions of the public domain.

I have already referred to BRINCO.

MR. SMALLWOOD: Bunkum, wasn't it?

MR. HOLLETT: We know nothing about BRINCO, except what we read in "Time" magazine.

MR. SPEAKER: These interruptions are out of order. The honourable member has the right to be heard.

MR. HOLLETT: BRINCO, according to "Time" magazine—(which gets its news from Mr. Jackson, who is the mouthpiece of Dr. Valdmanis).

MR. SMALLWOOD: Mr. Jackson is the mouthpiece and I am the tool.

MR. HOLLETT: What a tool! They are going to give away sixty thousand square miles of territory to BRINCO; a ninety-nine years' right to the Hamilton River. I am afraid the whole scheme will be water under the bridge before long. They had to take away some concessions which they gave to NALCO, and now they are going to give NALCO land somewhere else. I do hope they succeed. I see no hope for NALCO. They have had nothing but failure in spite of the fact that Dr. Valdmanis is at the head of it. They have had no success whatever. They could not hold on to their agreement. I take it the Government is going to break the agreement with NALCO, if not there will be no BRINCO. They have to break with NALCO before they can get BRINCO. That was why the Premier had to tie himself off in haste to see Clyde Richardson, who has shares in NALCO. All these things had to be done, sir, and it is unfortunate, but I can't quite understand this principle. If they can see the

Government of today in Newfoundland breaking a contract which they have with NALCO, what guarantees are they going to have that the same Government, (who according to the Honourable Premier are there for the next 21 years) are not going to break the BRINCO Agreement.

The Speech from the Throne also, sir, talks about forestry experts going to do something with forestry. I don't know, I take it, they will bring in Dr. Seigheim as an expert on forestry. I cannot conceive of a better man than Dr. Seigheim. We all remember the wonderful scheme afoot in the Labrador where Dr. Seigheim was to have set up all sorts of gardens, Lapland oats and all sorts of things. That is the man you should get. I want to know why we want any forestry experts. We have not enough sticks left to build a boat in this country with the A.N.D. Company, Bowaters, BRINCO and NALCO, and now there is one to whom we are giving ten thousand square miles in Sandwich Bay. I would like to know why we want a forestry expert, why not tell these companies to set up their forestry experts.

Then there is a farm development committee according to this. I have heard of such things before. I wonder, sir, what is wrong with the Division of Agriculture, are they of no value, are they going to be scrapped, have they no policy whatsoever? Has the Director of Agriculture no ideas on agriculture? Apparently not. A Farm Development Committee—yes, they describe the activity of the Agricultural Division—according to them they say; their policy for the last thirty years, I take it that includes the last three, has been most erratic, more than a little inconsistent and inconstant.

MR. SMALLWOOD: That is not the Speech from the Throne. Read it out—don't garble it.

MR. HOLLETT: I won't be given orders. Some of us can't stop.

MR. SMALLWOOD: I take orders from Dr. Valdmanis.

MR. HOLLETT: They are taken. Dr. Valdmanis was going to leave here a short while ago—threatened he was going to leave.

MR. SPEAKER: All this is out of order—will the honourable member resume his speech?

MR. HOLLETT: What were we speaking on?

MR. SMALLWOOD: It does not matter.

MR. HOLLETT: It does—Farm Development—"We have long heard and read of the importance of agriculture in this Province, but it is the simple truth to say Government policy in agriculture down through the years," (I take it that includes the last four years) "has been somewhat erratic, inconsistent and inconstant." I can assure you that is what the farmers think exactly, that it is erratic, more than a little inconsistent and inconstant. But it is going to be all right now, it is going to be implemented with knowledge, guidance and resolution—not with dollars and cents, no cash, that is going into rubber, and to make coats. I wish they would give everyone a coat. I saw the coat and it is a very excellent one.

MR. SMALLWOOD: They sell the coats. They do not give them.

MR. HOLLETT: They sold you one?

MR. SMALLWOOD: Yes, they sold me one.

MR. HOLLETT: It is a very good coat, I say it cost \$70.00.

MR. SMALLWOOD: Yes, the honourable gentleman can buy one at the same price.

MR. HOLLETT: Are you agent? I doubt, Mr. Speaker, that I could get such a coat for \$70.00.

MR. SMALLWOOD: I am quite sure of it, and I am agent, but I get no commission. I visit everywhere on the mainland, and wear it and show it off—I am agent, but get no commission.

MR. HOLLETT: That is one way to advertise goods. Engage the Premier and send him all over the world, to London, Italy, New York, with a coat made by William Dorn, and sell them for him. I think that is an ideal way—it is a wonderful way to advertise goods of the new industries.

MR. SMALLWOOD: Thanks for the publicity. If you mention that tannery every day and these fine leather coats, I will be very happy, and I hope the press and the radio mention it.

MR. HOLLETT: Ask them, Mr. Speaker, I take it the Honourable the Premier, requests the radio, and they must mention this fact, after all he is the agent. I should think it is a very good thing to advertise: For \$70, Mr. Speaker, you can have a nice green coat or any other colour you want. Joseph's Coat. We have all heard the story. His brother sold him down into Egypt, and took his coat and smeared it with blood of animals and went to his father and told him that he was killed—but Joseph was not dead. I do hope and

trust, Mr. Speaker, that our Joseph's coat will be smeared with nothing. I hope it will be a nice clean coat always, and that the company who manufacturers them will pay good dividends.

MR. SMALLWOOD: Here, here.

MR. HOLLETT: There are so many thing, Sir, that one can talk about that I agree with the Premier, it matters very little, what we in the Opposition say. But it is our duty to air these things. I hope the honourable members on the other side of the House do not think it is quite pleasant for us to be up here criticizing and bringing to the limelight, certain things that smell—we don't like that sort of thing.

I come now to the last paragraph of the Throne Speech, with reference to the appalling loss of life on the opposite side of the water. I am quite sure, Sir, as it has already been expressed, it reflects great credit on Newfoundland the contribution they have made to alleviate the tragedy on the other side. I think I have already pointed out the generosity of our people of this country and other countries after the tidal wave when twenty-eight people lost their lives on the South West Coast. But I must not allow myself to become soft on account of either the tragedy or the feeling of pride I have on account of the monies which were forthcoming.

Apart from that word of praise to Newfoundlanders there in the Speech from the Throne and the fact that something, we hope, is going to be done relative to the fisheries, the Speech from the Throne contains absolutely nothing, Mr. Speaker. Why did they not tell us something about the recent changes in the portfolios?

Why did they not tell us why the Minister of Health went to the Department of Education, the Minister of Education to the Department of Supply, and Supply went to—I just forget—they have been scattered around so. I wonder why that could not be put in the Speech from the Throne. If they could tell us something about that now, I am quite sure we would appreciate it.

I don't know whether they play cards around the council table, nor whether they fell out or not around the council chamber. At any rate, they changed chairs for better luck. They often do that in a card game. But I would like to know why the Minister of Supply was shifted to Health—I don't suppose it has anything to do at all with the Mental Hospital Inquiry? I don't see any reason why it should. Then it is a peculiar thing, Sir, how both the Honourable Minister of Finance and the Minister of Supply hied off to the West Indies with the Premier right at that particular time. I wish they would tell us something about that, it would be interesting. If there were any pickets broken off in the political fence, Sir, I do hope they succeeded in mending them.

I must now do something, Sir, which I am diffident about raising; that is the Alcoholic Liquors Act. It is a tragedy and a travesty on us as human beings, that in order to run the Government, we have to deal in alcoholic liquors which bring so much tragedy into the homes and into the lives of our people. It is one of the greatest tragedies of the world that practically every country, every government, Sir, is selling liquor.

Last year, this country sold some five million seven hundred thousand

dollars worth of alcoholic liquors to our people with the consequent distress, poverty, disease and death. It was bad enough, Sir, in the bad old days, bad enough in Commission of Government days, but this present administration, Sir, has made it quite easy for everybody in this little Island of ours to get beer, rum and whiskey, whenever they so desire. That is probably democracy. But I am quite sure there are members on the other side who don't feel too happy about it. The Minister of Finance is happy over the collection of over two million dollars profit. But I wonder how the Ministers of Health and Welfare feel about it. These are the functions of the Government; to look after the people's lives, their health, their manner of living, etc. How does that fact reconcile with the fact that we have hundreds of beer parlours and dives and beer agents all across this country? On Sunday, I took my wife for a drive, and we passed along by a place, and I know there were about one hundred and fifty cars there, with the people going in for beer. There is nothing wrong with that, I take it, but I think it is too bad that here in St. John's and all across the country we have taverns set up, Sir, by the Government, and I am sorry to say, Sir, in some instances financed by members of the Government. Why one has to be, I believe, a particular friend in court to get a license to operate one of these things. That is an unfortunate state of affairs, Sir, when members of the Government can wax fat on the misery and distress and death caused by the flagrant spreading over the country of beers and wines and liquors, then we have reached an impasse with regard to welfare in this particular country. Take a look at

our revenue, Sir. What is our revenue comprised of? One of the big items we have is alcoholic liquor \$2,700,000. Not content with that, Sir, the present administration have decided to tax also the people's food, another six million dollars is taken in for tax on food and raiment and everything else they need. The Government has put on 3% sales tax, and nearly three million dollars was taken in for the sale of liquors and six million dollars for social security taxes, that with a little gas mixed in and you have the revenue raised by the present administration.

I don't know, Sir, that I need to detain this House much longer. There are things that could be said, and should be said, and a good many of them have been said by other speakers, but I want to point out here, Sir, a Government's job is not going into business. The Government of any country should keep as far way from business as possible. We have a Government that has gone into business and has gotten itself burned badly. What is the job of the Government, Sir? Is it not the welfare of the people; looking after the people, how they live and where they get their livelihood, and making regulations regarding same, etc? What has this Government done about our coastwise skippers? Have they told the Federal Government that they are not carrying out the terms of union? I would like to quote, Sir, from the terms, if I may, with regard to our coastwise skippers. Sir, as you know, after we came into union with Canada our shipping regulations and the Canadian Shipping Act were quite at variance. Consequently, the Honourable Louis St. Laurent, wrote a letter on a certain date, and I will read you a short section of that letter. This

s a letter which was sent to the Chairman of the Committee, at that time, the Honourable A. J. Walsh. He said:

"The Newfoundland requirements respecting the certification of masters, mates and engineers for ships, other than foreign-going and those engaged in fishing are less stringent than those in Part II of the Canada Shipping Act, 1934, and the application of the latter would result in disqualification of those masters, mates and engineers employed in the Newfoundland Home Trade who are not under Newfoundland law required to hold certificates.

Arrangements will be made to provide that masters, mates and engineers of ships registered in Newfoundland may continue operating in their present positions. If the necessary legislation for this purpose is not enacted immediately following Union, the Minister of Transport may exercise authority vested in him under the provisions of Section 133A of the Canada Shipping Act to permit relaxation so that there may be no interruption of the operations of Newfoundland shipping.

Newfoundland Foreign-going Certificates already have the same validity as similar certificates issued in Canada.

An amendment will be introduced to provide that Home Trade Certificates issued in Newfoundland up to the date of Union will have the same validity as Canadian Home Trade Certificates, and thereupon Certificates of Service may be issued to presently uncertificated masters, mates and engineers of Newfoundland Home Trade ships. Arrangements will be made to continue for the time being the Newfoundland practice whereby

vessels engaged in the seal fishery are required to have a navigating officer holding a Master's Foreign-going Certificate, until experience shows the necessity or otherwise for further regulation of certificated personnel in these vessels."

I maintain, Sir, that is one of the things the Newfoundland Government might busy itself with. Hundreds of coastwise skippers have been deprived of earning a living because of the fact that they have to obtain a master's certificate under the Canadian Shipping Act, and the regulations are so strict with regard to obtaining such certificates they just can't make the grade. Many of them, however, have earned their living for forty and fifty years by engaging in coastwise trade. I put it to the Government that is one job they ought to busy themselves with. I also might refer to railway pensions: We have heard a lot about railway pensions ever since 1949. There is something about that here too. But the Government of this country has done absolutely nothing about it as far as I can see. Section No. 31 says that: "At the date of union or as soon thereafter as practicable Canada will take over the following services:

(a) the Newfoundland Railway, including steamship and other marine services;

(b) the Newfoundland Hotel, if requested by the Government of the Province of Newfoundland within six months from the date of Union;

(c) postal and publicly-owned telecommunication services;

(d) civil aviation, including Gander Airport;

(e) customs and excise;

(f) defence;

(g) protection and encouragement of fisheries and operation of bait services;

(h) geological, topographical, geodetic, and hydrographic surveys;

(i) lighthouses, fog alarms, buoys, beacons, and other public works and services in aid of navigation and shipping;

(j) marine hospitals, quarantine, and the care of shipwrecked crews;

(k) the public radio broadcasting system, and

(l) other public services similar in kind to those provided at the date of Union for the people of Canada generally."

The terms include the Newfoundland Railway and the Newfoundland Postal Department.

Then again in Section 39: Employees of the Government of Newfoundland in the services taken over by Canada pursuant to these terms:

"(1) Employees of the Government of Newfoundland in the services taken over by Canada pursuant to these Terms will be offered employment in these services or in similar Canadian services under the terms and conditions from time to time governing employment in those services, but without reduction in salary or loss of pension rights acquired by reason of service in Newfoundland.

(2) Canada will provide the pensions for such employees so that the employees will not be prejudiced, and the Government of the Province of Newfoundland will reimburse Canada for the pensions for, or at its option make to Canada contributions

in respect of the service of these employees with the Government of Newfoundland prior to the date of Union, but these payments or contributions will be such that the burden on the Government of the Province of Newfoundland in respect of pension rights acquired by reason of service in Newfoundland will not be increased by reason of the transfer.

(3) Pensions of employees of the Government of Newfoundland who were retired on pension before the service concerned is taken over by Canada will remain the responsibility of the Province of Newfoundland."

I put it to you, Mr. Speaker, these employees of the railway and postal department have been prejudiced against and have not obtained their proper pension rights under this Act.

There is another thing the Government should take cognizance of and busy itself with, not going in business and rushing around the world and bringing in every last foreigner who wants to come in and spend what has been taken from the pockets of our people, our fishermen.

I believe an inquiry was made with regard to fishermen's losses. I believe the Honourable Minister of Health did take certain evidence from people who had lost their stages, their gear and fishing boats etc. Could not something have been put in the Speech from the Throne to guarantee these people that something will be done.

MR. SMALLWOOD: The Government had decided and there was no need to put it in the Speech from the Throne.

MR. HOLLETT: It was not decided until a day or so ago, but you forgot to put it in the Speech from the Throne.

MR. SMALLWOOD: We did not forger. We made the inquiry, we appointed the commission, we, not the Opposition.

MR. HOLLETT: It is a fact that the Government will assist these fishermen who lost their gear?

MR. SMALLWOOD: That is so.

MR. HOLLETT: That is worth knowing. If you do something like that you are doing, something which you were elected for. I congratulate you on your initiative.

MR. SMALLWOOD: Thank you.

MR. HOLLETT: I do wish the Honourable the Premier would do something about the Cost of Living. But they can't do anything about that. At any rate, it is the day by day living of the people of the country the Government should concern itself with, not with spending millions on industries all foreign.

MR. SMALLWOOD: All wasted.

MR. HOLLETT: All wet. As far as the Government is concerned it is wasted.

MR. SPEAKER: The honourable member is out of order.

MR. SMALLWOOD: Yes Sir.

MR. HOLLETT: That is a familiar quotation for the honourable Premier—out of order.

Now, then, Mr. Speaker, we have criticized a good many times, and are still going to criticize, try to be helpful. Take for instance education. I am quite sure the Minister of Education is endeavouring to do the best he can, but I maintain that during the past three years instead of putting two millions into rubber or a couple of

millions into textile, or two and a half millions into machinery, it would have been infinitely better if the Government had put some of that forty-six million dollars into assisting the teachers, in building schools. Last year, there were several hundred classrooms which could not be opened. They were not there in the first instance, and then in the second place they could not get teachers. I saw in somebody's column in the Newspaper that at least a thousand or more (or was it ten thousand) children were out of school, because they did not have the classrooms and teachers. Sir, I would say there is where the surplus which was saved by the Commission of Government should have gone and not down the German sewer.

The same thing might apply to the civil servants, Mr. Speaker. True, they have been helped, but I maintain, sir, that civil servants are entitled to their hire and good hire if they are Deputy Ministers. Not all Deputy Ministers can borrow one, two or three thousand dollars overnight, up to as high as fourteen or fifteen thousand dollars in six or eight months. Very few of them can. By the way, speaking of civil servants, I don't know whether the liquor store clerks are civil servants, but I do know these clerks are very much underpaid. I can't understand the Minister of Finance (he is not here at the present time) doing a big liquor business, selling five million, five hundred thousand dollars worth of liquor and making a profit of \$2,700,000 (a good profit) not being able to pay their clerks a living wage. That is a fact, they are not getting a living wage. I understand they have asked and have been turned down. The fact that they have been engaged to dish it over the counter is no reason why

they should not be getting well paid for it.

The Department of Welfare, sir: As I said before, I have very great admiration for the work which has been done by the Department of Welfare under the present Government. We must, as the old saying is: give the devil his due (referring to the Government and not to the Honourable Minister). They have done a very excellent job. Still a lot remains to be done. There are a lot of isolated cases all over the country. These are things that have to be taken care of by a Government and by a Department; again I repeat, not meddling in business.

I remember seeing also, I believe in a column in the "Evening Telegram" where a chap went home from the Orthopedic Hospital in a cast, and he had orders not to work for two years. His father is dead and his mother getting \$30 a month. Apparently, this man was sent out and ordered not to work and was entitled to an allowance, but he got no allowance whatsoever.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, may I help to correct the statement from the Honourable Leader of the Opposition. I am quite aware that in dispensing welfare benefits throughout the Island, that more than one case is likely to be overlooked with even the best of intentions. But in this particular case, which the Honourable Leader of the Opposition has now cited; it was incorrectly recorded in the paper. I am not defending the position, mind you. We do not do everything perfectly by any means. But in this particular instance, now come to light, I wish to say it was incorrectly reported in the press. There

was a delegation came to me no longer ago than this morning which was interested in that matter. I explained to them what happened in such a way as at least to satisfy them. Even though we admit we did not perhaps do all that we might have done if it had been brought to our attention in the right way, at the right time, but the circumstances were not nearly as bad as reported in the press.

MR. HOLLETT: I thank the Honourable Minister for clarifying that report to me. It looked very bad as reported in the press. Whilst on that I have another isolated case I know of. A man in Burin District, a cripple all his life, a paralyzed leg what we used to call a withered leg, I believe. That man earned his living industriously, and latterly he got a job as light-keeper on the Burin Island. That poor man was reduced to such an extent of incapacity that he could scarcely walk and for day after day had to crawl across that Island, a distance of nearly a mile to his lighthouse, and eventually had to give up. He has a couple of children and he has been refused help by the Department simply because there is a boy, whom the neighbours tell me, at any rate, should be in school. I have taken the matter up with the Department of Welfare, and only yesterday, or the day before received a letter saying nothing had been done. I mentioned that fact, because I know the Honourable Minister of Public Welfare is very helpful on all these matters. I say this: after an early gale last summer, I had occasion to approach him with regard to certain fisherman losing everything he had, his boat, his gear, and the matter was brought to the attention of the Honourable Minister who was asked if he could assist that man. The man was



assisted satisfactorily, sir. So I have to give credit where credit is due.

But again I repeat—these are the matters of Government—these are the very matters with which the various ministers should be busying themselves, and not with high finance, and not with German industries. They are not capable of doing it, none of us not raised up in business are capable of doing so. It is the welfare of individuals, sir, should concern the ministers and not the establishment of super-duper industries.

With regard to the Department of Health and Welfare, I maintain that the Honourable Minister there has done a very good job. There is no question about it. There were some discrepancies; I referred to them before, and I hope and trust that the Government will take due cognizance of it and have an inquiry set up to see where the trouble is.

The Honourable Minister of Public Works—I am fond of him, but he gets hot under the collar but he probably has that supply of ice. If he had his way, and the money, the Trans-Canada Highway would be built.

I also understand that five frauliens arrived yesterday.

MR. SMALLWOOD: These ladies are making their homes here.

MR. HOLLETT: They came, I understand, to teach our ladies how to sew. I put it to the Government that it would have been infinitely better for them if they had gone to our own clothing factory and gotten a few of our own ladies to teach sewing. They can make up suits. At least the White Clothing Factory can; the Newfoundland Clothing Factory is gone by the board. The Government

is bringing in German nationalists to teach our girls how to sew and make up suits.

MR. SMALLWOOD: That is not so.

MR. HOLLETT: What did they come for—a holiday? I am told they came to teach the girls how to sew.

MR. SMALLWOOD: The honourable member is misinformed.

MR. HOLLETT: Of course, I was not over in Germany when you were there.

I was speaking about Public Works—that 1.5 miles costing \$165,000, not paved; a very expensive road. But the thing that alarms me is that after the survey was made, it was found the cost of the work had almost doubled.

With regards to Mines and Resources—I am sorry—I like the Minister—but I do not see any need of a Department of Mines and Resources. We have no territory in which to look for mines. Brinco, Nalco, the A.N.D. Company and Bowaters—they have all the land of the mineralized area. We have fish, but we have a Department of Fisheries to handle that; we have a Department of Agriculture to handle agriculture. I see no further reason for the Department of Mines and Resources.

Mr. Speaker, I have referred to the various errors in Government; I have referred to the Cost of Living Commission which cost us \$30,000; the Inquiry into the Fish Prices which cost us another \$30,000; the IBEC Report, costing two hundred some odd thousand dollars; the Icelandic Boats; Dr. Seigheim; the "Charlotte" small little boat of about 30 tons. It cost \$25,000

to put her in shape and I understand from the Public Accounts that she was sold for \$7,500. I do not call that good business. It may be.

Then there were various experiments. We forgive experiments with regard to the fisheries. I do not give any forgiveness for the beer parlours and the Planta affair. I am quite sure the people are not going to forgive the Government for the gambling of the public domain; the giving away of huge strips of land—10,000 square miles in the Sandwich Bay area. There are a dozen rivers there—eight or ten anyway—and the whole of that area is to be leased to Mr. Silver. I hope he has the silver to put up. We shall look into his credentials before the House closes.

I can only say that when I charged waste and extravagance to the Government; when I charged something which looked closely like things which Mr. McCarthy in the United States had dug out, when I charged that the Government has been grossly negligent in giving away the public domain, had grossly neglected the fisheries—all sir, in the name of Economic Development—I do not think I was very far wrong. The Government, in my opinion, has, shall I say, made a mess of our union with Canada.

Mr. Speaker, if I am in order, I would like to move this amendment; that the following words be added to the said Address in Reply: "We respectfully submit to your Honor that—

(1) No adequate steps are outlined for the elimination of waste and extravagance in Government Departments.

(2) No proper provision is made to prevent the Newfoundland Labrador Corporation Limited from increasing

at will the amount of loans carrying Newfoundland Government Guarantee.

(3) That no cognizance has been taken of the complaints of the Auditor General relative to discrepancies between Stock Card Balances and actual stock on hand in the Department of Health.

(4) That no proper measures are suggested to correct the lack of proper accounting control in the Department of the Attorney-General and the Department of Resources.

(5) That no disciplinary measures are being taken, aimed to preserve and insure the honour and dignity of the Civil Service at top level."

If I am in order, I would like to move that amendment to the Speech from the Throne.

May I add, I have no personal animosity toward any member on the opposite side of the House. I have not got great admiration for the economic resources programme. But I do say, in most instances, in my opinion, the members of the Government are honest in their purpose and would like to do well, if they had the opportunity. I do say they have been badly advised by a man brought into this country, a man who knows nothing about our country, nothing about our people and is, in my opinion, dictatorial in his attitude towards Newfoundland. Further than that, I have nothing to say except to move the amendment, if I am in order.

HON. MYLES P. MURRAY (Minister of Provincial Affairs): I propose, with the permission of the House, to proceed with the debate on the Address in Reply.

First of all, as other speakers who have preceded me have done, I wish to make reference to the forthcoming Coronation. I am sure that all over the country the people feel very glad that the Government proposes to mark this great event in some symbolic manner. I am also glad that the decision to send over a delegation from the Canadian Legion has met with such spontaneous approval from all sides of the House. We were anxious to see all sections of the country properly represented, and I think the delegation finally decided upon will do credit to the country.

I also wish, as other speakers have done, to congratulate the mover and seconder of the motion that a Committee be appointed to draft the Address in Reply. In this case, more than mere principles were involved, as both these gentlemen called upon, were given very short notice, and in view of that, they gave an extremely brilliant performance.

I congratulate also the new Minister of Mines and Resources, who came into the House with me on opening day. I think he made a splendid speech in his debate. When listening to him, I was reminded of the time when F. E. Smith, the Earl of Birkenhead spoke in the House of Commons, and he made such an eloquent speech that when Winston Churchill got up he said that far from being a maiden speech, it sounded more of a brazen hussey's speech. The recent election in Labrador has given to that constituency an energetic and hard-working member and given to the Government a capable administrator.

I also want to thank the House, both over across, and here, for the welcome they gave me on opening

day. In my own case, it is a fulfilment of a long-felt wish. Winston Churchill said he was a child of the House of Commons, and while I can make no such claim, I am no stranger here. It is a good many years ago since I came here as a reporter and from the reporter's box, I have seen a great many stirring events in our history.

I was present in the House when an angry mob of rioters stormed the building with windows crashing in and the honourable members and some gallant members had to hide beneath their desks to avoid the stones from outside.

I was present in the House on the solemn occasion when we were forced to give up our constitutional Government. From the reporter's box, I have seen and heard many great figures whose names have become legendary, and as a young man I often thought, as young men will, if the time would come when I could come in as a member myself. As a member on the other side remarked, it has taken a long time and a great many vicissitudes and in my own case, I can only cling to the motto of the Royal Air Force, "per ardua ad astra." I will say this, if I had the choosing of my destiny; if I could have picked out the time and circumstances to have entered the House, I would not have preferred it otherwise than to come in in times like these, when so many stirring events in Newfoundland history are taking place, and to come in under such a leader and as part of such a Government, and a representative of such a district.

First of all, I should, I know, give my thanks to the people of Ferryland district, who saw fit on two occasions within ten months to put their trust

in me. I know that when I was elected to represent such a district, I was following in the footsteps of many distinguished predecessors; men like Carter, Windsor, Goodridge, Glynn, Green, Sir Michael Cashin; all these men, who have played a terrific part in our national life, whose names are household words and following in their footsteps is a great and high honour. All I can say is that I hope, as the years go by, I will be worthy of the trust they have placed in me.

For some reason or other—I do not know why—the district of Ferryland has always had a peculiar attraction for me. Whether it is because of its ancient history, its beautiful scenery, or its fine people, somehow for me, Ferryland always had a popular attraction. The district is admirably endowed by Providence; it is inhabited by fine people, God-fearing people, industrious people and Providence endowed it with great natural advantages. Up the Southern Shore, you will find some of the best harbours in the country, and it lies on the edge of the best fishing grounds in the world—the Grand Banks. Yet, in spite of its fine people, and in spite of its great natural advantages, over the past years, for some reason or other, the district has been grossly neglected—neglected to such an extent that almost it has become a byword in Newfoundland. I have heard the honourable member from St. John's East get up here the other day and talk about conditions of a road in their district. All I can say is that the Portugal Cove Road mentioned is like a New York Parkway compared with some of the roads on the Southern Shore.

MR. HIGGINS: Go down the Torbay Road.

MR. MURRAY: I know about the Portugal Cove Road; I belong to Portugal Cove.

Part of the road in that district of Ferryland is built over the old railway track; it is so narrow that the alder bushes swish along the side of your car as it passes by; old railway ties are still protruding up through the surface. Other parts are just hung on the edge of a precipice and in the past year two cars have gone over the cliff there; and it was just the mercy of God that people have not been killed. I know of several other near-misses that took place there. In LaManche, whenever there is a shower of rain the roads become a quagmire; cars sink to their axles in the morass. I am not talking now of Hebron or Makkovik; what I am describing is a road in Ferryland, thirty miles from St. John's. A district founded by Calvert in 1677 and inhabited ever since. In Bay Bulls and Witless Bay, two big outports near St. John's—these people have to come in to St. John's; people from St. Shott's have to come to St. John's; they have to come in by bus; and the potholes on the road are getting so deep that one of these days the buses will be lost forever, and we will have to have a magnometric survey to go out and recover them.

I was very glad the other day when the Premier said he knows that this cannot go on—if it does continue, he knows I will not be here very long, and I felt very pleased when the Premier proclaimed what he will do for Ferryland district.

With regard to public utilities—light and telephone—present a most anomalous position. As everyone knows, a good deal of electricity used in St. John's and used in various in-

dustries is generated on the Southern Shore, at Mobile. Last year, at Cape Broyle, one of the biggest hydro-electric projects in the Province was finished. Yet, in spite of that, five or six miles away, people are still reading by kerosene lamps and have to use batteries for their radios. You will agree that that is a most anomalous position. I have always thought that the people there have an inherent right in it as much as the air they breathe around them. I have taken up the matter with the Chairman of the Public Utilities Commission, and I am getting every co-operation. I do not think it is fair that the Public Utilities should be permitted to skim off the cream by exporting electric power and leave the people there without lights or telephones. I hope, sir, in the very near future that this most anomalous state of affairs will be rectified.

I am glad also, as I said, not alone to come into the House as representative of such a district, I am also glad to come in as a member of such a party and such a Government. It has always seemed to me a most remarkable thing, looking over the history of Newfoundland, that whenever progress, whenever reform or development was brought about, it was brought about by the Liberal Party and consistently the Tory Party have opposed and obstructed reforms all down the line. In reviewing our economic progress and history of Newfoundland in the early 1800's, it shows the Liberals were out for progress while the Tories were obstructing it by every means in their power.

MR. HOLLETT: Didn't you ever have any Liberals in Ferryland?

MR. MURRAY: Yes we did, as you found out last Fall.

I was illustrating that in the early eighteen hundreds, when this country was trying to get some form of representative government, when this country was looked upon as a barren island, inhabited by a few struggling fishermen, it was the Liberals who got up and fought for some form of constitutional government and when we did get it a foreigner from Scotland fought against the Tories and struck out for progress. Take Kent—a Liberal with a capital "L"—just after we got Representative Government, all powers were concentrated in the hands of the Legislative Council and the elected people had very little to do with the administration of the country—but this man Kent fought for reform and, strange as it may seem, the Tories of the day bitterly opposed it.

P. F. Little, a foreigner from Prince Edward Island fought for Responsible Government for this country.

MR. HOLLETT: A foreigner from P.E.I.?

MR. SMALLWOOD: At that time.

MR. MURRAY: He was a Liberal with a capital "L." And when progress in Newfoundland was begun by the Liberals, and that progress was accelerated by Whiteway, another Liberal and a foreigner from Exeter—he tried to build a railway. Again the Tories called "ruin, waste and extravagance." The same thing can be said about Corner Brook which was started by a Liberal—disaster, ten million dollars gone—down the drain—Sir, these words have a very, very familiar ring today. That is the only reason why I have gone to such pains to illustrate. The first point I am trying to make is that I am proud to come in here as a member of the

Liberal Government because that pattern is unmistakable in our history. Liberals have always been for progress, and in the main, the Tories have always been for retardment. I point to all the things we hear today about ruin and disaster and despair as having been said over and over again by the Tories in their day, about the Newfoundland Railway, Grand Falls and Corner Brook.

If, Sir, we want to illustrate further what our history shows of the different ideologies, the different philosophies, between Liberalism and Toryism, I would point to the year 1924 when I think one of the most sardonic jokes in all Newfoundland's History was perpetrated here. There was a Tory Government in power at that day who abolished income tax, unsuitable for our people, they said. A tax in existence, invented I think by William Paton, designed to place the burden on the backs of people who could best stand it. Yet, Sir, in the Year of Our Lord 1924, the Tories of that day abolished income tax and put a duty instead on lines and twines and pork and beef. In the face of all those indisputable facts can anyone fail to see the difference between Liberalism and Toryism?

I am glad also, as I said, coming in as a representative of such a district and a member of such a party, I am also glad to come into this House under such a leader. During the past four years, Sir, the sheer hard work, the energy, the enthusiasm, the vision, the boundless confidence in the future of Newfoundland, has, I am sure been an inspiration to everybody. It was the Premier who singlehanded almost, brought the benefits of Confederation. It is unbelievable now, looking back three or four years, to see the implacable, almost inveterate hatred which

the advent of Confederation created here. It is admitted universally now that Confederation brought manifest blessings to this country, employment insurance, children's allowances, old age pensions. These things are of the utmost benefit to all our people. That is hardly arguable today, Sir. Yet still two or three short years ago we know with what implacable, inveterate hatred the Tories opposed Confederation. When I say I am proud to come into this House under such leadership, I am remembering that these manifest blessings were brought in almost single-handedly to this country by the present Premier. I remember sitting down at the radio around 1948, listening to the debates of the convention, as most people in Newfoundland listened then, and I heard a phrase used by the Premier which I don't think I will ever forget: "Never again a hungry child in Newfoundland." Sir, the implications of that somehow struck home to me—never again a hungry child in Newfoundland—or never again a hungry blind person, nor a hungry poor, old veteran, nor old person. So I think it has come to pass. I think I am saying what everyone on this side of the House at any rate agrees with, which thousands of Newfoundlanders definitely agree with—we are proud to follow such a leader.

Under this present Premier who has lead the administration now for four years, it will be four years on the 1st of April next, and, Sir, I think everyone will agree, whatever side of the House he is on, that these have been four years of tremendous effort. I think almost everyone will say they have been four years of great accomplishment too.

Let us look at the situation for a moment as it was when the present

administration took over. It is true that a war-time boom had taken us out of the heaviest depression I suppose in which any white country in the world has ever been subject to; it is true a caretaker government had reorganized our finance and had installed a competent civil service—that is true. It is true that the advent of Confederation had given a prop to our old, sort of rickety economy—that is true. But, Sir, there is no point in denying we were still, three years ago, in an economic backwash, and we were forced, I think inevitably, not by wild enthusiasm, but by cold, inexorable logic, with no alternative, we were forced absolutely—Oh! the Government at that time could have gone along like the old Commission Government had done, with uninspired, prosaic, pedestrian carrying out of the ordinary functions of government. We could have done that, or we could have done this—we could have struck out to try and get a better standard of economy for this country, trying to grasp the opportunities of our expanding economy, we could make a bid for a better world. We know, Sir, what the decision was—we know the government did decide to strike out, to make a bid for better things, for a better Newfoundland for the oncoming generations. They had to do it. If they did not do that, there would be no young Newfoundlanders with the immigration bars down, as the honourable member for St. John's West often so advised in the convention, with the immigration bars down, if we jogged along prosaically like that, follow a policy of laissez faire, maintain the status quo, and Newfoundland would be over the hill to what looked like greener pastures.

Now one of the curses of Newfoundland has been a negative selectivity,

the people with most energy, most initiative, all through the years have taken off to countries where there were better opportunities for their talents.

MR. HOLLETT: Seven Islands for instance.

MR. MURRAY: I am referring not alone to the past few years, but all down through the centuries, there has been a negative selection going on in as much as the most energetic of our people have been taking off where there were better opportunities for them either in the United States or in Canada. This process, as I say, would have been exhilarated immediately Confederation came into effect unless something was done about it, and something spectacular. The first duty confronting this government, as I see it looking back, was to sell Newfoundland to Newfoundlanders. They had to make Newfoundland appear a better place for Newfoundlanders to live in, and, Sir, that was done. The first part of that was immediate, the wages and earning, and immediate steps were taken to have our laws overhauled, we had to bring in social welfare, Sir, something comparable to what existed in Canada to get people to stay here, and go over all the labour legislation which was absolutely antiquated. Most of our labour legislation was passed about the year 1900. All these things had to be given an immediate over-haul if Newfoundland was to be made to appear an attractive place for our young people. That was done, and it was the first thing the government did, as soon as it came into office. In the social welfare sphere, we had the mothers' allowances, dependents' allowances, old age pensions, or old age assistance, and in the labour sphere, we had workmen's compensation, new and modern, and

up-to-date, to replace what was an inadequate item—the old Workmen's Compensation Act, as the Minister of Labour definitely knows, and my honourable friend for St. John's East knows, was an Act passed in the year 1900. One of the earliest Acts passed in the House of Commons in Great Britain and left practically untouched from that date. That is something the new government did, and did immediately. I don't think either of the members on the other side who say they are children of the Labour Party can see much to object to in that.

The Labour Relations Act: A new Act was brought in. The Minimum Wages Act was brought in. Sir, in the first year or two that the present administration were in office here more social legislation, more labour legislation, beneficial legislation, was enacted than had been done by any ten governments in years before.

MR. HOLLETT: Fifty cents an hour.

MR. MURRAY: Better than 10¢ an hour as it was in 1930's, and 30¢ an hour on Bell Island when you and I were both there in 1939. There is an improvement on that, better days in Bell Island, than when, as you remember there as well as I they brought in Chinese Coolies rather than pay working men on Bell Island 30¢ an hour. It is an improvement, Sir, it is not perfect, but it is a step ahead. Sir, I don't know why honourable gentleman over opposite should complain about these things. I don't think that is the function of an Opposition at all. Senator Douglas in "Time" a few week ago, Senator Douglas, as you know, is one of the most distinguished members of the Senate, he is a Democrat and is

now in Opposition, but was with the Government until President Eisenhower took over there quite recently, and Senator Douglas, a far-seeing statesman took it upon himself to define what he thought the duties of Opposition should be, and I am passing it on to my friends over opposite free of charge:

"For an Opposition to concentrate entirely upon the bad features of a given policy without also considering the good and without suggesting a superior substitute is to fail in its full duty. It is easy to place blame, it is easy to get up and criticize, easy to talk about mistakes, anyone can do that, but it takes a good man to suggest a better substitute." We have very little of that, Sir, from the other side of the House, very little constructive suggestions. We have heard the learned member from St. John's East over there talking about our plants, and he seems to damn us for building them and for not building them, for putting a plant in Carbon-ear, and blames us also for not putting one in Harbour Grace, takes us to task for building a machinery plant at the Octagon and also thinks it is a shame there is not one built in Bay Roberts. What kind of Opposition is that, Sir? That is not fulfilling the duties of Opposition as defined by Senator Douglas.

MR. HOLLETT: And who is Senator Douglas? After all he is only an experienced statesman on your authority—that is not a text book.

MR. MURRAY: Every man is supposed to know something about politics in the outside world, if my honourable friend does not, it is not my fault—he definitely is a statesman by all standards.



MR. HIGGINS: By the same standards Senator McCarthy would be?

MR. MURRAY: Well my honourable friend in the Opposition quoted him several times with approval. He seems to be the type of statesman the honourable member admires.

MR. HOLLETT: To a point of order, Mr. Speaker—the honourable member for Ferryland has stated that I quoted Senator McCarthy. That is certainly, Sir, not in accordance with the truth and I have to ask him to take it back.

MR. MURRAY: I would certainly, but I did hear you mention his name two or three times and you did not criticise him.

MR. SPEAKER: The honourable member may not use the personal pronoun 'you.' If he does the honourable member is heading for trouble as sure as fate.

MR. MURRAY: I am sorry, Sir, I should have known better.

Sir, as I said, when this government took over, in order to persuade Newfoundlanders that this was a good country to live and stay in there were certain things that had to be done immediately, and one of these, I say, was to revise our social services, not to revise but to inaugurate, and to revise our labour laws. But there was also another thing just as important and even more urgent. That was to create jobs—jobs had to be created. That was done and done immediately, Sir. Out in Corner Brook there was a mass of gypsum of high quality, and they say of endless quantity, what is wrong in heaven's name in putting a mill on top of that to provide jobs for Newfoundlanders?

What is wrong, if in this Province there is the last good stand of birch left in North America which up to two or three years ago was either blown down or sold for fire logs at one cent each. What is wrong with using that product to put it in a form where it can be sold at a higher price and provide jobs not alone for people working in the mill there, but for hundreds of men who have to forest it and transfer it into St. John's? What is wrong with it, Sir? Personally I see nothing wrong with it. Jobs had to be created in Newfoundland if Newfoundlanders are to be kept here—what is wrong with the government doing such things?

MR. HOLLETT: They are not getting paid, I understand.

MR. MURRAY: I don't know about that, but we would probably see some writs in the Supreme Court if they were not, and your learned friend would get some work.

MR. SMALLWOOD: Don't interrupt that honourable gentleman.

MR. MURRAY: Mr. Speaker, as I say, I see nothing whatsoever wrong with such a policy but see everything right with it—I see nothing wrong with building more schools, more hospitals, as this government has done more than any other government did in Newfoundland before—I see nothing wrong with that, Sir. The only objections my learned friends over opposite have is that it costs money to do all these things, cost about twenty-six million dollars to build all the roads and hospitals and schools.

We can set up the social services, can my honourable friends, as I say, come up with a suggestion, can they tell us how these things can be done without money? Is there any sub-

stitute for money, Sir? Are we to be like the old Israelites trying to build bricks without straws—these things, Sir, must cost money. There was forty-six million dollars in the Treasury when we came in, but look at the accomplishments, Sir. If the honourable gentleman when talking about these things costing money could offer some substitute as to how this can be effected without money before blasting and assailing them.

MR. HOLLETT: It is too late—the money is gone.

MR. MURRAY: The money is gone and the plants are there, the roads, the schools, the hospitals are all there. You can't have both. It must be one or the other. You can't have money in the bank and build a house too. If you are to build a house and have five thousand in the bank, you cannot, for five thousand dollars, build part of a house and have your money in the bank—you cannot have both.

MR. SMALLWOOD: But the money is gone now and we want to know how to do it without money—tell us now that we have no money.

MR. HOLLETT: Tell us how many Newfoundlanders are in these plants?

MR. MURRAY: In my district there will be six hundred Newfoundlanders who will need plants if the population expands. The fisheries as carried on in the present day cannot be relied on to absorb them. My guess looking at other districts would be that there is an existing labour force of ten or twelve thousand men that need plants. What else are we to do with them?

MR. HOLLETT: Get fish plants.

MR. MURRAY: Sure, Sir, I am all for fish plants. There is a very good one going up in Trepassey financed by the Government. I am very delighted to see it go up. We have practically revolutionized the fisheries. That plant in Fermeuse is only operating today because there are draggers coming in and the Government advanced the money so that draggers could come in and keep going in the winter time—certainly, Sir, fishery plants.

MR. HOLLETT: The Government advanced?

MR. MURRAY: Yes, Sir, the Government advanced the money for the draggers, and the plant would have been shut down last December if there were no draggers, if the Government did not advance the money to buy them. That is Silas Moores. I heard a lot of political capital made, but that is the fact of the matter. Silas Moores came to this Government on three separate occasions looking for loans and every time was accepted. One of them he chose to take up right away, one a few days ago, and I believe the other he has not yet—is there anything wrong with that? Make what political hay you like about that.

MR. SMALLWOOD: And we will give him a loan any time he wants it, or any other firm to build fish plants.

MR. HOLLETT: Where will you get the money?

MR. SMALLWOOD: Leave that to us.

MR. HOLLETT: Stephenson?

MR. SPEAKER: Order.

MR. MURRAY: Mr. Speaker, as I said before I was so rudely inter-

ruptedly: The immediate task confronting this Government when they came into office was (1) to sell Newfoundland to Newfoundlanders; to bring social laws into effect, and labour laws which would make this country an attractive place for people to live. That was their first and immediate object. They had another immediate object—to sell Newfoundland to people outside. I say, Sir, a tremendous job has been done on that .

MR. HOLLETT: Here, here.

MR. MURRAY: The most colourful publicity, Sir, any province has seen. And, Sir, it is getting results, this publicity, this campaign of trying to sell Newfoundland to outsiders. Did you hear, Sir, the Honourable Minister of Mines and Resources, the other day talk about what was going on in Newfoundland last summer, not a thousand years ago, but last summer, when ten or twelve major mining companies were around prospecting. And, Sir, half a million dollars were spent in Newfoundland in prospecting last year—is there anything wrong with that? If there is not, why not get up and say you approve and not sneer and jeer at that forward looking policy of trying to build up opportunity and an expanding economy for Newfoundland—and it is succeeding in spite of all the sneers and jeers.

The other day, Sir, I think one of the most consummate pieces of statesmanship the Premier ever pulled off was when our Premier went to England and interviewed Winston Churchill and sold him on this tremendous empire conception of developing Labrador, one of the last places left in the British Empire. As a result what do we have? Bunco? Bingo? Sir, the great firm of Rothschild, a name

synonymous for more than a hundred years with wealth, financial wizardry, famous in every country, in Europe almost every government thought that there was magic in that name. They must feel shattered over there, Sir, the great House of Rothschild at being dismissed so scurrilously.

MR. SMALLWOOD: They are disbanding, I think.

MR. MURRAY: Yes, Sir, going into voluntary liquidation.

As I say, Sir, that was a tremendous achievement.

It has been suggested, Sir, that I move the adjournment of the debate.

The House adjourned until tomorrow Wednesday at 3:00 of the clock.

WEDNESDAY, March 25, 1953.

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

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, since the House adjourned yesterday all the peoples of the Commonwealth and Empire have been plunged into mourning by the death of the greatly beloved Dowager Queen Mary, widow of the great King, George V; mother of our Late King, and grandmother of our present Gracious Sovereign.

Queen Mary endeared herself to all the peoples of the British Commonwealth and Empire, and won the respect of all the peoples of the world.

She seemed, in these late years, to be a very lonely lady. She had seen her husband crowned King of England. She had seen her eldest son

become King and then abdicate the Crown. She had seen her second son crowned King of England and she lived to see her granddaughter mount the Throne, and has lived to within a bare few months of her Coronation.

Queen Mary was almost the last of the great Victorians, and her place in the Commonwealth and Empire will not easily be filled. Indeed I think I can go so far as to say; it cannot be filled.

She visited Newfoundland as the Duchess of Cornwall a good many years ago. Indeed I think that our Cornwall Avenue in this City was named after her, if indeed it was not actually opened by her or her husband. I believe it was to the Duke and Duchess of Cornwall that the gift of the Newfoundland dog and cart was made by the citizens of Newfoundland on the occasion of that visit, and on their visit to the old Princess Rink, since then destroyed by fire.

Queen Mary had reached a very remarkable age, 85, I believe. Until very recently she was in perfectly good health, taking until then the same active interest in affairs that she displayed throughout all the years of her very long life.

His Honour the Governor has acquainted the Royal Family of the sentiments of the people of Newfoundland, and I think that all members of the House will agree that it would be most appropriate indeed for the members of the people's House to do likewise. So, Sir, I have the honour to move an expression of the profound regret and sadness of the people's House over the death of the great and gracious lady, and I would ask that after the adoption of the motion, which I confidently predict,

that the members of the House and such strangers as are within the four walls stand in silence for two minutes.

MR. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, as in duty bound, and with very deep regret, I rise to second this motion which has been so ably put by the Honourable the Premier. I second the motion, Mr. Speaker.

MR. SPEAKER: The motion is that the House do express its deep sympathy to the Royal Family on the death of the Dowager Queen Mary. Motion adopted unanimously. This Chair will report on it tomorrow.

Members and visitors of the House stood for two minutes silence.

#### Presenting Petitions

HON. P. J. LEWIS (Minister without Portfolio): Mr. Speaker, I beg leave to present on behalf of many residents of Colliers and neighbouring areas in the District of Harbour Main-Bell Island a petition for the extension of a road from the end of Roache's Line to Mars, on the Railway Line. This involves construction through the country of perhaps four miles. The expenditure would not be large as envisaged by the option of the petition. I have very much pleasure in supporting the petition and ask that it be laid on the Table of the House and referred to the Department of Public Works for its consideration.

MR. COURAGE: Mr. Speaker, I beg leave to present a petition from the residents of St. Bernard's and Jacques Fontaine asking that a road be built to connect these two settlement with the Terrenceville-Marys-town highroad. The distance, Sir, is about four and a half miles, and the

road already in existence from Jacques Fontaine to St. Bernard's is already in good condition, and with very little expenditure could be made motorable, thereby one hundred families at St. Bernard's and about thirty-five families at Jacques Fontaine would be served. I think, Sir, this road could be constructed at comparable cost and would be of great benefit to these people and merits my support. I therefore have much pleasure in supporting the petition and ask that it be laid on the Table of the House and referred to the Department concerned.

**MR. HOLLETT:** Mr. Speaker, I have pleasure in presenting a petition to this House at the request of some forty-five residents of the area known as Glendale which says: We have bonafide householders in that section known as Glendale and at present there are only one or two telephones in the area. The petitioners are practically without any telephone connections with the city of St. John's, six miles away. In addition to the present residents there is presently being built one hundred prefabricated houses which will also be in need of telephones. It is the prayer of the petitioners, Sir, that steps be taken by the Honourable House to insure the inauguration of the telephone service for these people. As set forth in the petition these residents are only six miles from St. John's yet they have practically no telephone connections whatsoever with the centre of things here. In addition there are about one hundred and fifty families in the Mount Pearl area who have very little, if any, telephone connections, and as I say, there are a hundred new houses going up in there, and these houses, of course, need to be served by some telephone communication

with the city where all doctors, nurses and other things necessary for the servicing of any community are to be found. This area is a new area in a sense, a splendid area. I have been up there on many occasions, and it is likely to expand to a considerable degree. I have therefore, Sir, great pleasure in presenting this petition and ask that it be laid on the Table of the House and forwarded to the proper authorities, which I take it is the Public Utilities.

**MR. CASHIN:** Mr. Speaker, I wish to render my support to that petition.

#### **Presenting Reports of Standing and Select Committees**

None.

#### **Notice of Motion**

**HON. G. J. POWER** (Minister of Finance): Mr. Speaker, I give notice that I will on tomorrow move the House resolve itself into a Committee of the Whole to consider the granting of Supply to Her Majesty.

#### **Notice of Questions**

**MR. HOLLETT:** Mr. Speaker, I give notice I will on tomorrow ask the following questions:

To ask the Honourable the Minister of Public Works to lay on the Table of the House the following information:

1. List of Contracts for road building, etc., which have been let out to the firm of J. Goodyear & Sons, Grand Falls, since the first of April, 1949, showing work done including number of miles of road construction and the

nature of the contracts in each instance.

2. What amount of money has been paid the said firm for each year since April 1st, 1949?

3. What highroads equipment, if any, has been loaned or hired or sold to J. Goodyear & Sons since April 1st, 1949, together with rent or hire or

purchase price, as the case may be, for any such machinery.

#### Answers to Questions

MR. POWER : Mr. Speaker, I have here the answers to Questions No. 30 and 39, No. 43 and No. 46.

No. 30 :

(1) 76.

(2) 14.

QUESTION NO. 30:

| Licence                        | Address             | Type       | Fee | Registered Owner             |
|--------------------------------|---------------------|------------|-----|------------------------------|
| Archibald, Rose .....          | Harbour Grace       | Tavern     | 200 | Rose Archibald               |
| Ash, J. M. ....                | Harbour Grace       | Tavern     | 200 | J. M. Ash                    |
| Avalon Club .....              | Manuels             | Club       | 200 | Avalon Club                  |
| Aspell, C. ....                | Bay Bulls           | Tavern     | 200 | C. Aspell                    |
| Airlines Hotel .....           | Goose Bay, Labrador | Hotel      | 200 | Department of Transport      |
| Airlines Hotel .....           | Gander              | Hotel      | 200 | Department of Transport      |
| Blomidon Country Club .....    | Corner Brook        | Club       | 200 | Blomidon Country Club        |
| Big Dipper .....               | Gander              | Vendors    | 200 | Department of Transport      |
| Bella Vista Country Club ..... | St. John's          | Club       | 200 | Bella Vista Ltd.             |
| Basha, J. ....                 | Curling             | Tavern     | 250 | J. Basha                     |
| Boland, M. ....                | Stephenville        | Tavern     | 250 | M. Boland                    |
| Bradbury, E. J. ....           | Bay Roberts         | Hotel      | 200 | E. J. Bradbury               |
| Byrne, Gerry .....             | Donovan's           | Club       | 200 | G. Byrne                     |
| Byrne, J. (Belmont) .....      | St. John's          | Tavern     | 250 | J. Byrne                     |
| Balmoral Hotel .....           | Clarenville         | Hotel      | 200 | Thornlea Properties          |
| Boulos, A. ....                | Deer Lake           | Tavern     | 250 | A. Boulos                    |
| Bavarian Brewery .....         | St. John's          | Brewer's   | 600 | Bavarian Brewing Co. Ltd.    |
| Bennett Brewery .....          | St. John's          | Brewer's   | 600 | Bennett Brewing Co. Ltd.     |
| B.O.A.C. Caribou Club .....    | Gander              | Club       | 200 | British Overseas Corporation |
| Basha, Joseph S. ....          | Corner Brook West   | Tavern     | 250 | Joseph S. Basha              |
| Boland, Gladys .....           | Stephenville        | Restaurant | 150 | Gladys Boland                |
| Cahill, Mrs. M. ....           | Placentia           | Tavern     | 200 | Mrs. M. Cahill               |
| Cameron and Penney .....       | St. John's          | Tavern     | 250 | Messrs. Cameron and Penney   |
| Canadian Legion Club .....     | St. John's          | Club       | 200 | Canadian Legion              |
| Canadian Legion Club .....     | Bell Island         | Club       | 200 | Canadian Legion              |
| Canadian Legion Club .....     | Bishop's Falls      | Club       | 200 | Canadian Legion              |

| Licence                   | Address             | Type       | Fee | Registered Owner                                     |
|---------------------------|---------------------|------------|-----|--|
| Canadian Legion Club      | Buchans             | Club       | 200 | Canadian Legion                                      |
| Canadian Legion Club      | Corner Brook        | Club       | 200 | Canadian Legion                                      |
| Canadian Legion Club      | Gander              | Club       | 200 | Canadian Legion                                      |
| City Club                 | St. John's          | Club       | 200 | City Club  |
| Clarke, J. J.             | Brigus              | Hotel      | 200 | Mrs. J. J. Clarke                                    |
| Cranford, Mrs. A. B.      | New Harbour         | Tavern     | 125 | Mrs. A. B. Cranford                                  |
| Curling Association       | St. John's          | Club       | 200 | Curling Association                                  |
| Curling Association       | Corner Brook        | Club       | 100 | Curling Association                                  |
| Contractors' Club         | Stephenville        | Club       | 200 | Metcalf Hamilton Company                             |
| C.N.R. Newfoundland Hotel | St. John's          | Hotel      | 200 | Canadian National Railway                            |
| Corner Tavern             | St. John's          | Tavern     | 250 | Georgetown Realty Co.                                |
| Collins, James            | Chamberlains        | Tavern     | 250 | James Collins  |
| Constable, James          | Grand Falls         | Club       | 200 | James Constable                                      |
| Caribou Club              | Harmon Field        | Club       | 200 | Caribou Club (Newfoundland)<br>Employees U.S.A. Base |
| Civilian Mess Fund        | Goose Bay, Labrador | Club       | 200 | Civilian Mess Fund (Can. Em-<br>ployees U.S. Base)   |
| Crosbie, C. R.            | Corner Brook        | Tavern     | 250 | C. R. Crosbie  |
| Columbus Club             | Corner Brook        | Club       | 200 | Columbus Club  |
| Crawley, William          | Holyrood            | Tavern     | 200 | Wm. Crawley  |
| Cross Keys                | St. John's          | Tavern     | 250 | V. W. Andrews  |
| Davis, Mrs. Hilda         | Holyrood            | Tavern     | 200 | Mrs. Hilda Davis                                     |
| Delaney, Albert           | St. George's        | Hotel      | 200 | Albert Delaney                                       |
| Dicks, Walter             | Bell Island         | Tavern     | 250 | Walter Dicks   |
| Didham, Mrs. M.           | Colinet             | Tavern     | 200 | Mrs. M. Didham                                       |
| Dominey, Jerry            | Topsail Road        | Restaurant | 150 | Gerry Dominey  |
| Doyle, M. F.              | Conception Harbour  | Tavern     | 150 | M. F. Doyle  |



|                                     |                     |               |         |  |
|-------------------------------------|---------------------|---------------|---------|--|
| Dunne, Thomas, Ltd. ....            | St. John's          | Tavern        | 250     | Thomas Dunne                             |
| Duffett, A. ....                    | Clarenville         | Club          | 200     | A. Duffett                               |
| D-M Club ....                       | Goose Bay, Labrador | Club          | 200     | Drake Merritt Co.                        |
| Dunphy, P. J. ....                  | Corner Brook        | Tavern        | 250     | P. J. Dunphy                             |
| Elks' Club ....                     | Gander              | Club          | 200     | Ben. and Pro. Order of Elks              |
| Elks' Club ....                     | St. John's          | Club          | 200     | Ben. and Pro. Order of Elks              |
| Fort McAndrew Civilian Club ....    | Argentia            | Club          | 200     | Fort McAndrew Civilian Club              |
| Furey, Mrs. W. ....                 | Holyrood            | Tavern        | 200     | Mrs. W. Furey                            |
| Furey, Mrs. Rose ....               | Harbour Main        | Tavern        | 200     | Mrs. Rose Furey                          |
| Feeder, Harold ....                 | Stephenville        | Tavern        | 200     | Harold Feeder                            |
| Gander Sports Club ....             | Gander              | Club          | 200     | Gander Enterprises                       |
| Green Lantern ....                  | St. John's          | Tavern        | 250     | C. Doyle (In Trust)                      |
| Geehan, Miss M. ....                | Topsail             | Tavern        | 250     | Miss M. Geehan                           |
| Gill, Mrs. Grace ....               | Grand Falls         | Tavern        | 250     | Mrs. Grace Gill                          |
| Gynmill Inn ....                    | Corner Brook        | Hotel-Lounge  | 200-300 | Bay of Islands Hotel Co.<br>(Bowaters)   |
| Goose, Mrs. A. ....                 | St. John's          | Tavern        | 250     | Mrs. A. Gosse                            |
| Green, Gordon ....                  | Bishop's Falls      | Tavern        | 250     | Gordon Green                             |
| Hickey, J. J. ....                  | Holyrood            | Tavern        | 200     | J. J. Hickey                             |
| Hutchings, Max ....                 | Bell Island         | Tavern        | 250     | Max Hutchings                            |
| Hillview Inn ....                   | St. John's          | Tavern        | 250     | Messrs. Cook and Green                   |
| Harbour Inn ....                    | St. John's          | Tavern        | 250     | K. Darcy                                 |
| Hamilton River Boat Club ....       | Goose Bay, Labrador | Club          | 200     | Civilians' R.C.A.F. and U.S.A.F.<br>Base |
| H.M.C.S. Cabot ....                 | Buckmaster's Field  | Military Mess | 25      | Armed Forces (Navy)                      |
| James Clifford ....                 | Brigus              | Tavern        | 150     | Clifford James                           |
| Jim's Tavern ....                   | St. John's          | Tavern        | 250     | James White                              |
| Joy, Mrs. Susie (Hamilton Inn) .... | St. John's          | Tavern        | 250     | Mrs. Susie Joy                           |
| Joint Services Officers' ....       | Buckmaster's Field  | Military Mess | 25      | Armed Forces                             |

| Licence                        | Address               | Type           | Fee     | Registered Owner             |
|--------------------------------|-----------------------|----------------|---------|------------------------------|
| Joint Services Sergeants'      | Buckmaster's Field    | Military Mess  | 25      | Armed Forces                 |
| Joint Services Men's           | Buckmaster's Field    | Military Mess  | 25      | Armed Forces                 |
| Kelly, Mrs. B.                 | St. John's            | Tavern         | 250     | Mrs. B. Kelly                |
| King of Clubs                  | Aguathuna             | Club           | 75      | Mr. A. House (Manager Dosco) |
| Kelly, Mrs. T.                 | Avondale              | Tavern         | 150     | Mrs. T. Kelly                |
| Kumbi Country Club             | Goobies               | Club           | 200     | Mr. B. Hefferton             |
| Laurier Club                   | St. John's            | Club           | 200     | Laurier Club                 |
| Liddy, Mrs. M.                 | Torbay                | Tavern         | 250     | Mrs. Mary Liddy              |
| Lundrigan, A.                  | Colinet               | Tavern & Rest. | 200-150 | Mr. A. Lundrigan             |
| McCarthy, Estate of            | Corner Brook          | Tavern         | 250     | Richard O'Reilly (Adminis.)  |
| McFatridge, Mrs. C. M.         | Stephenville Crossing | Tavern & Hotel | 250-200 | Mrs. C. M. McFatridge        |
| McLean, J.                     | Mackinsons            | Tavern         | 200     | James McLean                 |
| Martin, C. (Club Commodore)    | St. John's            | Club           | 200     | C. Martin                    |
| Miller, Mrs. Georgina          | Curling               | Tavern         | 200     | Mrs. G. Miller               |
| Merchant Marine Officers' Club | St. John's            | Club           | 200     | William McCarthy             |
| Murrin, L.                     | Spaniard's Bay        | Tavern         | 150     | L. Murrin                    |
| N. O. B. Civilian Club         | Argentina             | Club           | 200     | Nfld. Employees U. S. Base   |
| Noseworthy, Andrew             | Bay Roberts           | Tavern         | 150     | A. Noseworthy                |
| Newfoundland Airport Club      | Gander                | Club           | 200     | Nfld. Airport Club           |
| Newfoundland Flying Club       | Torbay                | Club           | 200     | Nfld. Flying Club            |
| Newfoundland Brewery           | St. John's            | Brewers        | 600     | Newfoundland Brewery         |
| Naval Radio Station            | Gander                | Naval          | 25      | Armed Forces (Navy)          |
| O'Toole, Robert                | Conception Harbour    | Tavern         | 150     | Robert O'Toole               |
| Old Colony Club                | St. John's            | Club           | 200     | Old Colony Club              |
| O'Brien, Anthony               | Bay Bulls             | Restaurant     | 150     | Anthony O'Brien              |
| Officers' Club (Crow's Nest)   | St. John's            | Club           | 200     | Officers Nfld. Regiments     |
| Parsons, R.                    | Seal Cove             | Tavern         | 250     | R. Parsons                   |

|  |                     |               |         |                            |
|--|---------------------|---------------|---------|----------------------------|
| Parsons, E. ....   | Bell Island         | Tavern        | 250     | E. Parsons                 |
| Phelan, E. ....  | St. John's          | Tavern        | 250     | E. Phelan                  |
| Pike, L. ....  | Harbour Grace       | Hotel         | 200     | L. Pike                    |
| Power, John ....   | Salmonier           | Tavern        | 200     | John Power                 |
| Power, Gerald ....   | Dunville            | Hotel-Lounge  | 200-300 | Gerald Power               |
| Piccadilly Club ....   | St. John's          | Club          | 200     | Piccadilly Club            |
| Park Inn Co. ....  | St. John's          | Tavern        | 250     | Park Inn Co.               |
| Pearcey, Aiden ....  | Kelligrews          | Tavern        | 200     | A. Pearcey                 |
| Queen Tavern ....  | St. John's          | Tavern        | 250     | Charles Truscott           |
| Riviera Tavern ....  | St. John's          | Tavern        | 250     | Riviera Co.                |
| Roberts, Edgar ....  | Bonne Bay           | Restaurant    | 150     | Edgar Roberts              |
| Rowe, Mrs. A. ....   | St. John's          | Tavern        | 250     | Mrs. A. Rowe               |
| Ryall, Miss A. ....  | Botwood             | Tavern        | 250     | Miss A. Ryall              |
| Ryan, R. T. ....   | St. John's          | Hotel         | 200     | R. T. Ryan                 |
| Royal Nfld. Regiment Officers' .....                         | Corner Brook        | Military Mess | 25      | Military                   |
| Royal Nfld. Regiment Sergeants' .....                        | Corner Brook        | Military Mess | 25      | Military                   |
| Royal Nfld. Regiment Officers' .....                         | Grand Falls         | Military Mess | 25      | Military                   |
| Royal Nfld. Regiment Men's .....                             | Grand Falls         | Military Mess | 25      | Military                   |
| Ritz Tavern ....   | St. John's          | Tavern        | 250     | Derek Kearney              |
| Spurrell, Wm. (Crosbie Hotel) .....                          | St. John's          | Hotel-Tavern  | 200-250 | Wm. Spurrell               |
| Sterling Restaurant .....                                    | St. John's          | Tavern-Rest.  | 200-150 | Estate of W. Stirling      |
| Sports Tavern .....  | St. John's          | Tavern        | 250     | W. J. Ashley               |
| Squirrell Club .....   | Goose Bay, Labrador | Club          | 200     | Department of Transport    |
| T.C.A. Trans-Atlantic Passengers in Flight over Newfoundland |                     |               | 25      | Trans-Canada Airlines      |
| Tourist Cabins Ltd. ....                                     | Swift Current       | Club          | 200     | Tourist Cabins Ltd.        |
| Terminal Construction Rec. Club .....                        | Goose Bay           | Club          | 200     | Terminal Constructors      |
| Terra Nova Taverns Ltd. ....                                 | Deer Lake           | Tavern        | 250     | John M. Noah               |
| Veterans' Inn .....  | Torbay              | Tavern        | 250     | Messrs. LeMessurier & Cole |
| Vail, E. M. ....   | St. Mary's          | Tavern        | 100     | E. M. Vail                 |

| Licence                | Address             | Type         | Fee     | Registered Owner         |
|------------------------|---------------------|--------------|---------|--------------------------|
| Williams, H. M. ....   | Corner Brook        | Restaurant   | 150     | H. M. Williams           |
| Wellon, Ray .....      | Corner Brook        | Club         | 200     | Ray Wellon               |
| Walsh, Mrs. P. ....    | Goulds              | Tavern       | 250     | Mrs. P. Walsh            |
| Westmount Club .....   | Corner Brook        | Club         | 200     | Westmount Club           |
| Wheeler, Mrs. M. ....  | Curling             | Tavern       | 250     | Mrs. M. Wheeler          |
| Whelan Bros. ....      | Corner Brook        | Tavern       | 250     | James and Wilfred Whelan |
| Woolfrey & Moore ..... | Notre Dame Junction | Tavern       | 250     | Woolfrey and Moore       |
| Yetman, H. S. ....     | Salmonier Line      | Hotel-Lounge | 200-300 | H. S. Yetman             |

## QUESTION No. 99—

## Stocks on Hand:

|               | In Retail<br>Stores | In Bond              |
|---------------|---------------------|----------------------|
| Spirits ..... | 39,749 bottles      | 132,590 Gals.        |
| Wine .....    | 13,704 bottles      | —                    |
| Beer .....    | 101,148 bottles     | —                    |
|               | <u>154,601</u>      | <u>132,590 Gals.</u> |

|               |                   |
|---------------|-------------------|
| Spirits ..... | 908,116 bottles   |
| Wine .....    | 244,822 bottles   |
| Beer .....    | 9,776,079 bottles |

QUESTION No. 39 (3)

| Name of Firm                       | Quantity<br>Cases | Brand          | No. of<br>Bottles | Agent             | Where Located |
|------------------------------------|-------------------|----------------|-------------------|-------------------|---------------|
| Can. Breweries Ltd .....           | 44,850            | Beer           | 1,076,400         | A. B. Baird       | St. John's    |
| Dawes Black Horse Breweries .....  | 3,800             | Beer           | 91,200            | S. Lake           | "             |
| Dow Brewery Ltd. ....              | 11,900            | Beer           | 285,600           | S. Lake           | "             |
| Export Bottlers Ltd. ....          | 300               | Bass Ale       | 7,200             | J. O'Dea          | "             |
| A. Guinness & Sons Ltd. ....       | 1,200             | Stout (Pts.)   | 28,800            | J. O'Dea          | "             |
| A. Guinness & Sons Ltd. ....       | 500               | Stout (Nips)   | 24,000            | J. O'Dea          | "             |
| Heineken's Lager Beer Co. Ltd..... | 550               | Lager Beer     | 13,200            | R. Rennie         | "             |
| John Labbatt Ltd. ....             | 32,340            | Beer           | 776,160           | B. Stafford       | "             |
| Molson's Brewery Ltd. ....         | 34,250            | Beer           | 822,000           | B. Johnston & Co. | "             |
| Moosehead Breweries Ltd. ....      | 2,000             | Beer           | 48,000            | W. Petten         | "             |
| McEwan Younger Ltd. ....           | 1,200             | Beer and Stout | 28,800            | O. Vardy          | "             |
| Oland & Sons Ltd. ....             | 1,650             | Beer           | 39,600            | W. Chambers       | "             |

QUESTION No. 39 (4)

| Name of Firm                 | Quantity<br>Cases | Brand           | Spirits<br>Bottles | Wine<br>Bottles | Wine<br>Draught | Beer<br>Bottles |
|------------------------------|-------------------|-----------------|--------------------|-----------------|-----------------|-----------------|
| Jose Archabala .....         | 700               | Havana Club Rum | 8,400              | —               | —               | —               |
| Jas. Buchanan & Co. ....     | 1,600             | B. & W. Whisky  | 19,200             | —               | —               | —               |
| Jas. Buchanan & Co. ....     | 250               | B. & W. Whisky  | 6,000              | —               | —               | —               |
| H. B. Bulmer & Co. Ltd. .... | 100               | Cider           | —                  | 2,400           | —               | —               |
| Erven Lucas Bols .....       | 70                | Gin             | 840                | —               | —               | —               |
| Erven Lucas Bols .....       | 105               | Cordials        | —                  | 1,260           | —               | —               |
| Benedictine (France) .....   | 20                | Liquers         | 240                | —               | —               | —               |

| Name of Firm                           | Quantity<br>Cases | Brand                        | Spirits<br>Bottles | Wine<br>Bottles | Wine<br>Draught | Beer<br>Bottles |
|--|-------------------|------------------------------|--------------------|-----------------|-----------------|-----------------|
| Booker Rum Co. ....                    | 500               | Navy Rum                     | 6,000              | —               | —               | —               |
| Arthur Bell & Sons Ltd. ....           | 200               | Scotch Whisky                | 2,400              | —               | —               | —               |
| Ron Bacardi S. A. ....                 | 600               | Cuban Rum                    | 7,200              | —               | —               | —               |
| Jas. Burrough Ltd. ....                | 50                | Gin                          | 600                | —               | —               | —               |
| The Bornn Bay Rum Co. ....             | 5                 | Bay Rum                      | 180                | —               | —               | —               |
| Barnes Wine Co. ....                   | 1,450             | Assorted Wines               | —                  | 17,400          | —               | —               |
| T. G. Bright & Co. ....                | 5,075             | Assorted Wines               | —                  | 60,900          | —               | —               |
| Canadian Breweries (Que.) ....         | 44,850            | Beer                         | —                  | —               | —               | 1,076,400       |
| Captain Morgan Rum Dist. Ltd. ....     | 2,475             | Rum                          | 29,700             | —               | —               | —               |
| Calvert Distillers Ltd. ....           | 200               | Rye Whiskies                 | 2,400              | —               | —               | —               |
| Chateau-Gai Wines Ltd. ....            | 16,968            | Assorted Wines               | —                  | 203,616         | —               | —               |
| Cointreau Ltd. ....                    | 25                | Liquers                      | 300                | —               | —               | —               |
| Canadian Schenley Ltd. ....            | 75                | Rye Whiskies                 | 900                | —               | —               | —               |
| Co-operative Wine Growers ....         | 50                | Paarl Sherry                 | —                  | 600             | —               | —               |
| Co-operative Wine Growers (casks)..... | 10                | Port Wine                    | —                  | —               | 10              | —               |
| H. Corby Distillery Ltd. ....          | 75                | Rye Whiskies                 | 900                | —               | —               | —               |
| John Dewer & Sons Ltd. ....            | 625               | Scotch Whisky                | 7,500              | —               | —               | —               |
| John Dewer & Sons Ltd. ....            | 125               | Scotch Whisky— $\frac{1}{2}$ | 1,500              | —               | —               | —               |
| Dawes Black Horse Breweries ....       | 3,800             | Beer                         | —                  | —               | —               | 91,200          |
| Dow Brewery Ltd. ....                  | 11,900            | Beer                         | —                  | —               | —               | 285,600         |
| Drambuie Liqueur Co. Ltd. ....         | 50                | Liqueur                      | 600                | —               | —               | —               |
| Martin Doorley & Co. Ltd. ....         | 200               | Barbados Rum                 | 2,400              | —               | —               | —               |
| J. M. Douglas & Co. Ltd. ....          | 670               | Lamb's Rum                   | 8,040              | —               | —               | —               |
| Export Bottlers Ltd. ....              | 300               | Bass Ale                     | —                  | —               | —               | 7,200           |
| The Emu Wine Co. .... (pipes)          | 20                | Wine                         | —                  | —               | 20              | —               |
| The Emu Wine Co. .... (Hhds.)          | 15                | Brandy                       | —                  | —               | 15              | —               |

|                                     |        |                      |        |        |    |         |
|-------------------------------------|--------|----------------------|--------|--------|----|---------|
| The Emu Wine Co. ....(Hhds.)        | 5      | Brandy               | —      | —      | 5  | —       |
| The Fleischmann Distilling Co. .... | 50     | Gin                  | 600    | —      | —  | —       |
| Manuel Fernandez & Co. ....         | 600    | Sherry               | —      | 7,200  | —  | —       |
| Fernandez & Co. Ltd. ....           | 200    | Rum                  | 2,400  | —      | —  | —       |
| Findlater Mackie & Todd ....        | 100    | Scotch Whisky        | 1,200  | —      | —  | —       |
| T. Gordon & Co. ....                | 1,550  | Gordon's Gin         | 18,600 | —      | —  | —       |
| T. Gordon & Co. ....                | 400    | Gordon's Gin         | 9,600  | —      | —  | —       |
| A. Guinness & Sons Ltd. ....        | 1,200  | Stout (Pints)        | —      | —      | —  | 28,800  |
| A. Guinness & Sons Ltd. ....        | 500    | Stout (Nips)         | —      | —      | —  | 24,000  |
| W. & A. Gilbey Ltd. ....            | 6,658  | Rum, Gin, and Whisky | 79,896 | —      | —  | —       |
| Gonzales Byass & Co. ....           | 25     | One Eagle Port       | —      | 300    | —  | —       |
| Gooderham & Worts Ltd. ....         | 250    | Gin and Whisky       | 3,000  | —      | —  | —       |
| Gooderham & Worts Ltd. ....         | 50     | Gin and Whisky       | 1,200  | —      | —  | —       |
| M. W. Groves & Co. Ltd. ....        | 100    | Apple Wine           | —      | 1,200  | —  | —       |
| Hill Thompson & Co. Ltd. ....       | 500    | Scotch Whisky        | 6,000  | —      | —  | —       |
| Haig & Haig Ltd. ....               | 975    | Scotch Whisky        | 11,700 | —      | —  | —       |
| Haig & Haig Ltd. ....               | 275    | Scotch Whisky—½      | 6,600  | —      | —  | —       |
| Hudson's Bay Co. ....               | 1,350  | Whisky and Rum       | 16,200 | —      | —  | —       |
| John Harvey & Sons Ltd. ....        | 70     | Creme Sherry         | —      | 840    | —  | —       |
| Hunt Roope & Co. Ltd. ....(pipes)   | 9      | Newman's Port        | —      | —      | 9  | —       |
| Hunt Roope & Co. Ltd. ....(pipes)   | 1      | Newman's Port        | —      | —      | 1  | —       |
| Heinekens Lager Beer Co. Ltd. ....  | 550    | Lager Beer           | —      | —      | —  | 13,200  |
| Jas. Hennessy & Co. ....            | 25     | Brandy               | 300    | —      | —  | —       |
| Jordon Wine Co. ....                | 4,950  | Assorted Wines       | —      | 59,400 | —  | —       |
| C. N. Kopke & Co. Ltd. ....(pipes)  | 20     | Lisbon Wine          | —      | —      | 20 | —       |
| C. N. Kopke & Co. Ltd. ....         | 25     | Sherry               | —      | 300    | —  | —       |
| C. N. Kopke & Co. Ltd. ....(pipes)  | 15     | Lisbon Wine          | —      | —      | 15 | —       |
| John Labatt Ltd. ....               | 32,340 | Beer                 | —      | —      | —  | 776,160 |

| Name of Firm                        | Quantity<br>Cases | Brand               | Spirits<br>Bottles | Wine<br>Bottles | Wine<br>Draught | Beer<br>Bottles |
|-------------------------------------|-------------------|---------------------|--------------------|-----------------|-----------------|-----------------|
| C. N. Kopke & Co. Ltd. ....(pipes)  | 5                 | Lisbon Wine         | —                  | —               | 5               | —               |
| Long John Distilleries Ltd. ....    | 250               | Scotch Whisky       | 3,000              | —               | —               | —               |
| Lugi Calissano & Fige .....         | 10                | Chianti Rossi       | —                  | 120             | —               | —               |
| Molson's Brewery Ltd. ....          | 34,250            | Beer                | —                  | —               | —               | 822,000         |
| Marshall Taplow Ltd. ....           | 100               | Scotch Whisky       | 1,200              | —               | —               | —               |
| G. H. Munn & Co. ....               | 25                | Champagne           | —                  | 300             | —               | —               |
| G. H. Munn & Co. ....               | 10                | Champagne—½         | —                  | 240             | —               | —               |
| J. G. Monnet & Co. ....             | 50                | Brandy              | 600                | —               | —               | —               |
| Meagher Bros. & Co. Ltd. ....       | 905               | Assorted Cordials   | —                  | 3,660           | —               | —               |
| Montmorency Dist. Ltd. ....         | 100               | Rye Whiskies        | 1,200              | —               | —               | —               |
| Martini and Rossi S. A. ....        | 50                | Vermouth            | —                  | 600             | —               | —               |
| Moosehead Breweries Ltd. ....       | 2,000             | Beer                | —                  | —               | —               | 48,000          |
| Melchers Distilleries Ltd. ....     | 50                | Rye Whisky          | 600                | —               | —               | —               |
| Martell & Co. ....                  | 25                | Brandy              | 600                | —               | —               | —               |
| McEwan Younger Ltd. ....            | 1,200             | Beer and Stout      | —                  | —               | —               | 28,000          |
| John E. McPherson & Sons .....      | 150               | Scotch Whisky       | 1,800              | —               | —               | —               |
| Chas. MacKinlay & Co. Ltd. ....     | 100               | Scotch Whisky       | 1,800              | —               | —               | —               |
| L. J. McGuinness & Co. Ltd. ....    | 275               | Rye, Whisky and Gin | 3,300              | —               | —               | —               |
| L. J. McGuinness & Co. Ltd. ....    | 70                | Cordials            | —                  | 840             | —               | —               |
| McDonald & Muir Ltd. ....           | 200               | Scotch Whisky       | 2,400              | —               | —               | —               |
| McDonald & Muir Ltd. ....           | 50                | Scotch Whisky—½     | 1,200              | —               | —               | —               |
| McGuinness Maritime Dist. Ltd. .... | 125               | Rum                 | 1,500              | —               | —               | —               |
| National Distillers Products .....  | 75                | Rye Whisky          | 900                | —               | —               | —               |
| J. R. Nieves & Co. Inc. ....        | 100               | Puerto Rican Rum    | 1,200              | —               | —               | —               |
| Newman & Co. Ltd. ....(pipes)       | 2                 | Newman's Port       | —                  | —               | 2               | —               |
| Oland & Sons Ltd. ....              | 1,650             | Beer                | —                  | —               | —               | 39,600          |



|                                    |       |                 |        |       |    |   |
|------------------------------------|-------|-----------------|--------|-------|----|---|
| Petri Wine Co. Ltd. ....           | 100   | Assorted Wines  | —      | 1,200 | —  | — |
| Herman Pabst .....                 | 70    | German Wine     | —      | 840   | —  | — |
| Redpath & Co. ....                 | 25    | Gin             | 300    | —     | —  | — |
| Joseph E. Seagram & Sons Ltd. .... | 2,162 | Whisky and Gin  | 25,944 | —     | —  | — |
| Wm. Sanderson & Sons Ltd. ....     | 400   | Scotch Whisky   | 4,800  | —     | —  | — |
| Dr. J. B. Siegert & Sons .....     | 400   | Trinidad Rum    | 4,800  | —     | —  | — |
| Schenley International Corp. ....  | 25    | Bourbon Whisky  | 300    | —     | —  | — |
| Southard & Co. ....                | 125   | Rum             | 1,500  | —     | —  | — |
| Southard & Co. ....(pipes)         | 10    | Wine            | —      | —     | 10 | — |
| Schroder & Schyler & Co. ....      | 50    | Wine            | —      | 600   | —  | — |
| Gebr. Schmittmann .....            | 24    | German Liquor   | 288    | —     | —  | — |
| Wm. Teacher & Sons .....           | 900   | Scotch Whisky   | 10,800 | —     | —  | — |
| United Distillers Ltd. ....        | 500   | Rum             | 6,000  | —     | —  | — |
| United Distillers Ltd. ....        | 400   | Rum—½           | 9,600  | —     | —  | — |
| United Distillers Ltd. ....        | 150   | Rye Whisky      | 1,800  | —     | —  | — |
| United Distillers Ltd. ....        | 600   | Gin             | 7,200  | —     | —  | — |
| United Distillers Ltd. ....        | 150   | Gin—½           | 3,600  | —     | —  | — |
| United Rum Merchants Ltd. ....     | 1,400 | Lemon Hart Rum  | 16,800 | —     | —  | — |
| John Walker & Sons Ltd. ....       | 2,050 | Scotch Whisky   | 24,600 | —     | —  | — |
| John Walker & Sons Ltd. ....       | 375   | Scotch Whisky—½ | 9,000  | —     | —  | — |
| White Horse Distillers Ltd. ....   | 425   | Scotch Whisky   | 5,100  | —     | —  | — |
| White Horse Distillers Ltd. ....   | 90    | Scotch Whisky—½ | 2,160  | —     | —  | — |
| Hiram Walker & Sons .....          | 1,900 | Rye Whisky      | 22,800 | —     | —  | — |
| Hiram Walkers & Sons .....         | 150   | Rye Whisky—½    | 3,600  | —     | —  | — |
| Hiram Walker & Sons .....          | 500   | Gin             | 6,000  | —     | —  | — |
| Hiram Walker & Sons .....          | 200   | Gin—½           | 4,800  | —     | —  | — |
| Hiram Walker & Sons .....          | 25    | Cocktail        | 300    | —     | —  | — |
| White Favell (Vintners) Ltd. ....  | 347   | London Dock Rum | 4,164  | —     | —  | — |

| Name of Firm                      | Quantity<br>Cases | Brand                     | Spirits<br>Bottles | Wine<br>Bottles | Wine<br>Draught | Beer<br>Bottles |
|-----------------------------------|-------------------|---------------------------|--------------------|-----------------|-----------------|-----------------|
| White Favell (Vintners) Ltd. .... | 45                | Vernmouth                 | —                  | 540             | —               | —               |
| Wm. Whiteley & Co. ....           | 300               | Scotch Whisky             | 3,600              | —               | —               | —               |
| J. Wray & Nephew .....(casks)     | 499               | Jamaica Rum (Draught 499) | —                  | —               | —               | —               |
| Williams & Humbert .....          | 50                | Sherry                    | —                  | 600             | —               | —               |
| Ed. Young & Co. Ltd. ....         | 3,520             | Old Sam Rum               | 42,240             | —               | —               | —               |
| Ed. Young & Co. Ltd. ....(pipes)  | 2                 | Port                      | —                  | —               | 2               | —               |
|                                   | <b>Dozen</b>      |                           |                    |                 |                 |                 |
| Bennett Brewing Co. Ltd. ....     | 167,215           | Local Beer                | —                  | —               | —               | 2,106,580       |
| Beverage Sales Ltd. ....          | 271,703           | Local Beer                | —                  | —               | —               | 3,260,436       |
| Nfld. Brewing .....               | 101,060           | Local Beer                | —                  | —               | —               | 1,212,720       |
| <b>TOTAL</b> .....                |                   |                           | 504,192            |                 | 364,956         | 9,820,696       |

## QUESTION No. 39 (5)

|  | In Retail<br>Stores | In Bond                                       |
|--|---------------------|---|
| (i) Spirits .....                        | 43,096 bottles      | 84 puns.<br>2,114 bbls.<br>5 hhds.<br>750 c/s |
| Wine .....                               | 15,581 bottles      | 24 pipes                                      |
| Beer .....                               | 76,923 bottles      | —   |
| (ii) \$2,600,000.                        |                     |   |
| (iii) In Bank of Montreal .....          | \$462,370.65        |   |
| On Hand at Head Office and Branches..... | 32,460.57           |   |

## QUESTION No. 39 (6)

\$1,262,269.07.

No. 43:

As at 28/2/53 the total working capital advanced to Newfoundland Hardwoods Ltd. by the Government was \$806,634.79. This figure does not include the amount of \$500,000 referred to in the answer to Question No. 10 (3). This amount of \$500,000 represents the total of the various bank loans guaranteed from time to time by the Government on behalf of the Company since 1/4/49. As at 28/2/53, the bank loans so guaranteed by the Government aggregated \$150,000 only which amount is not included in the above mentioned \$806,634.79.

MR. CASHIN: Mr. Speaker, I beg to remind the Honourable Minister of Fisheries of Question No. 44.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): I am afraid I am not in a position to answer yet as it is in course of preparation.

#### Orders of the Day

Adjourned debate on the Speech from the Throne:

HON. M. P. MURRAY (Minister of Provincial Affairs): Mr. Speaker, in speaking to the address in reply on yesterday I first of all, as in duty bound, called attention to the desperate state of the roads presently obtaining in the District of Ferryland. This district, Sir, as you know, has always played a very vital part in the economic setup of this country in the past, and because of its geographical position it is almost certain to play an enormously vital part in our economy in the future. But, Sir, if it is to prosper, and if it is to progress, it is most necessary that it has a decent method of communication. There is no other method up there, Sir, except

by way of roads. A road to that district, extending as it does along a hundred miles of coast, is absolutely necessary, it is a lifeline to the district, and is as necessary to it as the spinal column is to a human being.

I am very glad to see, Sir, as I said yesterday I was proud to hear the Premier on opening day get up and announce publicly, that sorry state of affairs is soon to be rectified.

Also, Sir, as I did yesterday, and am duty bound, I wish to call attention to the conditions existing up on the Southern Shore with regard to public utilities. As we all know, Sir, recently at Cape Broyle, one of the most modern and up-to-date hydro projects was finished last year, yet in spite of that people living within four or five miles have to do without electric light or telephone. I say, Sir, that is a condition of affairs which should not be allowed to continue. No public utility should be permitted to get away with a thing like that. The people of the district have an inherent right to water power of the district just as much as in the air they breathe. Sir, I give notice to the public utility concerned, I am going to invoke whatever horsepowers there are in the Public Utilities Act to see that such conditions of affairs are rectified.

Sir, I also draw attention to the fact that this administration, in a few days time, will have been in power four years. I say, Sir, that these four years have been years of tremendous effort and of substantial achievement and substantial progress. But this achievement, Sir, and this progress has been achieved through a running commentary of cries of ruin and disaster and despair from the gentlemen on the opposite side. I point out

Sir, there is nothing new in that as far as the history of this country is concerned. Whatever there was of constitutional reform or social reform or economic reform has, by some curious chance, in this country, always been brought in by the Liberal Party, and always and invariably opposed and resisted by the Tory Party. It is a curious fact, a most amazing fact; when you come to think of it, it is not so curious. As everybody knows the Liberal doctrine is one of progress, and the Tory one of inaction. Tories everywhere, all over the world, resist innovations, are against change from the time of Herodotus the Greek to the present day—there is nothing curious at all about it, Sir.

MR. HOLLETT: I think I might correct you on that.

MR. MURRAY: Sir, we have heard the same cries of disaster and despair, the country is gone to the dogs from the Opposition when the Liberal, Whiteway, built the railway, when the Liberal, Bond built Grand Falls, when the Liberal, Squires, built Corner Brook. Only yesterday, and it is almost unbelievable now, we heard the same cries of disaster and despair and ruin and disgrace when the subject of Confederation was being debated. It seems almost unbelievable now, Sir, a few years after that such futile arguments should have been used only yesterday—the benefits of Confederation, after four years, Sir, are manifest today. And these benefits, I say extend everywhere, all over the country. There is not a village, hamlet so remote from the capital that these benefits do not extend to them. Yet, Sir, there are still people going about trying to show that somehow or other those people have been gypped, people still keep that up, Sir, futile and fatuous as it may seem.

I said, Sir, that when this administration came into power four years ago there were two alternatives confronting it, and the Government was driven to these alternatives not by any frenzy of enthusiasm or visionary schemes but through cold and inexorable logic. There were two alternatives; this Government could jog along prosaically in a pedestrian way with the people waiting for the cheques to arrive from Ottawa, with all eyes turned exclusively on Ottawa, that was one alternative. The other was to strike out for a better world rather than maintaining here an economy based on a cheque from Ottawa with the spectacle of thirteen or fourteen hundred settlements with people sitting around waiting for the end of the month, waiting for a horse and catamaran to come over the hill with their cheques from Ottawa. That was one alternative presented to the Government. The other was to strike out for a better economy for industrial opportunities for our young people. We know, Sir, it is history now, we know the alternative that was taken, we know the decision that was made. And I say, Sir, it was a most momentous decision which required tremendous effort and enthusiasm and energy and vision to put that programme into effect.

There were two tasks, as I said yesterday, confronting the Government, one was social and one was economic. Our social services were well below even the worst province in Canada. We had first of all to see, as a Liberal Government we could not do otherwise, see that the needy and helpless and crippled and blind and lame were looked after. As a Liberal Government we were in duty bound to do that, to see that working men could go along working under

decent working conditions. That is one task that confronted the Government. And, Sir, there is no question about it, they applied themselves to it immediately and energetically.

The other task that confronted the Government, as I said, was an economic one, jobs had to be obtained, call it what we will—Economic Development—Industrial Development—Development of Natural Resources—it all boils down to plain common sense, more jobs and better jobs and better paid jobs, in plain unvarnished English. The task which confronted the Government was to find more jobs.

Now, Sir, these do not seem to be very criminal enterprises—to look after people who needed help and find work for people to bring up their families in peace and prosperity—these don't seem to be very criminal enterprises to embark upon. In spite of all that, I say, the Government has been pilloried and held up to ridicule and jeered and sneered at for the past four years? What is wrong, Sir, with building up our welfare services? What is wrong with trying to build factories here? If it is all right to wear a pair of shoes from New Brunswick, as I am now, what is wrong with looking forward to the day I can wear a pair made in Harbour Grace? If it is all right to wear a leather coat made in Montreal, why such a commotion when a man goes around wearing one made in Carbonear? Sir, I heard some talk yesterday about Joseph's Coat that was besmeared with blood. But what besmeared it? Was it not, Sir, the jealousy of his brethren. And we know Joseph went down into Egypt and became ruler of the country, and he lifted them up and his children went into economic development, went into big business, and finally, Sir, they

came to the promised land overflowing with milk and honey.

I say, Sir, the overall concept of building up our welfare and creating work for Newfoundlanders is sound, essentially sound and should have the full support of the Opposition. It is not an easy job to build industries in Newfoundland; we have not here a skilled labour force, we are far from the main centres of population, and, Sir, I submit, that in order to do so we have to make it specially enticing and at times use unconventional methods. But I say, Sir, we have no other alternative but to do so. And I say we are entitled to the sympathy and tolerance of the House from both sides, from the Opposition as well as from the Government. After all it is the money of all Newfoundlanders that is being used, and that money is being used for the ultimate good of all Newfoundland. I say, we should have sympathy and tolerance and understanding from the Opposition rather than jeers and sneers and gibes and wisecracks which we have been getting.

Sir, it has become a common criticism in this House to say that the Speech from the Throne is more remarkable for what it does not contain than for what it contains. Well, Sir, I would say that the speeches of the honourable members on the opposite side of the House are remarkable for what they do not contain. Here we have had for the past four years projects and explorations going on before our eyes, and never a word of appreciation, never a word of commendation from the gentleman on the opposite side, never a constructive thought, not one constructive suggestion in the past four years. It has been customary, Sir, for the members

of the Opposition to hurl charges at the Government; to say we are remiss in our duties. Well, Sir, I can place that charge to the Opposition, that they have been in the past four years remiss in their duties, because Sir, the duties of an Opposition, of Her Majesty's Loyal Opposition, are not merely to hurl abuse and try to raise scandals, but to help, to offer constructive suggestions, if they can. Let me, Sir, define again the duties of the Opposition, as recently laid down by the great Senator Douglas.

MR. HOLLETT: What do you want some bouquets?

MR. MURRAY: I expect to get them certainly.

Sir, some member of the House the other day said he had never heard of Senator Douglas. Perhaps a few words of introduction about him might not be out of order. He is one of the leading men in the public life of the United States.

MR. HIGGINS: In Opposition?

MR. MURRAY: Yes, at the moment. He is a Democrat and is at present in Opposition. But what I am trying to show is that he understands the duties of Opposition much better than the other side here. If anyone reads the American papers and looks beyond the baseball score he knows Senator Douglas is one of the most outstanding men in the Senate. This is what he has to say of his new duties as a man in Opposition. He says: "For the Opposition to concentrate entirely upon the bad features of a given policy without also considering the good, and without suggesting a superior substitute is to fail in its duties." If that definition is sound, Sir, I say, and place the charge now that all through this four

years the Opposition has been very delinquent indeed in their duties. For, as I say, not one substitute has been suggested, not one constructive idea ever came from them. The Opposition should support the administration vigorously when they believe its policy to be good and be tolerant and understanding when the opponent makes minor mistakes. Many decisions have to be quickly made and inevitably some will be wrong.

These, Sir, are what he defined as the duties of members of the Opposition. Defined by the man, as I say, who plays a very prominent role in the public life of the United States today. I say, if we consider that definition to be sound, the Opposition has been grossly remiss in their duties here in Newfoundland. There are projects of great magnitude being undertaken, and never a word of sympathy or tolerance or understanding, never a constructive thought from the gentlemen on the other side. There are bound to be mistakes, Sir, when people embark on projects, bound to be reverses, bound to be errors. But, as Senator Douglas said; they should be met with tolerance and understanding. The main concept behind them is sound. There were reverses, plenty of them, when the railway was started, when Grand Falls was being built—plenty of reverses and failures and errors and mistakes when Corner Brook was being built. But, Sir, we see that these ventures have eventually come to mean something to Newfoundland. We cannot visualize Newfoundland without them today.

I said yesterday, Sir, that I have been in this House for quite a long time. In fact, I have been in this House now since I have been almost knee-high to a grasshopper. I have

heard so many statements made, many statements pregnant with wisdom and many not so pregnant with wisdom. I have heard honourable and learned gentlemen talk at some length, some of them expressing very sound policies, and some things some honourable gentlemen have said in here when it was just as well they were not under oath. I have heard honourable gentlemen talk a lot through their honourable hats too, but, Sir, I think I never heard a more fantastic statement, never in the time I have been in this House, than one made by the Leader of the Opposition the other day; that this country is bankrupt. A country, Sir, enjoying a prosperity absolutely unprecedented in its history, a Province with the lowest per capita debt in all Canada, a Province where there is full employment at top wages; to call such a Province bankrupt, Sir, is an arrant piece of nonsense. What sort of policy, Sir, I wonder do the Opposition want us to follow? They have made a great to do about the surplus here. But what would their policy be? They should offer one in substitution—what would their policy be? Would it be that we should sit on the surplus like a broody hen on a dozen eggs and see what it brings forth? Sir, I have heard a great deal of talk here in my time about the natural resources of our country—I have heard about it so long that it has become a joke; a cliché. As a reporter I heard about our great potential resources. I have written about them until my arm got tired. And you could hardly turn the pages of our Hansard without running into such a case. Yet, in spite of that, in spite of all that talk, there was very little done by previous Governments over the years. And so it happened that when this Govern-

ment came into power, it found very little indeed in the way of accurate or precise knowledge.

Contemporaneous with this immediate and urgent plan of fixing up our welfare services, contemporaneous with this there is going on the greatest campaign of investigations and exploration which this country has ever seen.

As the Speech from the Throne shows, this campaign of investigation is presently being dealt with in regard to fisheries. For the past two years the Fisheries Development Committee have been studying and trying to deal with the age-old problems with regard to the fisheries, and as the Speech says the two governments agreed upon the need for a far-reaching investigation into the fisheries of Newfoundland for the purpose of determining the full nature of the problem and especially of recommending a specific programme designed to effect a successful solution. I may say that this report of the Committee is being awaited with bated breath in the country. I know it is being awaited with great interest in my district of Ferryland where the people look to the sea for their living. The oil wells or paper mills do not represent the future of Ferryland; the future of the people of Ferryland district lies with the sea, and therefore the Report of this Fisheries Committee is being eagerly awaited there. And in view of past performances of this Government, they will be put into effect with vigour and energy.

The speech further points out that following out the policy of investigation and exploration, the Government is about to set up a Forestry Commission. The importance of the

forest cannot be over-estimated. When we look at Grand Falls, and when we look at Corner Brook; and when we consider there are about thirteen hundred sawmills operating all over the country, not to mention the thousands of people who are depending on the forests for fuel, the forests cannot be over-estimated. We do not know too much about our forests; we do not know if the timber stands are being overcut or undercut. But we intend to find out, as any good administration should do. The thing is of prime and transcendent importance to this country and if we did not find out about it, as a progressive administrator, we would be grossly derelict in our duty.

The Speech from the Throne also refers to agriculture and about the setting up of a Farm Development Committee, which I say is long overdue. As they say in the Speech, the agriculture policy in Newfoundland has been erratic, inconsistent and inconstant down through the years. I remember as a small boy growing up, hearing about the hills being made white with sheep. It made a picture that would capture a child's imagination. But it never came to pass. years ago, in a farming district I have seen a reaping machine which was brought in there. One day it broke down. There was no one to fix it up. It is still there. If in this list of Commissions here it was proven there was no future in fisheries, no future in forests; no future in water-power, our only chance of survival would be in the land; and an intensive agricultural campaign should indeed be started. We have been blowing hot and cold as far as agriculture is concerned. And as a progressive Government, we should set such a commission up, get definite facts, map

out a policy and adhere to it. What we require is a re-organization of agricultural policy. It is time such a commission should be set up to finally decide where we are going.

The great hope of our future is in mining development. When this Government came into power four years ago, it was confronted with an almost complete lack of knowledge and precise data. There was no plan, no blueprint, no compass or chart to steer by; and so we have seen an intensive campaign going on in research insofar as mining potentialities are concerned. It is completely necessary that these researches be pursued because if we do not have a plan, we will not know where we are going. A structure built without a plan is like a house divided against itself; it will not stick. For the past three years this Government has been pursuing an intensive campaign of investigation and exploration into mining areas—magnometric surveys, drilling, exploration and investigation have been going on with intensity and vigour for the past three years in this country such as never before were seen in Newfoundland. And it is getting results. As the Minister of Mines and Resources pointed out in his Speech, last year ten companies—ten big mining companies were out in the field and they spent two and one half million dollars.

As a result of this effort, as a result of this investigating, we have today mentioned in the Speech what, I think, is the crowning achievement of this Government or any other government. I refer to the recent Agreement negotiated between the Government and the Rothschild group. The Premier has with consummate statesmanship interested Richard A. Rothschild, and lined up an aggregate of



wealth never before seen in this country an aggregate of wealth staggering in its intensity.

These are tremendous things to be happening in this country. And I was glad to come into the House when such things, such events are happening.

These surveys are giving us data and precise information which we did not have before, not since Newfoundland got Representative Government. We must have precise knowledge whether it be good or bad. The knowledge we are acquiring is opening out new potentialities in the country and I say again, I am glad to come into the House at such a time when such events are in progress.

We have heard a lot about immigrants and foreigners. I remember President Roosevelt of the United States talking on that subject and he said "we are all immigrants, everyone except fullblooded Indians, and that includes the people who came over on the "Mayflower." It includes Tories. We are all immigrants except the Beothics and Esquimaux. All of our forefathers were immigrants or foreigners. Men like Carson and Morris who settled in this country—they saw the beauty of this country and they saw visions and built dreams. It might very well be that in our time we shall see the fulfilment of these dreams. That is very much in the air at the present time. As the Premier said "Newfoundland is on the March." I would say, on the flood tide of prosperity; and as Winston Churchill said "let it roll, on full flood, irresistible, inexorable, to broader lands and better days."

MR. CASHIN: Before I make any remarks this afternoon, I first want

to associate myself with feelings expressed here with regard to the Coronation. I am glad to see that the Premier and the Minister of Education will represent Newfoundland Government at that great event. I am also delighted to see that the Honourable Minister of Provincial Affairs is taking over a delegation from what we used to call the Newfoundland War Veterans. I think a delegation went over in 1936 when King George VI was crowned—a delegation of the soldiers who took part in the first World War.

I do not know if I would be in order this evening if I again reiterated my feelings of sympathy on the death of the Dowager Queen Mary. I remember in 1901 when the late Queen Mary and her late husband visited here on a tour of the Dominion. I think, if my memory serves me right, they landed on Shea's Wharf in a ship called the "OPHIR." I remember as a boy, taking part in a celebration in the Prince's Rink where the boys sang "Hail to the Prince!" That will be fifty-two years ago this coming Autumn; and so, whilst we stood silent here today for two minutes, I heard the bell toll for someone else who has gone to their just reward; and it reminds us that no matter who we may be, death comes to us all.

Now, firstly, in my remarks to the Speech from the Throne I wish again, as I have done on other occasions in the past, to express my congratulations to the mover and seconder to the Motion to draft the Address in Reply. I think in 1949 the honourable member for Green Bay proposed the motion and it was the first speech after we had gotten Provincial Government. And I think last year the honourable member for Bonavista South either moved or seconded the

Motion that a Committee be appointed to draft the Address in Reply. And so in conformity with protocol, I congratulate both these gentlemen.

Secondly, it is my duty as senior member of the House to express my personal congratulations to the two new members who have been elected to the Legislature since last year—I refer to the Honourable Minister of Mines and Resources who was elected by acclamation in Labrador and I refer also to the honourable member the Minister of Provincial Affairs who was elected in my old district of Ferryland. I say to him that he put up a good fight and he deserved to win because he worked. True, I was opposed to him; but he visited the people and I say again, he won because he worked. When you do not work in a political contest, you cannot expect people to vote. I do not care what side a candidate is on—whether he be Liberal, Tory or Independent or otherwise, no candidate can be elected unless he gets around, meets the people and talks with them and gets to know them and the Honourable Minister of Provincial Affairs did just that.

Before I go any further, I feel I have to apologize to this House again, as I have on many occasions in the past, because I am in somewhat difficult position—not difficult as far as I am personally concerned, but when the House closed the last time, I happened to be Leader of the Opposition. I have since been purged, to put it properly; and today I come back to my old seat in this Chamber.

The honourable member for Ferryland pointed out that the Tory Government never did anything to any consequence; that the Liberal Government did it all practically. He

went back to the building of the railway in 1897. Ferryland was Liberal then; Ferryland was Liberal in 1900; and in 1904.

In 1905 legislation was brought about for the establishment of Grand Falls. I would like to make myself quite clear this afternoon that governments, whether Liberal or Tory, always take the credit for the establishment of industry. Grand Falls would not have been established unless certain financial interests felt it would be a paying proposition. It was a promoter's job. Mr. Crow was the man who interested Lord Northcliffe in Grand Falls. They came in in 1905 and made certain deals with the Government with regard to the cutting of timber in the Exploits Valley. I believe that mill started as a 150 ton mill and today it is a 700 ton mill.

The same thing applies to Corner Brook. We had an election issue in 1923 on Corner Brook—thirty years ago this month. I was elected a member of the House and if I was to go before my God now I do not know if the Liberals or Tories brought about the industry, because both sides were advocating the establishment of the Corner Brook industry. We came back in Opposition and every member of the Opposition supported that industry; they supported the establishment of the Corner Brook mill; supported the guaranteeing of twenty million dollars—not ten millions. We in the Opposition (well, not me, I was a junior member), but with wider experience in the field of legislation made suggestions, concrete suggestions which were agreed to by the Government at that time, which called themselves Liberals—consisting of some Liberals and some F.P.U.

Then we come to 1924 and because

of certain things which happened in 1923, we had another general election in 1924. The honourable member for Ferryland asks "what did this Tory Government do?" They came back to the House in 1924—I was one of them—I represented Ferryland and the first thing they did was to abolish the Income Tax Act. They also put a tax of 10% on lines and twines, 2¢ on butterine and a considerable tax on tobacco. I found myself over here the following day. Thanks be to God I lived to 1928 to be instrumental in the re-enactment of the Income Tax Act.

Then one of the first things they did in 1928—in November, 1928—was to reduce taxation; because a Government can reduce taxation by Minute of Council. And thanks be to goodness, I am able to stand up and say I got out; even though I was described in a column of a local paper recently as a colourful politician who had been in and out of many parties, I am going to continue going in and out until such time as they do what I consider to be the right thing.

Now, we come back to my purge and in order that we might clarify this situation, it will be necessary for me to repeat what I have already said elsewhere; and because I feel it my duty as the senior representative of the largest district of Newfoundland to tell the truth. And because I told the truth, I was purged. What happened? I have to go back to 1949. Everyone in Newfoundland knows the attitude I took on Confederation—no bones; no trimmings; no shennanigans about it. Today I agree that Confederation brought certain benefits to the people of Newfoundland. I have to agree to that. But I did not agree with the manner by which it was brought about; but I

cannot change it at the present time. I fought that issue with every ounce of strength and vigour at my disposal.

After the issue was decided, certain people went to Ottawa and negotiated the Terms of Union and they proceeded to tear up the British North America Act—burning it, so to speak.

Then we had an election in Newfoundland. People came down from Ottawa. Incidentally I have seen some of them come down in recent months to teach us how to play Newfoundland politics. If our representatives stay in Ottawa much longer they will know that. They came down here, as I said, we had a meeting of twelve or fourteen people who had been prominently identified with the Responsible Government movement in Newfoundland. I advocated the formation of a National Party. As a politician I advocated that. But these two birds that came from Ottawa would have nothing to do with a National Party. They were going to find some money to finance a campaign, but they would not find it if we had a National Party. I then proposed that we have a P.C. Party. The gentlemen who seconded that Motion is now dead.

A P.C. Party was started. I proposed that Mr. Mews be Leader of the Party. I forget who seconded it. At that time they were trying to get me to go into Federal politics. I have told this before, but in order that the slate may be clean; in order that there be no misunderstanding, I have to tell it again. I have told it over the air and at a public meeting, but I have to tell it again.

My former friends in the Opposition have seen fit to ignore me altogether. That is their business. To

and behold they told me—we would not have you provincially, would not have you—you are no good to us provincially, (a nuisance, so to speak). If you don't go Federally you won't go at all. But Peter went. He put on his thinking cap—what does this mean? This Federal Election is a month after—what are they trying to give me? A Bum's Rush. I went to Ferryland as an Independent. Well, everyone knows what happened in Ferryland. I was elected by a great majority, greater than my father ever had in his thirty years of public life, after contending it eight times. I came back here as an Independent with no affiliations with Liberals nor Tories at all, nothing whatsoever to do with them.

The next thing happened: The P.C.'s were advertising for a man, virtually, to go to St. John's West and one of the organization came to me suggesting I should resign my seat in Ferryland and go for St. John's West. Evidently the Government accommodated them. Judge Browne lost his job and ran Federally in St. John's West, and I supported him—I am going to tell that story too.

The next thing that happened, the Chief Bungler, Mr. Gordon Higgins, now representing the riding of St. John's East, was elected and came to see poor little me, wanting to know what I could do for him politically. I told him; I am not taking any part in the Federal Elections. I did not even vote because I was Independent.

The next thing, the Premier, in his usual way (he regrets it now) lost his head like he often does, and I got dragged into the Federal Election. What happened them? Again they came to me—the Premier had been in Ferryland District, and he had

threatened them and everything else, and I hiked myself off to Ferryland too, to Trepassey, chasing the Premier and the present Minister of Provincial Affairs. I resented the fact that the Premier or anyone else was going to Ferryland or any other district and telling the people, unless you do this you will get nothing. I resented it not alone as the member for Ferryland but as a Newfoundland, because when I am elected for a constituency I am not alone a representative of that district but of the country as a whole. Then what happened? The present Minister of Finance was running for the Liberals and Ferryland elected the present Federal member for St. John's West because in the city of St. John's he was defeated by eleven hundred votes, and in Placentia and St. Mary's by two or three hundred. In Ferryland he was elected by eighteen hundred, and his majority was somewhere around five hundred. Ferryland did the trick. True they gave me some money and it cost me another five hundred which I never have heard of since, I hardly got a thank you.

Then again the honourable member for St. John's East came to me to go with him to Torbay. I knew Torbay. I had put on a campaign in St. John's East twenty-six or twenty-seven years ago and the like of which has never been put on in this country, and I was only a green horn at that time, and we won. I went to Torbay advocating that the people vote for Mr. Higgins. And I and he stood on the platform that night and he called me the bulldog—saying; he is back again with us in the party. I certainly disabused his mind of that because when I got up I told him I was not back with the party, but on prin-

cial I was advocating they vote for Mr. Gordon Higgins.

The next thing the House opened here, and I took my seat as an Independent member for Ferryland District and I held it for two and a half years, and did the best I knew how, Mr. Speaker, the best I knew how, good, bad or indifferent. Whatever has been done is done, and I can't undo it. The next thing happened is that we got a snap election in the Fall of 1951, and that is where she starts.

As I said in a broadcast not so long ago, the P.C. Party had nothing or no one or anything else when that happened, when that snap election was called. I did not agree with that snap election, and do not agree now. I did not think it was necessary at the time and still don't think so. However, what could we do about it? Some of the P.C. outfit got cold feet and they did not want to have any contest. As a matter of fact, I think I stated in the House that I felt the Liberal's were going to return every seat. I decided differently afterwards.

My friend, the present Leader of the Opposition started an effort to get a crowd together to contest some of the districts, and I was identified with that movement because I believed in Opposition. No Government is any good without an Opposition whether they be aggressive or otherwise, they have to have an Opposition to have decent, straight, honest Government. If you had no Opposition here today (I grant you, you would fight amongst yourselves and create an Opposition within yourselves) you would create an Opposition.

The next thing happened, the P.C. outfit had some kind of a meeting

and Mr. Gordon Higgins arrived from Ottawa with twenty-five or thirty thousand dollars—once you mention dollars to some of these fellows that ends it.

I could have gone to Ferryland as an Independent at that time, and I believe I would have been elected. People say; I am sure of winning a seat—that is the greatest mistake any public man ever made, to say he is sure of winning a seat. I have this from old experiences. My father won Ferryland eight times one after the other; and I never yet heard him say, he was sure of winning. Never heard him tell people you can bet on me I am going to win—the greatest mistake a politician ever made is when he gets over confident—I am the big boy—there are some people getting that way now, and they will find out probably, very shortly, whether or not they are to be bet on or not.

So I was asked to contest the District of St. John's West, and my colleague was the present Leader of the Opposition. We started the campaign the day after the present Queen, Her Majesty Queen Elizabeth II left Newfoundland. We started by watching the parade over near the Grace Hospital pass by on LeMarchant Road and Cornwall Avenue. That was the day we started the campaign. I think, it was the following night, I asked the present Leader of the Opposition, to call a meeting in the CLB Armoury, of all the members that were standing as an Opposition. It was not a P.C. meeting, they had no leader, nothing—a P.C. Party—nonsense—a P.C. Party—they had not got one—no policy, nothing. They had twenty-five thousand dollars or something like that and wasted most of it politically. I remember distinctly standing up on that platform to wind

up after they had all finished—in this outfit when they get in a jam they want “Peter” to come along and help out—they feel I can talk to the crowd—I remember distinctly putting it to the people there, what they wanted to have. I was not going to waste their time or money, if they wanted an Opposition let them say so, and if they didn't want one let them say so. I asked the people, two thousand of them, that those in favour of an Opposition stand up. Everyone of them with the exception of eight or ten stood up, and they afterwards because they felt cheap to be sitting down.

So we started off the campaign—it was on—Mr. Gordon Higgins was appointed manager of the campaign. He never went on a campaign. He sat at home on the telephone and ran a campaign. Did they consult me as to who should or should not go to Ferryland?—certainly they did not. I did not have the time to go up there because I had the biggest fight of my life on my hands in St. John's West—so off she goes. Airplanes were bought, and men sent off with two or three hundred dollars, here, there and everywhere—money was wasted, seats lost—the election went off. The count in St. John's West began and I had one sympathizer in the party, and the Premier, who when the count was behind for myself and my colleague one night, his sympathy poured out to me. The other was my friend, Gordon Higgins praying down in this House, praying to God that I be defeated, his one ambition in life. I was elected—disappointed them—or the people of St. John's West disappointed them. What was more I headed the pole in St. John's West. I had the present Leader of the Opposition as my colleague. He did not know his way around St. John's West.

I had lived there for fourteen or fifteen years, and my father represented it in the biggest political campaign in Newfoundland, even better than that one in 1923, when the votes were 20 ahead for Cashin, Squires 4 ahead of Campbell, Cashin 11 ahead of Squires, Squires 4 ahead of Campbell. That was a real battle, and that Government used \$3,000 to fight it. In another place I would say what you could do with three thousand dollars. I had to go and bum another three hundred on the streets. They had a committee to get money but it could not get enough to baptise a fairy, the whole lot of them. I did not go up there trying to get a split vote. I knew my colleague was a stranger in the district. I was taking my political life in my hands, I had one ambition, and I attained it. My father who represented Ferryland when they could not get anyone to contend the district of St. John's West in 1923 went up there and no campaign funds had to be found for him. Men who later cut the stomach out of him—I was proud of St. John's West, and through the avenue of this House, or through you, Mr. Speaker, I can speak to every voter in St. John's West this evening and tell them from the bottom of my very soul, they conferred the greatest honour that has ever been conferred on me in electing me head of the poll in November, 1951. I did not go out looking for a split vote—vote straight or don't vote for me at all—how many times did I come over the air, and say, if you are going to vote for me and not for my colleague, don't vote for me. I made it quite clear, because I feel that any colleague that cuts the others feet from under him is not worth talking about—not fit to live.

So the election was over—two men

were disappointed—the Premier and the Federal member for the riding of St. John's East. My colleague was driving down Military Road with me that afternoon just before the count was over. In front of the R.C. Cathedral we greeted a friend of mine, one of the best I have in the world, he told me, I had not known this before—he said; Mr. Gordon Higgins is trying to make his brother Jim Leader of the Opposition.

As you know, I had twenty-nine years of experience in public life—I had fought the hardest district in the country, and I resented that, and I told him so in no uncertain language, no nonsense at all. I told him if that were so, I am out here again—well I am out here.

The next things that happened was that my colleague, who was not elected at that time, brought an agreement to me to sign. I have only one regret—I did not keep a copy. You would imagine I was shipped on for the trap time or to go to Labrador on a share. The impudence—the gall.

MR. HOLLETT: To a point of order, Mr. Speaker: I deny emphatically ever bringing an agreement to the honourable member for St. John's West to sign at any time. I do remember an agreement which I advised him not to sign.

MR. CASHIN: Mr. Speaker, I remember quite well, in my own Allandale Apartment, this so called thing of an agreement, drafted undoubtedly by the member of the riding of St. John's East was brought to me by the present Leader of the Opposition, Mr. Hollett.

MR. SPEAKER: The honourable member must refrain from mentioning names. And by the way, I would like

to see the honourable member's face occasionally.

MR. CASHIN: It is not particularly good looking, Mr. Speaker.

MR. SPEAKER: However, the Chair is forced to look at it.

MR. CASHIN: The honourable member, as he said, did not advise me to sign it or not sign it. But thanks be to God somebody told me, my Guardian Angel was watching over me. I did not sign it but gave it back to him again, I think, and off they went. The next thing I knew was a call to go with my colleague here at that time, and President of the Progressive Conservative Association at that time, to Mr. Higgin's house. At that time again comes forth this document to sign. It was in effect something like this—that I would undertake to support the P.C. Party, its members, in all its deeds and misdeeds and everything else. They were tying me up in knots. Well there was only one remedy for that—I said; I am not signing that, and these gentlemen agreed with me at that time I said I would call a public meeting and the voters of St. John's East and West may decide. That would break up everything, so ultimately they made me Leader of the Opposition. Naturally ever since, it is only obvious from what the honourable member for Bell Island said the other day, the ranks were open but they are now closed. In other words they were open when I was in them and now they are closed.

However, the present Leader of the Opposition was not a member of the House at that time. The next thing; I told him to get ready for a by-election in three months. He thought I was a fool. Maybe I am. I realize,

Mr. Speaker, that I have been a fool in many ways now politically. Sure enough the election did come—then what happened? Then I wonder what happened? I did everything to help that gentleman get elected in St. John's West—took more personal abuse helping to elect the present Leader of the Opposition in St. John's West. I don't say I elected him, Sir, I have not that much ego, but I helped considerably. Again the party came across with twenty-five hundred bucks, formed a committee to go out and get more and they collected twenty-five dollars which was not enough to buy four bottles of rum. Incidentally, whilst I am talking of the money business, inferences have been made that I kept some for myself?

HON. E. S. SPENCER (Minister of Public Works): Some of the twenty-five?

MR. CASHIN: Some of all of it. I am going to say right here now, Mr. Speaker, there is no member on either side of this House sacrificed more in money to become a member of this House and to help others to become members of this House than I have. I should not brag. I should be ashamed to tell it, I am really now. But it is a day of reckoning and a day of political judgment. It has cost me politically since 1923 nearly seventy thousand dollars, my own and others. Then there is an inference flung out that I kept some of the campaign funds. My God, Mr. Speaker, we could not get enough to throw away if there were three times as much money. It is all right for us to say bribery and corruption. I noticed in the paper yesterday, in a column by a former member that to elect four members in St. John's East and West costs thirty thousand dollars. It must

be the other crowd who had a lot of money, we did not have it in St. John's West, the most expensive district in Newfoundland to contest politically. I contested Ferryland and St. John's West and paid my election expenses in both of them. I am now at the stage where I am unable to do it financially. However we won. The House opened. I am not Leader of the Opposition. Little did I think that; once or twice the Premier prompted across the floor. He was right I got to admit it today, that I was not in fact the Leader of the Opposition. I laughed at him, but he was right. As I look back now I can see underhand methods being used then to deprive me of the leadership of the Opposition. Why? Because I was not going to be kicked around by an imprudent, conceited, maniac of a politician who had his knife in me politically for many, many years. It is not necessary for me at this time to go into details of why that knife had been in.

So we made in here last year, Mr. Speaker, and we fought the Government on its policy. We got into rows in this House. I did the best I knew how, whether it be good or bad or indifferent, as I said, I did the best I knew how. I think the Opposition and the Government members in here today will agree with me that I held up my end of the plank in criticism of the Government, in abuse of the Government and everything else—that I did my job as well as I knew how. Still as member for St. John's West I am going to continue to do my best until such time as I move out—to do the best I know how in the interest of Newfoundland generally.

So we had a second session with respect to a Loan Bill which it is not necessary for me to go into now. I



do not intend, Mr. Speaker, at this time to speak on the financial situation as it appears to be. I intend to wait until the Honourable Minister of Finance brings down his budget, then I will be more intelligently able to discuss the financial situation as it exists of March 31. The talk right now has been on it as it existed of Feb. 2nd but half what was said was said by me a year ago.

However the House closed. What happened then? The P.C.'s (remember I was not elected as a P.C., I was elected as an Opposition man. The P.C.'s did not exist. They had no policy, nothing. I was an Opposition man). Well a man came down from Ottawa. I am going to tell the truth and no nonsense. He was supposed to come to see me first. That was not the only time some nincompoop from Ottawa came to consult me, senators, lawyers and old maids and all they were. He took no more notice of me to start with than they would of an ordinary individual, and I represented them as they said in the Leadership of the Opposition, and the nucleus of the P.C. Party in Newfoundland. I had a telephone call from Mr. Gordon Higgins that this man was down at his house, my house was not good enough for him to come to. I said nothing about it then, I was prepared to take it, but now the time is come to heave it out and I am going to do it. I went and met this gentleman. The following morning there was talk all over the town both people who supported the P.C. Party and people who supported me, because obviously, Mr. Speaker, a lot of people supported me who did not support the P.C. Party. In St. John's West in 1949 the P.C.'s were swamped, two of their men were defeated. Myself and my colleague had

to go up there in 1951 and fight two Ministers of the Crown. However, I took this gentleman around to various people supposed to be prominently identified with the P.C. Party movement in St. John's, and he was told of some of the methods and tactics used in the previous election here, of how the Federal member for St. John's East made a mess of it—a mess of it—imagine buying an airplane and sending a candidate off to fight a campaign. Never had I heard of such a thing in all my public life. I have known of instances where people bought false teeth but had yet to hear of an airplane. I have heard of where they had to pay hospital bills and burials and so on, but to pay three or four thousand dollars for an airplane, that takes the cake. Then the individual does not even get down there to be nominated.

So that man met our people, and was talking of organizing. I was not doing much at the time, and I felt here is something to occupy me, because I love public life otherwise I would not be here this afternoon. But I don't like double-crossing and knifing in the back. We talked about it two or three of my colleagues, and I discovered the hand of Mr. Gordon Higgins of the Federal Riding of St. John's East, and the other Provincial member for St. John's West working against my appointment, as I will call it. Now, if I did not know anything about public matters it would be fine, but I have sense enough to know in my own mind that the P.C. outfit had a chance of winning two ridings, in St. John's East and West, and in my own opinion, I am entitled to that God knows. I didn't think they had a ghost of a chance to win anywhere else. We had a meeting and my name was brought up. It was

said; I was the Leader of the Opposition and too busy—that was one excuse—two men had supported me. A sub-committee was appointed next, and the sub-committee backed another two names that had been handed to them by another individual. The sub-committee was a flop. We had a meeting and I hate to tell this but I have got to supposing I drop dead here this evening, I am going to tell this. My name was brought up again. One of the gentlemen on that committee started false praise about what a grand campaigner I was. I know enough after many years of public life to know something—beware of an individual who praises you like that—he said, but he is detested by the Protestant people. That settled me right there and then. If we have to get down to that stuff, God help Newfoundland.

MR. SMALLWOOD: That is what we are trying to get away from.

MR. CASHIN: There is a lot of that going on in the P.C. Organization today, and that was the excuse they used. That was flung at me at the meeting of the P.C. Organization. I am a Roman Catholic, yes, and I do not care who knows it. I have been elected as a member for St. John's West, whatever my denomination is. I hope, Mr. Speaker, to get to Heaven my way and I hope you get there your way. I will not double-cross you on the way up. But God help you if you run into the P.C.'s on the way there; if you do, you will never make the grade.

MR. HOLLETT: I do not want my name coupled with that statement. When the honourable gentleman made that statement he looked very hard at me as if to indicate that I was the one who said he was de-

tested by the Protestants. I want the honourable gentleman to clarify that statement.

MR. CASHIN: You can deny it all you wish.

MR. HOLLETT: I do categorically deny it and I rise to a point of order.

MR. CASHIN: I did not say who said it.

MR. SPEAKER: There is no point of order. The honourable gentleman made a statement but he mentioned no names, so the Honourable Leader's objection is not a point of order.

MR. CASHIN: He was objecting to it; but if the cap fits, he can wear it.

MR. SPEAKER: You are not to make any personal allusions.

MR. HOLLETT: An attempt is being made to make that remark come back at me. I want a clear statement whether or not he means me. I do not want any such insinuations either by glance or by spoken word.

MR. CASHIN: Will the honourable member deny that a member of the P.C. Organization said it?

MR. HOLLETT: Were you present?

MR. CASHIN: Yes. A member of the P. C. Organization said that, whether the Leader likes it or not. There was no misunderstanding; it was said that because I was a Roman Catholic I was detested by a lot of people in Newfoundland. Why, Mr. Speaker, the greatest meeting I ever addressed in my life (and the Leader of the Opposition knows that) was in 1948 at Upper Island Cove and I was

the only Roman Catholic in the settlement. I got a better reception there than in St. John's East or West or anywhere else. And then to be told that! But, I repeat, I was told that. However, let it rest at that. I hate to bring it up, but there will be no punches pulled here, as far as I am concerned.

The next thing that happened was that somewhere around Christmas when the people are supposed to be at peace—one night I turned on the radio and listened to what I called a "dog-fight" between the Premier and the Federal member for St. John's East. It turned my stomach. I could not stick it any longer. I was fed up with the interference of the Federal member in Provincial matters. This Federal member from St. John's East—what he called the "Higgins Empire"—comes to Newfoundland and starts bringing up matters about Sennewald, the fellow he took \$1500 out of campaign funds to bring here; and it is now costing the Government \$150,000 to get rid of him. I note by some figures given, the Government advanced him \$60,000 or \$70,000. I asked some questions last year about Sennewald and we had a row here in the House about him.

At the time I heard of Sennewald's coming here, I resented it. I did not want any Germans to help to elect me. However, he came. And we asked questions in the House here regarding him, because it was a Provincial matter.

Then we have those Federal fellows coming in here trying to get the Newfoundland Government to agree to pay for the public wharf at Portugal Cove; when, as a matter of fact, in accordance with the Terms of Union, it is the Federal Government's respon-

sibility to build that wharf at Portugal Cove; and the place to fight that out is on the floors of the House of Commons in Ottawa, not down here.

Then I hear him speak of the inadequacy in the Terms of Union; after my beating my brains out about them. That same gentleman was on the delegation to Ottawa; he seconded the motion to go there to bring Union with Canada about by the methods adopted at the time. I was not consulted about what he was going to say on the air. Certainly not. And shortly after that I started to make a speech. I am sometimes able to make a radio speech. So on or about January 23rd or just prior to that, I went to Station VOCM and engaged the air for January 23rd at 10.30. Was told to bring in my script on Wednesday. I had the script there on Wednesday at noon. We read over the script—Butler and myself—he made some alteration—I knew he would. Then he said, "I will have to see my two solicitors." I said, "O.K., go ahead." Friday morning at 9.30—after a very heavy snow storm the night before; the Housing Corporation area was blocked; I got a phone call from Butler saying he was sorry, but I could not go on the air and to advise. What was Cashin to do? Now, I have repeatedly stated here and elsewhere—and I am man enough to admit it—that I would never go on CJON. These people of the Opposition and the Federal member for St. John's East felt I would not go on it either. But I swore by my Maker that no one in this country was going to stop me from giving my opinion. The first thing they would have to do, if they want to stop me, is to take my life. And so, I rang Jamieson—a fellow I abused and criticized in many cases—

and today I have to thank him as a man. I want to thank him right here. He came over to my place; he gave me air time that night; he rang up and made the arrangements. I had previously advertised my talk over VOCM and in the Daily News—I had advertised that I would be speaking over VOCM.

Jamieson, as I say, gave me the time on the air. I gave him my script. He went over it and did not see much wrong with it. He changed a few words. He advertised me as going on CJON that night. They had stopped my going on VOCM and there was an effort made even to stop my going on the other station too. Gordon Higgins the autocrat, had rang up Jamieson asking whether he was going to permit me to go on—as if it was any of his business. He said he was going to make a recording of it. He said also that he had a copy of my script, and I am wondering where he got it. I went on CJON on Friday night. And Saturday evening at about a quarter to eight the present Leader of the Opposition telephoned me and told me that Gordon Higgins wanted to meet the members of the Opposition tomorrow—Sunday—in the House of Assembly at 2.30. I asked him for what reason Gordon Higgins wanted to meet the members of the Opposition and he said he did not know. I think my brief reply was that as I was Leader of the Opposition, it was up to him to call me. The present Leader said he had called him because he was President of the Association. I was at that time Leader of the Opposition. He said he would tell Gordon Higgins what I had said; but Higgins never called me.

Sunday, the following afternoon, I do not know what they call this in the Russian language, but the Opposi-

tion and Gordon Higgins met (and he had no right to be there at all), and on that afternoon they drafted a letter which I got the following Tuesday and which, with your permission, Sir, I will read: It is addressed to me and reads:

Dear Sir:

Arising out of a broadcast delivered over Radio Station CJON on Friday, January 23rd, 1953, by you, as Leader of the Opposition in the Newfoundland House of Assembly, a meeting of the Progressive-Conservative members of the House, of which meeting you were duly notified, was convened for Sunday, January 25th at 2.30 p.m.

All the Progressive-Conservative members presently sitting in the House, with the exception of yourself attended.

It was the unanimous decision of the meeting that statements made in the broadcast did not express the views of any of your colleagues. It was also felt that your announcement of the broadcast as being made by the Leader of the Opposition, without the prior knowledge or consent of any of the Progressive-Conservative members, was an unjustifiable action.

It is the unanimous decision of the sitting Progressive-Conservative members of the House of Assembly that they cannot continue under your leadership in the House under the existing circumstances."

It says I was duly advised of the meeting. I had told the present Leader that if Mr. Higgins wanted to meet me he should notify me himself as I was then the Leader of the Opposition. I was fed up with being kicked in the dirt by the P. C. Party.

MR. HOLLETT: Mr. Gordon Hig-

gins was not at the meeting that decided on that letter and I ask him to take it back.

MR. CASHIN: He went to that meeting and after being there an hour or so he went into the caretaker's room while you were preparing the letter. In other words, he inspired it.

And what was my reply to that letter? That was on a Sunday and on Monday through the medium of radio an announcement was made and through the Canadian Press, that I had been ousted from the P. C. party. What happened? They called a meeting of a couple of the P. C. Committee from St. John's East and West and met in the Feildian Hall to confirm something they had already done the day before. And when they were asked how the information got out, they said they did not know—as if they did not know! As I said before, it does not need an Oxford education to see the hand of Gordon Higgins in that. I was asked at 2 o'clock that day to go to the meeting of the P.C. organization—an organization that had kicked me out the day before.

In what way did I answer them? In the only way I could answer them. I called a meeting of my constituents in St. John's West—Liberals and Tories—because, as I pointed out I represent Liberals as well as Tories in St. John's West.

It was one of the stormiest nights we had this year, but the Star Hall that night was packed. I invited, through the press and radio, the four members of the Opposition and Gordon Higgins to come and tell their story. Did they come? They did not. If they had nothing to hide, if everything was straight and above-board they would have been justified in coming. I told the people at that

meeting—people from St. John's East and West and from other sections as well—(and if the weather had been fine, I could have filled the C.L.B. Armoury that night)—I told them the story and the P. C. Party members got the greatest smack in the puss they ever got in their lives. They passed a motion condemning their actions—and here it is—and they will have some time defending themselves when they go back there for election. I had no chairman.

MR. HOLLETT: You wrote that motion yourself too.

MR. CASHIN: Did I? I was told on many occasions that you wrote my speeches for me.

MR. HOLLETT: No?

MR. CASHIN: Since you have been in this House all you have been doing is knifing me. The only reason you are here is because I dragged you in and all the gratitude I get is you try to knife me.

MR. SPEAKER: Order!

MR. HOLLETT: Thank you.

MR. CASHIN: Why, Judas Iscariot was a Mission Father compared to you.

MR. SPEAKER: I called order twice. If the honourable members persist in hurling personalities they cannot expect the Chair to rise and defend them. Kindly refrain from doing that.

MR. CASHIN: I was Chairman of that meeting myself—I could have gotten plenty of chairmen or chairwomen if I had needed them. And if the Leader of the Opposition knows so much, I challenge him to meet me on a public platform in St. John's East or West and see what happens.

MR. SMALLWOOD: That would be interesting!

MR. HOLLETT: What would happen?

MR. SMALLWOOD: Do not try it.

MR. CASHIN: When I was going around in my own sincere way, it is a pity I did not listen to Arthur O'Leary—after meeting and listening to the present Leader of the Opposition, he told me to beware of him. Arthur had more savvy than I had. Here is my motion: "To move that this meeting of the men and women voters of St. John's West record its profound disapproval of the treatment accorded Major Peter J. Cashin, Leader of the Opposition and our elected representative, by his fellow members for this District, Mr. Malcolm Hollett, and the other Progressive Conservative members of the House of Assembly.

In particular do we record our deep resentment of the unwarranted and impertinent interference of Gordon F. Higgins in matters which are primarily and properly the concern of elected Provincial representatives.

This meeting endorses without qualification the sentiments expressed by Major Cashin in this matter and pledges a continuation of our confidence in his efforts."

MR. SPEAKER: As it turns out, the reading of that was out of order. I had no idea that the name of the Leader of the Opposition was in it. I would therefore ask the House to take no cognizance of it.

MR. CASHIN: I imagine the people of St. John's West will omit the name altogether in the next election.

Mr. Speaker, I think it was last

year that the Minister of Fisheries got up here one afternoon and made an attack against Mr. Bradley. I did not see the Premier throwing him out for that. That is what Stalin would do in Russia—and that is what the P.C.'s do; they crucify you; try to put you out of business altogether. True they glory in the fact that they took \$2,000 a year from me. That is all that is in their minds. But I am not done yet.

Speaking of the Federal member for St. John's East—instead of coming down here and having dogfights over Provincial matters, his proper place is to take up Federal matters in the House of Commons at Ottawa and have dogfights with Bradley over them. Talking about financial terms of union here, why not bring them up in Ottawa if he were so worried about them? One reason is that he is unable to discuss the matter and secondly he has not got the guts to fight. The seven members in Ottawa have been letting Newfoundland down for the past four years. We came into Confederation in 1949 and the Federal members' duties are to fight for Newfoundland. Not one of them has got up and asked for or demanded the correspondence between the Commission Government and the Federal Government leading up to Confederation. Not one. They fell in line. They went to the pink room and the blue room of the Chateau and to blazes with Newfoundland. Now that it is getting close to a Federal election and they throw out this bait on matters which, as far as St. John's East and St. John's West are concerned, are matters for the Federal Government.

Did Mr. Higgins get up in the House of Commons and tell of the despicable manner in which the Sec-

retary of State acted in 1948? He did not. He had not got the guts to do it, because he is controlled by the P. C. Party and has to do what he is told. If he thinks it is his empire in St. John's East, he is running into it head over heels. This is no longer the "Higgins Empire." I fought an election some years ago in St. John's East—and I paid for it myself; myself and my own brother—and I know the people of St. John's East. I know they are decent and I have met hundreds of them who resent the way I have been knifed politically. I heard the honourable member yesterday talk about the Germans shooting down wounded men; but he did not tell us about sticking a stiletto in the back of a man. No member of the House is going to tell me what I can or cannot say over the air. I am not afraid of libels; and incidentally I understand the Honourable Leader of the Opposition was considering a libel action against me recently.

MR. HOLLETT: That's the first I heard of it.

MR. CASHIN: Just recently he consulted a lawyer about it. Better men than you or I have been sued for libel.

MR. SPEAKER: Again I must ask the honourable members to refrain from personalities.

MR. CASHIN: He must feel love-ly being Leader of the Opposition.

MR. HOLLETT: Did you not think it was?

MR. CASHIN: I have told the truth here this afternoon. It was the most despicable political action I have known of in thirty years. You became Leader of the Opposition. Then you had the neck to go to the people and

say what you were going to do for me. You can do nothing for me politically or otherwise. I have been told in 1951 when the tow-line broke and I could not drag it into St. John's West. I had to haul you in again in 1952. If I had the money I would pay for a front row seat to have a look at what would happen.

MR. HOLLETT: Thank you.

MR. CASHIN: Why did you not come in that meeting then, a meeting of your own constituents.

MR. HOLLETT: Anyone going to a meeting with you addressing them would be a fool anyway.

MR. CASHIN: Yes—you would not, you know what would happen.

MR. SPEAKER: The honourable member has a very few minutes left and if he wants to use them must refrain from personalities—that is my last word.

MR. CASHIN: I was saying, Mr. Speaker, the Honourable Leader of the Opposition had not the courage to come to the meeting where he knew the truth would be told.

MR. SPEAKER: The honourable member has been warned. You were discussing the personality of the Honourable Leader of the Opposition which is not permitted—continue.

MR. CASHIN: We will come back to Ottawa. I would not be surprised to see that place before I am through.

Speaking of Provincial members being interfered with; some time ago in the "Evening Telegram" I noticed, the P. C. Party had to repair their political position's fences. That I presume was one of the pieces of the programme when they closed the ranks and left four men.

Quotation from Evening Telegram :

"P. C. PROBLEM: One obvious course which the P.C.'s could take in their admittedly tight situation would be to make haste to repair their Provincial organization fences. But this is precisely what they are n-o-t doing.

Instead, the Drew strategy is to build up a national party in which Provincial boundary lines will be all but obliterated; Provincial issues will be left strictly within the field of Provincial politics, without interference of domination from the Federal party. The core of the national party appeal will be the performance of the P. C. group in Parliament. It is towards this objective that the P.C. strategists think they have been making steady headway in the stormy debates of recent days."

Did that happen here? Thanks be to God I am not dependent on the Federal nor any other party for my election. I owe them nothing. As I said a moment ago, when this great pooh-bah Higgins from St. John's East thinks he can walk rough-shod over me he is not going to do it. I am not going to be kicked around. He may be able to kick around the members on the Opposition side, I don't know, but here is one he can't kick around. Please God, Mr. Speaker, he will dance a polka at the next election in St. John's East, and I will be the accordion to that, because I will chase him into every constituency in the district, into every settlement and expose him for what he is worth as a politician. He has not the brains of any kind of politician, no brains, no political ability. The great Stalin he imagines himself, in Stalin's position he would create a purge—let's crucify this fellow, shut his mouth, keep him quiet, and forthwith the four others join

in the chorus to destroy me politically. But they have not the necessary courage to face me. You can grin. You did not grin when I hauled you through St. John's West the worst haul I ever had, talk about a tortoise. Mr. Speaker, I have been to the sealfishery about forty years ago in the Florizel, and I have seen some rotten stuff but I never had to tow a load half as rotten as the Leader of the Opposition has proven himself to be to me, never, and I have had many of them, rotten, stinken, and I am going to describe it all before I take it back.

MR. HOLLETT: Nice talk.

MR. CASHIN: All I heard last year was something about mouth wipes.

MR. HOLLETT: Pity you did not get some and use them.

MR. CASHIN: I am using them now, yes. But I was not questioning some other poor individual who happened to sell a few hundred dollars worth to the Department of Supply or someone else, as to whether he got a profit out of them or not. However coming back to this Provincial matter. I hold here today that no Federal member should come down here and kick around the members of the Provincial Opposition. I don't call myself Opposition any more, I was kicked out by Hollett and Company.

MR. SPEAKER: Now, the honourable member knows very well he cannot be permitted to say that and he must retract it.

MR. HOLLETT: I ask, Sir, tha the honourable gentleman be made to take that back.

MR. SPEAKER: The honourabl



member has just been asked, and he will have to do so.

MR. CASHIN: I take back I was kicked out.

MR. SPEAKER: The honourable member knows very well what I mean.

MR. CASHIN: And the Honourable Leader of the Opposition knows what I mean—the four of them know.

MR. SPEAKER: Will the honourable member withdraw that remark?

MR. CASHIN: Yes, Mr. Speaker, I withdraw it. Now, I put it another way.

MR. SPEAKER: No, the Chair cannot be told.

MR. CASHIN: I take it back unreservedly. However, Mr. Speaker, I was speaking of what right the Federal member has to come down here and come into the affairs of the Provincial Progressive Conservative Party. What right has he? Then if he is taken to task for it runs around and squeals, don't touch me, I am poor little Gordon, a sick man. When he made no effort at all to try and elect anyone here in 1952, what right has he to come to a P.C. meeting downstairs here. I was the one to call that meeting. But he comes here with a big whip and lashes the other four into submission to cashier the Leader of the Opposition. You fellows get together and put the dots to the I's that is what happened. He left the meeting and you got a typewriter—I am going to tell you what happened.

MR. HOLLETT: Tell it—don't make insinuations.

MR. CASHIN: I was prepared to tell things to the people in public and you were not prepared to come there and listen.

MR. HOLLETT: You won't get away with your insinuation.

MR. CASHIN: I am only giving the facts, the despicable thing that you, above anyone else in Newfoundland did to a man who went all out for you.

MR. HOLLETT: Mr. Speaker, I rise to a point of order. If I did a despicable act I am not fit to be here. The honourable gentleman says I have no political decency, therefore I should resign from St. John's West. Sir, I want that word taken back.

MR. SPEAKER: What was the point of order?

MR. HOLLETT: I am accused of a despicable action, Sir. As an honourable gentleman of this House I don't think that expression can be used. I would not bother if I were not at the moment in a position where I am Leader of the Opposition, and in justice to myself and my fellow members I must have it taken back.

MR. SPEAKER: The point of order is sustained—the word "despicable" cannot be sustained.

MR. CASHIN: The extra-ordinary member—yes that is another thing going around, the P.C.'s are saying I am going with the Liberals. I am announcing right here now that I am not, that you would before I, you would fight for them tomorrow if one of them stood against me in St. John's East or West. If tomorrow the Honourable Leader of the Opposition resigned in his district he would vote for the Liberal member in preference to me.

MR. HOLLETT: Could you blame me after that?

MR. CASHIN: Sure I would blame you, particularly after what I did, hauled you through St. John's West.

MR. HOLLETT: You hauled, you didn't haul a mouse.

MR. CASHIN: You were not equal to a mouse, I would not insult a mouse.

MR. HOLLETT: Tell that to the people of St. John's West.

MR. CASHIN: All right, Mr. Speaker. I resign now, will you do it, go to the Governor and do it, will you come with me.

MR. HOLLETT: That is my business.

MR. CASHIN: You come over to the Governor right now and put in your resignation and I will put in mine.

MR. HOLLETT: I would be just as stupid as you think.

MR. CASHIN: You know what would happen in St. John's West—and you would get a couple of thousand dollars for it. You have that for the next couple of years, that is all you are worrying about.

MR. SPEAKER: This is ridiculous, private conversation of one member against another, having a political chat. The Chair is prepared to permit the honourable member to use the next three minutes, now two, these are ridiculous statements not meant seriously.

MR. CASHIN: Mr. Speaker, I am awfully sorry for hurting his feelings, the honourable member is not worried about recompense or anything of that nature.

I have two or three minutes left. I do not intend to speak on the Speech from the Throne as I said in the beginning, because when the budget comes down I intend to discuss the financial position of the country at the present time.

Mr. Speaker, if I have hurt anyone's feelings except my own, I am sorry, if I have told any lies, or contemptible lies, which I have not, I apologize. If I have made statements which are not facts or which are false I am prepared to apologize, but I have not, and no honourable member on either side of the House can contradict me, the facts are there, the facts are uncontradictable facts of the actions of the members of the Opposition toward me. I was a fool to ever have had any confidence in the individual—that was my fault. Mr. Speaker, I apologize to you as Speaker of the House and I apologize to St. John's West for having had any part in connection with the election of 1951 in that great old district or any part in the by-election in 1952 for the purpose of electing the present Leader of the Opposition. I apologize to the electors of St. John's West for leading them, as it were, astray, because that is what happened—I led the people of St. John's West astray, and I had to come in here publicly, in this Legislature, this afternoon and apologize to those people and to this House for doing such a thing as I did do, being responsible in no small measure for electing him to this Legislative, an individual who is now Leader of the Opposition in the House of Assembly. I thank you, Mr. Speaker.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I move the adjournment of the debate.

First reading of the Bill 'An Act Further to Amend the Newfoundland and Labrador Corporation Limited Act, 1951.'

Ordered to be read a second time on tomorrow.

First reading of a Bill, "An Act Further to Amend the Shop Closing Act, 1940."

Ordered to be read a second time on tomorrow.

First reading of Bill "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to create a Tourist Development Loan Board for Newfoundland."

Ordered to be read a second time tomorrow.

First reading of a Bill "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951."

Ordered to be read a second time tomorrow.

First reading of a Bill "An Act Further to Amend the Community Councils Act, 1952."

Ordered to be read a second time tomorrow.

First reading of a Bill "An Act to Amend the Community Councils Act, 1952."

Ordered to be read a second time on tomorrow.

First reading of a Bill 'An Act Further to Amend the Old Age Assistance Act, 1951.'

Ordered to be read a second time on tomorrow.

First reading of a Bill "An Act

Further to Amend the Mothers' Allowance Act, 1947."

DR. POTTLE: That should read 1949.

Amended accordingly and ordered to be read a second time tomorrow.

First reading of a Bill "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

Ordered to be read a second time on tomorrow.

First Reading of a Bill "An Act Further to Amend the Timber Licenses (Reversion to Crown) Act, 1951."

First reading of a Bill "An Act Further to Amend the Insurance Companies Act."

Ordered to be read a second time on tomorrow.

First reading of a Bill "An Act Further to Amend the Accident Insurance (Licensing) Act, 1939."

Ordered to be read a second time on tomorrow.

First reading of a Bill 'An Act Further to Amend the Blind Persons' Allowances Act, 1951.'

Ordered to be read a second time on tomorrow.

MR. SMALLWOOD: I move that the House at its rising do adjourn until tomorrow, Thursday at three of the clock.

The House adjourned accordingly.

THURSDAY, March 26th, 1953.

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

HON. J. R. SMALLWOOD (Prime Minister): For some time past we have been patiently waiting for the final report and programme of development recommended by the Fisheries Development Committee. I understand that the Committee's report will be finished within a week or two and presented to the Government of Newfoundland and the Government of Canada at the same time, in St. John's and Ottawa. After that, of course, the two Governments will have to discuss the recommendations and come to an agreement on the share of responsibility by each Government in implementing the programme.

I may say further that many of the basic principles that are bound to be involved in any programme of fisheries development in Newfoundland have already been discussed between myself and the Honourable James Sinclair, Minister of Fisheries for Canada, and the Honourable Minister of Fisheries and Co-operatives in Newfoundland. In fact, last mid-summer, the Committee made certain specific recommendations to the two Governments which the Committee thought should be implemented. In some respects these recommendations have been undertaken. At that time one long-established and enterprising Newfoundland firm responded magnificently when asked if they would participate in plans for the expansion of their existing premises on the North East Coast and undertake a demonstration of new methods of handling and processing fish. Later it was decided to await the final report of the Committee so that the Government would have before them the whole programme and not to attempt a piecemeal approach to the problem, the advising of which is bound to be a great undertaking. Bigger and more

important to Newfoundland than the Paliser Triangle project is to Saskatchewan and Alberta, as big and important as the combined Prairie Farmers' Rehabilitation projects are to the Prairie Provinces as a whole, to which the Honourable James Sinclair referred on several occasions during his recent visit to St. John's, is the sort of assistance which the fishermen expect from governments in developing the fisheries of Newfoundland. These projects have involved the expenditure of millions of dollars to aid the Prairie farmers.

Our approach to the development of the fisheries of Newfoundland can only be a credit to us if it embraces sound planning and bold action on a broad scale. It must involve immediate and practical steps to bring about in some cases a positive cleavage with traditional customs and habits; the adoption of modern techniques and processes and launching out into new fields of endeavour. It will mean the adoption of the latest in technology, in biological research in fishing methods, in the operation of in-balance plants for rounded-out operations for handling fish—salt fish and fresh frozen fish and a wider variety of species of fish processed in new forms and packed to meet changing consumer demands—the adoption of every new improved method known to have been successful anywhere else in the world. The development of our fisheries must be directed toward the building up of better fishing communities, in some cases centralizing operations and population with larger plants, more fishing craft and proper housing, electrical power, water supply, adequate schools, hospitals and more and better roads and so on. But the final test of any success in the development of our fisheries will be to

increase the earnings of our fishermen. To achieve all these, the Government of Newfoundland will certainly carry out their part and I am confident that the Government of Canada will meet their responsibility in full measure both in services and financial assistance.

Undertakings which the Government of Canada will assume as normal services include the development of harbours, wharves, breakwaters, exploration of fish populations, experimental fishing, biological and technological research, inspection services, and patrol services, safeguarding our territorial waters and guiding the policies of conservation which may become necessary in the off-shore fisheries and which can be brought about only through international agreements.

For our part, the Government of Newfoundland will undertake the necessary roads, waterpower, development of housing, schools, hospitals, encouragement of Town Councils, assistance to fishermen in building new types of boats and vessels to operate modern fishing gear and equipment, demonstration of such craft in commercial fishing operations, providing assistance in community developments and generally to maintain vigilance over the welfare of these fishing communities.

The two Governments jointly will have to undertake assistance in financing the private initiative of groups of fishermen and of communities where modern facilities can be constructed to enable the fishermen to increase their income by modernizing their methods of handling and processing salted fish. In some cases private capital may be encouraged to invest in the building of modern plants for handling salt fish and some frozen

fish at locations especially along the North East Coast, where most of the real problem of our fisheries lies. Here the main question arises. After all the facts are known, when the two years of study by the Development Committee have been made known to—the Governments and the industry in a recommended programme for implementation, who is going to undertake to actually put up the money, to provide the skilled personnel for operations and the trained and experienced management necessary for the success of any industrial or business undertaking?

This is the question that has troubled both Governments. It has been said that the initiative would not—indeed that it could not—be forthcoming from Newfoundland firms. I must confess that I myself had such doubts until recently. Within the past few weeks Mr. Arthur H. Monroe, President of the Fishery Products Ltd., the same firm that volunteered to jump into the breach last mid-summer, to implement the Committee's interim proposals, has responded to my invitation to consider what part his company might play in the development of our fisheries, to tackle not only one phase of our problem at a particular location or in a certain area, but to look at the fisheries of Newfoundland as a whole, with a view to starting integrated operations embracing all phases of our fisheries.

What we wanted was an organization that was established in all branches of the industry, and, as far as possible, in all parts of the Island of Newfoundland and Labrador. If the Government of Newfoundland could enter into a satisfactory agreement with such an organization, an agreement that would offer the organization an incentive for efficient perfor-

mance of what it might undertake to do and with safeguards by way of penalties for inefficient performance, we would strongly recommend such a procedure being adopted by the Government. This, I am glad to say, we have been able to do. The Government have agreed to enter into an arrangement with the Fishery Products Limited. This Company is engaged in almost every branch of the fishery, from Labrador to Cape Race and Cape Ray, and is in fact the largest operator in the processing, handling and marketing of fresh frozen fillets, salted codfish, salmon, lobsters and fish by-products. The Company is well-established and equipped, in every operation from the catching, curing and processing, to the marketing of both fish and fishery by-products. The Government have agreed to enter into an arrangement with this Company which we consider to be an extremely favourable one from the point of view of the large-scale tasks which must be undertaken in the immediate future. The arrangements upon which we have agreed can last as long as the Government wishes and can be terminated at any time the Government may wish to do so. The Agreement will be presented to the House of Assembly in due course, I hope within a few weeks. By this arrangement the Government have readily available the services of a Company which is equipped with the processing and marketing facilities, the skilled technicians and the management to carry out such part or parts of the development programme, as we and the Federal Government may decide to place in their hands. Thus, as soon as the development programme is decided upon, which I sincerely hope will be in the near future, we will have an instrument that will enable

us to work instantly. I believe we can expect impressive results this summer.

This does not of course, mean that Fishery Products Limited, under their arrangement with the Government, will have any exclusive franchise. In fact, the opposite is true. The Government will be looking to every Newfoundland fishing enterprise to pull their weight in the programme of development. We want healthy, wholesome competition.

We want private-profit enterprises to flourish wherever they operate in Newfoundland under sound management. We also expect that in the final analysis the results of the operations of such free competitive institutions in the fisheries will be that the earnings of fishermen will be increased to parity with those employed in comparable industries. We look to such private enterprises assuming their proper share of responsibilities for the development of the communities where they are located and those communities from which they draw their supplies.

I have said before, and now repeat, that—only when the Fisheries Development Committee report and recommendations of a programme of development has been submitted to the Government of Newfoundland and the Government of Canada, and the Governments have agreed upon their course of action in collaboration with industry, will we be able to proclaim a fisheries policy.

The Minister of Fisheries and Cooperatives has said in his message to the Federation of Fishermen in the March issue of their publications, and I quote:

“When the fisheries policy of the

Government of Newfoundland is laid down, it will be no milk and water policy—it will be a forthright, bold, dynamic course of action, calculated to achieve the greatest good for the greatest number of our fishing population. This further I would say at this time: Without knowledge of what the Fisheries Development Committee Report contains, first and foremost in any development programme must be the objective of improving the income and providing greater security for the men who take the fish from the sea and their families, for the men and women who labour in shore plants and their families: For those who harvest our fishery resources and those who prepare these products for distribution to the consumer of the markets of the world and the first citizens of Newfoundland. If there is to be no security for them, there will be no security worthy of the name of Newfoundland economy."

The arrangements we have made with Fishery Products Limited place both Governments in a position to avoid delays in implementing development projects, particularly those on the North East Coast where any delay during the current year would retard the implementation of development in that area for a full year.

It is evidence of the determination of this Government to join with the Government of Canada and the industry—(and when we say "industry" we mean fishermen, processors and exporters)—in capitalizing the place that Newfoundland holds as the centre of operations commanding advantage for the fullest prosecution and effective utilization of the vast fisheries of the North Western Atlantic, and those yet unexplored and unexploited resources of our own inshore fisheries.

MR. M. M. HOLLETT (Leader of the Opposition): I rise to a point of privilege. Would it be all right to ask a supplementary question with regard to the statement just made?

MR. SPEAKER: It is not open to debate at the moment.

MR. HOLLETT: May I ask this—has the Federal Government been apprised of the agreement with the Fishery Products Limited?

MR. SMALLWOOD: I have only this to add: The Report of the Fisheries Development Committee is not yet received by the Government of Canada or by the Government of Newfoundland. Beyond that, I have nothing to add to the statement I have just made.

#### Presenting Petitions

MR. CANNING: I rise to present a Petition on behalf of two hundred and twenty-five voters of Woody Island and Bar Haven, Placentia Bay West, asking that something be done about the road there, as the people there have difficulty getting over the road, particularly those who have to get to and from the hospitals. I have pleasure in supporting this petition and I ask that it be forwarded to the Department concerned.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion and Questions

HON. G. J. POWER (Minister of Finance): I give notice, Mr. Speaker, I will on tomorrow move the House into Committee on Supply to consider the granting of Supply to Her Majesty.

### Answers to Questions

MR. SMALLWOOD: I have one reply, Mr. Speaker. I was asked for the agreement for the sale of the Cement Plant. This is it.

MR. SPEAKER: Question No. 48.

MR. SMALLWOOD: The Honourable Minister is absent.

### Orders of the Day

Address in Reply:

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I am very happy to take part in this debate on the Address in Reply. As a necessary introduction to what I have to say, and I say it more than as a formality, I would like to add my word of congratulations to the mover and seconder of the motion before the House for their buoyancy and for their vigour which now we have come to expect from these honourable members.

The Speech from the Throne, Sir, fittingly referred to the forthcoming Coronation of Her Gracious Majesty, Queen Elizabeth II. In a year which bodes so much fear and darkness for all the world the Coronation of the young queen will come as a great pageant of sweetness and light. At a time when unity and peace seem still so far, far away, the Coronation of the Commonwealth's queen will be a dramatic and civilizing symbol that "we are a people yet." It will help greatly to make this year a year of grace. The Coronation of Elizabeth II will be a reminder to the British particularly and to their brothers and cousins of the Commonwealth of the spacious days of the former and first Elizabeth. Britons especially, who are exerting a steadying influence in world affairs out of all proportion to their

numbers will in June of this year furnish another ennobling example to the world of how, when the occasion requires, they can put first things first.

Yesterday, Sir, this House by word and silence respectfully saluted the passing of the Dowager Queen Mary. The noble character of that regal lady epitomized the age that is past just as definitely as the youthful courage and serious devotion to duty of her granddaughter Elizabeth II symbolizes the spirit of the age that lies ahead.

Returning now, Sir, to more domestic matters, may I add my glad word of compliment to the two new members who have taken their places on this side of the House since we last met. I refer to the honourable members for Labrador and Ferryland who represent the North and the South respectively, the north which was and is the solid north as far as this side of the House is concerned, and now the south solid likewise. On this side of the House, Sir, is the national party of Newfoundland. Anyone who would be foolhardy enough to question that we are the national party should first look over the representation on this side of the House; and second, he should study more carefully the Speech from the Throne.

In one respect, Sir, this Speech from the Throne is perhaps the most remarkable one since this Government took office in 1949. For whilst all the others have stressed economic development, it has been recognized frankly by the Government all along that the introduction of new industries on ever so wide a scale would not employ all our people all the time. We have realized, I say, all along that even with these industries all operating successfully they would still leave



sections of our people relatively untouched and drawing no direct benefits from them. I refer mainly to our fishermen and our farmers. The Speech, with the consistency for which, I think, this side of the House is notable, still concerns itself essentially with development, but it casts its lot, so to speak, this time in new directions. It not only reaffirms our faith in what we have already done, but it goes on to apply the same spirit of exploration and planning to the other major fields that have not yet been tapped. This Speech has something for all the people. That is what I believe makes the Speech so remarkable. What up until now was not advisable nor practicable to do because, in the overall planning of the Government's business and its relation to the people, certain things had to take precedence over certain others, because that was so we shall now undertake to set in motion the unfinished things.

Looking back over all the Speeches from the Throne since 1949 perhaps even the Opposition will be able to see something of a grand design which has been unfolding stage by stage, even if they cannot summon up the grace or generosity to admit it in public.

**MR. JACKMAN:** To a point of order, Mr. Speaker. The manifesto of the last Government referred to twenty thousand jobs in two years. My question is—Have they in any instance provided those jobs at the present time, as it is two years now?

**MR. SPEAKER:** That is not a point of order. It is a question.

**DR. POTTLE:** The development of the design is, if I may say it modestly, another great Liberal record.

Its chief architect, as everybody knows, is the leader of the party, the Premier of Newfoundland, whose dynamic personality and whose daring have been its chief cornerstone.

Now, I should like to make some brief reference to the statement, or the methods of speaking to this address, of the honourable and learned member for St. John's East. His technique was not to give out helpful information. I have just observed, Mr. Speaker, that he is not present in the House, but I say this nevertheless: His technique was not to give out helpful information. He was not even seriously concerned with clarifying to the people how the job ought to be done. His method rather was to sow a whole jungle of sting nettles by asking a battery of rhetorical questions founded on rumours. It is the well-known technique of a criminal lawyer, who by raising such questions helps to confuse the opposite side of the case and to throw the fury off the main scent. For instance: He asked—Is it true that one of the new industries is losing money at the rate of \$80,000 a month? Now the industry in question may not be losing at the rate of eighty thousand dollars a month, but once he asks the question in that form it is easy to believe it is losing fifty, forty, twenty or ten thousand dollars a month. Is it true, he asked, that the Machinery Plant is to be moved to the Mainland? Not necessarily, but once asked in that form, it is easier to believe the plant is going to be shut down. Is it true, he might have asked, that the Government intends to blow up the millionaires on Water Street? Not necessarily—at least I know nothing about it. But once you have asked that kind of question it is easier to believe that the Government plans to blow the top

off Signal Hill. The same honourable member, Mr. Speaker, who thinks he has stabbed the new industries dead by his stiletto questions has not taken the trouble to visit the machinery plant, for instance, as I asked him in this House. Quite certainly he has not taken the trouble to travel to Carbonear to see the Tannery. But having snuffed out the life of all the new industries this side of the Tannery, he is not taken quite off his feet by his own rhetoric, and he says the Tannery is doing practically nothing and that the leather goods industry alongside has turned out just one coat—and that one for the Premier—and a few things for a show window down town.

Mr. Speaker, at least they know in Carbonear who is the Premier. That is more than they can be expected to know about the Leader of the Opposition. Now, you see him, now you don't. There have been four in the last four years counting my good friend who did not even reach the House. I say: Now you see him, now you don't, otherwise the Carbonear industry might have made a coat for him too, not a green one.

MR. HOLLETT: Mr. Speaker, may I interrupt on a point of privilege? Is the Honourable Minister referring to me? "Now you see him, now you don't"—Is there something wrong with the honourable gentleman's vision?

MR. SPEAKER: I fail to see what point of privilege is involved. The honourable member made himself quite clear. It might refer to the present Leader and might refer to any of the past.

MR. HOLLETT: I would like to have it clarified.

MR. SPEAKER: If the honourable

member wishes to interrupt the Speaker let him do it as an interruption, not bring non-existent point of order after point of order.

DR. POTTLE: I am sorry, Mr. Speaker, the Opposition did not appreciate the figure of speech. I was referring to the coat, not a green one probably, which might be made at Carbonear for the Leader of the Opposition, a coat, in fact, of many colours. But the Leader of the Opposition does not stay still long enough for them to take his measure.

MR. JACKMAN: Will the Honourable Minister permit a question? Will the Honourable Minister tell the House what is the basic rate of pay paid by this firm?

MR. SPEAKER: Order—That is out of order. It has nothing to do with the honourable member's speech.

DR. POTTLE: As far as the Carbonear industry is concerned, Mr. Speaker, I have in fact talked with the owners of the industry there since the honourable member for St. John's East made his address.

MR. SPEAKER: The honourable member will disregard that question and not answer it.

DR. POTTLE: I have no intention. I did not even think it was a question, Mr. Speaker.

MR. JACKMAN: It is just a question of the workers of Newfoundland.

DR. POTTLE: The operators of the industry in Carbonear discussed with me the real progress of their industry there. They are well aware that settling into a new area, in a new country, is not an easy thing for any industry. But they are not discouraged, and they are taking steps, for

instance, towards marketing of their product, which I think, I am quite sure, will bear results. They are hoping, as we hoped and still hope, that inasmuch as any one industry cannot stand on its own feet alone, whether German or whether it is British, that it will stand to profit in conjunction with the other industries we have planned. Certainly the quality of the goods manufactured is excellent. One thing I was impressed with in my conversation with the operators there was their optimism.

There is another thing I should like to make on behalf of the good people of Carbonear themselves who, I take it, are normal Newfoundland people. They have received Mr. Dorn, his associates, and their families as friends who have thrown in their lot with Carbonear. These Czech and German people are received into Carbonear homes; their children mix with our children, do their homework with our children, as I have seen them, without any discrimination. The Carbonear people have, in fact, set an example for all Newfoundland communities that have or might have this experience. They are a model inasmuch as they have been one of the first towns in Newfoundland to undergo this experience, and they, as I have said, have accepted the European people as friends and co-workers. If the Opposition had any sense of history, which they lack so sadly, they would recall, as it gives me pleasure to recall, that Carbonear was one of the last strongholds that held out against the French, and they are now receiving Germans into their homes—both examples of their faith in Newfoundland. They have, I say, Sir, in their example been far more charitable and far more understanding than the

Opposition who claim some leadership in this House, or should.

If the Opposition were sensitive about what is happening in Carbonear, for example, they would be put to shame. In their example they have shown over there in Carbonear that they are going to give the new industries every chance, not only economically but socially, in every way putting themselves on the side of the industries there, whereas the Opposition have done the industries great damage both by their outright ridicule and their oblique insinuations. In this matter of criticizing the new industries, Sir, the Opposition finds themselves impaled on the horns of a dilemma. They don't want to be found voting against them, yet they are in duty bound to find fault with Government policy. But it so happens that government policy is just about the same thing as industrial development, so that in condemning the Government they have to show their hand. They are at heart set against the new industries, first because they were introduced by German know-how, and the prejudice, Sir, is still lingering on. By this time their opposition to new industries has spilled over to include all efforts on behalf—

MR. JACKMAN: Mr. Speaker—

MR. SPEAKER: Order. If the honourable gentleman will not stop interrupting he will be censured.

DR. POTTLE: The House is well aware, Mr. Speaker, of the nature of the interruptions.

The Bill to organize Brinco has already been criticized in anticipation by the Opposition. They have chosen so far to nickname it twice so far as "Bunko" and "Bingo." I could hardly believe it when the same honourable

gentleman stated, that St. John's East had not yielded to the blandishments of the Liberal policy and had elected two P.C. members to the House of Assembly here, thus exercising their free choice. If the honourable and learned member has any awareness of a sense of responsibility how will it fare with him in the face of Twillingate and Humber, Grand Falls and Labrador and Bonavista North and all the others, and Carbonear too. It is unfortunately true, Sir, that the class of people who make these comments have their horizons set not very much further afield than the summer houses around the St. John's area.

Now, there is something in the Speech from the Throne for all our people, particularly for those who are the producers. In any overall plan of rehabilitation for any people, and Newfoundland is as good an illustration as any, the primary producers must be given a high priority. In Newfoundland because so few people can make even a precarious living from the land, for instance, we have tended all round to produce even less of what we ought to be producing. And to make matters worse the amount of labour drawn away to defence bases or other enterprises has cut down even further our production of home-grown items very considerably. The housewife, instead of cultivating the old cabbage garden, waits for the monthly cheque from Buchans, Seven Islands and other places and gets her meals from tins at the store.

Now, at this point I would like to refer to a few census figures just briefly, which may be studied by both sides of the House. I refer in particular, Sir, to the 1949 census where it states that the number of people cultivating the land in 1891 was slightly more than the number set down as

cultivating the land in 1945. In other words, according to the census figures, there were less people cultivating the land in 1945 than there were in 1891. Even where you allow for the human factor of error these figures are revealing. Now, I might bring things more up-to-date and give four or five other sets of figures briefly as I pass on: Whereas in 1945 we produced one and one half million bushels of potatoes as estimated by the Department of Mines and Resources, last year we grew only six hundred thousand bushels. That is about forty per cent of what we grew seven or eight years ago. We are raising less cabbage, less hay. Again take the number of hogs raised in Newfoundland, which is a pretty good indication of how much people are producing at home. These figures indicate quite clearly that, whereas in 1952 there were 11,443 hogs raised, it is estimated that last year there were only 2,500. When it comes to the matter of dogs—I would not suggest that we are going to the dogs—but by comparison, whereas there were 2,500 hogs there were at least 20,000 dogs in Newfoundland.

Going back to that matter of production, Sir, and bringing it still further up-to-date. Our welfare officer in one of our most productive areas, and we receive monthly reports from these men, in one of the most productive areas reported lately that whereas the people there used to be self-supporting in potatoes the merchants are now importing them in large quantities although there the land is quite able to produce all the potatoes the people need. That is in one of our most productive areas, on the West Coast.

I am sure, Sir, that our people will genuinely welcome this undertaking on the part of the Government to ex-

plore all the possibilities of farm development, and generally wish it well. I hope, however, that in the meantime people will not get into their minds that this is all for relatively big farmers or big farms or for a few special areas. The plain fact is that now, whatever comes out of the government survey, now numerous little garden plots are either uncultivated or are lying up altogether. Any one of them, above, may be a small item, but for the family it represents a very considerable volume of production of small vegetables, a part of the staple diet of our people throughout the Island. There is today, Sir, a need for our people to produce more food, not only, Sir, for the value of the food but for the great public welfare value in the fact that our people are thus helping themselves.

I shall be one of the last, Mr. Speaker, to underestimate what Government can do in giving leadership to the people, in arousing the people from lethargy and infusing in them a sense of destiny. I have seen all this happen around our own door steps within the last few years, among our own acquaintances. We all have seen better clothing on our children, better health in our children's cheeks, better hope for decrepit and dependent people, and a new light of life in the eyes of our older people. I shall be one of the last, I say to underrate what leadership the government can give in these matters. But I shall be one of the last also to over-estimate what the government can do, or should be expected to do, in these matters. Of course the Government should be expected to do great things. But a Government should not be expected to do for people what they can best do for themselves. It would be morally for a government even to at-

tempt it. Of course the government should be expected to do great things. Only the government can do certain things. For instance, the overall survey of our water power, or our forest potential, is a proper concern of Government and the Government is best qualified to conduct it. Again take the Province-wide system of Mothers' Allowances. Only the Government can operate and start an undertaking of that kind. The Government does what a private individual cannot do; it sets aside a portion of the public finances and redistributes it as a public trust to the needy widows and their children. I say private individuals, with all the good intentions in the world, could never bring about that kind of results; they could never share that wealth with the needy widows and their children as a Government can do, and is in fact doing. But there are other things that individuals ought to be expected to do on their own. And digging up the old cabbage garden or putting in a few extra beds of potatoes are among those things that ought to be expected from private individuals, so to speak without too much government direction or too much government prodding. The point I am anxious to make at this stage is that the long-time prosperity of our people depends in many respects just as much upon what people dig up for themselves as in what the Government might turn up for them.

I should like to touch now, Sir, on those references in the Speech from the Throne which have to do with the fisheries. I wish to assure the House at once that I have no intention of filling out any more pages of Hansard than necessary on the subject of the fisheries. It has occupied many pages already, and necessarily

so, and will occupy many more pages yet.

I have just laid on the Table of the House a series of statistics relating to able-bodied relief, and I wish now to draw attention to certain aspects of these tables. If members will refer to Table No. 4 they will see that we have there endeavoured to show, district for district, the percentage of the people in each district who were on able-bodied relief in the calendar year 1952. What we have done is to place them in certain order; that is to say, those districts with the largest percentage on relief are placed at the top of the list and as you go down the list you go toward districts which have the lowest number in proportion in relief. For instance, the top two are Placentia West and Labrador; then White Bay, Fortune, Hermitage; further down Carbonear-Bay de Verde; St. Georges-Port au Port; Hr. Main-Bell Island. Right off the reel you can draw certain conclusions, that the districts which top the list in receiving relief are districts which depend mainly upon the fisheries. These which are lowest on the list are those where industry is at a high peak all the year 'round, or, as in the case of Bonavista North, where the fishery alternates with lumbering.

In Placentia Bay West, eleven per cent of the people were on relief in 1952 in the winter months; whereas in St. George's-Port au Port there were nil on relief in 1952. There are other percentages and ratios, Mr. Speaker, in the other tables and what they show are two things at least—first, what I have just said, that relief is a pretty good indication of what happens when there is little employment; and, secondly, as in Table No. 3, you will find that the number of persons

on relief at the present time are the lowest in modern times.

I should be very glad if the honourable members would study these tables further, and if they wish to ask questions or if they wish us to elaborate on them, we shall be only too glad to help out in any way we can.

I am only too aware that as far as Carbonear-Bay de Verde is concerned, that the ratios of relief at Salmon Cove and Perry's Cove, for instance, where lives are made brighter and homes made more secure—the ratios of relief there are low because of the great industry at Bell Island. In areas where there has been plenty of work for the last ten months, not one family has been on relief. I doubt whether that fact is very widely recognized. Whereas we have been too much inclined to condemn our people for being too green to burn, or, as depending entirely on government, or too lazy to work . . .

MR. HOLLETT: Who said that?

MR. SPEAKER: Order! The honourable gentleman has the right to be heard in silence.

DR. POTTLE: But the people who say these things are not aware that the character of our people is something that they are not necessarily born with; it is something which environment puts into them or takes out of them. I grew up in a fishing village. I have seen men preparing with great enthusiasm for the fishery and then sitting around waiting for the fish to strike. They lose a lot of time in waiting and that goes on year after year and when it does what can it do but create habits of indolence and poor budgeting o time? Our people have looked forward to relief in October as children

look forward to Santa Claus at Christmas time. I am not talking of second-hand information. I grew up in that atmosphere. But today with all the construction going on, where there is plenty of employment, the character of some of these places has changed. Our people who year after year were accustomed to sit and wait, are now capitalizing on the employment situation and their social character has changed for the better. But as prosperous as we may be, at any time, we can never risk complacency. We are for the moment out of the woods, but we are still vulnerable and any major dislocation of employment on the North American Continent makes us shaky. The Canadian Welfare Council has lately presented a brief to the Government of Canada with a view to stimulating the Federal Government to accept more responsibility in the field of social security, especially as regards those classes of the working population not yet covered by unemployment benefits. This whole question is being discussed by our Department of Public Welfare in collaboration with the Department of Fisheries and Co-operatives with a view to seeing if something can be worked out in Newfoundland and to see if it can be applied to our local needs, particularly as it applies to our fishermen.

A good deal has been said in recent days of the fisheries on the North East Coast and of their strategic importance in the overall plan of fisheries development. I would like to see the district of Bay de Verde regarded as part of the North East Coast for purposes of any such plan. From Northern Bay to Bay de Verde, including Grate's Cove and Old Perlican, you have one of the most active fishing areas in Newfoundland. Last

year they produced twenty thousand quintals of dried shore fish, as well as very large quantities of green fish processed at Bay de Verde and other places and shipped or taken to Harbour Grace. They fish not as a stop-gap, but as a steady year by year occupation. They will be fishing as long as it is humanly possible to fish. In between seasons they may take other employment, but in the spring-time, they smell the pitch and bark. The people, the fishermen, of Bay de Verde District will be keenly interested in any large-scale plans to modernize the fisheries, to increase production or to lengthen the fishing season. But they are not standing passively by merely waiting, without doing something of their own. At Bay de Verde and Red Head Cove last Fall the fishermen met and elected a committee of their own to look into the possibilities of having a fresh fish plant or a fish drying plant established in that area, and in general to see what could be done to improve their present methods of catching and curing fish. This move at Bay de Verde on the part of the fishermen is an excellent example of self-help and it is perhaps the first instance where fishermen have taken a step of this kind. They have, so far consulted the Departments of Government concerned and approached a number of operators and firms who might be interested; and while nothing is definite yet, no definite result, they are hopeful, and their investigation is still going on.

Indeed, Sir, I hope that as the Tourist Development plan proceeds the whole of the north of Conception Bay will be kept prominently in mind. Apart from the significance of the historical sites in the area which are well known, there are many other de-

lightful spots which at very little expense could be made delightful resorts not only for people visiting us from outside, but also for our own people who, according as the roads are improved, are beginning to know their own Province better and better. The sands at Salmon Cove and Northern Bay are widely known, and there are also other places on the North Shore that delight the eye. So that, with the Department of Public Works continuing its good roads policy, the North Shore can be made a considerable asset as a tourist area in this Province. If I were not myself a native of the North Shore, I would say the people over there are the most hospitable of people and give the warmest of welcome to friend and stranger. This fact in itself is a great adjunct to the success of tourist plans anywhere. The old town of Carbonear is both the head and the heart of that district, and it is moving along rapidly. Its population is increasing. The young ladies of the district and the young men they marry, live and settle with their families in Carbonear. The Premier himself, years ago, made the very happy choice of selecting his good wife from Carbonear. I am sure the people of the Town there were only too glad to make that kind of sacrifice, to make that wise investment, for the good of Newfoundland as a whole. But as Ulysses has said although "from much is taken, much abides." And Carbonear still has a lot of good things. I do think there should be a good hotel there commensurate with the growing life of the community, which might be the centre of the social life of the community.

There is one question that keeps haunting us in Public Welfare and it is this; with the Government having to take so much of the initiative in so

many fields of public service, is there not a danger that our people will lapse into the habit of always waiting for the Government to make the next move? With so much public welfare stemming from Government, is there not the danger that the springs of private initiative and the community spirit will dry up? Is the "welfare state" really undermining personal independence and thrift and self-help? The true answer, I suspect, is both "yes" and "no." The temptation for the people to rely on government to take the first step is too great for all mortals everywhere and all at once to withstand. Up to now, the truth of the matter seems to be that as far as social security benefits are concerned, for example, our people are for the most part using them for the purpose for which they were intended. I have received hundreds of letters from widows, invalids and aged persons unspeakably thankful for the benefits they are receiving. I know also from inquiries I have made on my own that, wherever possible, our people who are receiving public assistance are still making a gallant effort of their own to help themselves. The number of people abusing the benefits are in a very small minority. But, Sir, whether our people will still go on helping themselves, whether the evil features of the welfare state will catch up on them, will depend not only upon themselves but upon the community and the social standards they find around them.

Whether we like it or not, we have to say there is the temptation to leave more and more to the Government, and community leaders are not immune to this temptation. According as the Government has taken on more and more, they have tended to withdraw and too often now their first



question when calamity strikes is not "What can we on the spot do to help ourselves?" but rather "What is the Government going to do about it?"

Our community leaders, I say, Sir, have a front-line responsibility in helping to save our people from the worst features of a so-called welfare state. Recently we have seen significant moves made, and I know of others, which are a heartening indication that community leaders are becoming more and more aware of their responsibilities in this new welfare and industrial era for Newfoundland.

I wish I could feel as hopeful about business both great and small in our midst. Business and industry have a unique public welfare responsibility which I am strongly inclined to say they are not carrying out. And I shall now proceed to explain myself. I have heard it said that many business men have actually encouraged people to go on relief and stay on relief so that they would become permanent customers of theirs. That is something which is difficult to prove, but from my experience in public welfare, I would not think it unlikely. I do know that the business man can help set the moral and ethical standard in any small community, and the extent to which he succeeds or fails is the extent to which he is a friend or an enemy of the public welfare.

But the local business man is only "small fry" when we compare the damage he can do to the public welfare with the widespread damage that is being wrought by big business. And, believe me, it is "big business." When I speak of damage to the public welfare by big business I refer to the craze which has been created in the minds of this generation to get some-

thing for nothing. Anyone who can endure to listen to one morning's barrage will at least know what I have in mind. This "something for nothing" craze has now brazenly assumed all the subtlety of respectability, and if you have not your quota of boxtops, you are not keeping up with the Joneses; for Mrs. Jones sent in her box tops last week and won \$2,000. But of course she had to be intelligent enough to tell the radio station where Yankee Doodle went. The flesh pots have now become the jackpots; so much so that between the jackpots and the box tops the casino and bingo binges, the poor housewife is utterly confused as to whether she should go on with the humdrum business of merely keeping a home together, or whether she should really turn professional on her own and become a box top collector.

More seriously, what I have been trying to do is to locate where this craze started, and I think I have located the source or a clue pretty close to the source. One thing I am pretty sure it did not start with the widow getting her widow's allowance, or from the man on relief getting \$5 a month. It did not start from the people who have nothing. It did not start from government, because the fact of the matter is that government have had to get into the welfare business because the old competitive laissez faire way of doing things made the rich richer and the poor, poorer. The Government entered the field to make as sure as possible that everyone would have a better chance of a fair share of the world's goods.

No, Mr. Speaker, this delirium of something for nothing, to which any of us may fall victim, takes its rise in our secular, materialistic view of life, and the chief expression of it is in

those highly industrialized and commercial concerns, those impersonal monstrosities that hide behind billboards and persuade you to "come and get it" through the anonymous proxy of a radio announcer.

If our people's initiative is undermined, it will not be their own doings and it will not be the Government's, although we shall all have to be on guard. I fix the main responsibility on those impersonal corporations and trusts and syndicates and monopolies and commercial concerns which we help to create and which live and move and have their being in profits rather than in ethics. I say that the powers behind the boxtops and the soap wrappers is doing more to undermine our people's independence and capacity for self-help than anything else I know.

Do I think for one moment that my piccolo protest will be heard to any effect over the raucous orchestration of the boxtoppers? Do I think my puny finger at the dyke will do much to stop the tide? I do not. But I think these monstrosities are possible because they can gamble on a certain level of public opinion. They will go on wreaking their ill effects on the public welfare as long as they can count on our people saying "aye and amen."

I was listening the other night to a programme of Bach's music. We do not create that kind of music today, although, thank goodness, we are still civilized enough to reproduce it. Instead we have those death rattles in the throats of the singing advertisers. If one were philosophic, one might look upon it as the galloping consumption of an age that thinks its salvation lies in stock piles and gross national products.

What I have been trying to do is to show that public welfare is public, and that industry, for example, has its share of the responsibility for the public welfare at least as much as government.

I should like to draw to the attention of the House that while the Government has been stressing and carrying out material plans for industrial and economic development, we have kept in mind also the more human side of the Province's affairs. Even if the Government did no more than what they have already done in the field of social legislation they would, and I try to say it modestly, have done a good day's work. But the Speech from the Throne spells out clearly that we are extending our practical interest to another area of human concern, namely, the area of penal reform.

It is our thought to apply a corrective and rehabilitative approach on a serious scale to adult crime. The House of Assembly in Newfoundland has never taken a step of this kind, and in doing so now on a small scale we are aware that we are blazing a thorny and tortuous trail. More, of course, will be said when the relevant Bill comes before the House for consideration. All I shall say now is that whether legislation of this kind will achieve the desired end will depend mainly on two factors: (1) the leadership the Government can provide in terms of resources and staff, and (2) the backing of sound and informed public opinion.

The honourable member for St. John's East and the Leader of the Opposition have drawn attention to the consumption of liquor and the profits which they allege are made from the sale of liquor annually in New-

foundland. They take a critical view of the whole liquor situation, as of course, they are expected to do of all phases of Government policy. On this liquor question I have only a few words to say at this moment: In administering the Liquor Act, as in all other such matters, the Government tries to keep in touch with public opinion. So far the Government have reason to believe that by and large our policy is being upheld by the people. At least we know of no concerted opinion against its liquor policy. This Government, like any other government, will keep in touch with the people, will keep its ear close to the ground. It will not wittingly, for very long, run counter to the great body of public opinion. And I am sure the Opposition will appreciate the reasons why this is so.

It is a very great pleasure for me, Sir, to acknowledge the tribute which the Leader of the Opposition has tendered to the Department of Public Welfare. I should like to let this compliment stand for the permanent staff of the Department. I am thereby more happily free to delight in his compliment and to assure him I shall be very glad to convey to the staff of the department the words of appreciation of the Opposition. I had, in fact, written into this speech my own compliments to the staff before the speech of the Honourable Leader of the Opposition. I have been closely associated with the work of the Public Welfare over many years, particularly since 1949. I say again, because it bears repeating, we have two tasks in public welfare: one to redistribute the dollars we have in such a way they will be enabled thereby to help themselves to the very greatest extent. We shall not have achieved our end nor completed our job if success in

public welfare is considered as merely distributing dollars; that is easy. But rather to distribute them in such a way that it will build up human values and increase good will and self-enterprise. These are the things that count. Therefore, our job is very largely to interpret to the people what we believe sound public welfare is for. The solid basis of sound welfare policy is very largely in how they feel as well as in what we do. We are, in plain language, attempting to help people to help themselves. In doing that, Sir, both sides of the House will appreciate that the staff of the department is very important in this one special respect. Our services are of a personal kind. The way you treat people, meet people at the door or in their homes, in the department or out of the department—these are things that cannot be measured, Sir, but are very vital and very significant to our people here or to people anywhere.

So I do pay this tribute to the staff both at headquarters and in the field who are making it possible for public welfare to give its little bit of personal service too, along with other aspects of government services. I invite the members of the House at any time, if they have the leisure, to come down and see for themselves how we do our work, and what the volume of work is that we have to do.

I am about to conclude, Sir, and I do so on the very point at which the Speech from the Throne itself closed.

The House did not fail, I am sure, to notice a question asked by the honourable member for St. John's East relating to the number of days spent out of the Province by each Cabinet Minister and the amount of money involved. From these two sets of fig-

ures my honourable friend will by his higher mathematics deduct how much a day a given trip will cost, and if he gets the figure he is looking for he will, no doubt, entertain us with what he thinks has something profoundly to do with the future of Newfoundland.

Since the House last met I had the unusual experience to visit and study from a welfare point of view, parts of the Middle East India and Pakistan. It was a privilege which I regarded from beginning to end as also a responsibility. Since returning I have shared those experiences widely with many audiences of our people, not, I assure you, as a mere travelogue, but as a means of communicating the thoughts of these people to our own people, always pointing up, as well as I know how, what I think our responsibility is towards the nations of these undeveloped areas. I know, Sir, I came back from that study tour more encouraged and inspired to try and be not only a better Newfoundlander but a better Canadian, a better representative of the West.

The longer I sit here in this House, the more I am convinced that our people deserve the best leadership we can give them. I confess to this House, Sir, and I regret it as much as the people to whom I refer, that I have been looking to the other side of the House to provide some of that leadership, even if we did not quite agree over here as to where they intended to lead. For one, Sir, I have been deeply disappointed. I have heard many speeches from the Opposition which have gone a long way towards making me ashamed to be a Newfoundlander. But not once have I heard a single utterance which through and through made me feel buoyantly proud of being one. For four years

now I have looked up and down the long benches of the Opposition, hoping against hope I would hear the encouraging word. Not one. Not one for four long years. I have, Sir, looked upon them row on row time and again from their serried ranks whence they have produced only a dismal dirge of devastating despair. Our people have asked for bread and they have been given scorpions. Yes, Sir, it is to the people we are answerable. They have the last word. They are the last word.

How many times during our four weeks in India, for instance, was I asked; What kind of a country is Canada? And I would proudly recite our record of wheat growing, our industrial output, and our third place as a leading nation among all the trading nations of the world. And so often the comment would be: "We know all about that, not all but a great deal. But can you now tell us what kind of people are Canadians? What kind of people are Newfoundlanders?"

"What kind of people are Newfoundlanders?" We have had a very striking and heart-warming example recently, as the Speech from the Throne so properly portrays, of what Newfoundlanders are like. When the ravages of the recent floods in Europe were made known to our people and they became fully aware of the destruction of life and property that awful catastrophe had caused, they answered the challenge of wind and wave, as they had more than once answered the challenge of war. The response of our people, in practical terms well over \$100,000, was, as the Speech from the Throne truly says, immediate and phenomenal. That remarkable response tells us as dramatically as anything else I know

what Newfoundlanders are like. They are still a people of whom our own Newfoundland-Canadian poet, E. J. Pratt, has warmly written as follows :

"This is their culture, this their master passion—

Of giving shelter and of sharing bread,  
Of answering rocket signals in the fashion  
Of losing life to save it."

Such a people, Sir, deserve the best encouragement, the best example that can be given them whether by industry, community leadership, by Opposition or by Government.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I should like to move the adjournment of the debate.

Third Readings :

A Bill "An Act Further to Amend Chapter III of the Consolidated Statutes (Third Series) entitled Of the Registration of Deeds and Other Documents." Read a third time, ordered passed and title be as on the Order Paper.

Second Readings :

Second reading of Bill "An Act to Approve and give Statutory Effect to an Agreement between the Government and International Forest Products Limited."

HON. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, in rising to move the second reading of this Act, I think I should go back a little and give the House something of the background leading up to this Bill.

First of all let me say, Sir, that for

many years, as far back as most of us remember, and further perhaps, we have heard a great deal about the forest resources of Newfoundland particularly the timber resources. Time after time in our blackest moments we have held that up as a prospect for the future, we have the timber resources of Labrador if we could get them developed. Time after time private enterprise has gone into Labrador to carry on commercial operations with the timber resources, and time after time, in fact on every occasion, these operations have not proven to be commercially feasible and the operators have either ended in bankruptcy or have found it necessary to withdraw from the operation completely.

The disadvantages of operating in Labrador are obvious to everybody. The navigation season is very short. Under ordinary circumstances you cannot operate from central Labrador by sea until the middle of June and navigation has to close usually around the middle of November. Then again, of course, there are other obstacles as well. Most of the timber is a considerable distance inland in the river valleys and the cost of getting that timber out is high as compared, let us say, with getting timber out of parts of Newfoundland or parts of most timber Provinces.

All of these factors have sometimes led many of us to despair that there will ever be any profitable operation of the timber enterprise in Labrador, and we still don't know, Mr. Speaker, whether there will be or not.

Last fall a group of persons, a group of businessmen from the United States and Canada came to us and said in effect—we are interested in such things as pulp manufacturing, veneer work,

prefabricated houses, and the production of lumber for building purposes. We are prepared to invest money. We are prepared to take a chance at Labrador if you can give us reasonable assurance that would be necessary in order to carry on an operation there. We ask nothing from the Government of Newfoundland other than the ordinary guarantees, the ordinary assurances that we can operate down there—we have no particular area in mind and we would ask your assistance in locating an area in which to make surveys and in which to carry on preliminary exploration operations.

After going over that matter and thinking it over for some time we suggested to the persons who approached us that the Sandwich Bay Area of Labrador was one worth considering. Now the Sandwich Bay Area (I am sorry there is not a map here so that I could illustrate it) is this side of Gros Water Bay. At its mouth is the comparatively important community of Cartwright which is a centre of the Hudson Bay and the International Grenfell Association. The Bay goes in for twenty-five or thirty miles and emptying into Sandwich Bay are several of the most important rivers in Labrador. In fact the second most important is the Eagle River which empties into Sandwich Bay. The entrance into the bay is narrow and shoal. In fact I have examined the charts along with some of our best known mariners in Newfoundland and the channel leading in there is three and a half fathoms. Since this group of operators propose going there in Liberty ships, fifteen thousand ton ships, they themselves own that it is a very serious problem. The problem is now under survey, the problem, of course, of dredging.

The suggestion made to us by the

corporation was that they would go into some part of Labrador and undertake to cut pulpwood either for use within the Province or for export, and would erect a huge sawmill with a capacity of which I will refer in a moment, and that they would guarantee or endeavour to so build up operations they might eventually be able to establish a pulp mill either in Labrador or here in Newfoundland. They also have in the back of their minds, they don't commit themselves at all, but they do have in the back of their minds the possibility of prefabrication factories somewhere in the Province.

They sent their men into Sandwich Bay, and it may be of interest to this House to know, their chief technical advisor is a Newfoundlander who holds several degrees in forestry engineering, Mr. Nelson Adams, a graduate, among other schools, of McGill University. The area is one which is not well known, I regret to say, to the Department of Mines and Resources, nor to the Government. It is one which had not been surveyed carefully, in fact, no real survey has ever been made by the Newfoundland Government. At this moment we have in the hinterlands of Labrador, Sandwich Bay Area, a survey party from the Department of Mines and Resources headed in fact by Chief Forestry Officer, Cahill. They have been in there now for something like four or five weeks. They are not yet finished and are making an independent survey of the area on behalf of the department. All through the winter, the International Forest Products Limited has had their survey party in there as well, and they have come out and have made a report presumably to their principals on the feasibility of the operations. We don't as yet know what their report is.

As a result of our negotiations during the fall and winter we have drawn up the agreement which is now before the House. I shall run over briefly some of the salient features of that agreement:

It gives the company one year in which to decide whether or not they will pick up the option, whether or not as a result of their surveys they will decide to go ahead with the operation. That year is necessary because of the fact that they, as yet, don't know whether or not it is an economic possibility to carry on the operation down there. At least they did not at the time of the agreement.

If the option is picked up they will have a lease over an, as yet, undefined timber area in Sandwich Bay, for forty years which will permit them to carry on various operations in lumber, pulp wood cutting and other related activities in the area.

They undertake to spend two hundred and fifty thousand dollars over a period of two years, the first two years of the life of the agreement. Members when looking through the draft agreement will have noticed also that the company undertakes within one year from the date of the lease to commence and complete the erection of a sawmill with a capacity to produce thirty thousand feet of lumber every twenty-four hours. The company further undertakes that they will produce not less than four million feet of sawing lumber during the first year of operation and forty million feet during each five year period thereafter.

It is then a very considerable operation in that aspect alone. Also in another section of the agreement the company undertakes to cut pulpwood

in the following quantities; during the first year of the lease—five thousand cords; during the second year—seven thousand five hundred cords; and in the fourth year ten thousand in the sixth year—fifteen thousand, and so on up to, I think it is ten or twelve years, and during the remaining years of the lease at least one hundred thousand cords for each five year period.

Section eight of the agreement set out the royalties which the company pay to the Newfoundland Government on pulpwood, cut and exported \$3.75 a cord; pulpwood cut and sold for manufacturing into pulp or paper in Newfoundland \$3.25 for peeled and \$3.00 for unpeeled; on hardwood cut and exported \$3.00 a cord; on pulpwood cut and manufactured into pulp or paper in a new mill in the Province of Newfoundland \$1.00 a cord. It will thus be seen there is a priority arrangement there. In other words, if the company export any raw material it pays a higher amount of royalty more than it would pay on wood which is cut and manufactured or processed in the Province of Newfoundland in which latter event they pay only one dollar. There is then every reasonable incentive for the company to undertake to attempt to process the raw material in the Province of Newfoundland.

The sawmill rates may be of interest as well. As a matter of fact they are standard rates anyway on the first million feet that is manufactured \$1500. That is the standard license fee, if you wish to call it that, in the Province; on any quantity over a million but not exceeding five million feet \$32 per one thousand and on all quantities over five million \$2.50 per thousand board feet.

There are several other aspects of the agreement which I would like to draw to the attention of the House. We have protected, you will notice, the hardwood supplies in that the Government or its assignees will also have the right in the first instance to purchase any hardwood supplies from the area. I will also mention the fact that in the agreement we have protected the Provincial rights of our fishermen and of our settlers in the Province. In this case, in the Sandwich Bay Area, we have also taken measures to protect the rivers and the inland fish, the salmon in the case of Beaver River, to see that these fisheries are not jeopardized.

I think I have mentioned the salient points. But before concluding I should like to make one or two observations in general: Here is an agreement with the Government of Newfoundland negotiated over many months, which is now presented to the House for approval. The best that we could get under the circumstances. It cost us nothing and the worst that can happen is that the company may not pick up the option.

I noticed on several occasions the Honourable Leader of the Opposition has made one or two, what I might call, sarcastic remarks in reference to this Act. I was rather surprised, Mr. Speaker, as it had not had second reading and I thought it would be reserved for that. If they are in favour of economic development as they say they are from time to time, at least they have never given any real indications. If they are in favour of economic development I challenge them to give their support to this agreement. It cost us no money, and I know of no way that you can get any operators, any enterprises, to go into any area unless we give them the

concessions that will make it feasible and possible for them to carry on the operation. The Honourable Leader of the Opposition mentioned the other day—twelve thousand square miles are going over to those people. We actually don't know at this stage what area we will, as a Government, give concessions to this company. It will only be of an amount sufficient to enable them to carry on the operation which is envisaged in that agreement. We cannot do less than that. We must give them the rights to sufficient timber if they are to erect a sawmill to carry on over a period of years. These people, if they go ahead, will be investing millions of dollars in the first few years. They must do that to erect a huge saw mill and carry on the other operations. They cannot do that without having sufficient guarantees and these are given there in the agreement. I do not know of any other way that we can get development in that area in Labrador, where the disadvantages are so great, other than by giving concessions to timber areas and other concessions as well. If this goes ahead, it will mean that almost for the first time (if we except the various Defence Projects going ahead in Labrador in recent years, such as the construction of Goose Bay Airport and other projects), it will make it possible for the people there to shake off the shackles that are binding them there. The fishermen of the Sandwich Bay Area, must carry on the fishery for two or three months and in that time they must earn enough to live on for the rest of the year. In this day and age, it is an accepted fact that they cannot do that. They cannot earn enough in two or three months to support their families for even another two or three months;



And to bring a project of this kind to Labrador is to provide an alternative source of employment for the fishermen, which does not necessarily take them away from the fishery, but will enable them to have some earnings during the months of the year when it is impossible for them to carry on the fishery. This agreement, provided the option is picked up, will do that. It will mean that in the first year a certain number of persons will be employed, and as the operation expands, as we hope and pray it will, then we may look forward to the time when all the fishermen over that two hundred miles of particular coastline, can make a decent living.

I move the second reading of the Bill.

MR. HOLLETT: I understand that during my absence, the mover of the Bill said we were opposed to this Bill. I do not know where he got that idea. I think we agreed with the Seigheim deal—and as I look at this, it looks as if it is made out of "Silver" and not "Seigheim." We are supporting this Bill, although we are going to get only \$3.75 per 128 cubic feet; and Seigheim was going to pay us \$5.00. Still, it seems a good bargain.

I have one objection and that is that the Government knows very little about Sandwich Bay, yet they have agreed to let the Company go down there and survey for a year, and then when they come back they can give notice to the Government that they require a lease of an area which has been selected by the Company, to carry on various operations for forty years. In other words, the Government knows nothing of the area, yet they allow the Company to come in

here and say they want so many miles. I doubt if the Government knows how many square miles there are there.

MR. ROWE: In answer to that—

MR. SPEAKER: You may answer the question only.

MR. ROWE: The question was—the area there? We estimate the timber area to be somewhere in the vicinity of two thousand square miles.

I was going to draw to the attention of the honourable member that he did not finish reading the clause.

MR. HOLLETT: "At any time within the survey period the Company may give written notice to the Government that it requires a lease of an area which has been selected by the Company within the survey area and agreed upon by the Government and the Company to be adequate for all the requirements of the Company —"

I do think that Government should have some idea of the possible amount of wood and the quality of the wood to be able to negotiate a proper agreement with this Company—I think they call them "International Forest Products Limited"—which does not mean a thing as far as this House is concerned; and signed by "Silver." They tell us nothing about the Company or the personnel of the Company which is to spend \$250,000 within two years; then they build sawmills and pulpmills. For instance, when the A.N.D. Company came here they were well known all over the world; and in Newfoundland also, our people had some idea of the timber area. The same thing applied to Bowater's. They were well known. This may be a big company, but I do think the House is entitled to be

told who they are, what their antecedents are, what their assets are, who is the Secretary-Treasurer, and so on. We are asked to agree to an Agreement and we do not know to whom the concession is being given. We are not against the principle of the Bill. If the Government is able to get somebody to go into Sandwich Bay; by the way, is that the Williams' area?

MR. ROWE: No, that is two hundred miles North of that.

MR. HOLLETT: We are not against the principle. As I say, if the Government can induce this Company or seduce this Company to go in there and pay royalties, I submit, that before any royalties are made hard and fast, they should not be such as would militate against the success of the industry.

It would be a good thing, anyway, to cut out some wood which is falling down through rot and otherwise.

We are not against this, and I believe if you can get it through, it will be a great thing; but they know nothing of the kind of wood there and how many miles they would select. I did see something there, thirteen million cords.

We are in favour of the Bill.

MR. FOGWILL: I am going to support the Bill particularly on the grounds that it will bring revenue to the Province. Eventually, at the end of the ten year period, if they cut the minimum amount, it will bring in a revenue of \$92,000.00 a year. On those grounds, I would support the Bill; by that time the Province will need more money, I notice there is a saving-clause; the Government is not taking any risk. I hope it will

not prove another Seigheim outfit. There is wood down there; they are going to find it and cut it out—the minimum amount is very small (7,000 cords); the amount of sawed lumber does not amount to a very great quantity. But even the minimum amount will bring in quite an amount of revenue to the Province.

MR. CASHEN: I think the territory which this Bill covers, if my memory serves me right, is the territory around Eagle River held on a ninety-nine year lease by the Company controlled by the McMartin interests in Toronto. A year ago, or thereabouts, the agreement would be cancelled, because they had done nothing there.

Personally, on behalf of the Independent Party, I support the principle of the Bill. I have always, for fifteen or twenty years, advocated that something be done to develop the Labrador area.

There is only one thing that seems a bit doubtful and that is the stumpage rates—three dollars and some odd cents. If the Government would check with the other Provinces of New Brunswick, Quebec and Ontario, they will find the stumpage rates there nothing like they are here today—stumpage charges there are in the vicinity of \$1.75 per cord, whereas here it is \$3.75 for exported wood; \$3.25 peeled, \$3.00 unpeeled; hardwood exported \$3.00; pulpwood \$1.00. At the present time the two mills in Newfoundland are paying no stumpage rates on Crown Land, some of which is held in fee simple. That is the only thing which makes me doubtful.

This Company—the International Products—I have never heard of them in this business. It looks an espe-

cially-formed Company, not operating in Newfoundland, but operating under the Province of New Brunswick. Why did they not incorporate under the Province of Newfoundland, so we would know something about them? We know nothing of their financial interest. I have seen some Bills—and compared to Scigheim's, this is only toothpicks; at least, they do not say they will cut one thousand then five thousand; next seven thousand, up to one hundred thousand cords. That indicates that there may be something behind it. But I would like to know the financial standing of the Company. They are not like A.N.D. and Bowater's both of which Companies are world-widely known. Is it a subsidiary of some Company on the Mainland, in New Brunswick? It looks to me like a peculiar set-up; they do not incorporate in Newfoundland although they plan to operate in Newfoundland. I do not know why they do that. I presume the Government has had their credentials looked up. They have a year to survey. I agree with that. You cannot get a Company to go to the Labrador and say they are going to cut a certain number of cords. The Government does not know very much about what is there; although I take it from the Minister who introduced the Bill that they have a survey party there at the present time. Is it that the Honourable Minister might answer the question later when closing the debate? There were other parties interested in this a year or so ago; they paid some money to the Government—is it the same crowd behind it? Every contractor, particularly in the form of wood products operating here within the last half century, like the A.N.D. and Bowater's, they have been substantial Companies, not just a company of \$1.00

capital with three Directors. What is the paid-up capital?

This Labrador situation is dear to my heart; I advocated it for twenty-five years; but there has been no survey made except somewhere around 1914 or 1915. I saw a photograph of it many years ago—a fellow took a photograph of an area and he multiplied it by the number on that particular area; so the amount shown was nominal. But if there is a real survey going on, you will find something. What are their assets; or are they speculating?

I support the Bill, but I am doubtful about the stumpage rates. I think they are exorbitant. Stumpage rates in other parts of Canada are \$1.75; here they are \$3.00 a cord.

MR. SMALLWOOD: I happen to have some little knowledge of this Bill, of the programme described in it and the people behind it. The first contact by these people with Newfoundland was made through me at Montreal and subsequently in New York City where they came to see me. They subsequently came here for further talks with the Minister who would become responsible for putting the deal through, that is, the Minister of Mines and Resources.

Now, Sir, nothing in the history of Newfoundland—that is to say, nothing in the nature of economic development has ever gotten so black an eye as the logging in Labrador. There is not on record to this moment one solitary piece of successful large-scale (or even medium-scale) logging in Labrador. Without exception as the Minister has said, every sizable logging operation in Labrador has ended in unmitigated failure. And that is why it is so important that there

should be at least one successful operation in Labrador; if only to show it can be done. If it can be done, others without doubt, will follow, and there will be other logging operations. If it can be shown conclusively that logging can be carried on successfully in Labrador, then a great step will have been taken forward in the direction of a pulpmill or even a pulp and paper mill in Labrador some day. Certainly with that black and dismal record of logging failure on Labrador, it is more than doubtful that any pulp and paper company will establish there. Until that blackeye ceases to be black and some success is experienced in the basic operation of a pulp or a pulp and paper-mill; until that is proven to be feasible (namely the cutting, driving and collection of logs), no such company will establish there. Incidentally, in passing, I do not know if the honourable member of the Opposition was trying to pull our legs when he mentioned thirty million cords —

**MR. HOLLETT:** Thirteen million.

**MR. SMALLWOOD:** I think you will find in the end that there are fewer than thirteen million cords of wood in Sandwich Bay; even if you include the hardwood with the soft wood.

As to the financial standing of the Company and why they incorporated in New Brunswick rather than Newfoundland, it was because it was the Company's intention originally to operate in New Brunswick. They were not, however, able to get the timber they needed for the operation in that Province;—at all events, not able to get the timber of the kind they wanted and under the conditions that would suit them.

Their financial standing has been investigated by the Government and we are quite content that their standing is good.

I met all of them at luncheon in New York City when Mr. Silver of New York City and Mr. Adams, formerly of Arnold's Cove and now of Frederickton, N.B.—they brought their partners, the people who are actively associated with them in the Company—and that included three military men—each of them is an Officer, a Director and one of the principal owners of a Company (may be three separate companies, whose principal officers are the directors and owners of the International Forest Products Limited). There is not any question in our minds that these are reputable people who have the means to carry out the operations envisaged in this Bill. I asked that question, of course, and said that I would need to know clearly what was their financial position, and I asked for financial references. Having satisfied myself that they were financially responsible people I pointed out to them that the knob of the matter, the pivot on which their success must rest was the matter of personnel. If they do not get absolutely first class management in the field to handle that operation all their money would be useless.

Now, there is just one other point, and that is in connection with rentals, the royalties that are charged in this agreement. If the House will look closely at the clause they will see quite an interesting principle is established in these rates. I think all Newfoundlanders would agree that there are degrees of desirability in the disposition of our Newfoundland wood, including Labrador wood, as to the use that will be made of the wood. The most desirable thing at all

is that wood should be used in a new mill. The least desirable thing of all is that wood should merely be cut and exported raw out of the Province. In between these two extremes there are obviously degrees of desirability. It is, for example, preferable that wood should be used in a sawmill to being exported. It is therefore established in this clause that the rate of taxation on wood is graded accordingly, or according to the degree of desirability. The lowest taxation is \$1.00 a cord on pulp wood cut and manufactured into pulp or paper in a new mill in the Province. That means in Newfoundland or in Labrador, the Province including both. The lowest rate is for that purpose as that is the thing we would like most of all to have happen to the wood. Then, if it is used for pulpwood in a mill that is already in existence in the Province the rate is \$3.25 a cord. If it is to be sold merely for export the rate is \$3.75 a cord. So that as an inducement to using it in a new mill, pulp or paper-mill or pulp and paper-mill there is a difference of \$2.75 a cord in the rate of taxation. Now, that is a sound principle, more especially when the project in question deals wholly and solely with a timber concession. I wish the House would remember these qualifications when we are dealing with a project consisting solely of a timber project, a timber proposition that it is a very sound principle indeed.

When we brought in the Seigheim project I, personally, had very little faith in it. I have virtually no faith in it. I agreed very heartily with what the honourable and gallant member who is now the Independent member for St. John's West said at the time—it was too good to be true—I thought it was too good to be true. But

we had no choice. The man said he would pay these rates. He said he would do this, that and the other thing. It was costing us exactly nothing. The only cost the Newfoundland Government went to was the cost of printing the Bill and bringing it in.

MR. CASHIN: And the abuse we gave each other.

MR. SMALLWOOD: That only adds to the spice of the House. That costs nothing either. It cost Newfoundland nothing to agree to the deal. Nothing came of it. Frankly I never expected anything ever would. But we had no choice. We could not say to the man we can't give you this. No one else in the world, on the whole globe, not one other person showed the slightest interest in the area which has become known as the Seigheim Concession, not another living soul except Seigheim. Then NALCO was subsequent to Seigheim. What were we going to do? We said, if you think you can do it take a shot at it. It is no skin off our nose. We brought in that Bill. He did nothing. No harm has been done. It has not cost us one cent but a lot of ridicule and leg-pulling and joking from the Opposition. Well, God in Heaven knows they have not much to be cheerful about—let them have their little joke now and then.

MR. HOLLETT: The joke was on you in that case.

MR. SMALLWOOD: The joke is also on the Opposition else they would not be in Opposition. The greatest joke of all is when an election is over and the little opposition sits over there in the cold shades—that is the real joke.

However, this company is coming in now. I believe that these people will

operate when I see them operating. I have far more faith in this deal than I had in the Seigheim deal, but I will believe it when they actually begin operating. They have the money and have been in the timber business now for years and are in the timber business now.

MR. HOLLETT: If you will allow a question, Mr. Speaker—Is there any limit to the amount that can be exported?

MR. SMALLWOOD: I think when the Bill comes up in Committee of the Whole and is taken clause by clause these details can be dealt with I have far more faith in it than I had in the Seigheim deal. They have the money, they have some business experience on this side of the Atlantic—that is important—they have evidently a strong desire to go ahead now. We ask the House to give them the chance to do so, and show what they can do. If they fail there is not one stick lost, the timber is still here, Sandwich Bay is still there, Eagle River is still there and if no one will go there and operate timber at least we can go and catch some salmon. There is no harm done. All we ask is to give them a chance to go in and see what they can do. If it succeeds it is good for Newfoundland and if they fail unfortunately it will be another black eye on timber operations in Labrador, and that we don't want to see.

MR. ROWE: Mr. Speaker, in the short time we have before adjourning I shall try to answer a few points which have not already been covered by the Honourable the Premier in his remarks.

First of all may I say, Mr. Speaker, if I misconstrued the reference of the Honourable Leader of the Opposition made two or three days ago, I

regret it very much, and certainly apologize. I am quite sure, when the honourable gentleman said I did, it is true. The reference there was mixed up with a lot of other things at the time.

I would draw to the attention of the House one point: That area cannot be selected by the company except with the approval of the Government. It cannot be selected by the company. I think you will find that in Section 2 of the agreement, at any rate it is there. That is why we have independent surveys. I should like also to say that it is not quite correct to say we knew nothing about the area in question. We had some survey made in 1946, a general survey not detailed. If I remember correctly the estimated value of the wood at that time was something in the vicinity of seven or eight million cords.

MR. CASHIN: That is on the MacMartin property?

MR. ROWE: Yes. I am speaking from memory, but I have seen the survey report. But that would not be sufficient for our purpose. We have to make detailed survey of certain territory and that is why we have our own survey, so that we will know what we are talking about when the company comes along and says we want this or that area.

On the matter of the personnel involved the Honourable Premier has already dealt with that and there is no need to go into it further except to corroborate that point and to say we are absolutely convinced in the Department of Natural Resources—I should like to point out, in the Act of Incorporation, it is the intention of International Forest Products here in the Province of Newfoundland to incorporate. That is in the Act.

On the matter of charges, Mr. Speaker —

MR. SPEAKER: Order—I cannot hear a word the Honourable Minister is saying.

MR. ROWE: With reference to royalty charges, possibly they may be too high. I will say this, that I suppose any Department of Government in trying to effect an agreement involving the resources of the Province is torn between two factors. On the one hand there is a desire to encourage a company to go ahead and invest, and on the other hand a desire to get all that can possibly be gotten in the matter of revenue from those resources. Now we hope our stumpage and other charges are not too high, certainly not so high as to prevent the company from carrying on an economic operation down there.

Someone mentioned the fact that the minimum cuts appear to be somewhat small. I would point out that in going into a new area of that kind some very serious problems present themselves. There is the problem of installation, holding down booms and things of that kind. Also we have the more serious problem in respect of Labrador of building up a force. I understand from reports that it is the most serious problem facing the Williams Company. In Sandwich Bay the difficulty of getting comparatively skilled woodsmen who would agree to work for a very long period of time. In their case many men from Newfoundland go down and spend six weeks or two months and want to come back. As any member of the House knows it takes a man who is primarily a fisherman to turn him into skilled lumberman, from the discussions I have had, I think the period a minimum period of three years

for such a man to become a skilled lumberman. So whilst there is no limit to the amount that they may cut there, there is of course a physical limit to what any company may cut in an area of that kind. We have no restriction on the amount the A.N.D. Company and Bowaters can cut and dispose of in one way or another. However there is one restriction that we have incorporated here in the agreement: That the company shall during the period of its lease carry on its operation and shall comply with the laws enforced from time to time, laws enforced governing the operation of sawmills and logging camps in the Province. In other words we would not permit any company to go in and make a clean sweep of any particular area. The operation may go ahead there under the supervision of one of the members of our Department insofar as the rights of the Department and the Government are concerned.

I think I have covered just about all the points that were brought up by the various speakers. All I can say is to reiterate and repeat what the Honourable the Premier has said. The House will appreciate, Sir, I have a very special interest in that matter as it concerns a constituency which I represent, and I have my fingers crossed. It is my very deep hope that these people will find it possible to go ahead. I am convinced of the sincerity of their purpose and I feel sure if they decide it is an economic proposition for them it will do immeasurable good for the people of Labrador in particular and for the Province in general.

I move the second reading of this Bill, Mr. Speaker.

Read a second time. Ordered re-

ferred to a Committee of the Whole House on tomorrow.

Second reading of a Bill "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1948."

HON. MYLES MURRAY (Minister of Provincial Affairs): Mr. Speaker, this is merely to amend the old Act as it stands now. You see after Good Friday in that Act there is the 24th of May. The Dominion Act has made Monday immediately preceding the 25th of May the day on which Dominion Day is to be observed all over Canada. This Bill is merely to make local legislation on that.

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

FRIDAY, March 27, 1953.

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

#### Presenting Petitions

None.

#### Presenting Petitions of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

Notice of Questions given by Mr. Cashin.

#### Answers to Questions

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I think there

are a couple of questions remaining to be answered which are at the Department of Finance. I did not have time to go to my office today, and will have them on tomorrow.

MR. SPEAKER: Question No. 48.

HON. E. S. SPENCER (Minister of Public Works): The answer has not yet been completed, but will be presented in due course.

MR. CASHIN: Mr. Speaker, I would draw the attention of the honourable Minister of Fisheries to question no. 40.

HON. W. J. KEOUGH (Minister of Fisheries & Co-operative): I regret, Mr. Speaker, that I have not the reply as yet. I hope to have the answer tomorrow.

Adjourned debate on the Address in Reply:

MR. SPENCER: Mr. Speaker, in rising to take part in the debate on the Address in Reply, I should like at the beginning to add my voice to those who have preceded me in their congratulations to the mover and seconder to the Address in Reply for the splendid manner in which these two young men have performed their respective tasks.

I too would be remiss were I not to note in the course of my remarks, in this the first attempt that I have made to speak to the Address in Reply since I have been a member of this House, were I not to at this moment, welcome my two new colleagues, the Honourable Minister of Mines and Resources and the Honourable Minister of Provincial Affairs, both of whom have been elected to this House since the closing of the second session of the thirtieth assembly last year.



I propose during the course of my remarks, to refer briefly to some points mentioned in the Speech from the Throne, and to give some actual statistics for definite information with regard to the roadbuilding section of the department over which I have the privilege to preside as it affects Newfoundland in general.

I had a few days ago, made a few notes with regard to other topics in the Speech from the Throne, but as several speakers have preceded me, from both the Opposition side and the Government side of the House, I do not propose to delay the business of the House too much, in perhaps repeating what more or less has been said before. I cannot, however, refrain from making some comments on various points and I propose to do so. Before going into these matters, Sir, I should like to refer briefly to what I term the tactics of our genial friends of the Opposition who have thus far spoken in this debate, and on occasions previous to this sitting since I have been a member of the House.

I contend, Sir, that one could very easily look up no end of quotations, no end of sayings and anecdotes and/or adages which have been used from time to time to denote Opposition and Government and/or politicians as the case may be. I feel, Sir, that I too, as one member of this Government, have been, by virtue of my office, submitted to comments from my honourable friends of the Opposition, some fairly reasonable criticism I welcome, as long as it is just and fair, but they have been epithets flung across the floor of this House from time to time in the past three years, which I, Sir, resent to the utmost of my being. As a young man and as a boy I took part in the great

game of sports of life. My good friend, the senior member for Harbour Main-Bell Island sitting opposite me this afternoon—I am very glad he is here. We have been friends and associates for some thirty years or more, and I am glad to say, I do not think he has ever made an unkind remark with regard to my efforts.

MR. JACKMAN: I never will.

MR. SPENCER: I feel the same about the honourable gentleman. But the points I resent, are, Mr. Speaker, when I am told from time to time that I am a yes man. I throw that back into the teeth of those who say it, time and time again, and if I raise my voice a little, it is in disgust in this particular case, Mr. Speaker, I raise it to justify my position. I have sat in the councils of the Government for the past three years, and I do not need to ask, it is unnecessary to ask, nor would I expect my colleagues to say either whether or not, but those who have sat in the councils of Government with Ned Spencer, will never give him the credit of being a yes man. Again, Sir, whether respectfully or otherwise, I throw that back to any member of the Opposition who wants to refer to me as a "yes man" in this Cabinet. I know my job, and I am proud to say I can back that up. I sat in this House as a young man, years ago when a gentleman for whom I had the utmost respect, one of the honourable gentlemen whose picture is just on my left, Mr. Justice Higgins, and I saw that gentleman stand in his seat, close to where my honourable friend, the Minister of Welfare sits at this moment, and say to the Opposition of that day, that he knew his job. I have never forgotten that, Mr. Speaker, I felt it was a comment that was justified. That honourable gentleman knew his job. I feel too, I

may be a bit boastful in this, but I feel I know my job. If something comes up for discussion in the councils of Government whilst I am privileged to sit there, I think, Mr. Speaker, I will at least amongst my colleagues, have the credit of saying that I can take my part. I do so respectfully and as a representative of the people whom I am privileged to represent in this House. I was sent here by one of the most widely known districts of this Island, the great district of Grand Falls, a great industrial centre. The people were very kind to me in my first effort down there, and on the second occasion they returned me with no mean majority. I may add, I am not one who is accustomed to make political promises. I learned enough in my younger days about the promises of so-called politicians. I have never made a political promise in the sense that I made a commitment in order to have that community assist me to become elected. I have never made a political promise, never throughout my district in order to try and gain votes. But I have given service to that district, and as long as I am privileged to sit in the councils of Government as a Cabinet Minister, that district may rest assured, I will leave no stone unturned on their behalf. When I resent such epithets as a "yes man" thrown across the House at me, I resent it respectfully. There may be reasons for it, they have justification in as much as they are trying to find something with which to criticize the Government. I have read very considerably on this topic within the last few days, and could stand here for hours and quote many of the things said which might well be worthwhile referring to the duties of politicians, and stating the duty of

Opposition, of the Government and so on. But I merely refer in passing to this and wish to make it quite clear, Mr. Speaker, I happen to be one who resents that. Again, only very recently when the Honourable Leader of the Opposition was sitting there in his seat, he referred to me as getting hot under the collar. I think, I said on that occasion in retort, it may not be recorded, I hope I was not hot under the collar, but as cold as the ice cut on the Gaff Topsails, a couple of years ago. I know that was a sore point; and why the ice was cut, and the quick decision we had to make with a view to protecting the natural industries of this country before deciding to cut that ice on the Gaff Topsails. The loss incurred quite true was made on behalf of the Newfoundland people but when the honourable member wants to refer to me as getting hot under the collar, I think, Mr. Speaker, and here I refrain altogether from entering into personalities, because even that honourable gentleman had been kind enough in the course of his lifetime in this House to say to me that he has a certain amount of respect for me. I think I return that, not by way of a bouquet, I am not asking for that, but I am happy too that I have said the same about him. I am not in the habit of saying unkind things about people, I was not raised that way, and I think my life on the sport fields taught me in my early days to take my knocks and give them if I could, and I still would want to do the same in the game of life.

MR. HOLLETT: Mr. Speaker, may I be permitted a question—Referring to this "yes man" business, I am afraid the remark he has made about my saying he was hot under the collar has connected me with that

statement towards him. I want to make it perfectly clear that I had not referred to him as a "yes man."

MR. SPENCER: Thank you—Mr. Speaker, I am glad the honourable gentleman said that, sincerely happy. He never had occasion to do so.

Having made myself clear on that point I shall endeavour to proceed with some of the remarks regarding my address. In the second paragraph of the Speech from the Throne we find reference to the continued and expanding prosperity of Newfoundland. This question, Mr. Speaker, might well occupy the time of any honourable gentleman throughout the ninety minutes he is privileged to speak to that Address in Reply. The topic is one that could be very extensively portrayed and expressed—the prosperity and expanding prosperity of our people—I propose to refer to it again briefly towards the end of my remarks.

There are many points which have been referred to in the Address in Reply, and which I perused very carefully and made certain notes. I had planned to refer to most of them, but as I have come down the line and several of my colleagues have spoken before me, I feel these points have been covered perhaps far better than I could attempt to do were I to take any more time to discuss them. I may refer very briefly in passing regarding them.

The matter of the Government's policy of economic development has received very much criticism and perhaps some of it just criticism. Nevertheless; the effort made by the Government in that regard, Mr. Speaker, has already borne so much fruit, has already provided so many jobs and

has already swelled the payrolls of the people of this Province that it does not require from me any further justifications except to say that we too are watching closely, almost with our fingers crossed, in the hope that every effort will be made by the management of these various enterprises to bring them to that state of fruition and completion and efficiency whereby the labour will be much more increased and the payrolls still greater.

True, the policy is not yet two years old. I doubt if any honourable member can successfully claim that any industry ever started on this earth at the outset or even after some years of operation has arrived at peak efficiency which is generally aimed at. It follows, Mr. Speaker, that the same thought might be at least extended to these industries started in this Province. I do not propose to name them all, they are very well known, beginning I believe, with the cement plant and extending down to ten or a dozen more industries already begun. In addition to these, an effort is now being made to establish a battery plant and a textile plant, a rubber plant and a glove manufacturing plant and many others which at the moment I cannot think of.

MR. JACKMAN: I wonder if the Honourable Minister would permit me to ask a question. With regard to the industries, I would like to ask you what is the basic rate of pay prevailing in these industries?

MR. SPEAKER: After the Orders of the Day have been disposed of, no questions may be answered nor asked.

MR. SPENCER: I do not at all object to giving the honourable member the opportunity, but in this case, these questions have their proper

place, and I think a very considerable explanation has been given in regard to the rates of pay in these various industries.

MR. JACKMAN: Mr. Speaker, I should put that in a formal question, is that right?

MR. SPEAKER: Yes, but at the present time, if the honourable member wishes to include that information in his speech it would not be regarded as questions and answers.

MR. SPENCER: Mr. Speaker, I would merely say that only a few days ago, I think the honourable member may have been absent when the honourable the Premier discussed this topic. Certainly in the council room across the way here, only a day or two ago the Government received a delegation from the Federation of Labour and all the associated labour unions in this Province and matters of that kind were discussed. It is not part of my policy or programme to go into them in detail today. As the honourable the senior member for Harbour Main-Bell Island has already been advised, some questions have been asked and information is being tabled regarding that, and if further information is necessary, I am quite sure the honourable gentleman will appreciate he will receive it in due course.

As I was saying, efforts are now being made to establish several other plants. I lay no personal claim to any great knowledge regarding these various industries, but I at least claim the right to express an opinion, hence I say, whilst no one can guarantee complete efficiency, one hundred per cent efficiency for any one of these plants yet, I feel the efforts so far shown and the results so far obtained

are sufficient to prove to the honourable members of this House, as well as to the people of this Province, that a great effort is being made on their behalf and they will continue to grow to the everlasting benefit of the people of this Province.

We regret that the effort to produce dry salt codfish has diminished very materially in the past few years. In proportion to this diminishing of the salt codfish industry, however, I think it may well be said that the production in the fresh-frozen fish trade has correspondingly increased; much of this latter increase has been due to the assistance rendered these various plant owners by the present administration as well as the assistance given them by the preceding administration.

The matter of the forests have been dealt with by my honourable colleague the Minister of Mines & Resources and he has indicated in the course of his remarks that these forests during the past year or two have produced practically one-fifth of the earning power of this Province. That comment may have received slight notice. I do not recall any comment on it in the Press; yet it is a fact that the paper mills at Grand Falls and Corner Brook and kindred smaller lumbering industries in the Island, are actually contributing to the revenue of this Island, twenty cents out of every dollar earned. It is a very laudable amount and deserves very much attention from this Government, and I am happy to see that a Forestry Committee is being set up and a plan is being worked out in order that that section of our natural resources receives the attention it deserves.

Referring again to the Government policy regarding our fisheries, we are

all convinced that the only possible solution will be first to prepare a regularly constituted plan which will provide the chart and compass to help bring in the proper development of the fisheries which we are prone to believe is our mainstay in this Province.

The Speech from the Throne touches on the great question of hydro-power development and it has been on several occasions referred to in this House. The Government has spent very considerable amounts in endeavouring to have the proper surveys made of the potential water powers of Newfoundland and Labrador in order that we may be better equipped to deal with this question when discussing possibilities for the future development with the great industrial companies that our Government has been fortunate enough recently to sign an agreement with a view to greater development of our natural resources. I refer to the agreement with the Rothchilds and with a group of twenty financial companies throughout the British Empire. Having been associated with the Honourable the Premier in his negotiations in London last year, as well as with other great industrial corporations on the continent of Europe, I am happy to say that we have great faith in this organization of BRINCO which constitutes some twenty companies of Britain, together with NALCO, and will, we are sure, do much to bring about this desired development of our resources. And in this regard, I may refer to the petty criticisms of our friends of the Opposition. This weak childish attempt at ridicule; these references such as "BUNCO" and "BINGO" etc. . . .

MR. JACKMAN: Would you permit a question? With regard to

BRINCO and NALCO, what was the position of labour? What was the basic rate, I ask?

MR. SPENCER: I congratulate the honourable member on his efforts with regard to labour; but I may say that this discussion has nothing whatever to do with labour rates.

MR. SPEAKER: The honourable member is out of order at the moment.

MR. SPENCER: Knowing the honourable member as I do, I know he is sincere in his efforts regarding labour, but at the moment, I am not very much worried about these questions, because if and when our natural resources can be developed, these matters to be thrashed out later.

But, as I say, I do not think these efforts at ridicule add much to the prestige of Her Majesty's Loyal Opposition. It is a question of justice and I think they should be fair; and when we are in the course of developing our natural resources, it is hitting beneath the belt, digging beneath the skin, to make such references to these negotiations.

Again, the Minister of Mines and Resources has dealt with the matter of agriculture. It is a matter that has been bandied from pillar to post for a long time, and I am glad the Government has set up an organization to deal with agriculture.

I have referred to the fisheries before, but here I want to tell a story. For some years, through my close association with some of the fishing rivers in this Province, I have learned very considerably of the persecution or destructive methods which have been going on. It is common knowledge to a great many of our sporting public, as well as the more serious-minded

people, that our rivers have been poached and depleted of almost all salmon attempting to enter. Reading an article by a well-known writer on the salmon fisheries of the North Atlantic, I have seen reference to the value of the salmon after it has managed to battle its way inside the entrance of our spawning rivers. Figures have been quoted to show that this particular salmon is already enhanced very much in value to the general propagation of its species. Once it has managed to get into the river it has a reasonable chance to reach the spawning grounds, also it is admitted—perhaps eighty out one hundred—in a great many cases the salmon does not reach the spawning grounds; and it is a well-known fact that the reason for this is not due to the very limited number of fish which are taken by the sportsmen, rather it is due to the well-known destructive method where people jig and net and blast every possible fish out of the pools before they can hope to reach the spawning grounds. Then, again, there is this illegal fishing or netting which has been going on for years near the mouths of our rivers, without proper prosecution of the culprits. The story I want to tell is this: During the past year or two, since I became a member of this House, I was a guest of a gentleman who took myself, my wife and two or three other persons to a certain river on the coast of the Island. As we approached the spot for anchorage, some 300 yards off the mouth of the river, we spotted another boat anchored there. On coming closer, we found that not only one net barred the mouth of the river, but a second net was also in position, and these two nets extended from the shore line, one from either side, across the mouth of the river, in order to make certain

that no fish attempting to enter could possibly do so without battling its way through the meshes of these nets that constituted a barrier well-nigh insurmountable, as far as the salmon entering the river was concerned. If that were all, it would not have been so bad, but grouped along the shore line on both sides at the mouth of the river were several men armed with long poles, at the end of each pole was fastened a very large fish hook; and these men were making absolutely sure that if by chance any fish managed to get inside these nets with a view to entering the river, it was met with gaffs, sticks and hooks to prevent it entering the spawning ground. Needless to say, this picture presented a most disgusting sight, and any sportsman seeing this kind of thing, his disgust can be well imagined. However, I may not be classed as one of the most ardent fly-fishing sportsmen in the Island and may be the sight would not hurt me as much as men of the caliber of Mr. J. G. Higgins, who a year or so ago was the Honourable the Leader of the Opposition. Mr. Higgins has been a very ardent angler and sportsman for years and we can well imagine how he would feel had he seen this. I am glad to know that he has from time to time advocated that these illegal fishermen be particularly dealt with by the Courts.

But to refer back to this incident, when I approached one of these gentlemen whose name is well known round our coast, a respectable citizen as I knew him, and yet here was this man with two boat crews taking part in this illegal netting of this river—when he found out who I was he said, "We only came here to get a salmon to eat." I replied, "Well, my friend, I did not come up here as a policeman

to interfere with your proceedings, I merely came to try and catch a salmon in the legal manner. How do you find the fish here?"

He replied: "There is not one to the ten thousand here now that used to be here fifteen years ago." I said, "My friend, if you continue to use the tactics you are using today, you will find you will have eliminated all the fish." I did advise him to use his influence on his children and asked him to refrain as far as possible from ruining the river. Recently I have seen some comments attributed to Mr. Vardy, Director of Tourism in this Province, when he referred to the same thing. I do hope that those responsible for policing the rivers will get down to business and do something. It is a shame that this great industry about which we are so proud to boats—these great salmon—are becoming something similar to the great auk.

I have taken time to refer to something about which I do not know very much and I feel I should now come to something about which I am supposed to know a little. I can well imagine my listeners here today have concluded I need have said nothing whatsoever up to this point.

My principal work in this Government since I became associated with it has been connected with the building of roads and the construction of buildings throughout the Province. It may be that I am better equipped to deal with this point than any other point to which I have made reference. As the House is aware, when this administration took office, the matter of road connections or roads generally in the outlying sections of this Province (to say nothing of Labrador) had certainly not received much attention.

It has been stressed from time to time, and the records show that practically no roads existed outside of the Avalon Peninsula. True, some work was done in one or two industrial centres, such as Grand Falls District, the Corner Brook area and possibly a little on Bell Island —

MR. JACKMAN: What are you paying on Bell Island for road work?

MR. SPENCER: Other than these, it is true to say that there was no real constituted effort made to establish a road policy or system. For purposes of this talk, I have gone into the records and have come up with some rather interesting figures; not so much by way of comparison with what was spent on the Avalon Peninsula and other outlying sections, but rather the whole expenditure of the Province. I think I may rest assured that the public is well aware that little or nothing had been done in the outports prior to this administrations' coming into office, and certainly it is correct to say that the thousands of demands which have reached my office within the past three years or so have been sufficient to prove to me the very great existing need. It may be true to add that inasmuch as I have visited practically every community throughout this Province and along the coastline, I know the need myself without digging up statistics. I could well imagine the answers we would receive from people of the West Coast—say Bonne Bay to Flower's Cove, if the Government were to say to them, "We have a sum of money for roads this year, but inasmuch as the people of St. John's East or the people of St. John's West, or the people of Conception Bay need a re-finished, resurfaced and paved road this year, I regret very much that we will be unable to build a bridge for

you across Baker's Brook (about which incidentally a petition was presented to this House only a day or two ago); we are unable to extend the road between Cook's Harbour and St. Anthony in order to permit the people of that area to reach the only hospital available to them, we are further unable to build the road between Badger and that industrious centre, Buchans, which town has contributed so greatly to the revenue of this Province, and the Dominion of Canada generally, and in which town it might be said of its people that they are equally industrious and a fine class of people, a term used by my friend opposite when referring to the people of St. John's East, or for that matter, the people of St. John's West and Conception Bay.

Mr. Speaker, I am well aware that all of us here this afternoon will gladly agree that a good word is due all our people around Newfoundland; as the honourable member for St. John's East said, "Thank God, they are all a fine, upstanding, God-fearing people." However, if the honourable members who demand so persistently for roads in or throughout their districts on the Avalon Peninsula were to think for one moment of the dire needs of a connecting road, say from Burlington to Springdale in Green Bay, or a connecting road from Burlington to Baie Verte, or the great need of a connecting road from Badger to Buchans, one may go on enumerating hundreds of demands that we in the Department of Public Works are quite familiar with—I wonder what answer would be given my honourable friend the Leader of the Opposition, if he were in the Government today and were to say to these people, "I am sorry, gentlemen, there is not enough money available to

build roads or rebuild, and/or pave roads on the Avalon Peninsula and at the same time build connecting roads which you people have requested." And here I note that my friend the honourable Leader of the Opposition told me he visited Grand Falls recently. It was not his first time. He spent some time there in the service of the country. And would he go before the people in the town of Buchans and say, "We cannot build your road to Badger this year; where you have no roads, unfortunately, we have to do something on the road which already exists between St. John's and St. Phillip's." I wonder what answer he would receive from the people who are requesting, in their dire need, a bridge across Baker's Brook in the district of St. Barbe where not a vestige of road exists. But don't let us lose sight of this fact, Mr. Speaker, we have roads at least in and around St. John's and on the Avalon and around the head of Conception Bay and elsewhere, hundreds of miles of roads, call them trails, call them pot hole divisions if you like, but we have roads. But these people, some of whom I have referred to from Cook's Harbour all the way down the coast through Jackson's Cove to the bottom of White Bay, and out to LaScie and Coachman's Cove and Baie Verte, and all around the coast, I could go around numerating every name place around the Island where there are no such things as roads existing, no semblance whatsoever. Then, Mr. Speaker, I wonder again what would be our answer or the answer of the honourable gentlemen who plead so earnestly, (again I don't blame them) to have the roads resurfaced and paved as the case may be. Were we to say to them, gentlemen, we can not build



your roads in the outlying sections of the country as we must build them for those people who are in large numbers around the Avalon Peninsula. I am well aware, I stressed that point a little, but I want to stress it still more, I cannot stress it as much as I should wish, but I want to make it quite clear, when we first came into office, one of the first things the Premier asked us to do as a party was to bring in our various demands for our various constituents, maps if we could get them, and get them all correlated on to one great big map of Newfoundland and set it up and then try to discuss it. And let it be said to his credit that having gotten all that information together, according to the demands of that day then he made this pledge that he was going to inaugurate a policy which would in due time, please God, connect up all these outlying sections of the country. I say, Mr. Speaker, a great effort has been made. I would like to give you a few of the statistics I have referred to, but before doing so, I want to say again that, be it said to the credit of the leader of this party, although he may have been taunted with it, and we have since been taunted across the floors of this House at times of discrimination, etc., I want to say to his credit that I have never yet heard him nor the party nor any member of it saying, no we will not build roads in sections where our political friends happen to be in Opposition to us. There has never been any such effort at discrimination as far as we are concerned.

Now I propose to show a few comparisons of expenditures on this much talked about road scheme, and in order to do so I will go back to the year 1945, 1946 down to 1948-49, the four years prior to the administration

coming into office, and mark you, Mr. Speaker, the four years during which time more money, more revenue came into the coffers of Government than for any ten preceding years in the history of Newfoundland, and yet what do we find?

We find that the average spent on roads for construction, reconstruction and improvement, average in those four years was just about one and one half million dollars per year. For maintenance during the same period the sum was about one million dollars per year. For local roads the sum of one hundred and twenty-five thousand dollars per year, making in all two and three-quarter million dollars, all told, spent on the total road policy of Newfoundland in the four years referred to. In order to make the picture a bit more complete I have obtained the figures for the years since this administration took office, namely 1949-50 down to and including 1952-53.

The House will recall that the 1949 programme was set for us before we took office. True it might have been modified and changed slightly, but in the main the votes for us, as my honourable friend the senior member for St. John's West is well aware, were provided for us by the Government of the day before our coming into office. So we did not provide any votes for 1949, but for the next three years 1950-1951 and 1952 and 1953 were provided for by this administration. It is interesting to see that the expenditures on construction, reconstruction and improvements over this period had amounted to an average of from two million one hundred thousand dollars in 1951-52 to an expenditure of two million two hundred and eighty thousand dollars per year or an increase in two and a half

years of upwards of three quarters of a million dollars per year. The actual figures on that four years were as follows: 2.3 millions on improvements and reconstruction, 1.7 million on maintenance and a quarter of a million on account of local roads or a total of 4.35 million dollars per year on an average for the past four years to say nothing about the Trans-Canada Highway, that has no bearing on it. We spent five and a half millions on the Trans-Canada Highway apart from that, but in and around Newfoundland we have spent an average of 4.35 million dollars per year for the last three years, an increase of two million dollars per year on the amount spent for the four years prior to our coming into office. Now, Mr. Speaker, I think that shows a fairly decent picture to get the proper perspective. I may not have given members of the press the best opportunity to get the gist of what I was trying to say, but I would be glad, if they happen to want it, to try and help them get the figures I have quoted. I am not particularly fussy about it. The records of the Province and the expenditure of the Department will show it from time to time, but if they are interested and want the figures I will be glad to accommodate them.

I have referred to the construction vote. The maintenance in the past four years increased from one million to one million eight hundred and ten thousand dollars, the expenditure on local roads has increased from one hundred and twenty-five thousand dollars to two hundred and sixty thousand dollars. This last expenditure, Mr. Speaker, refers to the work being done by the local road committees around the Province, and I am happy here on the floor of this

House, to pay tribute to these self-sacrificing people around the coastline where we have over six hundred local roads committees set up to pay tribute, I say, to their self-sacrifice and efforts on what might be termed a fifty-fifty basis with us in an endeavour to maintain their local roads throughout the Island. They are doing a tremendous job, and I sincerely hope that their people in the communities for which they work will give them due credit. If we supply in cash from the Department a sum of two hundred and sixty thousand dollars we actually get in value on the roads, or the people actually get in value a sum equal in value of three hundred and twenty-five thousand dollars. I am happy, I repeat, to pay tribute to these people for their great effort and their co-operation with this department in helping at least to give them some semblance of roads throughout their communities.

Now, Mr. Speaker, I could quote mileage of roads constructed in the outlying sections since this administration took over, but I fear there is nothing I could add which would improve the picture. I propose, therefore, to mention and list as clearly as I can just a few of the roads and communities which have been fixed up since we took office in 1949. I will begin in Bonne Bay, a section of the District which His Honour, Mr. Speaker, represents. I knew Bonne Bay very well, did road work for the Newfoundland Government there in 1921, thirty-two years ago. I will be fifty-five tomorrow. I worked in Bonne Bay on road work for the Newfoundland Government, and I know something of the needs of these people. I travelled that coast from Bonne Bay to Flowers Cove and on down through the Straits of Belle Isle

to Green Island Cove almost around to Pistolet Bay. There were just a few miles there I did not complete, so I cannot yet claim to have encircled the Island, but I have only eight miles left to go around. I may never get a chance to do that. But I saw for myself as far back as thirty years ago the conditions existing in that area from Bonne Bay to Flowers Cove, and I regret, Mr. Speaker I can almost hang my head in shame to say, in those past thirty years nothing, a mere nothing, has been done to improve that situation. I ask the members of this House and all the people within hearing of my voice to try to picture all those people in the numerous little settlements making up that great stretch of coastline of almost two hundred miles, with not a semblance of road to connect them, nothing but the sea.

MR. HOLLETT: How many settlements?

MR. SPENCER: Roughly twenty-five or thirty. I don't know exactly. I am advised there are more than that. I am just pulling a figure out of the air, at least twenty-five or thirty, a large number of people. During the past thirty years, Mr. Speaker, I regret very much to say, that very little has been done for these fine, industrious people.

Now, I refer to the roads in Bonne Bay where since coming into office we built a twelve mile section of road to join the community of Trout River; in the Flowers Cove Area we built some ten or twelve miles of road tying on to the end of it a road built by the Bowater Lumbering Operations which gave access from the White Bay side of Newfoundland over to the Straits of Belle Isle side to a place known as Brig Bay. The intention at that time was, and still is, to continue

on down the Coast from Brig Bay to Flowers Cove and the numerous other communities which I cannot remember at the moment, right on to Cooks Harbour, and eventually across the peninsula to St. Anthony where the hospital is. That is the intention. So there is a twelve mile road which we put in there. This would link up the North Side of White Bay with the Gulf of St. Lawrence on the Straits of Belle Isle. We hope in due time it will go on down through the Straits of Belle Isle.

Then on to Fogo Island. There we have now a motorable road (I hope). The honourable member for Fogo will not be able to refute what I have to say as he is more familiar with that section than I am from Seldom across to Fogo Harbour and from there around to Shoal Harbour, and Joe Batts Arm into Tilling, in all some thirty miles of road on that Island. Much more, Mr. Speaker, remains to be done in this long neglected area. On New World Island, a very large island in the mouth of Green Bay just outside Lewisporte which joins Twillingate Island with the exception of a couple of short stretches of water. On New World Island we have planned a system of roads to try and connect the people up all the way down through there, some day we hope reaching out to Change Island or very close to it. Last year some thirty thousand dollars were spent on New World Island, a mere drop in the bucket to the amount required to give the people in that area the roads they deserve.

In the Carmanville area and Musgrave Harbour on the Strait Shore a great effort has been made. Here again much remains to be done.

In the Bonavista North area: All the way down through the history of

our people since the Lumsdens North and South have been inhabited and known as Cats Cove North and South, there has been no way of easy approach except by boat to these people nearer than Wesleyville, which lies, as most people know, some eight or ten miles South of Cape Freels. On or about 1941-42 a cottage hospital was built, one of the things for which I give the Commission of Government credit for building—a cottage hospital at Badger's Quay. That is about ten or twelve miles South of Cape Freels, and if a patient had to be removed from Dead Man's Bay or Lumsden North or South to that cottage hospital they would have to be taken by boat around Cape Freels. I have no doubt that in addition to the honourable members of this House are people sitting in the galleries this afternoon who know just what these people have been up against during the past twelve or thirteen years since that hospital has been built. If a person required hospitalization, being ill, at Deadman's Bay, it has been known that, when the sea was too rough for them to get around Cape Freels, stretcher parties have been organized consisting of some fifteen or twenty men to take a patient, a boy or girl, man or woman, on foot over that bog land and rugged section of terrain which lies between Deadman's Bay and Badger's Quay. Mr. Speaker, these were a long suffering people on the North Side of Bonavista Bay. I am proud indeed to be associated with a Government which has changed that picture. In 1926, some twenty-seven years ago, as a surveyor for that time for the Department of Natural Resources here in this Province I was sent north by the Government of the day, I could say a Tory Government, but it is not necessary, I was sent

north by the Government of the day—yes I know something of the money they saved, it was rather laughable. But I was sent North to survey the road from Musgrave Harbour to Wesleyville, largely a bluff. I know a very prominent gentleman who went on the boat with me at that time, Mr. Tobias Abbott, a well-known citizen of this town today, was on the boat. I met him going down and coming back after completing the survey. He too knew that our survey was a bluff. That was in 1926. I am happy to say, Mr. Speaker, that since we have taken office in 1949, that road has now been completed from Badger's Quay to Deadman's Bay. I think that is something which the people of that side of the bay as well as many other people in Newfoundland who know about it will give credit to this Government for the great value that road is to the people in that area. I am proud to see that last year when one of our finest citizens came back from his tour, which he is wont to make year after year around this coast he was loud in his praises in an article published in August or September about the great improvement in that area of the country as well as many others. On behalf of the people I am very proud to see that gentleman, Mr. Gerald S. Doyle, in a very splendid article published on his return to St. John's gave credit to, and referred in no light manner to the prosperity and improved conditions of the people which he personally observed during his tour around the Island.

From Cape Freels I move on to an other very important piece of road being constructed to join Random Island in Trinity Bay to the Mainland. Last year we had a causeway built across the narrow neck of water separating the Island from the Main

land. It is the hope in the not-to-distant future we will have connected up to the end of that causeway the various main arteries on Random Island, roadways which will in turn give them a connection at least with what we have of the Trans-Canada Highway at the present time. These people too will gladly pay tribute to the efforts of this Government on their behalf in building that road.

I could point to many other roads, but time is running out. I shall refer briefly to the fact that it is not alone in those outlying sections we have been privileged to do something, but the people of St. Mary's and Placentia Bay can also testify to road connections which we have made for them in the three short years of the life of this Government. A new road has been built from Holyrood—Placentia Highway to North Harbour in the bottom of St. Mary's Bay. Other efforts have also been made, one to build a road which was a long felt need connecting the community of Peter's River near the mouth of Holyrood Pond across the peninsula to join the road leading from St. Mary's to St. Shotts, in Trepassy Bay, where no road existed before today these people can get in their trucks and cars and motor in to St. John's.

I refer now to that perhaps better known section of the Island, Burin—the Honourable Minister of Health who represents that district is not here at the moment so I can probably stretch a little bit on the very large amount of money which has been spent there. Again, I repeat, in 1939 under the Commission of Government, I was appointed as surveyor to go to the bottom of Placentia Bay to the community of Swift Current and survey the road from there to the bottom of Fortune Bay and later to

go on out the peninsula to Marystown and survey a connecting road from there up to join that particular road. I am very proud indeed to have been associated with the Government at this day and age, and to be able to say that on St. Patrick's Day, just a few days ago, I met an honourable gentleman from the town of Fortune, one of the most enterprising businessmen of that hustling community, Mr. J. R. Dixon, who said to me: "Sir, I am happy to tell you of the pleasure that our people find in being able to motor in to St. John's from my home town in the matter of a few hours." (It may be six, eight or ten, I don't know). That is praise indeed coming from a gentleman who grew up in the area where all down through his lifetime they had to endure the possibility of spending as many as four days to five days, as I did myself, trying to get to St. John's from the Burin Peninsula. I have spent five days on that trip and three or four anchored off the Bay in Fortune. Today that hive of industry, that bustling centre of fishing—Grand Bank—well-known to this Island, is waking up and we are proud to know that we have been able to contribute in some small measure to that area.

Mr. Speaker, I have already reported that I made the survey on that occasion. I am also happy I was able to help to build the road since then.

I contend that more miles of road have been built around this Island in the past three years than in any previous twenty years of this country's existence.

HON. DR. H. L. POTTLE (Minister of Public Welfare): All waste.

MR. SPENCER: That is a very fair comment. We have been told during the course of this debate that

the surplus is gone; all the money is wasted; everything is gone, we are broke; we have nothing left. I wonder if my honourable friends who are prone to make such statements, I wonder if they went to these communities and asked them what the Government has done—but they were told last Fall and they are likely to be re-told in the next election.

MR. HOLLETT: That was the Commission Government that did the road work.

MR. SPENCER: I am satisfied that the people of this Island whom we have been privileged to serve will not be the last to pay some tribute to us for the effort we have made on their behalf. I regret that we have not been able to accomplish all the things we would like to do, but the programme is still going on. I realize too the great and greater than the great need for roads and still more roads in the district of St. Barbe. These splendid people along with those on the coastline from Bonne Bay to Flower's Cove can testify far more than I would ever hope to do to the terrible conditions which they have experienced and had to contend with all through their lives, in this area, through lack of road connections. It is my earnest hope that this section, as well as many others too numerous to mention in this talk, will in due time receive the consideration which they deserve. I sincerely hope, Mr. Speaker, that my friends on both sides of the House, when making demands for their own constituents will realize that what I have said on previous occasions, and what I repeat today is that we, in the Department of Public Works, are endeavouring to distribute to the very best possible extent the monies which come into our funds for road building purposes. I will admit

right here that I am somewhat partial to the many outlying districts whose needs, I contend, where no roads whatever exist, are greater than some of our more local areas in and around the Avalon Peninsula. This effort at explanation is made merely to have my friends on both sides of this House see, if possible, the situation facing the people of Newfoundland regarding roads, as we in the Department of Public Works see them.

I have been connected with road building in this Province since 1925; I surveyed the Marine Drive; I was connected with the building of the bridge at the outside end of Outer Cove; and I think I know something of the needs of roads, not only on the Avalon Peninsula, but in the outlying sections of the Island.

Mr. Speaker, I will make one further reference before I conclude, and that is to the prosperity of Newfoundland as referred to in the second paragraph of the Speech from the Throne. Having been born and raised in Notre Dame Bay and being privileged in the past forty years or so to visit time and again nearly every community in this Island, to see our people and know many scores of thousands of them, I want to say in all sincerity that I have not, in the history of Newfoundland, seen and known such prosperity and contentment as Newfoundlanders are now experiencing today. It is unnecessary to go into detail here, for all honest citizen will admit that this is so. It is a pleasure indeed to see at least some of our citizens who have observed for themselves this great improvement and change for the better in the lives of our people, and then be fair enough to say so; as was the case in that very fine report published by one of Mr. John's outstanding fair-minded c

izens, Mr. Gerald S. Doyle, in his article of August or September of last year. I venture to add, Mr. Speaker, that this statement cannot truly be refused by anyone, even our friends of the Opposition, who from time to time are prone to say they must, as a matter of duty, criticize the Government. I cannot say there has been much constructive criticism; but they have been decent; they have criticized us and that is their job. I agree that this is to be expected, but if they are honest with themselves, they will admit that our people are now enjoying the greatest measure of prosperity that they have ever seen and for myself, being one of the most ardent supporters of Union with Canada, I am convinced that to a great extent this great measure of prosperity is due in no small degree to the efforts of our Leader, the Honourable the Premier and his Liberal Administration.

MR. MERCER: I move the adjournment of the debate.

#### Orders of the Day

Second reading of a Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Superior Rubber Ltd."

HON. J. R. SMALLWOOD (Prime Minister): I have pleasure in moving the second reading of the Bill, "An Act to Approve and Give Statutory Effect to An Agreement between the Government and Superior Rubber Limited," and in doing so, I will give the House a brief outline of what the Bill proposes to do. It is a Bill to give statutory effect to an agreement between the Government and Superior Rubber Limited. This, too, is one of the European industries being established in Newfoundland. It is being established in the

Town of Holyrood, in Conception Bay. In fact, construction of the building has been commenced and is now well under way. It will consist of one large two-storey structure and attached to it, a larger one-storey building; all of it built of concrete, using, I may say with some pride, cement produced in another Newfoundland industry, as so many new buildings in Newfoundland are today. The first building—that with the two storeys—is to serve the purpose of office space for the Company and showrooms as well on the second floor. On the first floor there will be space for warehousing some of the raw material of the Company as well. The factory itself which will adjoin that building, is a one-storey structure with a saw-tooth roof and is the first building of that kind, I think, ever to be constructed in Newfoundland, although it is a quite common form of factory construction used by more advanced constructors on both sides of the Atlantic. The virtue of that is that it allows a great deal of light into the building. This factory will not make rubber. It will import its raw rubber into Holyrood in every form, namely natural rubber and artificial rubber. Its supply of artificial rubber will, of course, come from the mills of Canada. Its supply of natural rubber will come from the Far East where it is grown or produced. They will, however, fabricate the rubber into a battery of things, and the factory, therefore, will be a rubber-processing or rubber-manufacturing plant, manufacturing articles made of rubber for the consumer trade, which will consist largely of rubber-boots and overshoes for people within the Province of Newfoundland, although not exclusively so.

The rubber processing industry in

Canada has seen tremendous expansion in recent years. In 1939 the value of the whole output of all the factories in Canada fabricating rubber was forty-one million dollars. In 1950 that value had increased to two hundred and forty million dollars and it was produced in some sixty-one different factories, most of them in the Province of Quebec and the Province of Ontario; although there were a few in other Provinces including Manitoba, Saskatchewan, Alberta and British Columbia, the last-mentioned Province having four different rubber manufacturing plants. So that it is clear that the rubber-processing or fabricating industry is not a dying industry; it is indeed one that is flourishing in Canada. There is good reason for that as the automobile industry grows, as the population of Canada grows and the use of motor cars, buses, bikes and other vehicles increases; and as the people of Canada must continue to wear rubber overshoes, gaiters, gaytees, and the like; and as seamen, fishermen and loggers must continue, so far as we can see, to use rubber-boots, long and short; and so the Government feel that when an enterprising and efficient manufacturer of rubber goods in Europe is interested in establishing such a factory in Newfoundland, it was a proposal to which we were bound to give very serious attention. We made large studies of the rubber manufacturing industry and trade as a whole. We made such studies as we could of the figures of consumption of rubber goods within Newfoundland. It was not difficult to make that particular study because the Customs Blue Books published regularly each year by the Government of Newfoundland before we became a Province of Canada, contained the figures of rub-

ber imports. Just before Confederation, rubber goods imported into Newfoundland were averaging a value of one and a half million dollars a year, with rubber footwear making up two-thirds of that amount, namely about one million dollars a year. It would, therefore, seem to be at least probable that the consumption of these products in Newfoundland today will be much greater, with the prosperity to which my honourable friend has just referred and with the increased population of Newfoundland today as compared with even four years ago, the consumption of such goods must have increased fairly considerably. So it might be no exaggeration to say that the flow of rubber goods into Newfoundland in these times is of the order of two million dollars worth a year. If that market is here, if a rubber plant is built here and if that plant is efficient, with the latest machinery, with lots of skilled management behind it, with great drive and energy on the part of that management, we see no reason, as a Government, why such a plant should not succeed; and by "succeed" I mean sell its products in sufficient number and in sufficient flow to pay back the Government's loan and interest on that loan until it is paid back, and at the same time make a profit for the owners of the Company. It is the plan of the Company to divide their programme of production into two broad stages. How long the first stage will last they do not know, and I am sure I do not know whether it will be one or five years—only time will tell—but I am a little more cautious after two experiences I had with new industries than I would have been two years ago; so I do not forecast today that the first stage of this new Company's life will be short or eve



long. I am prepared to wait and see how long it lasts. Of this I am confident—I went through their plant in Germany—I was accompanied by the Honourable the Attorney General, the Honourable Minister of Public Works and Honourable Minister of Finance. We went through that plant from top to bottom; it had been badly bombed during the late war—very badly bombed indeed; yet the owners with admirable energy and ambition had re-built it, not indeed to be as large as it had been before receiving that devastating damage during the War, but to a very important and substantial plant indeed. I believe I speak for my three honourable colleagues who accompanied me through the plant, when I say we were deeply impressed by the drive and energy displayed by the owners of the factory, the same gentleman who has established Superior Rubber Company in Newfoundland and who is now building the plant in Holyrood.

In the first stage, the plant is to make work boots, rubber of course and logans (logan tops), and long rubber boots, Wellington overshoes, rubber overshoes, and these will be for men, women and children. They will make sponge rubber goods, particularly mattresses and cushions, a fast-growing and popular product in the industry. They will make other industrial and household goods—rubber mats, rubber gloves, rubber shoe-oles, hot water bottles and another number of similar products made broad. When the first stage of production is complete and they go into the second stage, they will manufacture rubber clothing for fishermen, fishermen, farmers and other out-door workers. They will manufacture canvas sneakers with rubber soles and rubber slippers worn on the great

beaches where millions of people congregate in summer. They will manufacture car and truck tires. They intend in the early stages of production to manufacture each day four hundred pairs of work boots, four hundred pairs of Wellingtons, two hundred pairs of overshoes, and one hundred items of molded or shaped goods such as those made of sponge rubber. The annual production at the beginning will be worth about 1.2 million dollars.

I may say, Mr. Speaker, that the company has travelled across Canada, and has made an effort to establish markets, contacts and customers and are quite satisfied as to their prospects to market some of their products on the Mainland of Canada.

This will be quite an expensive plant, rubber processing machinery is quite expensive and the whole building and plant combined will be rather expensive. The total investment is to be two million dollars of which the Government have agreed in this contract to advance them one million dollars. So that the Government's investment then, if I may use the word investment where we do not buy shares or become owners in part but only lend some capital to them is in the order of one million dollars. They will employ something in the nature of two hundred persons in the early stages. The number they will employ thereafter will of course depend upon the growth of the industry which in turn will depend upon their success in seeking and holding a comfortable share of the market in Newfoundland and perhaps in other parts of Canada. We in the Government have been quite impressed by the speed and efficiency with which they have pressed forward since last fall when they began with the construction of their buildings at Holyrood. They worked

last fall by day and night with two shifts of construction workers aided by flood lights when darkness fell. During the winter they were not able for most of the time due to the weather to do much outside work, but they did use every moment available to them at least in the daytime, working indoors, inside the big new concrete building to prefabricate parts of the concrete roof for the two buildings and many of the concrete blocks of which the walls of the factory building itself are to be constructed.

When I was last out there, a matter of a few days ago, they had, I think, a hundred and forty or a hundred and fifty men employed in two shifts working again at night with the use of flood lights. I have never in my experience seen a large building especially one of concrete go up so rapidly as this building is going up. I believe it is their hope to have all of that machinery here, not only the parts that have arrived, but all of it here in the next couple of steamers due from Hamburg, to get it installed and to be in actual production (I speak now subject to correction and on this point, no doubt, the honourable member for Harbour Main-Bell Island on this side of the House, who has been in close touch naturally with the Company, may be able to give us further information when he, as I have no doubt he will, speaks to this subject in the present debate).

I can only say in conclusion that I have great faith in this particular industry. The owner himself is a man of great drive, great energy. Of all who have come from Europe in these new industries this man has the greatest drive, greatest energy. He is a real hustler, he meets handsomely the general conception of the American go-getting businessman, Mr. Grube.

We have all been impressed by that fact. There is no nonsense about him at all. He does not carry with him much of the universal European culture. He is dogged and rugged and blunt and has very little polish, but he is a man of dynamic energy, push and ability. That is rather impressive in any man of any nationality—he gets things done. The fact that he was not willing to close down during the winter but kept the crowd going making concrete blocks and shapes to whip into position as soon as the weather got warm enough for it in the late winter or early spring, that in itself is rather good evidence, I think, that he is a hustler who does not let the grass grow under his feet. For that kind of man I have the deepest admiration, I take my hat off to any man wherever I meet him who is a hustler, a worker, flowing over with boundless energy.

I move the second reading of this Bill, Mr. Speaker.

MR. HOLLETT: Mr. Speaker, I am very happy to hear the Premier's remarks in which he states his unbounded confidence in this man, Grube, this German, Grube. As a matter of fact, I am not so sure he told us that about our friend Seigheim. At the time he did have a lot of faith in Seigheim. But later he told us he had lost faith in Seigheim.

Now, sir, in rising to oppose the principle of this Bill, I repeat again as we must always repeat on this side because the Government charges us continually with opposing every effort for the sake of opposing. They say we will vote against everything they bring in for the sake of opposing it. That is not correct, sir. Therefore I want to make myself clear as to why we oppose the principle of this Bill.

The first thing, therefore, we must ask ourselves is, what is the principle of this Bill? Well, sir, it is a very brief Bill, and the principle is well outlined. It is the same principle as that which applies to nearly all the German foreign industries which the Government have brought into this country. They propose to tax the people of this country in order to raise monies to bring in industries which are foreign to this country. They propose to bring in industrialists from Germany and set them up in eyeglass factories, textile plants, and they propose to tax the people of this country in order to finance them. Now, Sir, that is the principle which we oppose.

I point out to you, sir, that shortly after last March, sometimes after the end of the fiscal year, this House had to be called together in order to raise a loan to establish new industries in this country. I put it to you, therefore, sir, at that time there was no money in this country with which to finance any more of these new industries. Since that time this Superior Rubber Company has been brought in here and paid some \$313,000 to date out of money which has been taken from the people. The Government will probably say: "Well, we have borrowed the money." They have borrowed it, sir, but I point out that if we borrow money to introduce new industries in this country the people of this country have to be taxed to service these loans and eventually have to pay back the loans. But I do say, sir, in this particular instance the money for it must come out of money raised on current account. The Minister of Finance somewhere around Christmas pronounced that we might have a surplus of six millions, or it was around the end of February, I am not sure which, but there is to be

a surplus and they are taking some of that to put into new industries. Where do they get that, Mr. Speaker? In taxation on liquors, the taxation on gasoline and the taxation on the food which Newfoundlanders eat, they get six millions from that, and it is not only on food. That provides the money, therefore, to help finance German industries in this country. That, sir, is the principle of this Bill, which we very strongly oppose. We are not against new industries, Mr. Speaker.

MR. SPEAKER: I must interrupt—we had been on the debate on the Address in Reply and no doubt honourable members have forgotten that the debate on second reading is not the time to criticize Government policy. I think if the honourable member tries to cover the entire Government policy —

MR. HOLLETT: It is, sir, the same as the principle in connection with this Bill.

MR. SPEAKER: That might very well be, but you are not permitted to discuss general policy.

MR. HOLLETT: I may say the principle is the same as we have in the textile plant.

MR. SPEAKER: That is exactly what I ruled—the honourable member must not criticize the textile plant.

MR. HOLLETT: No, but we still oppose it.

MR. SPEAKER: This Bill, yes, the others have been opposed—that is all.

MR. HOLLETT: At any rate, Mr. Speaker, we definitely oppose the principle whereby the people of this country are taxed in order to bring in industries which are to say the least exotic to Newfoundlanders.

There are one or two other things in this Bill which are deserving of some opposition from our side. If they succeed in the first instance, and I hope they will succeed, I hope they will have good dividends and employ two hundred men, but if the Honourable Premier and the members on the opposite side are so optimistic, I ask, sir, in all conscience, why are not the banks in this country, the money lenders in Canada and the United States of America, why are they not so optimistic, and why do they not lend the money instead of taxing John Jones or Bill Smith in Hare Bay or White Bay or the Bay of Cape St. George's. I ask you, sir, why tax these men when there are money lenders, banks, brokers, and all sorts of things who should and always do lend money when some good prospect is forthcoming.

Now, Sir, there is another thing I am glad to have heard the Premier say: He has become a little more cautious than he was in 1949-50. I am glad to hear that.

MR. SMALLWOOD: I did not say that.

MR. HOLLETT: That is what I thought I heard. If you say no, I take your word for it.

MR. SMALLWOOD: I qualified it.

MR. HOLLETT: However, the Premier did say he was prepared to adopt a policy of waiting and seeing—I think that is correct—therefore, I must assume he is very cautious with regards to this particular Bill.

Another thing, Sir, the Agreement in this Bill, according to this Act was made and signed on the 3rd of March whereas at the end of February some

\$313,000 already had been paid out to this company. There is a principle involved there again which we oppose. That principle is that we believe it is contrary to the Audit Act. We believe that no Government has the right to pay out \$313,000 only on some grave matter which should arise, some terrific tragedy in the country arising whereby \$313,000 were needed, then we believe the Cabinet has the right to pay out, by order in council, and then only on the written recommendations covering the reasons for the minute of council, do they then have this right to pay out the money. But we do not believe any cabinet has the right to pay out \$313,000 on account of any new industry, particularly a foreign industry, without first having the matter ratified by the House.

There is another principle involved which we oppose. I have already mentioned that fact on another occasion. The principle is definitely laid down here that the Government will lend or cause to be lent under Government guarantee to the company the sum of one million dollars which sum is to be available at the time and in the manner hereinafter appearing. There is not very much else that one can say, Sir, except as to the terms of repayment. There again is involved a principle which we must oppose. The company will repay the Government the amount of the loan as soon as it is able to do so—will repay any loan made by the Government as soon as the company has succeeded in negotiating a Commercial bank loan or the sale of its bonds, or at any event, within thirteen years of any such loan. In other words, as soon as they are able, and if not, as soon as they can raise a loan, and if they cannot raise a loan

then within thirteen years—why that is dutch to me. It may be good financing as far as the Government is concerned. How can they pay back in thirteen years if they are unable to do so, and are unable to raise a loan or raise the money elsewhere.

MR. SMALLWOOD: That is heavy thinking—deep thinking.

MR. HOLLETT: It is good logic.

MR. SMALLWOOD: Very logical, very sound.

MR. HOLLETT: Can you tell me that now? I hope the Premier is able to tell me if they cannot raise the loan from some bonding house or bank—they are not able to do so in the first instance—and if they are not able to raise a loan now to do it, will they be able to do it in thirteen years? If the Premier is able to tell me how they will pay it back in thirteen years I will be happy to support this Bill. Though I do not support the principle I support the industry anyhow. It seems rather a strange thing to me that this can be done.

There is another point—it says: If after three years the company has not been able to raise a loan from some commercial bank then they are expected to provide a sinking fund. I would like to know, Mr. Speaker, why this company is not prepared now to start a sinking fund for the paying off of this amount: They are going to wait three years which means only ten years in which to build up a sinking fund to pay back one million dollars. In other words they have to save up one hundred thousand dollars a year. The Premier will probably tell us that is how they propose to pay back the loan, by the sinking fund.

Generally then, Sir, we are not against new industries, but we are against two or three principles involved in this particular Bill, and we shall register our protests. I am quite sure my colleagues agree with me on this matter because the principle is the same as in all the others we have had which I am not allowed to refer to again. This is the principle which the Opposition is against, consistently giving out money to import new industries, rubber, cotton, etc., and in the last three years very little has been done to try and rehabilitate our fisheries in this country. The Honourable Minister of Public Works spoke about roads, and all the Government has done, but he failed to point out the money used.

MR. SPEAKER: The honourable member has already spoken in that debate.

MR. HOLLETT: In any case, Sir, I do oppose the principle of this Bill.

MR. HIGGINS: Mr. Speaker, I have just one or two points I should like to direct to the attention of the House: This is a large amount of money as I look at it, a million dollars for a Province of this size is a very large sum of money. Frankly, before I would be prepared to vote for it with a safe and satisfied conscience there are a few items of information I think the Government might well be asked to give us. I may be naive in asking, but at least there is no harm done, one never finds out if one does not ask. We have been told by the Honourable the Premier that this company is satisfied as to the prospects of marketing their products of this plant which is being built. Now, that is all very fine as far as it goes, but

would the Honourable the Premier tell this House whether or not the Government has in fact checked on these sources to see whether the outlets which the company has said it has do exist. Is the Government in possession of information, worthwhile information as to the possible volume of sales—not now mind you from the promoters? This Mr. Grube may be all the things the Premier says, he may be a go-getter, but at the risk of being rather cryptic, I hope he is not going to get our money without the Government being satisfied we are well protected. I do say this: No matter how fine a man the gentleman may have been in his own native country, conditions on this side of the world may be entirely different. I cannot speak of it with any knowledge as I know nothing of business of that sort of scale. But I do say a man who has been a success in Europe may not be able to meet the competition on this side of the water.

It is all very well to talk about the great and increasing trade in rubber-ware that has developed in Canada and in our own little province, but the fact remains, Sir, you have in existence companies well established, powerful companies who have got the markets, the very outlets this company has to go to. It will be in competition with these established companies, people who have a lot of money behind them.

I do say, Sir, we are entitled to ask the question, whether or not we will be answered rests in the discretion of the Minister, but I do say, Sir, we are entitled to ask, has the Government satisfied itself, firstly that these outlets do exist and, secondly, is the volume of business going to be sufficient to justify their putting this money which even by very amateurish

calculations is going to involve a repayment of something like one hundred and fifty thousand dollars a year. I grant you as the principal decreases the interest does. Finally, has the Government satisfied itself that the people in connection with this company are people who do know the work they are doing?

I do not want to bring up old sores. Mr. Grube may be, as I said, all that he is said to be, but the other director who signs this thing has never before been introduced or referred to in this House as an expert in the rubber game, whatever his qualifications may be in other lines.

Without that information, Mr. Speaker, I for one am satisfied that nobody can vote intelligently. As far as the information given us here we are not in a position either to oppose this thing nor to vote for it. We should at least know whereon what we are voting.

MR. FOGWILL: Mr. Speaker, the Honourable the Leader of the Opposition and my colleague here have expressed their thoughts towards this Bill and there is not much I can say. We have been told by the Premier, that in the past three years according to the Customs blue book, we did import probably about a million and a half dollars worth of rubber goods each year. It may probably be higher today. There are quite a lot of rubber goods to be imported, and it is quite possible the building of this plant would supply this, it is not to be expected that they would supply the whole amount but they may get some of it.

The main thing I think, Mr. Speaker, is this one point I want to make on the Government outlay of on

million dollars. This plant may fail and it may succeed. As far as I am concerned and I think all the members of this House on the Government side, as well as on the Opposition side hope it will succeed. Nevertheless in the event it may fail, most all businesses sometimes get up against hard times and many businesses fail from time to time. And if this plant does fail what is the Government's position then? How much can they salvage out of their investment? Possibly the value of the building and machinery whatever that would amount to at that time. If they did fail the Government would possibly salvage three or four hundred thousand dollars.

I will say this, Sir, if the Government's outlay in these plants was limited to what they could salvage out of them if they did not succeed, I think, Sir, these Bills coming forward would get a much more kindly reception from the Opposition.

Now it has come to my notice, Mr. Speaker, as well as to other members of this House, that we have a plant closing down shortly, the Tobacco Company here in Town. That plant, Mr. Speaker, has been open for fifty years, I believe, and there is a ready market for their products up to three hundred million cigarettes a year and even hundred and fifty pounds of tobacco. They likewise have to import all the raw material, and sell their products in the Island. The value of their product, retail price, Mr. Speaker, amounts roughly to five million dollars a year. If reports are true this plant is closing down with resulting great loss of employment up to sixty or ninety people. That does not look so good to me. There is an instance where perhaps the Gov-

ernment could assist to keep these people employed.

Now, we have a potential market in the country, as the Premier points out, for rubber goods, perhaps not so high a potential market as for tobacco. Nevertheless, Sir, I oppose this Bill with my colleagues on those grounds and on the ground that the Government outlay is too high. It is unusual, Mr. Speaker, to wait until the committee stage to object to the million dollars and move the amount be reduced to a smaller amount, say four hundred thousand dollars, but the agreement is signed—this is only to confirm the agreement. I oppose the Bill on those grounds.

HON. L. R. CURTIS (Attorney General): It was not my intention to speak at any great length on the purposes of this Bill which have been so clearly enunciated by the Premier, but some points raised by my friends opposite make it necessary to draw attention to the provisions of the Bill. At the beginning, I would like to make it clear that this Bill is not an Agreement made between the Government of Newfoundland and any Europeans or Germans. This is an Agreement made with a Company—a Company incorporated under the provisions of the Companies Act and is just as British as any member of the House. Those people behind this Company (Europeans, if you like)—are investing money; they are putting in the equivalent of one million dollars for which one million dollars they will receive shares. These shares represent an investment by these people of one million dollars in the enterprise. They are prepared to come here and put this money in a Company and we on the other hand are prepared to let them have as a loan, as a first charge on its assets,

one million dollars. And this one million dollars we lend them, or what they buy with it, together with their investment, whether in goods—

MR. HOLLETT: Where do you get the extra million dollars?

MR. CURTIS: If you will look at page 6, section 6, you will see the Agreement provides: "Notwithstanding anything contained in this Agreement the Government shall not be obliged to lend any sum of money or guarantee any loan raised by the Company in cash or its equivalent in accordance with clause 4 but not expenditure made by the Company of any amount previously advanced by or under Government guarantee."

MR. HOLLETT: "Not obliged."

MR. CURTIS: The idea is, we will not. We will match by way of loan, dollar for dollar, the investment in this Company. We make it clear. We are not matching our own money but new money which they have invested.

Now, this clause 8 to which the honourable leader has referred, he cannot understand it.

8 (1) The Company will repay the Government the amount of its loan as soon as it is able to do so and will repay any loan made by the Government as soon as the Company has succeeded in negotiating a commercial bank loan or the sale of its bonds and in any event within thirteen years from the date of any such Government loan.

(2) The Company will repay any Bank loan guaranteed by the Government as soon as it is able to do so and will repay any such loan as soon as the Company has succeeded in negotiating the sale of its bonds and

in any event within thirteen years from the date of any such loan." Is that very involved? First, as soon as it is able to do so, it will repay the loan and secondly, if it is able to raise the money from the Banks, if it can sell bonds, it can do so. The whole idea is to ensure that this money will come back to the Treasury at the earliest possible moment. The clause says that whether out of earnings, bank loan or sale of its bonds—as soon as it is able to do so, the money will be repaid. In any event, within thirteen years—but when my honourable friend spoke first we were given to understand there was no time limit—now he remembers that there is a time limit of thirteen years. We give them three years to get on their feet. My honourable friend says, in effect, "why not pay tomorrow?" The building is only one-third built, they have not begun to produce, and he asks "why not repay now?" If they could repay now, they would not have needed the money. We must give the Company a chance, first, to complete the building; secondly, install the machinery, thirdly, get into operation. Three years will be little enough time to do it. We are not ashamed of what happened in connection with the Cement Plant, and my honourable friend will soon wish he had agreed to the Cement Plant

MR. HOLLETT: I did not have a chance. I was not here then.

MR. CURTIS: After three years if the money has not been raised, the Company must start a sinking fund—they must start a sinking fund of \$100,000 a year plus interest. I think the Agreement is very fair. I think it is a perfectly safe one for the country to enter into and I do think there can be no sincere objection to the enactment of this Bill.



HON. P. J. LEWIS (Minister without Portfolio): I suppose at this stage it may sound a little superfluous for me to say I support this Bill because I have done so in another place, and if for no other reason, at least, consistency requires I should support it.

I was interested in listening to the debate on the second reading to get the reaction of the honourable members on the other side of the House to this particular Bill, because I have heard repeated references, even before second reading, to the establishment of a rubber manufacturing plant. This Bill, the second reading of which we are now considering, is designed to give statutory effect to an agreement between the Government and this Company; and the plant whether by accident or design or otherwise will be located in the district that I have the honour and privilege to represent and the principle embodied in this Bill is, as has already been said, nothing new. It is the principle that has been adopted by this Government in its policy of economic development. I am glad that at last—at last—that principle has been applied towards the establishment of an industry in Conception Bay; because if there is one area in this country that deserves industrial development and requires a basis of employment for the people who reside in that area, it is the people in that section.

Our people, throughout the years, have had to go far afield to seek sources of employment and livelihood and I was interested to see (if I may be permitted to divert for a moment) the answer to a question tabled yesterday to able-bodied relief, that in Hr. Main-Bell Island last year the percentage was down to .3%. The reason for that is not because our

people could get employment with the four corners of the district, but it was because they had done, as they are obliged to do, and had gone far afield in order to obtain a means of livelihood.

In the establishment of this plant at the head of Conception Bay, a great step is being taken towards the industrialization of Conception Bay and I feel deep appreciation to the Premier and his Government in having instituted by means of this Bill and this Agreement a stepping stone or corner stone from which I hope will come great things.

The people associated with this industry are not amateurs in the manufacturing of rubber products. As far as my research has been able to go, I am satisfied that Mr. Grube, the principal, has been identified with the manufacturing and processing of rubber products for many years in Europe. Already, for some years, he has operated in the City of Frankfurt where he has established large factories. As a result of researches he and his associates have made sure of prospects for his manufactured goods in Canada and including Newfoundland, he satisfied himself, to begin with, that the establishment of such an industry was economically sound and the question was where, how and when it should be established.

The Honourable the Leader of the Opposition has suggested that money for the establishment of such industries ought to be obtained in the orthodox way from bonding houses, banks, brokerage houses and so forth. May I ask the question, how much money has been made available to Newfoundland throughout her history, for industrial purposes, whether for the development of her natural resources or

otherwise, from commercial banks or otherwise? From what sources have the monies which have been gotten brought about industrial development of Canada for the last 30 years?

MR. HOLLETT: From the United States of America.

MR. LEWIS: Why? Because no one else was prepared to provide this capital. Canada was not prepared—the Canadian banking houses were never willing to provide risk capital for investment, and so it was, last year, when the Premier and the Government conceived the idea of economic development of this Island. Could we get it from the United States?

We did happen to have a few dollars—and we have heard a lot about the so-called surplus—some of it, not all, was used for what I consider to be a very sound purpose, namely, the development of this Island industrially. Some of it is being used for the purpose of this Bill—it is being utilized for the purpose of establishing at the head of Conception Bay, a plant from which some of our people at least, will be able to earn a livelihood at home.

It is dangerous to make forecasts and I, for one, do not wish to do so; but it is legitimately proper for all of us to at least be hopeful, particularly when that hope is based upon a justifiable promise. My hope—and I know it is the hope of the Government—I am certain it is the hope of the people of that district is that this industry will be successful, that it will expand and that the visions of its expansion given by the Premier, will be realized in the not too distant future.

We have associated with this move-

ment, people who are skilled in this particular operation, people who have had experience in the manufacture of this product, and in bringing in the raw materials, in fabrication and manufacture, from the four corners of the earth. They brought their rubber from the East Indies into Frankfurt, they manufactured it and resold it across the same ocean.

MR. HOLLETT: What kind of wages did they pay?

MR. LEWIS: Are you concerned with wages too? We have heard a lot about wages. I cannot say here what wages will be paid in the factory when that is in existence, and frankly, I will say this: On the payroll at the present time are some one hundred and eighty men, and as far as I can ascertain there is no question raised by one man as to wages; and the only conclusion I can draw from that is that every man is satisfied with what he is receiving. And let me say this—this is the first time that we (and I am referring to the people of Conception Bay) have had an opportunity to be associated with foreigners or Germans, and I will say that the labour relations existing between our people working on the building and those of their employers is excellent: there has not been the slightest suggestion of discontent or illusage. Further, there is no Union in existence in Holyrood. I know I am digressing —

MR. HOLLETT: I was referring to the wages in Frankfurt.

MR. LEWIS: I am not interested in Frankfurt; I am interested in Conception Bay.

MR. HOLLETT: You are interested in Braun Wogan.

MR. LEWIS: My associations with him are friendly and congenial. He acts in a Secretarial capacity in the construction work; beyond that, I know nothing of him; I will say this, if there was anything wrong with him, the men there would have voiced a complaint. I know nothing against him.

I support the Bill unqualifiedly. The principle is entirely in keeping with what has been done in similar instances. One point I would like to deal with, and it is this: This Company, as applies to other similar companies, look forward to markets on the mainland of Canada. It is true, as the Premier has already said, that there is a substantial market for their goods at market prices within the four corners of the earth. They must look forward to being able to place goods on the Canadian market. This raises a problem in which this Company and the people are interested, the question of transportation. In order to get into the Canadian markets and be able to sell their products at competitive prices, then the cost of transportation must be borne in mind. Subject to this Company's being given reasonable transportation facilities and rates that are at least equitable, then there is no reason why the products of this Company will not receive a favourable reception in the mainland markets of Canada.

I would wish to say this in closing—that for some time now—since Confederation, we have been the recipients in this country of Canadian manufactured goods, and I forecast that the products of this plant, when they reach the mainland markets, that if their quality is superior to what we are accustomed to receiving, their success will be assured.

I have much pleasure in supporting the motion of the Premier.

MR. SMALLWOOD: I have only three minutes to sun up. We now know on this side of the House that the Opposition is not against economic development. All they do is vote against economic development, for they vote against every industry. We are all happy to hear that. That point will be noted by the people of Newfoundland too. The legal member for St. John's East informs us he cannot vote without knowing this, that and the other thing. He tells us that even if he gets the information, he cannot vote. His Leader is not voting for it, therefore, he cannot vote for it, because his Leader has committed his party to voting against it. One other point, that was raised by the junior member for St. John's East—he referred to the tobacco factory, which by the way was a branch of a factory on the mainland, a big company, and they decided to leave here and operate in Montreal where their big plant is and will manufacture Newfoundland cigarettes there—and he argues that because the tobacco plant closed down, the rubber plant will not be a success. The rubber plant, this is not a branch plant, it is the only Company in Canada and there is no analogy whatever.

I move the second reading of the Bill.

Ordered that this Bill be referred to a Committee of the Whole House on tomorrow.

MR. SMALLWOOD: I move that the remaining orders of the day be deferred.

Carried.

MR. SMALLWOOD: I move that the House at its rising do adjourn.

until tomorrow Monday, March 30th, at three of the clock; and in doing so I may say we are not sure at the moment what would be most proper to propose to the House as to what days we may meet in the week coming. Next Friday is Good Friday; next Tuesday is the day the dowager Queen is to be buried. On the other hand, the Coronation is on the 2nd of June and we must be closed by then so that those attending may do so. Perhaps on Monday we may be clear what to suggest about it.

The House then adjourned accordingly.

MONDAY, March 30, 1953.

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 Motion

HON. L. R. CURTIS (Attorney General): I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Newfoundland Income Tax Act, 1949."

#### Answers to Questions

HON. G. J. POWER (Minister of Finance): Answer to Question No. 39 tabled March 25, 1953.

#### Notice of Questions

MR. M. M. HOLLETT (Leader of the Opposition): Gives notice of Questions.

To ask the Honourable the Minister of Finance to lay on the Table of the House the following information:

1. What, if any, temporary loans were effected by Government with:

(a) The Bank of Montreal; (b) Newfoundland Labrador Corporation Limited, (c) Fisheries Development Loan Board, between the dates January 1st, 1952 and March 31, 1953.

Give amounts of loans in each instance and date of loan, together with the rate of interest. Give also date on which these respective loans were paid off.

2. Has the Government made any payments under the terms of any guaranteed loans since April 1st, 1949? If so, give particulars of loans showing names of individuals, societies, organizations or corporations, together with full amount of guarantee and amount of payment in each case.

To ask the Honourable the Minister of Finance to lay on the Table of the House the following information:

1. A report on all cases since April 1st, 1949 in which the Comptroller of the Treasury declined to cause an issue of public monies out of the Consolidated Revenue Fund on the grounds that such an issuance was in excess of legislative authority.

To ask the Honourable the Minister of Finance to lay on the Table of the House the following information:

1 List the items amounting to \$27,500.00 noted in the Auditor-General's Report as charges not in accordance with the terms of agreement between the Government and Chester Dawe Limited, or contrary to the provision of the Revenue and Audit Act, 1951.

To ask the Honourable the Minister of Finance to lay on the Table of the House the following information:

1. Give the names of the foremen who are employed in connection with the Division of the Northern Labrador Affairs at the various depots, together with the salaries and wages paid in each instance.

2. How many sawmills are in operation on Labrador for said Division and at what settlements were these sawmills established?

3. Were any of these sawmills operated under contract, and if so, with whom, in each instance, and under what terms and conditions?

4. What were the terms of employment and what were the prices paid to loggers in this sawmill enterprise?

5. What was the total of lumber sawn by these mills and to whom was the lumber delivered and at what price per thousand?

6. What firm or firms supplied machinery for the Northern Labrador operation. List machines and prices paid for same.

7. To what parties was paid the sum of \$3,359.18 as rental of depots?

8. Give a breakdown of the general operating expenses totaling \$32,069.46.

9. What was the total loss on operations of the Division of the Northern Labrador Affairs for the fiscal year 1952-53?

To ask the Honourable the Minister of Public Works to lay on the Table of the House the following information:

1. Give the total mileage of new

road constructed between Bonnie Bay and Trout River and who had the contract for the construction of this road?

2. How much money has been spent on the construction of this road?

3. Is the construction of the road now complete?

4. Who was responsible for the survey, which resulted in the present location of the road?

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

How many tenders were let for the installation and the repair of plumbing and heating in the various Public Buildings and Institutions in St. John's during the present fiscal year, who were the successful tenders, what was the nature of the work performed and what amount was paid to each.

What was the total amount paid on account of plumbing and heating in the various Public Buildings and Institutions in St. John's during the present fiscal year for which no tenders were called, answer to include the names of the persons or firms performing such work and the amount paid to each.

Answers to Questions: (Cont.)

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Answer to Question No. 44.

A loan to Placentia Bay Fisheries Limited, in an amount of up to \$350,000, has been approved in principle. In all cases where Government provides financial assistance by way of loans or guarantees for construction of fish plants, it is required that the Company concerned submit plans and specifications for the proposed construction for review and approval by

the Advisor to the Government on Fisheries Engineering. Government understands the Company is taking the necessary steps to fulfil the conditions stipulated by Government preparatory to formalizing this transaction.

A guarantee to be given in respect of a bond issue of \$495,000 by Western Cold Storage Ltd. has been approved in principle. The Government understands that the Company is in the process of completing their negotiations.

HON. J. R. SMALLWOOD (Prime Minister): In reply to Question No. 50 on today's Order Paper namely,

"To ask the Honourable the Premier to inform the House what progress, if any, has been made by the Government in the matter of clarifying the Section of the Terms of Union with Canada relative to the payment of Pensions of the Railway Employees by either Canadian National Railways or the Federal Government of Canada. Inform the House of all discussions or negotiations held with the Federal Government relative to this very important matter."

The beginning of the negotiations took the form of a letter sent by me to the Secretary of State in Ottawa, drawing the whole matter to his attention, and stating further the Newfoundland Government's reasons for holding that it was a responsibility of the Government of Canada and not of the Canadian National Railways, but the Government of Canada's.

That was quite early after we became a Province of Canada. There was some desultory correspondence on the matter then; but a long time—several years—passed and we still had

not gotten a clear-cut reply on the matter from Ottawa.

A Committee of the Unions, a Committee representative of all or some of the Railway Unions, appointed, I believe (on this I am not too sure) to deal with that particular question; or if not appointed to deal with that particular question, at all events, a Committee dealing with it, called on me not once, but a number of times and I produced copies of the correspondence. Indeed, I believe the correspondence was published in the press around about that time.

I advised the Committee that we had done, as a Government, the proper thing in communicating with the Secretary of State, the Newfoundland Minister in Canada, through whom, in the first instance, most, if not all matters of this kind, should be addressed. I advised the Committee that, in my opinion, they ought now to communicate with the Secretary of State. They did so. They wrote him and they got no reply. But the reason, as it turned out, for that was that just after he had received their letter, he left Ottawa for Newfoundland; and they came to see me again to tell me they had received no reply. I said "the Secretary of State, Mr. Bradley, is in Bonavista. Why not telephone or telegraph him and draw the matter to his attention again?" I do not know whether they did that or not. But they wrote him following his return to Ottawa and then received a reply from him explaining why he had not answered their previous letter—the reason being that he had just received it before leaving Ottawa to visit Newfoundland. In his reply to them he said further that he had now turned the matter over to the Minister concerned; and that

he had had an assurance from Mr. Chevrier that the matter would be given early attention.

In addition to these formal approaches made by me, I have made informal approaches. When I go to Ottawa, once or twice a year, (oftener in the early stages of Union), I see various Ministers and discuss with them various outstanding points concerning Newfoundland; more especially, points arising out of the Terms of Union. I find there a disposition to deal with this matter and to deal with it as sympathetically as their Law Officers will allow them to do. Ministers of the Crown are bound to be advised by their Law Officers of the Crown, especially on matters of Law or Constitution and so in Ottawa, they are bound to be advised by the Department of Justice in that matter.

When they finally make a decision, if it is unfavourable in the matter of Newfoundland pensioners, if it is unsatisfactory, the Government of Newfoundland, as the natural protectors

of the people's rights as they are contained in the Terms of Union, will be obliged to view the matter in view of circumstances as they then exist and to take such steps as our Law Officers advise we could take, and take with some chance of success.

I am very much interested in this matter. I have no doubt of the justice of the claim of Railway pensioners in this matter. I do not think the matter is open to doubt. I think if the matter comes to a Court for interpretation, Newfoundland will win, as we won in the matter of freight rates before the Board of Transport Commissioners.

In the meantime, we do not feel like resorting to the Court action until all other possible sources have been approached and exhausted. In the meantime, also, I believe this is a matter in which the decision will have retroactive effect. I do not think anyone will lose by the decision, and that should be given in the matter of weeks or months, at the most.

HON. E. S. SPENCER (Minister of Public Works): Tabled answer to Question No. 35.

1. (a) \$5,496,783.

|      |            |             |             |            |
|------|------------|-------------|-------------|------------|
| (b)  | 1949/50    | 1950/51     | 1951/52     | 1952/53    |
| (i)  | Nil        | \$ 957,844  | \$ 998,670  | \$ 209,001 |
| (ii) | \$ 208,675 | \$1,376,832 | \$1,059,492 | \$ 686,269 |

2. (a) 536 men.

(b) The work is awarded by contract and information as to wages earned is not available.

3. (a) 100 miles of rough grading,

(b) 4 miles in 1949-50  
50 miles in 1950-51  
30 miles in 1951-52  
16 miles in 1952-53

4. 122 miles of new construction, 378 miles of existing road to be reconstructed. Apart from paving, it is estimated that the total cost to complete will be

\$40,000,000. Location survey has not been completed and therefore it is not possible to state the number of bridges.

5. No paving has yet been undertaken on Trans-Canada Highway. The average cost of paving per mile of road is estimated at \$25,000.

| 6.                                  | Miles  |           | BUILDER                  |
|-------------------------------------|--------|-----------|--------------------------|
|                                     | Const. | Expend.   |                          |
| Roads on New World Island           | 6.5    | \$ 68,556 | D.P.W.                   |
| Port aux Basques to Isle au Mort    | 1.0    | 25,384    | Western Constr. Co. Ltd. |
| Badger to Buchans                   | 4.2    | 81,101    | J. Goodyear & Sons Ltd.  |
| Lumsden towards Musgrave            |        |           |                          |
| Harbour                             | 3.5    | 84,479    | J. Goodyear & Sons Ltd.  |
| Point au Mal to Lewis Brook and     |        |           |                          |
| Bridge over Fox Island River        | 5.0    | 171,374   | W. J. Lundrigan Ltd.     |
| Allans Lane, Curling, towards       |        |           |                          |
| T.C.H.                              | 2.0    | 82,540    | W. J. Lundrigan Ltd.     |
| Random Island Causeway and          |        |           |                          |
| Bridge                              | 0.5    | 50,251    | D.P.W.                   |
| Terrenceville Road to Bay L'Argent  | 1.0    | 28,157    | D.P.W.                   |
| Campbellton to Comfort Cove         | 3.0    | 48,401    | D.P.W.                   |
| Seal Cove-Baie Verte                | 3.5    | 40,510    | D.P.W.                   |
| Shoal Brook-Bonne Bay               | 3.0    | 73,728    | D.P.W.                   |
| Peter's River-St. Shott's Road      | 1.0    | 8,299     | D.P.W.                   |
| O'Donnells towards Admirals         |        |           |                          |
| Beach                               | 0.2    | 15,299    | D.P.W.                   |
| Hare Bay to Wellington              | 3.0    | 32,264    | D.P.W.                   |
| Spur Road to Corbin                 | 0.75   | 9,302     | D.P.W.                   |
| Springdale to Halls Bay Road        | 4.0    | 57,839    | D.P.W.                   |
| Clarke's Head toward Horwood        | 1.0    | 9,763     | D.P.W.                   |
| Fredericton to Carmanville          | 0.5    | 6,664     | D.P.W.                   |
| Swift Current-Garden Cove           | 1.5    | 15,265    | D.P.W.                   |
| Circular Road Grand Falls to        |        |           |                          |
| Botwood                             | 0.5    | 6,771     | D.P.W.                   |
| Cook's Brook towards Frenchman's    |        |           |                          |
| Cove                                | 2.0    | 40,210    | D.P.W.                   |
| Lark Harbour to York Harbour        | 1.5    | 4,735     | D.P.W.                   |
| St. Anthony towards Cook's          |        |           |                          |
| Harbour                             | 1.5    | 43,211    | D.P.W.                   |
| Brigus Jct. Road via Healey's Pond  | 2.0    | 19,415    | D.P.W.                   |
| Bunyan's Cove to Musgravetown       | 2.25   | 18,304    | D.P.W.                   |
| Terrenceville Road to Parker's Cove | 1.0    | 10,397    | D.P.W.                   |
| Botwood towards Peter's Arm South   | 1.0    | 4,187     | D.P.W.                   |
| Lumsden North to Lumsden South      | 2.0    | 24,193    | J. Goodyear & Sons Ltd.  |
| Spur Road to Cape Island            | 2.0    | 42,142    | J. Goodyear & Sons Ltd.  |
| Spur Road to Newtown                | 1.25   | 26,000    | J. Goodyear & Sons Ltd.  |

7. The sum expended in 1952-53 to the end of February on the maintenance of Provincial roads, other than local roads was \$1,754,000.



8. The system of record keeping is not designed to show expenditures on roads by electoral districts.

### Orders of the Day

MR. SMALLWOOD: I would like to have the Orders of the Day up to No. 19 deferred for the moment, so that we might move on to No. 20.

MR. POWER: I beg to inform the House that I have a message from the Lieutenant Governor.

The Honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, recommend that, pending the Tabling of the Estimates for the Financial Year 1953-54, a vote on account of \$5,722,000, calculated on the basis of approximately one-sixth of the Vote for the year 1952-53 be provided by the Provincial Legislature to meet essential Public Services.

(Sgd.) LEONARD OUTERBRIDGE,  
Lieutenant Governor.

March 27th, 1953.

Committee of the Whole on Supply:

MR. POWER: Mr. Chairman, this is approximately one-sixth of the estimates for 1952-53, and I ask the House to vote this amount to carry on until the estimates for 1953-54 are passed by the House.

### Schedule

|                                    |           |          |
|------------------------------------|-----------|----------|
| Legislative Council .....          | \$ 25,000 | Carried. |
| Executive Council .....            | 10,000    | Carried. |
| Finance .....                      | 190,000   | Carried. |
| Provincial Affairs .....           | 17,000    | Carried. |
| Education .....                    | 1,000,000 | Carried. |
| Attorney General .....             | 250,000   | Carried. |
| Mines and Resources .....          | 250,000   | Carried. |
| Public Works .....                 | 1,000,000 | Carried. |
| Health .....                       | 1,000,000 | Carried. |
| Welfare .....                      | 1,000,000 | Carried. |
| Board of Liquor Control .....      | 40,000    | Carried. |
| Municipal Affairs and Supply ..... | 100,000   | Carried. |
| Fisheries and Co-operatives .....  | 80,000    | Carried. |
| Economic Development .....         | 750,000   |          |

MR. FOGWILL: On the Economic Development: I would like to have some short explanation on this three-quarters of a million dollars.

MR. POWER: The Comptroller of the Treasury took approximately one-sixth of the estimates for last year—that amounted to three-quarters of a million dollars. It really does not make any difference as when the estimates are passed for 1953-54 these amounts will all be absorbed. We are just making sure that we will have two months' supply.

MR. FOGWILL: I understand that the ordinary functions of Government require money from the first of April to carry on, but I was wondering if this three-quarters of a million were earmarked for any particular purpose in the quite near future?

MR. POWER: No. It merely represents one-sixth of the vote for last year.

MR. FOGWILL: That is all.

Economic Development \$750,000.—  
Carried.

Labour—10,000.—Carried.

Total \$5,722,000.—Carried.

MR. CHAIRMAN: Mr. Speaker, the Committee on Supply has approved certain resolutions and has instructed me to report same.

Bill based on said resolutions introduced, given first, second and third reading.

#### Committee of Supplementary Supply:

MR. POWER: Mr. Speaker, I beg to inform you I have a message from His Honour the Lieutenant Governor—

The Honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, recommend that a Supplementary Vote of \$1,291,600, required to meet essential public services relating to the financial year 1952-53, be provided by the Provincial Legislature.

(Sgd.) LEONARD OUTERBRIDGE,

Lieutenant Governor.

March 27th, 1953.

MR. POWER: Mr. Speaker, I move the House resolve itself into a Committee of Supplementary Supply:

|                                    |             |
|------------------------------------|-------------|
| Finance .....                      | \$ 170,200  |
| Education .....                    | 288,800     |
| Mines and Resources .....          | 100         |
| Health .....                       | 300         |
| Public Welfare .....               | 19,000      |
| Municipal Affairs and Supply ..... | 5,200       |
| Fisheries and Co-operatives .....  | 359,600     |
| Economic Development .....         | 448,400     |
|                                    | <hr/>       |
|                                    | \$1,291,600 |

Finance \$170,200:

MR. POWER: Mr. Chairman, the honourable members may like to hear an explanation of that item.

Provisions were made in the estimates for 1952-53 for this service in the amount of \$1,500 (Management of Public Debt). It was insufficient to cover the cost of raising the ten million dollar loan which was not foreseen and there was a resulting gross excess of \$214,000. The application of countervailing savings made the supplementary balance of \$152,700. The balance is for the Royal and Vic Royal Visit as no such visits were envisaged when the estimates for 1952-53 were prepared. The cost of the

reception by His Excellency the Governor amounted to \$17,500.

Carried.

Education \$288,800:

MR. POWER: This is in respect of teachers' salaries. The original provision of this service proved to be inadequate by \$78,000 due to (a) a greater than anticipated number of teachers being employed and (b) to an amendment in the Teacher Grading Regulations. Countervailing savings have been applied and a new addition is requested in a sum of \$61,400. In respect of the erection of school buildings the original provision of \$600,000 is anticipated to fall short of actual needs owing to the following factors: (1) The drop balance of the 1951-52 vote for the service must be restored to meet firm promises of assistance to various school boards \$62,400; (2) Provision of \$15,000 to aid in the construction of an Amalgamated School at Happy Valley, Labrador (3) and exceptional purchase of school desks \$20,000. The aggregate of \$97,400 is covered by countervailing savings of \$6,000 making a net of \$91,400.

Films: There was a provision in the amount of \$12,000 made for ordinary needs. During the year an expansion of the programme resulted in the placing of orders for twelve documentary films to be made by Atlantic Films & Electronics Limited which was embarked on at a cost of \$136,000. These are the subheads making up the amounts which education is asking for.

MR. HOLLETT: Mr. Chairman, on the point with regard to educational films. I take it nothing was outlined in the original estimates for that item?

MR. POWER: Yes, twelve thousand dollars.

MR. HOLLETT: Well then this increased allocation was made under section 37 of the Audit Act.

MR. POWER: I should think so, Sir.

MR. HOLLETT: On the grounds that insufficient money was allocated?

MR. POWER: That is how I understand it.

Carried.

Mines and Resources \$100:

MR. POWER: That is on account of repairs to a fishing cabin on the Gander River primarily for the use of very important guests of Government. The total cost was of the order of \$1,500 which was fully covered by countervailing savings. To provide covering Legislative sanction a token vote is required in the sum of \$100.

Carried.

Health \$300:

MR. POWER: There are three total votes (1) in respect of the Graduate Nurses Dance 1952. There was no provision made for this service. Actual cost was in the order of \$300 which was fully covered by countervailing savings. Token vote required to extend Legislative authority for the expenditure \$100.

General Hospital Provisions. The provision in the original estimates of \$300,000 will, it is anticipated be exceeded by \$75,000 which can be covered by countervailing savings primarily under Expansion of Health Services. Since, however, the expenditure under Expansion of Health Services is recoverable as to approximately

fifty per cent from Canada, the savings are not true, and, in fact, a proportion of the additional expenditure on provisions is a true addition to voted expenditure. A token vote in an amount of \$100 is sought, to bring the matter to the notice of the House.

**Mental Hospital furnishings:** When the 1952-53 estimates were prepared it was anticipated that all charges on this account would have been met from the Vote for 1951-52 and no provision was made. Owing to delay in receipt of goods, invoices, etc., expenditure of the order of \$12,000 had to be met from the 1952-53 vote, fully covered by countervailing savings. To reconstitute sub-head token \$100.00 is required.

**Public Welfare \$19,000:**

**MR. POWER:** That amount is in respect of Labrador Housing: To meet the urgent need of housing in the Okak Bay area of the Northern Labrador Trading Operations, thirteen dwellings were constructed at a cost of \$10,000. The remaining \$9,000 is in respect of Northern Labrador Trading Operations. Since its inception its activity has been financed on a guaranteed bank overdraft. The system, resulting as it does in a lack of control, is most objectionable and it is desired to change the operation over to a vote service. To liquidate the bank overdraft an amount of the order of \$320,000 is required of which the sum of \$310,000 can be found from countervailing savings. Supplementary required to make good deficiency and to constitute subhead \$9,000 is asked for.

Carried.

**Municipal Affairs and Supply \$5,200:**

**MR. POWER:** This is in respect of storm damage: The repair of exceptional storm damage to fishing property on the Labrador was borne by Government in an estimated maximum of \$50,000. Countervailing savings of the order of \$45,000 being available, a supplementary is necessary in an amount of \$5,200.

Carried.

**Fisheries and Co-operatives \$359,600:**

**MR. POWER:** This is in respect of Fishery Prices Inquiry: When the 1952-53 estimates were in preparation no provision was made for this service which, it was anticipated, would be concluded and all bills paid in 1952. In actual fact, residual charges aggregating \$3,000 have come to hand since last April 1952, for which there are countervailing savings to cover. Token provision to reconstitute the subhead is needed in the amount of \$100.

For experimental grants there was expenditure of the order of \$50,000 incurred on (1) preliminary work to be undertaken at the Memorial University of Newfoundland on the proper design and use of fish driers (\$15,000) and (2) the outfitting (\$10,000) and joint carriage of resulting losses (if any) up to a maximum of \$15,000 of two vessels for experimental fishing by Danish seining and mid-winter trawling \$49,000.

An amount of \$309,600 is asked for Fishing Industry Loans to provide funds for (1) advances by way of loan to Bonavista Fish Meal and Oils Limited (\$74,000) and (2) advances by way of loan to the Trepassey Fisheries Limited (\$316,000) making a total of \$390,000 less countervailing saving of \$80,400.

Carried.

Economic Development \$484,400 :

MR. POWER: \$11,900 of that is in respect of Tourist Publicity. The actual provision was fifteen thousand with an addition in a like amount under Tourist Development. Virtually no charges are anticipated against Development but the Publicity Subhead costs are now aggregate of \$40,800 supplementary required \$11,900.

\$25,000 is in respect to tanneries to provide funds to meet advances by way of loans. I should like to say before I read further than it was impossible for a number of reasons to complete issues in 1951-52 as anticipated in respect of two sub-heads North Star Cement: Issues to complete payments are estimated at \$63,600 which can be covered by countervailing savings. Token supplementary to reconstitute sub-head \$100, which amount is asked.

Atlantic Gypsum: Issues to complete \$198,200 which is covered by countervailing savings. Total to reconstitute sub-head required \$100.

Battery Plant: To provide sums to implement agreement 1952-53 requirements \$100,000.

Rubber Factory: Issues to complete \$161,300 which is required to implement agreement 1952-53.

Atlantic Films and Electronics Limited: To meet costs of advances by loan \$150,000.

Total \$1,291,600.

MR. HOLLETT: Mr. Chairman, we on the Opposition side of course know these things have to be paid. But as far as I can see I cannot make the actions of the Government relative to these things square with the Audit Act.

Incidentally, are these the orders in council the Honourable Minister is reading from?

MR. POWER: No, these are explanations.

MR. HOLLETT: May I ask if the Orders in Council have been tabled?

MR. POWER: They will be.

MR. HOLLETT: They are supposed to be within fifteen days of the opening of the House—"Certified copies of the Minutes of Council with recommendations of the Board should be available in the House of Assembly within fifteen days from the opening of the next ensuing session." I submit, Mr. Chairman, that has not been done. I warned the Government the other day, or I suggested to the Government on the other side of the House a few days ago that it would be wise to have these orders in council tabled so that we could see what the special items brought forward were for. For instance the Battery Plant.

Now, let me turn up the Audit Act, Sir. I notice this is brought in under Section No. 37. "Where all moneys provided by the Legislature and allocated under a sub-head have been expended or commitments have been incurred which will take up the whole of such moneys, a department may, with the prior consent in writing of the Board, if countervailing savings can be effected under other sub-heads of its Head of Expenditure apply such savings to meet the excess expenditure, whether or not the Legislature is in session."

Then it goes on to say exactly what must be done with regard to securing these orders in council—"if the subject of the expenditure is one for

which the Legislature has made provisions but the provision is found to be insufficient, then, upon the report of the Minister that there is insufficient legislative provision and that no countervailing savings are available under other sub-heads of the Head of Expenditure concerned and of the Minister having charge of the service in question that the necessity is urgent, the Lieutenant Governor in Council may, on the recommendation in writing of the board, order that a special warrant be prepared for signature by the Lieutenant Governor for the issue of the amount estimated to be required and the amount shall be added to the appropriation under the relevant Head of Expenditure.

Now, Sir, the Minister having charge of the service in question must not only say: in his opinion it is necessary or urgent, but must give reasons for his opinion on such expenditure. Then and then only the Lieutenant Governor in Council may on his recommendation issue such cash.

Now, Sir, I maintain that not only in connection with the Battery Plant, but in connection with a good many other things, there was no such urgency whatsoever; no reason why any such special warrants should have been asked for and obtained.

I believe, Sir, as a Government, we are departing from the strict sense of the Audit Act when we allow such things to happen. I put it to the Government on the other side, that they are adopting a very dangerous precedent. If you, as the Lieutenant Governor in Council can meet together and willy-nilly obtain special warrants not being strictly in accordance with the Audit Act, then, I say,

we are all heading for danger, and Newfoundland is heading for danger. I repeat, these special warrants should have been tabled here within fifteen days after the opening of the House.

MR. SMALLWOOD: Today is only the tenth day since the House opened.

MR. HOLLETT: The House opened on the 11th of March, if my memory serves me right.

MR. SMALLWOOD: Today is the tenth day.

MR. HOLLETT: "... Shall be tabled in the House of Assembly within fifteen days of the next ensuing session."

MR. SMALLWOOD: We have five days to go.

MR. HOLLETT: This is the 30th, I believe. We opened on the 11th.

MR. SMALLWOOD: We have five days to go.

MR. HOLLETT: That is a matter of opinion, Mr. Chairman. I cannot agree with that interpretation of the wording of this Act.

I pointed out that these things should not be allowed to happen in the future, nor at any time. I maintain there was absolutely no justification whatsoever for a special warrant whereby monies could be spent or taken out of the consolidated revenue fund to establish a Battery Plant. There was nothing, Sir, which was going to do any person or persons any grave harm if the Battery Plant did not go ahead at that particular time. If such special warrant were not made there would be no grave damage to persons nor property of the Crown nor of the public.

There is nothing we can do about it on this side. As the Honourable the Premier knows, we are very weak on this side numerically, and there is nothing we can do to upset anything the Government has done. But I put it to the Government and to the back benchers; these things should not be allowed to happen in the future. There is no reason whatsoever why some of these expenditures should have been incurred over and above the ordinary grants made by this House a year ago. I just rise to make a note of that—I say there is nothing we can do about it and the Government will pass the Bill and get the money; but I do object strongly to the Government's being allowed to ignore Section 37 of the Auditing and Public Accounts Act relative to this matter.

MR. SMALLWOOD: There are one or two points I would like to make. One is in connection with special warrants. It must not be inferred that all the amounts in the Supplementary Supply have, in fact, been gotten by special warrant. The Committee must not infer that even the majority of these amounts were gotten by special warrant. The fact is that only a small number of these items were authorized by special warrant. The overwhelming majority of them were spent out of countervailing savings.

If the Honourable Leader of the Opposition would study the Audit Act even more closely (a word of advice I could give him on every piece of legislation he reads in the House)—he would see there is still further provision for the Government's spending money which was not authorized at the preceding session of the Legislature. It can be spent out of countervailing savings.

MR. HOLLETT: I am not talking about that.

MR. SMALLWOOD: The honourable gentleman told the Committee the conditions under which the Government could spend the money by special warrant—one was where grave damage may occur (such as for example, flood, fire, storm damage and the like) and where the public interest may be affected adversely. He did not go on to say that the Government, under the same Act, may spend money, although not authorized in the last session of the Legislature, out of countervailing savings. The honourable gentleman will find that most of this amount was spent out of countervailing savings.

The other point is this; it is not enough for the honourable gentleman to say that, in his opinion, it was not in the public interest to spend the money at that particular time in connection with the Battery Plant. And it is because the honourable gentleman feels that way, he is in the Opposition today. The Government felt it was in the public interest, and we are the Government. In the view of Her Majesty's Government it was in the public interest to proceed with the building in connection with the Battery Plant when it was proceeded with. For that reason Her Majesty's Government spent that money and began the construction of the Battery Plant. It is just a difference of opinion. In the opinion of Her Majesty's Government, it was a good thing to do; and in the opinion of the Opposition it was not a good thing. The public interest was very much at stake, in the opinion of Her Majesty's Government. We felt in our wisdom, or lack of it, that it was a good thing to build it last year and

a good thing to spend the money to do so. We are the Government, and we now come before the House and ask them to back our judgment in that matter; and the honourable gentleman declines to back us in the matter. His vote will be the final test.

MR. HOLLETT: Who said so?

MR. SMALLWOOD: He has argued against it; the logic is therefore suggested that he is voting against it—that he is voting against the thing to which he has spoken.

MR. HOLLETT: There is absolutely nothing in what the Premier has said to show that what I have said is not in accordance with the facts. He said that most, and practically all the money was spent from countervailing savings. I read you the preamble.

MAY IT PLEASE YOUR MAJESTY—

WHEREAS it appears that the sums hereinafter mentioned are required to defray certain expenses of the Public Service of Newfoundland, of which a portion has been temporarily authorized by the Lieutenant-Governor in Council by Special Warrants dated the twenty-seventh day of May, the fifth day of September, the thirty-first day of October, and the thirtieth day of December, one thousand nine hundred and fifty-two and issued under sub-section (2) of Section 37 of the Revenue and Audit Act, 1951, for the financial year ending the thirty-first of March one thousand nine hundred and fifty-three and for other purposes relating to the Public Service.

They could get Special Warrant issued, but they did have to show proper cause for such action.

"If the subject of expenditure is one for which no legislative provision has been made, then, upon the report of the Minister that there is no legislative provision and of the Minister having charge of the service in question that in his opinion the necessity is urgent, giving reasons for his opinion, and that if such expenditure is not made, grave damage to persons or to property may occur." We are supposed to have a report on the Table showing whereby "grave damage" should have occurred. The Government has not carried out its duty in this respect. We were not objecting for the sake of objecting, as the Premier inferred; but we do say that the Government has ignored the Audit Act completely. Where are the special warrants or the Orders in Council? They should have been tabled.

MR. SMALLWOOD: The fact that the Orders in Council involved only a portion of the money and the fact that they have not been tabled is no evidence whatever that we are ignoring the Act. We have not ignored the Act. We have followed faithfully and carefully. We have no choice but to follow it. It is not enough to read out a portion of the Act. He read out, "if such expenditure is not made grave damage to persons or property may occur;" he did not read the rest of the Act. There is also the question of damage to the interests of the Crown or the public. Now, we may differ in the interpretation of "public interest;" that may be the main gulf between the two political parties. Our interpretation of "public interest" is ours; the Opposition has theirs. Our conception is that it was in the public interest to proceed with the building of the Battery Plant at that time.



The House, in its previous session had not voted money for it; so what was the Government to do? The Government could follow carefully and faithfully the Audit Act which provided that if, between sessions the Government wishes to do something in the public interest, the cost of which has not been provided for at the previous session of the House, the Act provides ways of meeting the needs of the Government. The Audit Act provided for it. We followed it carefully. In our opinion it was in the public interest. Let us have a debate on whether or not it was in the public interest.

**MR. HOLLETT:** In my opinion it was not in the public interest.

**MR. SMALLWOOD:** We can debate that, if you wish. In the opinion of the Government, it was and we took the action legally, lawfully, following the Act carefully. We hope the House will support that opinion.

**MR. HOLLETT:** Did you get any other plants by special warrant?

**MR. SMALLWOOD:** I would need Notice of Question on that, as to whether we did or did not. I maintain that what we did was perfectly legal under the Audit Act.

Bills read a first, second and third time and passed with some resolutions.

Address in Reply:

**MR. MERCER:** In rising to speak in this debate today, I feel, Sir, that should register a complaint against the Government and the Opposition. I believe they have conspired together. It was arranged that two members on this side were to speak day—myself and the gentleman who to speak after me—and I note it was

arranged that the two of us would be speaking on the same day on which the Supplementary Supply Bills were brought in; and in these we have been engaged for the past hour and a quarter, and I say they must have conspired with the Opposition so that our time would be cut down.

I wish to join all those who have preceded me, on both sides of the House, in congratulating the Mover and the Seconder of the Address in Reply to the Speech from the Throne. These two honourable gentlemen have on other occasions done such an excellent job of the moving and seconding the Address in Reply that I feel it was a foregone conclusion that they would acquit themselves well, and they have done so.

I should like also to offer my congratulations to the two new members of this Chamber—the Honourable Minister of Mines and Resources and the Honourable Minister of Provincial Affairs. It was my privilege to know both these gentlemen personally over the past fifteen years. I remember quite well the Honourable Minister of Mines and Resources when he was just a very low-grade teacher. I had many chats with him some fifteen or eighteen years ago. And it was no mere accident or stroke of good fortune that he is in the position he holds today. He was a very average grade teacher; he had no big money behind him—or as the Honourable Leader of the Opposition would say, no big business behind him—he had no influential friends and yet he was catapulted from a low-grade teacher to a Doctor in his profession. That came about through sheer hard work, determination and ambition.

The same thing can be said for the

Honourable Minister of Provincial Affairs, and as far as he is concerned, in congratulating him, I believe perhaps no person in this House can speak with more knowledge of his ambition and determination than I can myself. I had some considerable experience with the young Minister during the now famous case of Murray vs. Duffy . . . .

MR. HIGGINS: Or was it vice versa?

MR. MERCER: It changed around many times; sometimes everything was in our favour; and sometimes the count was low. Finally Mr. Murray decided "we are going to appeal." We struck one ray of hope; we managed to persuade one Judge the right in our interpretation of the Law; and as a result it gave him the opportunity to have the people decide. I feel, Sir, that the same energy, ambition and determination that he used in that case, was very well portrayed by him during the election he fought in Ferryland as a result of that case. I feel that the Premier and his Cabinet are to be congratulated upon having with them two men as the Honourable Minister of Provincial Affairs and the Honourable Minister of Mines and Resources.

I should also like to offer my personal sympathies to the Royal Family upon the death of the Queen dowager; and on that topic I feel it is necessary only to say that her greatness can, I believe, best be summed up in her own statement made very shortly before her death, which said, "Nothing" (and that obviously included in her mind her own death) "must interfere with the Coronation of our present Queen."

I would also like, at this point, to join with the other members and

particularly with the legal member for St. John's East when he said, in substance, that Newfoundland should be proud and was fortunate indeed to have its Government represented at the Coronation by the present Premier and the Minister of Health, and joining them will be the Lieutenant-Governor, Sir Leonard Outerbridge. Also at the Coronation will be the Honourable Minister of Provincial Affairs and his comrades of the Newfoundland Branch of the Canadian Legion. It will be our wish that they have God-speed on their journey and a safe return, and will take with them our love and devotion to Her Majesty.

Now, Sir, the honourable and learned member for St. John's East in the Opposition said in his opening remarks that he understood you could say anything in speaking on the debate in reply to the Speech from the Throne, and I am sure, Sir, that not only that honourable gentleman, but also the other members of the Opposition, have very well exemplified that thought that you could speak on anything whether in the Speech from the Throne or not.

There was one particular statement—or perhaps I should say question asked by the honourable member for St. John's East during his debate which particularly applied to me as being the member representing the district of Port de Grave. He said—and I shall try to quote him as nearly verbatim as my memory will allow, he said "During the election campaign the Government promised the people of Bay Roberts a steel mill; but the good people of Bay Roberts did not get a steel mill. Why? He continued "Since that time, the Government promised the people of Bay Roberts that in substitution for the

steel mill they would get another new industry in the form of a small machine plant." And he was quick to add "small," in relation to the type of materials to be manufactured as compared with the materials manufactured at the Octagon. He said "the people of Bay Roberts have not heard of the Machine Plant since; and are not likely to."

MR. HIGGINS: Did I add those words—"not likely to?" It must have been an echo. You have an evil mind.

MR. MERCER: Now, Mr. Speaker, that statement, as I said at the beginning affects me, as it so happens that I am the member for the District of Port de Grave, and in the District of Port de Grave is the town of Bay Roberts, and in the town of Bay Roberts are the good people referred to by the honourable gentleman. I say now, Sir, that about the only correct part of that statement made by the honourable gentleman was when he said: "The good people of Bay Roberts." Nothing else was correct, because, to my knowledge, Sir, this Government has never said that a steel mill would go to Bay Roberts. In fact, I believe, Sir, that no public pronouncement by nor on behalf of the Government has ever been made, but this did happen in November 1951:

I was a candidate in that election for the District of Port de Grave. From the platform at a public hall in Bay Roberts I made this statement: "I am going to gain, Mr. Speaker, I am going to vote so that there will be no opportunity for anybody to misconstrue it even if they have in the past."

This is the statement which I made: "The Newfoundland Government has made arrangements with the firm

for the erection of a steel mill in Newfoundland. As far as the Newfoundland Government is concerned all arrangements between them and the firm are finalized. The firm in question was actually interested in putting the steel mill over on Bell Island where the iron ore was readily available. But it was found that due to lack of water power it could not be done economically at Bell Island. Bay Roberts had been visited by the firm, and was found to be the best and most convenient place, economically, in Newfoundland, outside of Bell Island to erect a steel mill. That was because they had to depend upon Bell Island for the iron ore. At the same time the boats which took the ore to Sydney and returned to Bell Island empty heretofore could bring back coal from Sydney and land it at Bay Roberts, and the iron ore could be floated across from Bell Island to Bay Roberts in self-contained barges. So for the iron ore and the coal, the two main ingredients of a steel mill Bay Roberts, outside of Bell Island, was the most ideally situated place. It is very near Bell Island thus a short haul for iron ore and coal. It has a good harbour. It has plenty of deep water. It has water power for electrical development which has already been surveyed. It has good, hard, dry, flat land quite near the seaside, which is very suitable for the erection of the mill in question. Therefore, if the steel mill comes to Newfoundland, if it does come to Newfoundland at all, it will be erected in Bay Roberts."

Again, Mr. Speaker, there were two possible pictures. You must remember that statement was made by me from a platform in Bay Roberts during an election campaign, as a matter of fact right in the middle of it.

There are two possibilities. (1) The Tories are waging war on new industries planned by the Liberal Government and (2) in particular the Tories are registering their hatred for Europeans coming to this country. But the statement continued:

"If we are not successful in getting a steel mill erected in Newfoundland it will be for the reasons given against having it erected at Bay Roberts."

That, Mr. Speaker, was the end of my statement. May I say, Sir, that statement made by me at that time was not lightly made. It was not a statement from a novice politician even though I was a novice politician at the time. It was not a statement made by one, as much as people might now try to make out to be, by one making a political promise to see how many votes he could catch. It was made after very careful and due deliberations with the Premier himself. And I am going to make this statement now—We had good grounds on which to go. The arrangements had been completed between the firm and the Government, there was not any doubt about that. The place had been surveyed from the point of view of land, water power development and of good waters for shipping. Consultations had been held with the company owning the iron ore mines on Bell Island and everything was all set. The Government was even assured by the President of DOSCO that it would receive his full co-operation in view of the fact that he was satisfied that the steel mill which was about to be established in Newfoundland would not compete with the steel mill of DOSCO in Canada. Everything was therefore completed, the corporation who were to erect it were quite satisfied they could make it an economic venture, and we had assur-

ance from the President of DOSCO that we would receive their full co-operation. Then how could anyone foresee that such a venture would not be accomplished? But within a few months after the elections, after all the arrangements had been completed, (if I am not correct the Premier can correct me) my understanding is that he with one or two others of his Cabinet Ministers, the Attorney General, went to Montreal specifically on behalf of this firm to interview and make the final arrangements with the President of DOSCO with regard only to the price of the iron ore and the coal. They were met with what apparently appears to be a great change of opinion of the President of DOSCO, not from the point of view of co-operation, oh no! but his quotation prices for the iron ore and coal. The prices quoted—Why the coal could be obtained from Sydney, this being, Mr. Speaker, the worst type of coal, the lowest grade of coal, nothing except dust, which is of course quite sufficient, apparently, for a steel mill (again I stand to be corrected if I am wrong) yet the prices quoted by the President of DOSCO for that coal landed here was higher than if we had purchased it in the United States, paid the duty and freight and brought it to Bay Roberts. We could import it and pay the duty cheaper than the prices they were satisfied to agree to. He was one of the Honourable Leader's big business men who do not like competition.

He was assured there would be no competition, but he was afraid so he wanted to kill it before it began, kill it before it was born and succeeded because there was nowhere else to get the coal and to bring it all the way from the United States was too expensive. I say, therefore, Mr

Speaker, in answer to the honourable member for St. John's East, that it was a very fair and reasonable prediction on the facts as we had them, to make the statement which was made at Bay Roberts with regard to the steel mill.

MR. HIGGINS: There was a statement made on March 31st by the Premier that they are still working on the steel mill.

MR. MERCER: And in reply to that question, and to show how sincere it was, that firm with regard to erecting in Newfoundland a steel mill, continued their interest. They were discouraged by DOSCO, sure, but were not done. They continued their interest and, as the Premier stated according to the remark by the honourable member for St. John's East, they continued their interest to this extent: They still sent their engineers and exploration parties to Newfoundland and they ended up on the West Coast of Newfoundland looking for iron ore and coal. They were there all last year until late December of 1952 and in fact, have left all their equipment there over the winter season and will be returning in the Spring this year to continue with their exploration. Because, if they are satisfied, if they can find sufficient quantities of iron ore of sufficient quantities of coal, either one will do, that will still be sufficient for them to continue with their original idea and erect a steel mill in Newfoundland.

Now, Mr. Speaker, the same honourable and learned gentleman from St. John's East asked as the second part of his question, in which he said that a substitution for a steel mill the Government had promised the good people of Bay Roberts a small

machinery plant. I am happy to be able to say today, sir, that on Friday of the past week, the company which will construct and operate that machinery plant at Bay Roberts was incorporated under the laws of Newfoundland and registered at our Registry of Companies at the Court House.

MR. HOLLETT: What is the name of the company?

MR. MERCER: The name, Mr. Speaker, is the Eastern Machinery and Engineering Company, Limited. I believe, Sir, for the benefit of the Opposition, that might later be called EMECO.

MR. HOLLETT: Who are they?

MR. MERCER: Well, Mr. Speaker, it costs me 25c. to go down to the Registry of Companies and find out the names, and maybe the honourable member would like to go down and pay his 25c.

MR. HOLLETT: Braun Wogan?

MR. MERCER: I can assure the honourable gentleman he won't find the name of Braun Wogan or even Max Brown associated with it.

Mr. Speaker, I do not want to leave the honourable member for St. John's East too fast: He also made some remarks with regard to the fact that in the Speech from the Throne there is no mention of any money being spent on the roads in St. John's East. The reason put up was that the district always registered a majority vote for the Tories.

MR. HIGGINS: I did not say Tory—I said—intelligently.

MR. MERCER: When making that inquiry so assiduously, I wondered why the road over which I have to

pass day after day to my home in St. John's but within the limits of the City Council of which the same honourable gentleman is a Councillor, why they are not attended to.

MR. HIGGINS: I am happy to tell you that the same City Council within the past two weeks have made plans to do that very road. We cannot do it all, you should know, Mr. Speaker.

MR. SPENCER: Are you referring to me?

MR. MERCER: On that subject of roads, I was thinking during the address of the Honourable Minister of Public Works, I had thought of presenting some petitions to this House on behalf of my district, but I am sure I would be afraid to do so now. He seems to think it is off Avalon the roads should be done mostly. I was wondering if that is so, what if anything has been done in answer to the petitions presented by me last year on behalf of your Honour's district of St. Barbe with regard to the road from Port au Choix to Port Saunders. I am sure, Sir, that none of us in St. John's ever will raise any voice in objection, not even the Opposition, if the Honourable Minister of Public Works renews that petition presented last year, and this summer do something about that road from Port aux Choix to Port Saunders. I am told that it is an agricultural district. As a matter of fact, I believe, so much so that the now honourable Independent member for St. John's West, last year, referred to Your Honour as the cowboy member for the district of St. Barbe.

With regard to the remainder of the Speech from the Throne, Sir, it sets forth in brief form, very clearly

the general outline of what the Government intends to do. I wish only to voice a very few remarks upon it particularly with regard to the objections made by the honourable members of the Opposition. Here I even dare to run up against statements from reporters that, all the Government members are doing now is to repeat what others have already said.

The Honourable Leader of the Opposition said that the Government should not bother to go into new industries, or to go into business, that it should not meddle with high finance but that it should look after only the welfare of the people. Well, Sir personally, within the limits of my ability, I know of no better way of looking after the welfare of the people than by creating new jobs. If we are to create new jobs then surely we must lend money to new industries. Perhaps the Government invests money itself and meddles in finance because, because this phrase high finance, which the Leader of the Opposition says the Government should have nothing to do with, in my opinion, there is no such mysterious creature as high finance. I don't know if there is anything mysterious about finance that it should be called high or something the Government should shy away from. Because financial deals, Mr. Speaker, big or small high or low, simple or complicated can be handled if you have the intelligence to do so. If you have the intelligence, I presume then, a only then it would be called high finance. Now as far as laying down that the Government should never meddle with nor go into business but should leave all financial transactions to what the Honourable Leader of the Opposition calls business, that, Sir, I think is sh

nonsense. I presume, Sir, that what the honourable gentleman means by big business are large and wealthy corporations like DOSCO. But these large and wealthy corporations, at least from my reading of history, Mr. Speaker, originated from the idea of one or two men who had some brains and some creative ability. They got an idea and they started a new industry, and when they got started they then had the brains, the intelligence to hire people with intelligence and expert knowledge to work for them, and thus build up what we now call big business. Surely, Mr. Speaker, the Government can do the same thing.

MR. HOLLETT: Has the Government got any brains?

MR. MERCER: That, Mr. Speaker, is exactly what we have been trying to show the Honourable Leader of the Opposition, but he does not seem to be able to realize it.

Now, Sir, there is one point on which I want to agree with the Honourable Leader of the Opposition. It's business, call it big business if you will, any kind of business, as far as I am concerned new industries are put into the development of our natural resources or into the development of new secondary industries, if by doing that there will be plenty of jobs for everybody who wants to work, then surely, I say, by all means let the Government stay out of it and look after the welfare of the people and merely help these big businesses or that financial house, to market their products. I am quite sure the Premier and the members of his Cabinet will be very glad to take that very easy task of doing nothing except internal administration. But save big businesses and industry,

prior to Commission of Government, put money into the development of Newfoundland's resources? I say, no, Sir. Did they do it during the days of Commission of Government? No. Have they offered to do it since this Government have been in power since 1949? No, Sir. Then who is going to do it if the Government does not? That, Sir, is the very reason why this Government has ten times the amount of work as the Commission of Government had to do in their day. That is why, and as I say conclusively that is the answer to the Honourable Leader of the Opposition when he says it was an extravagant Government to have twelve Ministers of the Crown today instead of only six Commissioners as they had during the Commission of Government days. The Government, today, is doing ten times the amount of work.

Again the Opposition scorned the idea as expressed in the Speech from the Throne with regard to the formation of a Forestry Planning Commission and an Agricultural Commission.

MR. HOLLETT: Not agricultural—Forestry, yes.

MR. MERCER: I don't know, Mr. Speaker, what the honourable gentleman said, he might only have said forestry, but one of the honourable members, I think the honourable member for St. John's East, has scoffed at the idea of an Agricultural Commission. Yet, Mr. Speaker, these same honourable gentlemen will accuse the Government of rushing into things without full investigation and if we bring in Legislation from the point of view of trying to form an investigating committee to go into these things, they say we are just wasting money.

Well, Sir, last year when I made my maiden speech in this House, I was reported in the press as having gone a little too far when I supported openly, said I was all with the Government's policy of make or break, work or starve. The press reported that, and said I was merely giving that as an excuse for having changed over from Tory to Liberal. The press went even further and said that there was no necessity for me to use that as an excuse. They said I could take consolation in the knowledge that Winston Churchill and other notables had changed their politics on occasions.

Now, I did not give that as my excuse for leaving the Tory Party. I do not know if I said it plain enough then or not; but I am going to try and say it now—that I left the Tory Party because I found its principles, Sir, to be exactly those over and over again propounded by the present Honourable Leader of the Opposition not later than this past two weeks when he says that the Government should not meddle in business; that the Government should not meddle in high finance; that the Government "should let George do it," and if George does not do it, forget about it.

MR. SMALLWOOD: I expect he meant George Drew.

MR. MERCER: It could be George Drew he meant. And because of that do-nothing policy; that stay-where-you-are policy; let-someone-else-create-jobs policy—that do-nothing policy, that, Sir, was the reason I left the Tory Party. And I still adhere to the same policy as I did last year. I still say that we must pursue vigilantly the policy for the establishment of new industries and the development of our natural resources; and aligned

with that, if we have not got the money, let us get the loan of it—but get it, and do something.

MR. BUTTON: It is a great privilege for me to join with other honourable members in extending congratulations to the Mover and Seconded of the Motion to draft an Address in Reply to the Speech from the Throne, and also to welcome the Honourable Minister of Mines and Resources, the member for Labrador; and the Honourable Minister of Provincial Affairs, the member for Ferryland to our ranks, and, Sir, to congratulate them on their maiden speeches here in this Honourable House.

Mr. Speaker, the first part of the Speech from the Throne relates that on June 2nd, this coming year, our gracious and beautiful young Queen will be crowned. Some of us here in this Honourable House will have the good fortune to see her crowned while others in Newfoundland and Canada (of which we are a part) will have to depend upon the movie and television to see this great event. But, Mr. Speaker, Newfoundlander will join with other countries in rejoicing at home through the celebrations that will be arranged for the great day. And, Mr. Speaker, may God bring her knowledge, wisdom and strength for the great task that is placed upon her young shoulders.

Mr. Speaker, the Speech from the Throne gives us an opportunity to discuss matters that are near and dear to our hearts and I feel that the privilege is honoured by all members of this Honourable House. Regarding the Speech from the Throne today, after listening to those who have spoken, there is very little for me to say. Nevertheless I h



noticed that our present Government have taken upon themselves what has been lacking for the past decade—the courage and initiative to develop our natural resources. As all this Honourable House is aware, this Government, for the past few years have spent and devoted their whole time to economic development, in order to promote new industries before it is too late.

Well, Sir, as for the Opposition—there is not a great deal that I am going to say with respect to the Opposition side. There is not much for me to say, as the other members on this side have already diagnosed their case history, and the results are always the same—"Tell me the old, old story."

MR. HOLLETT: The new industries, too, are the "old, old story?"

MR. BUTTON: I am not interested in them. All I am interested in today is the district I represent—the district of Trinity South and the good people who elected me to this House.

We have members who will look after their own respective districts.

Mr. Speaker, as I have already said, the Speech from the Throne gives each and every member an opportunity to stand here in this Honourable House and pour out his trials or his tribulations or whatever he has to say about his district. And, Sir, I am going to deal mostly this afternoon with my district; because I think in my own heart and soul that it is a district that has been forgotten.

Relating again to the Speech from the Throne—the Speech from the Throne relates to the fishery development which this Government proposes

to undertake with the help and the aid of the Federal Government—that is, of course, when the Walsh Report is brought down and both governments have examined its contents. Sir, the fisheries were almost forgotten—it was like the honourable member for St. George's when he said the last man on the Bill of Cape St. George was almost forgotten. I hope the Walsh Report will be a favourable report in order that our fishermen will be given an opportunity, at least, to earn decent wages in order to provide a decent living for themselves and for their families. But, Sir, personally, since listening to a memo which was brought before this House within the past few days by the Honourable the Premier, I feel more sure, more confident, that progress is in the offing; and, Sir, I hope it is, for the sake of the district which I represent; because, Sir, as already stated here this afternoon, I am of the opinion that the district of Trinity South is a forgotten district. The reason I say this is due to the fact for reasons which I will give you as I carry along. The reason I say Trinity South is a forgotten district, first, it started in the year 1935-36 when the Anglo-Newfoundland Development Company of Grand Falls discontinued shipping paper from the great winter shipping port of Heart's Content; and this, Sir, was caused by nothing less than the past Government—the Commission Government. The Commission Government which was in power at that time, in order to satisfy the people here in St. John's who were unemployed at the time, made an agreement with the A.N.D. Company to build a paper shed here in St. John's which cost \$155,000.00; and by so doing it left hundreds of people in Trinity South without a

livelihood—all to please the people here in the city of St. John's. It also carried away with it, in my opinion (and in this I hope I am wrong) it carried away the possibility of any industry being started in this district.

And again, the great heartbreak of it all was the taking up of the branch railway in 1940. That started in 1939, but such a protest was made at that particular time, that the Commission Government dropped the idea. When they first started to take up the branch railway, the people in that district got up in arms and at that time they were led by Rev. Facey. But soon afterwards, Rev. Facey, due to his religious principles and so on, thought it advisable for him to drop it. But it was one of the biggest mistakes ever made when Rev. Facey dropped behind, because if he had had his wish, the railway would still be operating in that particular district. But, Sir, although the branch railway was removed from Heart's Content, it was not removed from the Carbonear district. Why, Sir? I can understand why—it was because the people from Carbonear to Holyrood would have gotten up in arms against them, and there would have been a small riot, the same as happened years ago during the Squires' Government. What I cannot understand is this: why this branch railway is in operation in a place where they have paved roads—(and they have paved roads from Carbonear to St. John's)—and not in Trinity South where we have only cow-paths. When we realize what has happened it can make anyone's blood boil.

MR. FOGWILL: It is not good enough.

MR. BUTTON: I say the reason why the railway from Carbonear to

St. John's was not removed was because the people in that vicinity had a stronger will-power or they had more behind them on the Commission Government to urge them to keep the railway up. Our good people, Sir, did not want to cause any friction and they wanted to concur with and carry on with the Commission Government in order to save another riot.

MR. HOLLETT: Are they doing that with this Government?

MR. BUTTON: No. If the railway had been removed from Carbonear to St. John's today there would be no Tannery in Holyrood and no glove factory in Carbonear; there would be no industry going to Bay Roberts or any other part of the district over there, because the cost of transporting the facilities would have been too great.

I noted that the honourable member for Port de Grave said he hoped that the steel mill would be going ahead at Bay Roberts. I was praying to God it would be going to Bay Roberts; because if that steel mill had gone to Bay Roberts, there would have been a small industry—a limestone quarry—at Heart's Desire. But circumstances alter the case. We still hope though that the limestone quarry will be in operation at Heart's Desire in the near future. I know when I made my political speech in this last election, I did mention I was hoping that this quarry would be opening in order to give a livelihood to the residents in that particular area.

Well, Sir, we have had Cabinet Ministers and private members in that ancient district which I represent. What did we get for the district? I got one single iota. In 1942, the honourable member for the district

E. J. Godden and he promised us a railroad. He got up on the platform and said "So Help Me God, I will give you a railroad from Heart's Content to Old Perlican." But he did not appear in the district from the time of the election until the next Government took over. He was afraid to return. It all vanished into thin air. That is why the people in the district are getting sore over the whole thing—promises here, there and everywhere. Fortunately, I did not make promises; otherwise I could not travel the district. And, as you all know—every honourable member must know—that I attend to my district more than anyone else here. I feel it is my duty as a member of the Liberal Government to visit my district as often as I possibly can. Now, what possibilities have we for an industry in this ancient district is beyond me; but if something is not done in the very near future, it will be a ghost district. We will have no Tories or Liberals in the district. The people will have to get out instead of staying home and I hope and pray that when the Walsh Report is brought down in the House it will be favourable, because it was only this past week I received a communication from the Society of United Fishermen at Winterton asking what can be done for the fishermen at Islington. The fishermen at Islington are requesting that something be done to solve their problems regarding the fisheries for the coming year. These people have lost their means of disposing of their fish due to the fact that Moores in Harbour Grace have gone up to Ferryland or the West Coast or somewhere. These people always sold their fish green to Moores at Harbour Grace. What are they going to do with their fish? What is

to become of them? If some action is not taken pretty soon, I do not know what will become of them. Like the honourable member for Fogo stated here, they will have to haul up their boats and forget the fisheries. Then they will have to depend on the Government for a livelihood.

Now, Sir, I know that I have not spoken a great deal in the House and—the people from my district have been after me; they want to know why I have not gotten up. It is not the fault of the Premier or anyone on this side of the House, because the Premier has urged each and every one of us to get up and fight whenever possible.

Now, Sir, I will bring up another small matter in connection with the fisheries. We have today at Dildo a small plant known as the Arctic Fisheries. This plant, I must say, is doing whatever is possible for the people in that vicinity. But, Sir, that is not enough. If steps were taken to erect a fish-meal plant as well as the oil manufacturing plant, (where they manufacture oil from the potheads of whale only) it would be a great thing for the people of Chapel Arm, Dildo, New Harbour, Normans Cove and all around that area. The Arctic Fisheries buy the potheads only, consequently we have millions of pounds of whale meat rotting on the beaches in Chapel Arm and Dildo and it is not fit for any human beings to pass there at that time of the year. I think something should be done in order that we could have a fish-meal plant or something to dispose of the carcasses of whale lying rotting in the sun on the beaches in Chapel Arm, Dildo and New Harbour. It would be much better for this Government to bring the Andrews plant that is

lying dormant in Labrador and put it in Chapel Arm or Dildo in order to dispose of this whale meat rotting on the beaches there.

Mr. Speaker, when the young gentleman from Ferryland was speaking about electricity or electric power in his district; he spoke of the people there still using lamps and candles although the power passes along there. What would he say, Sir, or what would his constituents think, if they had their wires running through the settlement and it was still in darkness; still using candles or kerosene lamps. That is happening today in the district I represent. It is happening to the good people of Heart's Desire. Meanwhile the people in Heart's Delight and Heart's Content enjoy full benefits of the Light & Power Co. in this district. Why? When the lights were put through to Heart's Delight and Heart's Content, the people of Heart's Desire were living on the dole and could not afford to have the lights in. I have received petitions from Heart's Desire repeatedly. I have taken the matter up with the Government, the Public Utilities and with the officials of the Company; and I am tired of them. I am told "very well, we will look into the matter." Looking into the matter will not give these people of Heart's Desire their lights. I think it is a shame for these people to be treated that way, when all we want is a transformer to bring down the voltage. Mr. Speaker, if the honourable member for Ferryland had that situation up there he would be blowing his top off, and I would not blame him. Sir, I trust that before the next session of this House that the people in Heart's Desire will have their lights, or if not throw the company out and let the Government take

over the whole situation in that area. Yes, Sir, and the people from Hants Harbour to Seal Cove are in the same predicament, they can't get lights but when they go to the officials they are told—we will look into it. It is the same way with the telephone system in the area, can't get a telephone in Heart's Delight whereas just a few doors from it they have their telephones. What is the trouble, Sir, with the company, are they bankrupt or what? If they cannot handle it then pass it over to the Government.

Now, Sir, the next thing I will take up is hospitalization. Mr. Speaker, when last this honourable House was in session I presented a petition from the good people of Winterton, New Perlican and Heart's Content as to a hospital, which, Sir, I knew at the time was impossible. We cannot have another hospital. I know the Government cannot put one there. We already have two or three in the district. But the two or three in the district are inadequate, not large enough to contend with the people we have over there today. And, Sir I know that the people can send petitions in here to me, but it is only a waste of time for them to go around. I don't want petitions. I know what the people in the District of Trinity-South want. I know them all from Lead Cove to Sunnyside. I visit every settlement in the district and know their needs. That is not what too many district members can say. But, Sir, what the people are objecting to mostly, they know that they cannot get another hospital, but there is one thing that can be arranged they can come under the cottage hospital scheme of paying \$15 per year the same as in other districts. When, Sir, the people from Heart's Content and New Perlican, Winterton and

Hants Harbour, if sickness falls upon them, have to trust to the mercy of God to get in here to the General Hospital. Then it will cost them anywhere from one to four hundred dollars. Whereas it could be arranged that they could come under the hospital scheme the same as the people from St. Mary's Bay. If they can come under the hospital scheme I cannot see why the people of Trinity South cannot come under it. Sir, if this is impossible I will ask the Department concerned to see that funds are provided today in the coming estimates to enlarge the hospital at Old Perlican which will solve the whole thing. Because, Sir, we have a hospital at Old Perlican inadequate for the district, both for Carbonear District and Trinity South District. Time and time again, Sir, representations have been made to the Commission of Government as well as to our own present Government, but I feel confident that this coming year something will be done. By taking the Old Perlican Hospital and putting another additional piece on, which would give the people of Winterton, New Perlican and Heart's Content the same facilities as they have elsewhere. I believe, Sir, that the present Minister of Health will consider this appeal and see that something is done for the good people of the areas that I have mentioned.

Mr. Speaker, during this past year, as you all know, there was a beautiful building opened at Whitbourne known as the Boys' Home; for young law breakers. Well, Sir, I know that it is a necessity and if they did not open it in Whitbourne they would have to open it somewhere in St. John's or some other honourable member's district. I must give credit to the Honourable Minister of Wel-

fare for securing such a fine building as we have today in Whitbourne. But, as you all know if you read the "Sunday Herald" which is the people's paper, that I did make a statement, that when this building was officially opened, I stated, it would be much better if the department or the Government had opened that building as a new hospital rather than open it as a boys' home. The reason I said that, Sir, is that the hospital we now have at Markland is again inadequate for the people to get proper hospitalization. But, Sir, I know that the people at Whitbourne and Markland and in that vicinity will not have the privilege to have this new home as a hospital because the boys have already moved from their old residence at Bell Island into the new palace at Whitbourne. It is a shame that we should have such a fine building to put those small law breakers in when a new hospital is required in that area. But, Sir, the point I am getting at is this. It would have been much better for this Government to announce the opening of a new industry in Whitbourne rather than the opening of a new detention home. I am not favouring the Opposition by saying this. The point is that a new industry could have been opened in Whitbourne where we have the facilities of the railway in that particular area, we could have had a furniture factory or some other factory if the Europeans had been taken out and shown what could have been done out there. The point is, Sir, I am doubtful if they were ever there. But I do know, and I must thank the Premier, or thank his officials, for taking them over to Heart's Content, and they came back with the word that it may be feasible for us to have an industry in Heart's Content. I cannot

see why we cannot have one there especially when we have the facilities, we have the light and power, we have all the ground in this world that they want, we have one of the best harbours in Newfoundland which was always open to the A.N.D. Company for shipping their paper years ago before the Commission of Government took away the livelihood from our people in the district. Mr. Speaker, it can make you mad at times—but Sir, whatever happens, we do hope that as the years go by that there will still be an opening for a factory in Whitbourne.

Mr. Speaker, as you all know, the reason I said that we should have an industry at Whitbourne is due to the fact that we have a railway passing through, and to begin with the Government are the owners of the Bond Estate. And, Sir, I would think that it would have been a greater tribute to the late Sir Robert Bond who was a strong Liberal with a capital "L" and who, Sir, again, was always a promoter of industries, I think it would have been a great honour, Sir, to the late Sir Robert Bond for us to have a new industry placed on his land instead of a boy's home. I am not objecting, Sir, to a boy's home on the Bond Estate. I know we must have one somewhere. But I firmly believe in my heart and soul, this afternoon, that instead of a boys' home we should have had a furniture factory or some other factory on that Bond Estate. I think it would have been a greater tribute to the late Sir Robert Bond who was one of our greatest Liberals and greatest Liberal supporters that God ever gave breath to in Newfoundland.

Mr. Speaker, as I have already stated here, I have not so far come down on the Honourable Minister of

Public Works. There is not much that I can say about the honourable gentleman because he has acceded so far to my requests, and I know that his demands are great in many parts of the country. But I say now, as I said in the first part of my speech that in my district we have cow-paths, whereas from Carbonear to St. John's they have paved roads. And if our cowpaths are not taken care of within the next year or so, Sir, they will be bypaths. I feel confident that the Honourable Minister of Public Works will see that we will have no bypaths but that he will give us our usual cowpaths.

Mr. Speaker, I am serious here this afternoon, serious because I do not know what is going to happen to the people of Trinity South unless there is some form of industry within the near future placed at their disposal. I cannot tell what is going to happen. During past governments they have been promised everything. As I said before in my opening speech, we have had cabinet ministers, Mr. Godden promised us the railroad. Then later Hon. Harold Mitchell promised we would have the fish coming in to eat the cowpaths, but still we have gotten nowhere. I suppose, Sir, it is that we are not one of the fortunate ones in that district. We have no millionaires in the district. If we had, Sir, the industries would be working today, but as in the past, Sir, the people were never given the opportunity, they were always hampered somehow. I can remember, Sir, though I was only a boy when I left home, they were hampered by past governments. Why that is, is a thing that I cannot understand. We have good, honest living people in the District of Trinity South, good, hard-working people, lumbermen, fishermen, miners, whatever

trade you wish to bring forth, yet they were always hampered somehow by past governments.

Sir, I feel confident that, as the years go by, I have confidence in the Premier that he will see that district will not be as in the past. Because over there, Sir, in that district at the present time, they will go through hell for the Premier and his party, although we hear such conflicting reports from Mr. Hicks that the Opposition are going to win the coming election. As a tip to the Opposition, I say, it is advisable for them to keep Mr. Hicks here in town.

MR. HOLLETT: That is a very ore point.

MR. BUTTON: Mr. Speaker, in losing, Sir, I am going to ask the Honourable the Premier and his good cabinet to consider, Sir, what I have did this afternoon on behalf of the people of the District of Trinity South, and, to make a special effort during the coming year to assist the people in trying to promote some kind of an industry supposing it is a box industry for the people of Trinity South.

MR. COURAGE: Mr. Speaker, I move the adjournment of the debate. Second reading of Bill, "An Act further to Amend the Wild Life Act, 51."

HON. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, arising to move second reading of this Bill, I think I should say just a few words about the background of this Bill. The purpose of this amendment is to clarify and to elaborate on the definition of the words "resident" as it was in the parent Act. For the benefit of any honorable member who may not have had time nor opportunity to refresh

himself I will read from the original Wild Life Act, 1951: Resident is defined as meaning a person who is a resident or corporations that had a business in Newfoundland for a period of six months immediately preceding the time that "resident" became material under this Act or Regulations for the purpose of angling includes a bona fide member of the armed forces in Newfoundland.

Now, without going into too much detail, the Department found a great many troublesome cases arising out of that definition. For example the status of certain members of the armed forces is certainly not clear, as you can appreciate from the reference there to the armed forces. So the Government has endeavoured to rectify this by bringing in these amendments. Two points with respect to members of the armed forces stand out (1) after being in the Province for six consecutive months for the purpose of angling he is regarded as a resident, (2) in the case of hunting he must be in the Province for a period of twelve months immediately preceding. I might point out, however, something that is in there; every member of the armed forces no matter how long he has been in the Province must engage a professional guide if he goes hunting. The purpose of that is to protect the guide industry in Newfoundland, and to enable guides to make a livelihood out of it.

There is one other item, Sir, Section 5 of the parent Act is repealed and another section is put in. The only difference is, and this is a penalty clause in the parent Act, it is amended in such a way as to provide a penalty in addition to the other breaches of the law which carry a penalty, for any person who interferes with or tears down or removes or

damages any regulations, orders or notices posted or published under the Act. That is to protect some of the signs which some people are not too careful with.

I think I have covered all the points, and I move the second reading of the Bill.

MR. HOLLET'I: Mr. Speaker, I have nothing much against the principle but there is one point which strikes me and this the Honourable Minister is inclined to endorse, and the Government would be well advised to watch that Act very carefully. I can visualize conditions in the near future when we have many thousands of people from the Mainland residing here, and if they are all to be given a license to fish and shoot a moose or what not, there will probably be no game left. I wonder if there is some possibility of limiting the number of such licenses as referred to in that Act. Mind you I am not speaking against the principle. I believe the amendment simply clarifies what was in the original Act, but I do think the Government have to be very careful particularly in the immediate future as to the number of licenses they are going to permit to, well I say foreigners, if you wish, including our friends the Americans of which we have quite a large number. In fact we have quite a large number of people here now not regularly domiciled in this country, and we have a limited number of moose, and certainly a limited number of white tailed deer, one I believe, out in Bowring Park. I draw that to the attention of the Honourable Minister of Mines and Resources and say, in all seriousness, in regard to the number of people not ordinarily domiciled in the country.

Carried. Ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951."

MR. CURTIS: Mr. Speaker, it is about six minutes to six, and I am moving the second reading of this Bill in the hope it can go through between now and the time of adjournment. If on the other hand there are any objections at all, I will gladly defer the Bill in question. There is really a very slight amendment that is not very important from the standpoint of the country. The object of the Bill is to enable the Board of Public Utilities to deal with petitions which have not been analyzed under the present Act. The position is it must be advertised and the advertisements have to give certain particulars as to whether or not the property is mortgaged and some of the people, whose land has been taken, objected to the adverse publicity they get by reason of the fact that their land is mortgaged is disclosed to the public. Mr. Speaker, I don't see that anybody is served by having the advertisements in these cases. The advertisements will still take place when the owner is not known, but because there is a mortgage on the property is no reason why the owner should be embarrassed by having that published to the whole world.

The second amendment limits the power of the board to take any property where the value exceeds five thousand dollars. In those cases the Lieutenant-Governor in Council must first give consent.

Another clause in the Bill is a clause which puts forth the manner of appeal from the decision of the board to the Supreme Court. There was a case before the Supreme Court a year ago and the court commented on it



fact that the Bill, as presently drafted did not outline the procedure on appeal. That has been done, and I think it will be agreed, Mr. Speaker, that the objects of the Bill and the effect of the Bill will be to improve the present legislation. I move the second reading.

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

MR. CURTIS: I move, Mr. Speaker, that the remaining Orders be deferred, and that the House at its rising adjourn until tomorrow, Tuesday at 3:00 of the clock.

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TUESDAY, March 31, 1953.

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

#### Presenting Petitions

MR. MORGAN: Mr. Speaker, I wish to present a petition signed by some sixty-six voters of the settlement of Lush's Bight in Green Bay.

The petition prays that a short section of road be constructed connecting the new Government wharf to the main road. The wharf was constructed last summer. The Federal Government in its wisdom built it on an island within some four or five hundred feet from the shore. The settlement of Lush's Bight being on an island everything coming into the community or going out must go by sea and a wharf is very important to them.

The petition prays that this short section of road be constructed during the present summer. I heartily agree

with the petitioners, as I know of the necessity of this connecting link. I strongly support the petition and move it be tabled in the House and referred to the Department concerned.

MR. MORGAN: Mr. Speaker, I have here a petition signed by some 187 residents of Harry's Harbour and neighbouring settlements in Green Bay, requesting that a road be built to link Harry's Harbour with the King's Point-Springdale line to the Trans-Canada Highway. At the present time residents of these settlements have no road connection whatsoever. In order to reach the hospital in the summer time they have to go out around the headland and the distance by sea to the hospital is somewhere around thirty-five miles whereas by road the distance would be somewhat less than twelve. The petitioners also pray that this road be constructed during the present summer.

I move the petition be tabled in the House and referred to the Department concerned.

SERGEANT-AT-ARMS: His Honour the Lieutenant-Governor has arrived.

MR. DEPUTY-SPEAKER: Your Honour, it is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects and faithful commoners in Newfoundland to present to Your Honour Bills for appropriation of Supply granted in the present session.

MR. CLERK: 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."

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-Four and for Other Purposes Relating to the Public Service."

HIS HONOUR: In the Name of Her Majesty I thank Her Loyal Subjects, I accept their benevolence, and assent to these Bills.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion and Questions

##### Notice of Questions:

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

1. For what purpose is the amount of £186-348-19-5 shown in the Province of Newfoundland Balance Sheet for the year ending March 31st, 1952 held by the Crown Agents for the Colonies in London? Is the amount earmarked for any specific obligation—and is the Newfoundland Treasury receiving any interest in this particular deposit?

2. On what date were the proceeds of the Ten Million Dollar Loan raised in 1952 deposited to the Credit of the Newfoundland Treasury. Give the total of such amount. On what dates are the interest payments on this loan due each year and what is the annual interest on the loan as well as the annual sinking fund?

3. Give a statement showing the following information:

1. The total amount of loans in cash due the Government at the present time. This information not to include the Housing Corporation or Town Councils, but to include all industries established through Government assistance.

2. The total obligations of the Government in respect to Bank Guarantees for Industrial or other purposes. This information to be to this date.

3. The total amount of cash estimated to fulfil the Government's outstanding Legislative obligations with respect to Industrial Development of new Industries—which money will be required to meet such obligations during the fiscal year 1953-54.

#### Answers to Questions

MR. SPEAKER: Question No. 51.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I hope to have the answers to Questions No. 51, 52 and 54 on tomorrow, also the answer to Question No. 49.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, the administration of Northern Labrador is under the Department of Public Welfare, and the answer is being prepared.

MR. FOGWILL: Before you go on to the Order Paper, I have not yet received an answer to Question No. 27 addressed to the Honourable Minister of Education on March 18 nor to Question No. 39 referred to the Honourable Minister of Finance on March 18. The question is in six parts and part 1, 2 and 5 have been answered but 3, 4 and 6 have not been answered. Perhaps the Minister would not have the information on No. 3 but would have No. 4 and No. 6, I believe.

MR. POWER: The last word I had on it was that the answer would be forthcoming.

MR. FOGWILL: It will be answered?

MR. POWER: Yes.

HON. J. R. CHALKER (Minister of Education): With reference to Question No. 47, we have to get that information from Ottawa, and it has not yet arrived. It will be sent to the House on arrival.

### Orders of the Day

Second reading of a Bill, 'An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to create a Tourist Development Loan Board for Newfoundland.'

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I rise to move the second reading of this Bill. The Bill is one, which as the very title would suggest, designed to create or provide for the creation of a new Loan Board, one that would deal with tourist development and tourist establishments aimed at assisting generally in tourist development. This board will be rather unlike the three existing Loan Boards in that there will be no paid staff on it. The Chairman will be the Director of Tourist Development and the members will be drawn from the public but without pay. The board would administer any funds voted by this House for the purpose of making loans to persons engaged in tourist development. All such loans would be made by the board and by none other. The board would have power to make recommendations, subject of course to the Lieutenant Governor in Council. In that it would be in the first instance

the Lieutenant Governor in Council who made the regulations but normally upon recommendations of the Board.

There is nothing very unusual or exceptional in this except for the fact that I find as Minister of Economic Development that I receive visits from many people interested in the building of tourist cabins and hotels. Quite frankly, Mr. Speaker, it is not practicable to have these applicants come personally to the Minister concerned, for that reason there ought to be a more or less permanent organization to whom such applications might be made and who in turn would do the necessary screening of the applications to enable a more prompt decision to be made before making the loans.

Now, the loans would probably consist of some eight or perhaps ten a year. They would run to amounts of perhaps three or four or perhaps five thousand dollars each. However, the number of loans the board would make and the total amount involved in all the loans in any given year would be determined obviously by the amount of funds put at the disposal of the board. Through this means the Government will be enabled to determine very largely the general shape of tourist development.

The hard fact of the matter is that in all of the Provinces of Eastern Canada, certainly the Maritime Provinces, tourist development has occurred almost entirely as the result of loans made by the respective Governments, each of whom has set up a Loan Board, which Loan Board administers the affairs of the tourist development. If we are to have tourist development in Newfoundland, it is highly doubtful that we will get it

by private enterprise unassisted by public money. If we did, it would be something new for the extreme Eastern part of Canada, as I have said, where such development as there has been, came about through the means of Government loans.

Mr. Vardy, Director of Tourist Development, has personally visited the three Maritime Provinces, conferred with the Tourist agencies and consulted the Loan Boards of the three provinces; studied the Acts and Regulations of the Loan Boards and with the assistance, of course, of the Law Officers of the Crown who drafted the Bill which I now explain.

It seems to me that the Government's general direction in tourist development must first take the form of assistance to provide for tourist accommodation for that part of the Province beginning at Port aux Basques and ending perhaps somewhere near Grand Falls or even Gander.

The House will be aware of the fact that under the Terms of Union it is provided that upon completion of the new highway between Corner Brook and Port aux Basques, the Government of Canada will provide a modern car and truck ferry to operate on the Gulf between Sydney and Port aux Basques. The House will be aware also, and it is public knowledge, that the terminal facilities at Port aux Basques and North Sydney or Sydney are now about ready, having been built at a cost of a good many millions of dollars by the Government of Canada. And further that the plans for the new ferry have been drawn and that the contract for its building has been let. Indeed, I understand that when the ferry is ready to operate, the total cost of the terminal and ferry will be of the

order of twelve or fourteen millions of dollars, defrayed by the Government of Canada.

So then it is a fair assumption that in perhaps a year or so from now, a very modern and up-to-date car ferry service will be in operation between North Sydney and Port aux Basques. I think it is a fair assumption that from the beginning of that new ferry service, very large numbers of people will be flocking across the Gulf into Newfoundland. I believe that all the space provided on that ferry for motor cars will be occupied and that you will have perhaps a couple of hundred or more tourists landing daily throughout the week and throughout each week of the summer months, at Port aux Basques. Now, if that is so, and if one thousand or 1200 tourists or more land every week at Port aux Basques; it would be a very bad thing for Newfoundland and for the cause of tourist development if when they landed in that first summer of the new ferry operation, they landed in Port aux Basques, found nothing there; set out upon the new highroad towards Corner Brook and found nothing along the road in the way of accommodation or even a place where they could get a ready meal. That kind of experience could be the worst possible kind of black eye for the tourist development in Newfoundland. If one of these people—a man, his wife and children—came down in their own car to see the new Province, experience such conditions, they would go back and for months and years would give Newfoundland a bad name from the tourist standpoint. And everyone who has studied the matter of tourist development is well aware that the valuable advertising, the most valuable publicity any part of the world can get, from the tourist

standpoint, is favourable word-of-mouth publicity produced by satisfied and pleased tourists. And, by the same token, the most damaging propaganda or advertising there can possibly be in any part of the world, from the standpoint of tourist development, is adverse and unfriendly talk by disappointed and disillusioned tourists who went back after unfortunate experiences.

So therefore it seems to me that the effort of the Government should most definitely at first—in the first 2 or 3 years—should be in the direction of assisting private enterprise to establish worthwhile tourist accommodation on the West Coast, the first part of the Province which will be visited by large numbers of new tourists.

Well, what the Board created under this Act is virtually a departmental Board, it is then in a very distinctive sense an instrument of government policy, and it is that, because we wish it to be definitely an instrument of Government policy and the intention is to keep it a departmental Board rather than an independent Loan Board which might well have ideas of their own as to what particular kind of tourist accommodation they may encourage and where in particular that accommodation should be. We want to keep that matter strictly within the control of the Government, because, of course, the Government more than any other interest must be obliged to take the general view of the tourist matter and it might therefore be expected to more properly and more likely to attempt to frame and get the tourist policy as to serve the greatest need in that field, in that direction.

I do not mean by what I have said that the Tourist Board ought to make

no loans to anyone concerned with providing tourist accommodation elsewhere in this Province. I am convinced that when the Trans-Canada Highway is built all the way from Port aux Basques to St. John's tourists will cross the Island and here on the East Coast will find some very magnificent tourist country. I think, for example, the drive around Conception Bay and down through the South Side of Trinity Bay could and indeed would become a most attractive drive for tourists. I have in the past couple of years taken several visitors around Conception Bay and I have been genuinely impressed by the way in which those visitors delighted in the scenery and general atmosphere they found in driving around Conception Bay. Certainly, when we get a decent road up the Southern Shore, that should prove one of the most attractive drives and tourist sceneries of all of the Province of Newfoundland.

Nor do our tourist attractions end on the East Coast. All down through the North East Coast, with roads leading from the Trans-Canada Highway into Trinity Bay, Bonavista Bay, into Notre Dame Bay, into White Bay—there are magnificent tourists' areas and they will be opened up within the course of the next few years. Then again on the South West Coast, magnificent Fortune Bay containing as it does very lovely and interesting Bay D'Espoir and Hermitage Bay. Further up, the coast, of course, you have LaPoile Bay and other areas of great attraction. Indeed the Tourist Loan Board will, of course, have to bear the other parts of Newfoundland in mind. But in the first two or three years of its life, it must concentrate, necessarily, on providing for tourist accommodation

on that stretch of the line between Port aux Basques on the West Coast and say, Gander or Grand Falls on the Eastern end of the road, because it would be calamitous to have large numbers of tourists arrive on that new ferry, only to find they have no where to go—like O'Brien in the famous song.

I do not know if there is anything else I have to add; the Bill is quite simple, quite plain, nothing at all complicated in it.

I move the second reading.

MR. M. M. HOLLETT (Leader of the Opposition): Generally we are interested in the Bill. We have very little against the principle. There are several things in the Bill which we will have to discuss in Committee of the Whole. I regret I cannot talk very much today, I have a cold. But there is one objectionable feature that I must draw your attention to and that is the fact that apparently this Bill will give the Tourist Board unlimited right to guarantee bank loans for any project in connection with this tourist policy. I wish to point out, Mr. Speaker, that it seems to me we are wandering on dangerous grounds. We have various Boards and Corporations now who apparently may guarantee loans. We had NALCO which could guarantee unlimited loans; now we have the Tourist Board, and if you look at Section 8 you will find "Where a bank has made a loan for a purpose prescribed by this Act or the regulations in pursuance of an application made to and approved by the Board, the Board may guarantee payment of the loan." It seems to me in drawing up an Act of this kind, there should be a certain circumscribed limit to the amount. But we can take that up in Committee stage. But

I do not think it right for this House to vote to give this Board the right to guarantee unlimited amounts for the building of hotels. In order to encourage somebody to come into this country and put up a series of hotels, they could go to the Bank, raise a loan and Mr. Vardy and his Board could undoubtedly guarantee it. We are likely to find ourselves responsible, and indeed for the eventual repayment of loans amounting to many hundreds of thousands of dollars. I think it is too much of a jump for this House to vote this unlimited privilege to this Board. On the face of it, that is the only part of the principle of the Bill to which I object. We are all in favour of encouraging the tourist business. I think we will have to wait a while, unfortunately, for the Trans-Canada Highway—I think we have ample time to get hotels. I only hope the Government has not already entered into agreements with individuals with regard to hotels. Judging from past legislation, I would say that probably the Government has made agreement with individuals to come in here and build hotels. I saw by the paper that somebody was coming in here who was interested in building a hotel at Port aux Basques and another in St. John's. I have no objection to the Government guaranteeing loans. We cannot stop the Government from guaranteeing loans, but I do think the Lieutenant-Governor in Council should not delegate its power to a Board in a matter where the individuals are who make up the Board. I point that out. Otherwise we support the Bill.

MR. HIGGINS: There is just one apparent contradiction. If I understood correctly, the Premier said that the members of the Board would serve without pay; yet sub-section 6

section 4 provides—"The members of the Board, except employees in the Civil Service of Newfoundland, shall receive such remuneration and allowances as may be determined by the Lieutenant-Governor in Council."

I take it that is something we can come to in Committee; but it does appear to be a contradiction of the statement made by the Premier.

The second point is—it might be of interest to see whether this fund will be applied for the opening up of tourist facilities, and I agree with the necessity for this; but I wonder if there are any negotiations between the Loan Board and Sheraton Hotels?

MR. SMALLWOOD: None at all.

MR. HIGGINS: This is to apply to the Province of Newfoundland where Newfoundlanders hope to meet the need that might arise?

MR. SMALLWOOD: Yes.

MR. HIGGINS: I see no objection at all, with one or two minor reservations, to the principle of the Bill and I will support it.

MR. JANES: I cannot say I agree with the Leader of the Opposition. One day he says the Government should not be going into business; now he says the Government should be making the loans themselves.

MR. HOLLETT: They always have the right to grant loans.

MR. JANES: That is a contradiction of what you have been saying this last week.

MR. HOLLETT: I did not say that. You must have been absent a couple of days. There are a few such establishments in the country already. How much better job they would

have done under a properly established Loan Board, I do not know. They have done some excellent jobs in cabins. I do not see many such places as the Balmoral Hotel or the hotel at Corner Brook being built without assistance from the Government. They are very costly. I see nothing wrong with the setting up of the Board with some reliable men to handle it rather than the Government handling it themselves.

MR. FOGWILL: I support the Bill. I feel, as well as my colleagues that anything designed to aid and assist in bringing in new money into the Province is worthy of support. And with the new ferry boat going to be built or now being built—I do not know what accommodation it has for cars—I think about fifty perhaps, and the total passenger accommodation would probably be 350 or 400—even if we do get a couple of hundred each trip—it must be remembered we have a short tourist season—maybe 5 months or 3 months—it must be remembered that our tourist season here is so short that the risk capital going into the building of tourist lodges and hotels along the highway, is risk capital and we will have to be careful about granting or guaranteeing loans for places that will possibly be closed for seven months out of a year. I do support the Bill on the basis of the total number of cars that might come across the Gulf—we might get twenty-five or thirty thousand people through that avenue. I support the Bill, but I hope the Government and the Board will be very careful in lending or guaranteeing amounts of loans to persons or firms concerned, so that the taxpayer will not be carrying the great percentage of the risk.

If tourist development is worthwhile to the honourable members it

is worthwhile then to the people who have money to invest in such projects as building tourist cabins and hotels. I do think the amount of capital should be limited. I do not suggest it should be limited in the Bill, but I think the Board should limit it to 25% or 30%. I think one-third is sufficient for the taxpayer to put up. The investor should put up the rest.

I support the Bill.

HON. L. R. CURTIS (Attorney General): In reply to some of the criticisms to the Bill, I would point out that although the Bill provides that "Members of the Board, except employees in the Civil Service of Newfoundland, shall receive such remuneration and allowances as may be determined by the Lieutenant-Governor in Council" it is not contemplated that any member will be paid except, possibly, the Chairman who may serve in some other capacity as well.

Then again, my honourable friend the Leader of the Opposition quoted Section 8 "Where a bank has made a loan for a purpose prescribed by the regulations in pursuance of an application made to and approved by the Board, the Board may guarantee payment of the loan." That is true, Mr. Speaker, and under this section the Board will be able to guarantee loans, but the Act further provides in Section 11:

(1) The Lieutenant-Governor in Council may make regulations not inconsistent with this Act.

(a) prescribing the enterprises or types of enterprises in the tourist industry in respect of which loans or guarantees may be made;

(b) prescribing the manner in which applications for loans or guarantees may be made;

(c) prescribing the terms and conditions on which loans or guarantees may be made;

(d) prescribing the manner in and the conditions upon which a borrower may sell or transfer any property whether real or personal in respect of which an unpaid loan was advanced or guaranteed by the Board;

(e) prescribing or limiting the amount of any loan or guarantee;

(f) deferring the payment of the whole or any part of any loan for such reasons as the Board may in its discretion determine;

(g) fixing the rate of interest on loans;

(h) providing for the commuting of any payments due to the Board;

(i) prescribing the form of any mortgage and the manner of its execution

(j) prescribing or regulating the form and contents of any agreement between a borrower and a contractor for the construction of any building, erection, or premises or the installation of any equipment therein in respect of which a loan is to be made or guaranteed;

(k) prescribing or approving the design, plans, and specifications for buildings or constructions in respect of which a loan is to be made or guaranteed;

(l) prescribing, in the event of default in the repayment of a guarantee loan, the legal or other measures to be taken by the bank and the procedure to be followed for the collection of the amount of the loan outstanding, the disposal or realization of a security for the repayment there



held by the bank and the rate of interest to be charged on overdue payments;

(m) prescribing the method of determination of the amount of loss sustained by a bank as the result of default in repayment of a guaranteed loan and the procedure to be followed by a bank in making a claim for loss sustained by it in respect of a guaranteed loan;

(n) prescribing the steps to be taken by a bank to effect on behalf of the Minister collection of any guaranteed loan in respect of which payment has been made by the Minister to the bank under this Act, and providing that on failure by the bank to take such steps the amount of such payment may be recovered from the bank by the Minister;

(o) requiring reports to be made periodically to the Minister by a bank in respect of guaranteed loans;

(p) providing for the examination and audit of accounts and for the inspection of buildings, erections, constructions, premises, and equipment in respect of which a loan or guarantee was made under this Act;

(q) prescribing further or additional functions, duties, or powers of the board;

(r) in relation to any matter arising from the more effective carrying out of the purposes of this Act, whether or not such matter or thing is of the kind enumerated in this section.

**MR. HOLLETT:** The Lieutenant-governor in Council "may" make regulations. You should put "shall" here.

**MR. CURTIS:** Possibly in Committee we might make that "shall".

I think my honourable friend will find that practically everything that could be envisaged is covered in Section 11.

**MR. SMALLWOOD:** The Leader of the Opposition made a statement which I must correct. He has made that statement over and over again. He said that NALCO can go ahead and guarantee or raise any amount of loans. That is just not true.

**MR. HOLLETT:** I said up to ten million dollars.

**MR. SMALLWOOD:** Not up to ten cents, not alone ten million dollars. It is not the first time he has made this statement.

The statement he made was that NALCO could go ahead and guarantee or raise any amount of loans. Now that just is not true. It is not true. It is not true up to ten cents not alone ten million dollars. It is not true, and I hope that the honourable gentleman will not again in this House ever make that statement because it is not true. If I were permitted under parliamentary rules to refer to an earlier debate in this present session, I would remind the House the honourable gentleman previously made the same statement and attempted to prove it by reading a clause from the Act to the effect that the executive committee can raise a loan up to ten million dollars. I said at the time "Go ahead read out the clause, read the vital part of the clause." He now comes out today and says the same thing as he said on that earlier occasion. I hope he does not say it again. I will have to correct him if he does. And I will conclude (a) he is trying to pull our leg or (b) that he honestly and stupidly believes what he says, one or the other. All

too frequently a man can be honest and stupid. I can explain a thing to the Honourable Leader with great lucidity, but only the Almighty God can give him the brains to understand when I do explain. I cannot undertake to give him the brains to understand. But I ask again, please read the Act and the clause in question, not one or two words but the whole clause.

MR. HOLLETT: Are we discussing NALCO?

MR. SMALLWOOD: The honourable gentleman did discuss NALCO. It is like King Charlie's head.

The Honourable the Attorney General has replied to the valid and the piffling points made by the Opposition. The piffling ones made by the Leader and the valid ones made by his colleagues the honourable and learned gentleman from St. John's East. God has ordained, or the people of St. John's East and West have ordained that we get those comments from the other side of the House. But we just cannot allow them to go unchallenged. Mark Twain said that a lie can get half way around the world whilst truth is putting its boots on to chase it. If I allow the honourable gentleman to keep saying that any two men in NALCO can commit Newfoundland up to ten million dollars—I say it is not true even up to ten cents.

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 (Elections) Act, 1951."

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, since the

passing of this Act in 1951 our experiences have shown there are two amendments necessary.

At the present time no one can be nominated for election as councillor unless he has paid all of his taxes in full for at least ten days prior to nomination. Now in certain municipalities elections fall due during the first week in April and the financial year of the council begins on the first day of April. Consequently it is obviously impossible for prospective councillors to comply with the Act unless they pay their taxes in advance. The first amendment simply takes care of that. All is required is that a man who comes up for nomination shall have paid his taxes in full for the previous financial year.

Section 13 of the Local Government (Elections) Act requires twelve months residence as a qualification to vote. But the Local Government Act makes a person liable for municipal taxation after a residence of three months. Our proposed amendment merely brings the two into agreement.

Mr. Speaker, I move the second reading of this Bill.

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 Community Councils Act 1952."

MR. HEFFERTON: I don't believe the Bill has been distributed a yet.

MR. CURTIS: Perhaps whilst waiting to have the Bill circulated we might revert to No. 7 on the Order Paper.

Second reading of Bill, "An Act Fu

ther to Amend the Forest Fire Act, 1953."

HON. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, in rising to move second reading of this Bill perhaps a few words of explanation are in order: The Forest Fires Act is, I think, very well known to this House. It tries to provide for almost every possible contingency. But there is one important omission in that nowhere in the Act does it say the Minister nor the Lieutenant-Governor in Council for that matter, has the power to prohibit the lighting of fires. So this amendment was designed to overcome that deficiency. We are one of the few communities in the world where there is no power on the part of the Government nor of any Minister of the Government nor any Department of the Government to take action in time of emergency. Actually what happens is that the parent Act says that the Minister may make certain regulations governing the lighting of fires under certain conditions. But it does not say fires may be prohibited completely in any area at any given time.

We have had very sad experiences with regard to forest fires in Newfoundland. Some of them, in fact most of them, have occurred during periods of very dry weather with high winds when the fire hazard was high and certainly it is possible for meteorological and forest fire experts to predict whether or not the forest fire hazard will be high within the next week.

This amendment gives the Minister the power to prohibit fires at any times or at any place outdoors. I need hardly say, Mr. Speaker, that that is power which would be used most sparingly and only in the gravest kind

of situation. However we must understand, I think, that there are times when the freedoms and rights enjoyed by all of us must be circumscribed in the interest of the general good of the community.

We had a very good example of this last year when picnickers on the outskirts of St. John's, on a day when no person should have been permitted to light a fire out of doors, not only lit a fire but did it in a place and under circumstances which any person with common sense could have predicted would likely lead to trouble. As a result several hundred acres of well timbered land in the vicinity of the city itself was endangered for a whole day (a very hot day with winds running from thirty-five to forty miles) and the cost of fighting that fire, if I recollect correctly, was something in the vicinity of thirty thousand dollars. We had another example almost simultaneously near White Bay when picnickers made a fire, again in an area where no fire should be lighted, and fifty square miles of timber land were destroyed, one of the virgin timber spots in the whole island.

We have somewhere to make a compromise. Somebody must have the power at sometime to say there can be no fires as from today until further notice in certain areas. Now I think I can say this, Mr. Speaker, that it is most unlikely that at any time this amendment to the Act would be invoked for the whole Province. It is almost inconceivable that would happen. It may well be that we may go for years without this portion of the Act having to be invoked at all. But the powers that must be there, and the Government has chosen to vest the powers in the Minister for a very ob-

vious reason: If it is vested in the Lieutenant-Governor in Council a considerable amount of time might necessarily have to elapse, particularly in the summer time, before any regulations could be publicized.

This amendment if put into force will be invoked only when the opinion of the persons qualified to pass an opinion on the general safety of certain areas is obtained.

One other point there: It may be argued that there is no way whereby you can in any given area, let us say the area of the Trans-Canada Highway between Corner Brook and Grand Falls, enforce these regulations. That may be so, but of course, once the law is there people, at least some people, are bound to observe it and those who do not are likely to take more precautions knowing they are breaking the law than they would ordinarily.

Summing up I would say that this is purely a precautionary measure, because in the opinion of the Government it is necessary for somebody to have that power. I cannot foresee any situation where it might involve the whole Province. What would happen is that at certain times of the year when fire hazards are extremely high and perhaps already one or two fires going in certain areas, it might be considered necessary by the Department to prohibit all fires in certain areas for a short period of time.

I move the second reading of the Bill, Mr. Speaker.

MR. HIGGINS: Mr. Speaker, we have no quarrel with this amendment at all, particularly in view of the way the Honourable Minister has outlined the use of the power that would be given to them. Obviously it is not the intention of the Government to

bar the lighting of fires at reasonable times and in reasonable places. Because, within the past year around the Conception Bay highway I think the Department of Public Works or the Tourist Bureau has put up outdoor fire places. The only part of this I see personally that is not sufficient is the penalty section. That provides for a fine not exceeding \$100. That seems to be out of proportion to the penalties that are provided in default. I have a very distinct recollection, Mr. Speaker, and perhaps other members of the House also have, where Magistrate Abbott in Grand Falls a couple of years ago fined a young fellow throwing a lighted cigarette out of a car something like four hundred dollars. I do not think the penalty here is quite sufficient. I think if we are going to create an offense covering this sort of thing we should make the penalty clause a little more serious so that people will recognize —

MR. SPEAKER: That is a matter the honourable member might raise in Committee.

MR. HIGGINS: Thank you, Mr. Speaker.

MR. FOGWILL: Mr. Speaker, I would like to point out here that the prohibition refers in any one year to any particular part of the Province. I presume by that, Mr. Speaker, that would be a total prohibition in particular areas, two or three as the case might be. Now, the Government has had in the past few years, and will have this year too, I suppose, survey parties out and prospecting parties out. When these parties are working in these particular areas under prohibition for the lighting of fires, is there anything in the regulations that would excuse them, otherwise, they would

not be able to cook food. They have to stay in the woods sometimes for long periods. That is the only point I would raise.

On the other hand, I think, general picnickers or anglers or people going into the woods generally are very careful. I go out quite a lot myself and I know that people are generally very careful. Of course there are the careless people also, and it is for these careless people that this Bill is designed to protect our forests. But, Sir, I don't know if there is anything in the Act to excuse these survey parties from the prohibition here. Perhaps the Honourable Minister might be able to explain that point.

MR. ROWE: Mr. Speaker, on these two points—I think in fact there were three points brought up —

MR. SPEAKER: The Honourable Minister will now close the debate.

MR. ROWE: Thank you, Mr. Speaker. One is the one to which the honourable gentleman has just referred with regard fireplaces which are the work of the Department of Mines and Resources. We are very pleased with the reception these fire places have received from the general public. They are apparently doing two things (1) they fill the need where especially on whole holidays it is very difficult to find a suitable place to light up a fire and cook up. That work is going to be continued and we hope to have them as time goes on, all along the highway, not only the main highway but we hope to do something also on some of the secondary roads as well. In the course of time we might very well look forward to having several hundred and indeed over a period of years several thousand of these fire places properly constructed in

places where the fire hazard is very low and almost non-existent for the use of the general public and of course, under ordinary circumstances the prohibition would not involve these fire places. The honourable gentleman may well be right on the point that the penalty is a bit light. However the parent Act made the penalty, stating that the penalty would not be less than fifty dollars, and we have here said that the fine on summary conviction would not exceed one hundred dollars. I think under ordinary circumstances the British Law favours a maximum rather than a minimum fine. However if in the light of experience it is felt that the penalty is not harsh enough that can always be amended another year.

The matter of survey parties has already been considered. In fact I understand most of the survey parties now carry with them, I am not too familiar with it, but some sort of heating apparatus and cooking apparatus which depends on oil which eliminates the need for actually lighting a fire out doors. On that score it is our intention that all our survey parties, forestry and mining, we may have out in the field may have these stoves.

MR. HIGGINS: If the Honourable Minister will permit an interruption: If you light a gasoline stove is not that just as much making a fire as a fire of boughs?

MR. ROWE: I hardly think that using a small primus stove or something like that on a camping site would come under the scope of this amendment.

MR. HIGGINS: They may light it in the tent and move it outside?

MR. SPEAKER: These are points

which more properly might be dealt with in Committee.

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 Community Councils Act, 1952."

MR. HEFFERTON: Mr. Speaker, I would like to move second reading of this Bill which has several amendments all of a very minor nature. For instance, there is an amendment to Clause 2 which merely allows additional services to be undertaken by the council. Another amendment points out that it is unnecessary for the organizers to spend a week in a place where a community council is desired before calling a meeting. Under the parent Act that is necessary but in small places it is found the organizers can go there and quickly inform the residents of the meeting outlining the purpose of it without waiting for a week to pass before taking action.

Another small amendment speaks of arrears in taxes. Naturally in the collection of taxes we can expect a number of persons will not have paid up and the amendment is merely a clarification clause. Similarly we find in these areas, which have made representation to us for community councils where the number of people are relevantly small there is no need for the expense of compiling a voters' list. It can be taken quite easily and the election carried on at a public meeting making the compilation of voters' lists unnecessary.

Following upon that our experiences have shown that it is unnecessary to outline the programme of events for the year and the taxes to be levied,

etc., when that can much better be done by the meeting in session.

The question has risen also of collection of arrears of taxes and clause II allows the council to be represented in the course of court action for the collection of arrears by some representative of the council, probably by the chairman, rather than going to the expense of calling a lawyer and going on with regular legal procedure.

These are the main things, Sir, in the amendment and we can take them up in detail in committee. I don't think there is anything contentious in the Bill and therefore I move second reading.

Bill read a second time, ordered read a third time on tomorrow.

Second reading of Bill, "An Act to Amend the Old Age Assistance Act, 1951."

DR. POTTLE: Mr. Speaker, this is a series of amendments designed to correct defects in the Old Age Assistance Act, No. 8 of 1951. The defects have been brought forward to us by the Federal Department of National Health and Welfare with whom the Government of Newfoundland has a contract for the administration of old age assistance for needy persons between the ages of 65 and 69. The deficiency in question is this: The Act as it now stands does not make provision for the recovery of estate in the case of people who have received assistance by misrepresentation or fraud. The amendments of the Bill are four in number altogether.

The first amendment provides, as I have indicated, that where misrepresentation or fraud is the case, then the amount involved is a debt due the Crown.

The second amendment as read in the proposed clause 11 (b) provides that where the Old Age Assistance Board has knowledge that a person is attempting misrepresentation or fraud, that person would be properly notified. Further, after the notice is received by that person in question, and he transfers property to another person, the person to whom the property is transferred will be liable as if he misrepresented or frauded in the first instance.

The third clause 11 (c) provides that where a person who has committed fraud or misrepresentation dies intestate and there is no provision for administration of his estate, the Supreme Court shall become such administrator on application of the Board.

Final clause—in the case of such recovery, the interest thereon shall be at the rate of 5% per annum.

These are the specific clauses which make up the amendment to the Bill.

I move the second reading of the bill.

MR. HIGGINS: Surely the honourable member is wrong when he says the Supreme Court would be Administrator.

MR. CURTIS: That is what he said, but he did not mean that.

MR. HIGGINS: On clause 11 (c) we have to understand that if a man dies, with a Will, but the probate of the Will is not taken, the Supreme Court would grant administration to the Board and ignore the bequests made in the Will? I fail to see how it can be done. Possibly we should take that up in Committee. It is obviously an inconsistency.

MR. CURTIS: Might I reply to

my honourable friend? In this case even he has gotten off the rails a bit.

MR. HIGGINS: The Honourable Minister got off the rails and he took the coal car with him.

MR. CURTIS: The section provides "Where a debt is due under Section 11 (a) by the estate of a deceased recipient who dies with or without a Will and no letters of probate or of a administration have been granted, the Supreme Court shall, on the application of the Board—grant administration of the estate to the Board or its nominees, limited to the amount of the debt;" I think my honourable friend will understand more than non-legal members, that the word "administration" there means "administration C.T.A." It would mean that if the executor has not acted, then the Court will appoint administration C.T.A. and the administration will pay the debts and proceed to distribute the estate. It would suggest limited administration up to the amount of the indebtedness which is as far as the Board could go because they cannot—obviously, the Board would not be able to administer the estate.

MR. HIGGINS: I wonder what would happen if we applied for a fiat?

MR. CURTIS: After studying the clause very carefully, I think it is obvious what the intention of the clause is.

MR. HIGGINS: It makes more sense now.

Bill read a second time.

MR. CURTIS: Could we move on to No. 19 on the Order of the Day? Second reading of Bill, "An Act

Further to Amend the Blind Persons' Allowance Act, 1951."

DR. POTTLE: In moving the second reading, I would ask the indulgence of the House to accept the explanation given in the case of the Old Age Assistance Act, 1951. It is identical. The same correction should be made in 11 (c), namely, that administration lies within the Supreme Court. I move the second reading.

Bill read a second time.

MR. CURTIS: Could we come back to No. 14. Second reading of Bill, "An Act Further to Amend the Mothers' Allowances Act, 1949."

DR. POTTLE: This is to extend the benefits of the Mothers' Allowances Act, 1949, by making it possible for the allowances to be paid to the father who is resident in Newfoundland on behalf of himself and his child or children while he is incapacitated and living at home with the child or children or while he has to remain at home with the child because he is unable to obtain the services of a suitable person to look after his home. That is the first amendment proposed. The second amendment is that the words "sixteen years" in the parent Act be changed to read "seventeen years," which applies to the definition of a "child" for purposes of this Act. This is to ensure that a child who is the recipient of benefits under the Act, shall receive them until seventeen years of age instead of sixteen, so that he may receive his Grade XI and still receive a payment as a child, from the Board. The Board of Mothers' Allowances feel that this proposed amendment will give further protection to the children concerned and will bring the definition of "child" in conformity

with the definition of "child" as contained in the Childrens' Act.

Bill read a second time.

Second reading of Bill, "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

HON. C. H. BALLIAM (Minister of Labour): This amendment is designed mainly to bring the Act up-to-date.

1. This Act may be cited as The Boiler and Pressure Vessel (Amendment) Act, 1953.

2. Section 2 of The Boiler and Pressure Vessel Act, 1949, the Act No. 80 of 1949, as amended by the Act No. 15 of 1951, is further amended as follows:

(a) By inserting in paragraph (c) immediately after the word "boiler" the words "compressed gas plant hoisting plant, traction plant, refrigeration plant."

(b) By inserting in paragraph (e) immediately after the word "chlorine" the word "air."

(c) By inserting in paragraph (n) immediately after the words "steering plant," the words "hoisting plant, traction plant."

(d) By adding thereto as paragraphs (x), (y), (z), (aa), and (ab) the following:

"(x) "hoisting plant" means the machinery and equipment used for raising and lowering materials and includes a high pressure boiler or an internal combustion engine or an electric motor;

(y) "traction plant" means a steam boiler and the engines, machine and equipment connected therewith



when the boiler, engines and connections are automotive;

(z) "shop inspection" means an inspection during construction or fabrication by an inspector approved or authorized by the chief inspector;

(aa) "certificate or approval" means a certificate issued under sub-section (2) of Section 11;

(ab) "affidavit of manufacturer" means an attestation on a prescribed form that the boiler or pressure vessel described therein has been built in accordance with the registered design and to the prescribed code and regulations of this Province."

3. Sub-section (1) of Section 4 of the said Act is amended by inserting therein immediately after the words "steam plants" the words "hoisting plants, traction plants."

No. 4 permits extra charge to be made when the Inspector makes an inspection outside the jurisdiction of the Act. They are sometimes called upon to make inspections for the Federal Government or some persons who do not come within the Act.

No. 5 will overcome a difficulty. At the present time when a boiler pressure vessel calls into an area where there is no Inspector available, the boiler pressure vessel may have to wait until the Inspector gets there and this would involve delay, and this proposed amendment provides that if the Inspector is satisfied that the boiler is of approved design he may issue a license, if the makers of the boiler produce a certificate as to its efficiency.

That is about all there is to the Amendment.

I move second reading.

MR. HOLLETT: No. 5 (2). I am not so sure that we might not be letting ourselves in for some trouble if in the near future or any time in the future some of these recently imported boilers should explode and cause serious damage and loss of life. There is no need of an Inspector at all according to that—provided there is an affidavit made out by the manufacturer—the Inspector is supposed to take that as read. I am very doubtful if we are not letting ourselves in for something there.

MR. SMALLWOOD: If he would take the trouble to read the clause he would perhaps understand what the clause says. If he understood the clause, he would not make the speech he just made.

MR. HOLLETT: That was not a speech.

MR. SMALLWOOD: It is what the honourable gentleman would like the House to accept as a speech.

The inspector "may;" it does not say he "shall." He may issue this certificate on the boiler if the makers of the boiler produce their certificate—a certificate of the efficiency and safety of the boiler in question. Let us suppose it is a boiler, a universal name, a household word, known to every industrialist on this earth, known to all nationalities—this boiler is sold in every country with the exception of Russia and Iron Curtain countries—that boiler is imported into St. Anthony by the Grenfell Mission, a new boiler. Why should the Inspector go to the expense of travelling all the way down to St. Anthony or Goose Airport to inspect a new boiler when the manufacturers of this boiler have given a certificate as to the efficiency and safety of the boiler in

question? Why should not the Inspector be permitted by this House to issue a license in such a case as that? Why not? It is not provided in the Act that he shall do that; he may. The whole point is, he should have the right to do so in certain cases such as the one I have just cited. That particular boiler maker is not the only maker of boiler and pressure vessels; nor the only high-class and reputable manufacturer of tools and machines. But in the cases of reputable manufacturers who produce a certificate, the Inspector should have the right to issue a license. I do wish the Leader of the Opposition from whom this House expects so much in the way of advice and guidance, would take the trouble to read sometimes not once but ten times the clauses about which he offers comment. It would be so helpful to the House and even to him and his colleagues—instead of reading one or two words only from a clause and arguing on that to the exclusion of all others. He even argued as though the word was "shall" instead of "may." He merely assumed the word is already there; and he argued as though it was there.

Bill read a second time.

MR. SMALLWOOD: I think we might revert to No. 1 on the Orders of the Day. The Address in Reply.

Address in Reply:

MR. COURAGE: Mr. Speaker, I must apologize for holding things up; but I have had a very unusual evening—to sit in the Chair for the first part of this sitting of the House and then be called upon to speak in the second part; must be quite unusual in parliamentary circles.

It is my happy duty in the be-

ginning to congratulate the Mover and Seconder of the Address in Reply. I not only congratulate them because it has become the custom to do so, but I congratulate them truly and honestly because I believe they both performed their duty with credit to themselves and with credit to the House. They are both very young men—one in his twenties and the other in his early thirties. I think the House will agree that both spoke like veterans, and I do congratulate them.

Now, Sir, this 1953 is a most eventful year, in that it will see the Coronation of Her Gracious Majesty Queen Elizabeth II. In the pomp and pageantry of the Coronation, there may be a tendency for us to forget it is a ceremony of profound significance—it is a ceremony of dedication. It is a very old ceremony; it goes back to Biblical times. We read in the Bible of the anointing of Kings. I believe the procedure of anointing the Sovereign with Holy Oils goes back to Solomon anointing Saul.

The young Queen about to be crowned is a worthy daughter of a saintly father. From her earliest years when she was trained to take her place which she now occupies as Queen and head of the still great Commonwealth of Nations of which we are a part—of which we have the honour and glory to be a part.

It is known to those who study history that the eras of women sovereigns have been eras of great progress and great development; beginning with Queen Elizabeth and continuing with Queen Anne and Queen Victoria; and it is believed that today in the time of Queen Elizabeth II the world stands in a new era of prosperity and progress.

It was in 1582 that Queen Elizabeth I was so interested in this tiny colony of Newfoundland that she sent Sir Humphrey Gilbert to take possession of it and thereby laid the cornerstone of the British Empire.

Our Gracious Queen, Elizabeth II did us the great honour in showing an interest in Newfoundland by personally visiting this Province and Her graciousness endeared Her to the Newfoundland people. I am sure that nowhere was she welcomed more heartily, more loyally than in this Newfoundland of ours. We hope that her reign will be long and that it will be the most noteworthy of all.

Today, Mr. Speaker, there was laid to rest a very great Lady and a very great Queen. I refer to the Dowager Queen Mary. Our Premier has fittingly referred to her as the last of the great Victorias. Her queenly reign, her own sense of duty and responsibility endeared her not only to those who knew her well, but to the British Commonwealth of Nations; while her devotion to duty as wife and mother made her the admiration of all. She lived a long life, Mr. Speaker, a long life, and during that long life she knew sorrow. She buried her husband and her son who was known as King George VI. She suffered the bereavement of her youngest son who was killed while on active service—I refer to the Duke of Kent. As I said before she lived longer than any King or Queen in British history and she lived well. May she rest in peace. Her memory will ever be honoured wherever the history of the British Commonwealth of Nations is read.

I must also, Mr. Speaker, congratulate the new members. I refer to the Honourable Minister of Mines and Resources, an old friend of mine who

distinguished himself in the field of education and also as Deputy Minister of Welfare. His reputation was second to none in the Civil Service and he now comes to the House representing the no longer the most forgotten district of Labrador.

I must congratulate too the Minister of Provincial Affairs who at last got here after many tribulations. Those who listened to the Minister know why he got here. In his forceful and eloquent speech, he demonstrated that he is a power to be reckoned with. I am very happy indeed that he has come here, and I hope that his stay here will be for many, many years. This goes too for the Honourable Minister of Mines and Resources. These gentlemen are well known, the Honourable Minister of Provincial Affairs being a well-known barrister and Queen's Counsellor of this Province.

Mr. Speaker, a few days ago, the Honourable Minister of Public Works gave vent to his feelings in his usual forceful manner about being called a "yes man." We have all resented that because we are not "yes men" and I want to say this here: The Honourable the Premier knew that I was going to speak today. I was speaking to him today, but he did not ask me, nor has he ever asked me, what I was going to talk about. I have not any speech prepared except a few notes, so I could not have told him anyway. He has never yet interfered with the sayings and actions of any member on this side of the House. We are absolutely free to say whatever we wish, and whatever I say in this House will be an expression of my own opinion. I will always, Mr. Speaker, resent the implications in the press concerning the conduct of this House. I would say wherever I get the chance, most

emphatically, that this Provincial Parliament of Newfoundland is one of the best conducted Houses of Parliament anywhere in the world today.

MR. CASHIN: Here, here.

MR. COURAGE: It is true that now and again there are differences of opinion. But why would there not be? That is what we are here for. That is democracy. Difference of opinion is what makes up democracy. If we all agreed on everything there would be no democracy, there would be no freedom of speech, there would be no work done here worth talking about. It is true that sometimes the language used in the heat of debate may sound rather heated, not very much so, certainly to the extent that one would gather from sometimes reading the newspapers—that too is bound to happen. It is bound to happen because when you have strong personalities there is bound to be a little flare up periodically, but these are very few again, and there are very few animosities that we carry outside when we go out to have a smoke. Somebody said to me on Wednesday, and I suppose I have heard it a hundred times, "Anything exciting going on?" You would think, Mr. Speaker, they were going to a boxing match. We are not here to amuse the public. We are not here to entertain. We are here to do the work which the people sent us to do, the law-making of this country is in our hands. That is our principal duty and we have to do it to the best of our ability, and to do it in the way which we consider to be best for all the people of Newfoundland as a whole. I had to get that off my chest. I don't need to compare this Parliament with others I have read about, but I could do that if I wanted to. Last year I read about a parlia-

ment, a picture was shown in "Life" magazine last year, of a member of a parliament pointing a pistol at another honourable member.

MR. SMALLWOOD: Careful.

MR. COURAGE: Yes, I don't mean to give anybody any ideas. These things happen from time to time in other parliaments but, so far, have not happened here and when they do I will have to say we are a disorderly bunch. But for the present I want to make it clear, in defence of His Honour the Speaker, and myself, who occupy the Chair, that there will be no disorder from anyone in this House. Flare ups, yes, sometimes we are a little out of order, yes—but there is a limit, and I believe every honourable member knows just what that limit is today.

Now, Mr. Speaker, I come to the Opposition. I am somewhat in the position of the honourable senior member for Harbour Main-Bell Island who feels charitable towards everybody. I likewise feel charitable towards the Opposition. This morning the Honourable Leader of the Opposition said to me: "Don't be too hard on us" or something to that effect. I said; no, I could not find it in my heart, my heart is charitable as is the heart of the honourable member for Harbour Main-Bell Island on the Opposition side who loves us all.

MR. SMALLWOOD: Soft as the Honourable Leader of the Opposition's head.

MR. COURAGE: That was a very rude remark, Mr. Speaker.

MR. HOLLETT: I think I will have to rise to a point of order—don't think, Mr. Speaker, the Hor

ourable Premier is allowed to make such a statement about my honourable head. I won't ask him to take it back.

MR. SMALLWOOD: I meant bald.

MR. SPEAKER: However, the remark is out of order. Whether the honourable member's head be honourable or otherwise, it is still out of order.

MR. COURAGE: As the honourable member for St. John's East said, very seldom we have a chance to say anything nice about the Premier—now just at this time the Premier had to make that remark when I was just about to say that they had the opportunity all right to say nice things about the Premier if they would only do it, but they are in the unhappy position that they can't do it, even if they agree with him they still have to remember they are the Opposition, and as the Honourable Premier so aptly put it, they are in the position of a new broom and have to sweep clean.

After the honourable and learned member for St. John's East spoke I turned on the radio and heard—Higgins lashes out at the Government for pending forty thousand dollars for each job created in Newfoundland. Now, I must lash out at the honourable member.

MR. SPEAKER: Now, the honourable member himself is out of order.

MR. COURAGE: I must lash out at the honourable member for making such a statement.

MR. SPEAKER: The honourable member is not permitted to quote an outside opinion at any member of this

House. That would be permitting the newspapers to come in here and speak.

MR. COURAGE: Thank you, Mr. Speaker. The honourable member did say that the Government spent forty thousand dollars for each job created. I heard him myself, Mr. Speaker, I don't know where he got the figures, I have not the foggiest idea any more than the honourable member had. In the first place the Government has not spent forty million dollars on economic development, and in the second place the number of jobs provided is not known to the honourable member. Certainly for the investment which the Government has made there will be more than one thousand jobs. These however are facts regarding economic development and will be dealt with by the Premier who is far more competent than I am to deal with them. But I would suggest to the honourable members of the Opposition that they should check their facts more carefully before they speak and not just pull them out of their own hats.

Now, one of the members on the opposite side made this statement, I think it was the honourable member for Harbour Main-Bell Island: "A large payroll and full employment does not make prosperity." What in the name of Heaven does make it if a large payroll and full employment does not. My only wish is that I could say that about Fortune Bay and Hermitage Bay, I would be quite happy.

The honourable members every year have the old song and dance about Confederation. It is like King Charles Head, in *David Copperfield* I think it was, a character of Mr. Dickens who made kites and what-

ever he was doing or thinking about King Charles' head got into it. So "Confederation" also gets into the Speech from the Throne. Mr. Speaker, I like it. The more the honourable members talk about Confederation the more they bring it to the notice of the public that they are against it, the more they say about it, the better I like it. And I hope that they will continue to do it. It is wonderful for them to tell the people about Confederation because, Mr. Speaker, the people of Newfoundland are not against Confederation today even those who were against it formerly are not today. I am very happy and very proud that I was one of the first people to be in favour of Confederation and to line up with the man who is now Premier. I am very happy that I went out to the people of Fortune-Hermitage before the referendum, and when they asked my opinion, and sometimes before they asked, I told them that I thought Confederation would be in the best interest of Newfoundland. They were all ready for it as I discovered, and Mr. Speaker, I can tell the House why: The people on the South Coast have always had close touch with the Mainland of Canada. I probably might be considered as typical of the South Coast. I have a brother living in Sydney, a brother-in-law in Vancouver, and numerous relatives in various other parts of Canada. They were all there, incidentally, before Confederation, people on the South Coast have for years and years been going to the Lunenburg fishery, and still do; for years and years have been dealing by schooner with places on the Mainland. They knew, in spite of what anti-Confederates told them, that these people were not living in poverty, that they had a better standard

of living, and that is why they were for Confederation. Today, Mr. Speaker, they are happy to have made that choice. I can tell the House that. I have gone back twice since I have advocated Confederation to the people. The first time I went back I was elected to the House with only 88% of the votes. Last time I did a little better and had a little over 96% of the votes.

MR. HOLLETT: The third time watch out.

MR. COURAGE: The third time I expect to get them all especially if I am opposed by my honourable friend the Leader of the Opposition.

MR. SMALLWOOD: He will have to find some district somewhere.

MR. COURAGE: Mr. Speaker, as to the cost of living, I will just ask one question on that: What would the cost of living be today if we did not have Confederation? I wonder if the honourable gentlemen think that Confederation increased the cost of living, because if they do they are sorely mistaken. When today we import from the Mainland of Canada where the things are grown or produced we have no duty on these things. The cost of living would certainly be higher if we had to pay the duties as we did. Where would the cost of living be today if we did not have Confederation? It is up, yes but it is up all over the world by reason of wars and rumours of wars; up because wages are up, the cost of producing goods is up. Remember that when things were low, prices were low, wages were also low and people could not buy things. When ham sold for 30c a pound people could not buy it. They had no money. If it sold for 20c, they could not have bought

it. Today the standard of living is up even if the cost of living is. The people of Newfoundland today are living better than ever before in the history of this Province. Things today which only appeared on the tables of the well-to-do can be had in any outport of this Province. Here is something that was told me last fall by a merchant: Sales of fruits, juices, milk, tinned soups and other foods which we consider necessary, but which were once considered luxuries, are up more than ten times what they were before Confederation. In other times where they one time used to buy one case of milk about five years ago they buy ten cases today.

How can one account for that?

**MR. HOLLETT:** No cows.

**MR. COURAGE:** And yet, "the Government had nothing to do with the cost of living," said another honourable member.

"The Government has nothing to do with prosperity." Yet the Government is blamed for the high cost of living. "The Government has nothing to do with prosperity. The Government of Newfoundland has nothing to do with it." So said the Opposition.

Mr. Speaker, if things went wrong, would then the Government be blamed? Yes, if things went wrong then the Government would be blamed but it must take no credit for the things that go right.

I remember four years ago when stayed up to celebrate the coming of Confederation, I believe, Mr. Speaker, I was one of a small gathering who stayed up down at the house which was then occupied by the Premier, own on Devon Row, and we celebrated the coming of Confederation.

I am not ashamed to say that it was a great night, the greatest night in the history of Newfoundland. I believe, Mr. Speaker, that my children and their children and their children's children will rise up to say that it was a great night and that they will bless, as one of the fathers of Confederation the name of Joseph R. Smallwood.

I must turn now, Sir, to my own district of Fortune Bay and Hermitage, the district which sent me here and which I represent. Mr. Speaker, I would like to make another point clear. I believe, it was reported, that some honourable gentleman said he would be in this House only when matters concerning his district came up. The Honourable Leader of the Opposition said something which was said before him by the great Irish statesman, Burke: "A member does not sit in any Parliament to represent only the people who sent him here. He sits in Parliament to represent the country. When he sits here he has to deal with affairs that concern all the people of all the Province. It is true that he will, and his people have good reason to expect him to look after their interests, but at the same time he must not forget that his duties not only concern one section of the Province but they embrace all of Newfoundland.

Last Fall, Mr. Speaker, I visited my district. At Gaultois, I saw something which did my heart good. I saw a modern fish plant. One of the most modern fish plants in the world, made possible by this Government. I saw people working there, earning good wages. I saw fish being sent out in packages that were a delight to behold. I saw boats coming in and landing the fish and being paid in cash. I will give you an illustration of what

that plant can do for Hermitage Bay. I was told in Hermitage, three miles away from Gaultois; there were six boats fishing. I was there six weeks later and there were thirty-six boats fishing. That will give some idea of the progress which could be brought about by new methods being applied to the fisheries of Newfoundland.

There were other parts of my district, Mr. Speaker, which are not so prosperous, although I am happy to say that for five months last year there was no relief given out in Fortune Bay and Hermitage. It is primarily a fishing district, so it shows that they are prosperous and that the people are industrious when they could keep away from able-bodied relief. They are to be congratulated on their fine attitude. There are places, Belleoram, Harbour Breton which would make good locations for fish plants if somebody would only start them. Mr. Speaker, the Government does not start industries, it assists them and helps in various ways people who start industries to make it possible for the industries to be started. But the actual planning, the actual formation of the company, the actual plans of what the company intends to do must be submitted to the Government. Then if the Government thinks it is good proposition it will assist in bringing about the development which the company asks for. An honourable gentleman may say: "there should be an industry in my district—there should be an industry in this place or that." But we must not forget that the people who put the industries there have a right to say where it is to go. Naturally it is going to go where there is a railroad and naturally where there is a good harbour.

Mr. Speaker, the bank fishery was

for years and years the mainstay of Fortune Bay. It deteriorated. I know why the bank fishery went down. I have read in the paper self-styled experts say why. But they don't know; they have not got all the facts of why the bank fishery declined until they disappeared. Here is one reason why: When I was teaching at Harbour Mille in 1935 men came home in late October who had been fishing since February and had made a total of \$90. That is one reason why. The average was only about \$300. But at the same time in Lunenburg the average earnings of the fishermen varied from \$600 to \$1,200. Today, Mr. Speaker, now that we have Confederation, those druggers going out of Fortune Bay, for the first time in the history of Newfoundland do as well as they do in Lunenburg. The few bankers that prosecuted the fishery from Fortune Bay did as well as they did in Lunenburg for the first time in the history of Newfoundland, but I am sorry to say it is too late now.

However, I want the people to know that this Government (I am not a member of this Government. I sit here and I am supporting the party, I am supporting the Government in the House but am not a member of the Government.) This Government, especially the Premier has the interest of Fortune Bay very much at heart. I have brought to him a full report every time I visited my district of what is happening there. He has always asked me to do that. I dare say he does it for other members as well. Every time before I visit my district I have a talk with him and he asks me to come and see him and make a full report of what I saw in the district, how the people are, what their problems are. He knows and understands their problems and the Govern-



ment is grappling with them. The Speech from the Throne shows there will be a new deal in the fisheries. I am very sorry that the members of the fishery commission were not able to visit the South Coast as they planned. I was assured by the Honourable the Minister of Fisheries on two occasions that they were going to visit the South Coast, and I know they had planned to do so. I am rather sorry they did not. They were not able to carry out their plan. We did have on that commission Captain Clarence R. Williams of Pool's Cove. I think he lives at Grand Bank now but belonged to Pool's Cove in Fortune Bay. He is a very experienced bank fisherman and knows the District of Fortune Bay and for that matter the South Coast like the palm of his hand. So that the South Coast problems were well explained, I know, by Captain Williams. It is rather unfortunate that that commission could not visit the District of Fortune Bay and Hermitage but that does not mean that they are forgotten.

Mr. Speaker, the Speech from the Throne also foreshadows a new deal for the fisheries and the speeding up and development of our natural resources. As far as economic development goes, I leave that to the Leader who is more competent than I am.

One thing I would like to point out to the Opposition—when these industries were brought here from Germany—when they came here from Germany, they came here at a time when German nationalists were very anxious to come to this side of the water. They may not be so anxious today. We had to take the opportunity when it was offering to us.

A Chinese philosopher has said "it is better to light a little candle than

to curse the darkness." While the Opposition are cursing the darkness, the Government will be lighting electric lights all over Newfoundland.

MR. NORMAN: I join with all who spoke before me in extending sincere congratulations to the honourable gentleman who moved and seconded the motion which we are now debating. They have made splendid speeches, both of them and we on this side of the House are proud to have such splendid young men to uphold the Liberal banner in this House.

I also congratulate the two new members of this House—the honourable member for Labrador and the honourable member for Ferryland.

I congratulate all who have taken part in the debate thus far, and especially the honourable member for Ferryland, the Minister of Provincial Affairs. His speech was truly an inspiration to us all and we shall look forward to other speeches from him in future.

We are looking forward, eagerly to the Coronation of her gracious Majesty, the Queen. This beautiful and gracious young Sovereign won the hearts of all the Newfoundland people when she visited us a year or so ago. We wish her a long life and happiness.

Mr. Speaker, much has been spoken by previous speakers about Government policy, especially the Honourable Ministers of Mines and Resources, Public Works and Public Welfare, and I do not want to take up too much of the precious time of the House for I know we have a great deal of work to do this session.

There are a few things I want to say and I know the people of the dis-

tract of Burgeo-LaPoile who sent me here would want me to say these things. My district is first and foremost a fishing district. All the people of Channel, Port-aux-Basques and the whole district make their living from the fisheries, both fresh and salt. We are all glad to hear encouraging statements about the fisheries. I know the Government must have been waiting impatiently for the Report and Recommendations of the Fisheries Development Committee—the whole Province must have been waiting impatiently; but I suppose once the Committee was appointed, it was just as well for them to do a real job. It would be just a waste of time and money if they had gone about their work in a half-hearted way. They have taken about two years, and I understand they have travelled a great deal throughout the Province and taken evidence and information from hundreds of people. I believe there have been many fishery experts at their service and altogether it is fair to say they have made the most thorough investigation ever made before into the fisheries of Newfoundland.

MR. HOLLETT: Were they up in your district?

MR. NORMAN: The Report will soon be handed to the two Governments, I understand, and we are all hoping that the recommendations will be good. This much I do know, the Government will do their full part and we on the Liberal side of the House will give them full support and encouragement.

I am in favour of starting these new industries—very much in favour of them. I am in favour of surveying and prospecting of all minerals, our forests and our waterpowers. I say we cannot have too many industries

and I shall vote for all possible development in Newfoundland. At the same time I am bound to say that it would be just nonsense to talk about a prosperous Newfoundland if our fishermen are not prosperous. Our fishermen are not so numerous as they used to be years ago, but they are still a very large body of men and they have waited a long time for a decent break. I am confident that if there is any Government that can and will give our fishermen a break, it is the present Liberal Government. The present Government have the strength, and the energy and the brains to do it. If they cannot do it, then no government can do it. But they must have a fisheries policy and that is why the Canadian Government appointed this Fisheries Development Committee. There has always been a lot of talk about our fisheries—some of it pretty big talk. I am afraid there has been more talk than rock-bottom facts. We never bothered much in the past to get to the bottom of the problem and that is what the Fisheries Development Committee was appointed to do—to get down to the bottom of it and to form a good fishery policy.

Mr. Speaker, everybody in Newfoundland knows that our Premier is working day and night to develop Newfoundland; everybody in Canada knows it and many in England and the United States of America. He never spares himself to get Newfoundland developed and I know the Fisheries Development Committee comes up with a good fisheries policy and recommendations, the Premier will receive strong support from his colleagues and will carry out the policy.

I want to say a word about the remarkable success of the Premier

getting this British Company to come to Newfoundland and Labrador to search for minerals and other natural resources. We have read and heard of the great activities in getting this British Corporation. Some twenty of the biggest companies in all Great Britain have been brought together to form the Corporation and they are able and willing to spend many millions of dollars to develop our natural resources. It gives us great satisfaction that these British Companies are coming to Newfoundland for Newfoundland is British to the core. We may be a Province of Canada, but we also take great pride in being Britain's most ancient and loyal Colony. Of course, the Opposition will sneer at the great deal the Government have made with this British Corporation; but the people will not sneer.

We have a Premier in Newfoundland who will travel to any country and be able to meet up with the biggest men and keep up his end of the plank—one day he is conferring with Winston Churchill; next day with the Banking House of Rothschild, next day someone else just as famous. He meets the biggest kind of people, always trying to get Newfoundland developed. What do we find in this House? We find him attacked and ridiculed by other big men—the Honourable Leader of the Opposition, for example. Mr. Speaker, it is easy to attack and ridicule and tear down, but it is quite another thing to create.

MR. HOLLETT: Point of order, have attacked the Government, but not the Premier.

MR. NORMAN: If my memory serves me right, I think I heard the honourable member of the Opposition criticize the Honourable Premier here on two or three occasions.

MR. HOLLETT: It is not a question of what you "think."

MR. NORMAN: As I said, it is easy to attack and ridicule, but it is another thing to create and build up. All across Canada today Newfoundland is known as a Province that is up and coming; everybody knows there are big things going on in old Newfoundland; from the day we got Confederation and the present Liberal Government, Newfoundland has been going ahead. We have gone further in the past four years than we did in any quarter of a century before. Our people generally are better off than they ever were before. There is a spirit of hope and confidence abroad in Newfoundland which was never known before, and I give credit and the people give credit to the coming of Confederation and the Liberal Government.

MR. JANES: I move the adjournment of the debate.

MR. ROWE: No. 16. "An Act Further to Amend the Timber Licenses (Reversion to Crown) Act, 1951. In moving the second reading of this Bill, members will recall that last year this Bill was put in force with the idea of bringing back to the Crown those areas, many in numbers, some large in extent, which had been given out for various purposes during the past fifty odd years. Most of the lots were given out on certain conditions, operators had to do this or that. The purpose of the Timber Reversion Act was to bring back to the Crown those areas where the conditions had not been fulfilled in effect by letter of the law or spirit of the law. Specifically the strict interpretation would have been to penalize licenses; but some of these whilst they had not adhered to the letter of the

law, had adhered to the spirit and more than met the conditions in spirit. These were the Horwood Lumber Company and the International Grenfell Association (Dr. W. T. Grenfell).

In the case of the Horwood Lumber Company, they had not met the exact conditions of the lease, but they had gone ahead and met them in spirit of establishing a sawmill and by processing the wood in the factory in St. John's, and thereby giving employment to several hundred persons.

In the case of the Grenfell Association, or Sir W. Grenfell, he was obligated to erect a saw mill. Neither Sir W. Grenfell or the International Grenfell Association actually erected a sawmill; what they did do was to pass over the areas they held to the firm of Saunders-Howell who erected a sawmill and gave employment to a large number of men. It was not the intention of the original Act to penalize any persons or body of persons who had met in spirit the conditions of the licenses. In consequence, the Government decided that rather than rewrite the whole Act, it was better simply to pass an Act which would exempt from operations these two bodies or Corporations—the Horwood Lumber Company and the International Grenfell Association who have substantially met the conditions of the original license.

Bill read a second time.

MR. POWER: No. 17. Second reading of Bill, "An Act Further to Amend the Insurance Companies Act."

The Department of Finance does not have the necessary facilities to investigate the financial structure, reliability, etc. of outside Life Insurance Companies desirous of operation in

Newfoundland and it is essential to safeguard the interests of local policy holders, by ensuring that only reputable Companies are permitted to operate here. At the present time all Life Insurance Companies transacting business in Newfoundland are in fact registered in Ottawa and a perusal of the Dominion Insurance Legislation will reveal that it was necessary for such Companies to undergo very rigorous investigations to deposit certain sizable securities in protection of the policy holders before they could be registered. To date, we have agreed inter-departmentally not to license any Company in Newfoundland which does not hold Dominion registration but our action in so doing, has no real force in law, and if it were to be questioned by a rejected Company, it is most probable that the Court would, all other things being satisfied, order us to issue a license. It is not intended that purely Provincial Companies should be made subject to this requirement as they can be supervised locally. It should be noted that Nova Scotia has similar legislation.

It also provides for the imposition of a license fee of \$50 per annum for Life Insurance Companies.

For some reason which I have been quite unable to determine, there has been in the past, and is presently, a license fee for the issue of a license to Life Insurance Companies in Newfoundland. Strangely enough, however, other-than-life (i.e. casualty) Insurance Companies pay a license fee of \$50 per annum. I can see no justification whatsoever for the issue of a free license to Life Insurance Companies and it is now proposed to impose the same fee on such Companies as in the case of the Casualty Insurance Companies.

MR. HOLLETT: We have nothing against this Bill except to say we would like to get copies before second reading.

MR. SMALLWOOD: In view of that, we ought not to proceed with the debate but to have it carried over to the next sitting of the House. That sort of thing will happen, even in the best regulated families. Certainly there is no desire to ask the House to debate a Bill, copies of which have not been circulated. But it has been on the Order Paper—maybe the honourable gentleman is wrong again.

MR. SPEAKER: If for any reason they have not a copy, the debate must be deferred.

MR. SMALLWOOD: I move the remaining orders of the day be deferred, and that the House at its rising do adjourn until tomorrow, Tuesday, April 7th at 3 of the clock.

The House then adjourned accordingly.

TUESDAY, April 7 1953.

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

HON. C. H. BALLAM (Minister of Labour): I beg leave to lay on the table of the House a Report of the Workmen's Compensation Board of Newfoundland for 1952.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion and Question

HON. L. R. CURTIS (Attorney General): I give notice that I will on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Western Memorial Hospital Corporation Act, 1947."

HON. F. W. ROWE (Minister of Mines and Resources): I give notice that I will on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Crown Lands (Mines and Quarries) Act, 1951." Also a Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Newfoundland Fluorspar Limited."

HON. S. J. HEFFERTON (Minister of Supply): I give notice that I will on tomorrow ask leave to introduce a Bill entitled "An Act to provide for Urban and Rural Planning."

#### Notice of Question

MR. CASHIN: To ask the Honourable the Minister of Finance to inform the House if Mr. James Thompson, of the firm of Peat, Marwick, Mitchell & Co., is at present employed or retained by the Government? If so, inform the House what financial arrangements have been made with Mr. Thompson for his services, what are his present duties and what amount or amounts if any have been paid Mr. Thompson on account or as a retainer during the fiscal year 1952-53.

To ask the Honourable the Minister of Finance to inform the House how the proceeds of the Ten Million dollar Loan raised during 1952 have been allocated—give the names of companies or individuals who have received

advances or loans from this particular account and advise what balance remains to the credit of this particular Ten Million Dollar Loan at the present time.

MR. FOGWILL: To ask the Minister of Finance:

1. The total Revenue received to March 31st, 1953 for the fiscal year 1952-53 under the various headings and paid into the Consolidated Revenue Fund. Monies received and the cost of the Ten Million Dollar Loan to be shown separately.

2. The total monies paid out from the Consolidated Revenue Fund for the present fiscal year under the various headings, up to March 31st, 1953.

3. How many bottles of liquor, beer and wine were sold by the Board of Liquor Control during the month of March 1953, also state the total amount paid into the Exchequer for the month, and the amount of cash on hand and in bank as at March 31st, 1953.

HON. E. S. SPENCER (Minister of Public Works): Answer to Question No. 48.

Construction of road from Pound Cove to Lumsden. 11 miles of road constructed.

Construction of road from Brown's Arm to Laureceton. 5 miles of road constructed.

Construction of road from Badger towards Buchans. 7.97 miles of road constructed.

Cutting and burning of right-of-way from Gander Soulis Brook 11½ miles—Trans-Canada Highway. Contract practically completed.

Construction of road from Buchans

Brook eastward towards Badger, 7 miles. Equivalent of 4 miles completed.

Continuation of road construction from Lumsden North towards Musgrave Harbour, 5 miles. Some work done on each of the 5 miles.

Cutting and burning of right-of-way from miles 33 to mile 23 on the Buchans to Badger Highway, 10 miles, work just commenced.

Continuation of road construction from Lumsden North to Lumsden South. 2.37 miles of road constructed.

Construction of a spur road to Cape Island, 3.64 miles of road constructed.

Construction of a spur road to Newtown. 1.45 miles of road constructed.

1949/50—Nil.

1950/51—\$152,671.47.

1951/52— 293,271.05.

1952/53— 333,310.36.

Equipment loaned.—7 camps, 7 flies, 7 stoves.

Equipment hired—

|                      |            |
|----------------------|------------|
| Shovel .....         | \$7,450.00 |
| Bulldozer .....      | 2,059.00   |
| Trailer .....        | 303.50     |
| Air compressor ..... | 293.00     |
| Grader .....         | 6.00       |
| Pump .....           | 110.70     |

Condemned Equipment sold—

|   |           |
|---|-----------|
| 6 trucks .....  | \$ 600.00 |
| 2 shovels .....   | 1,050.00  |
| 1 International van and International chassis and cab ..... | 250.00    |
| 1 tractor .....   | 200.00    |
| Parts for tractor .....                                     | 820.00    |
| Parts for shovel .....                                      | 100.00    |

QUESTIONS No. 55:

1. (a) 10 miles.

(b) No contract. Road was construction by the Department of Public Works forces.

2. \$175,518.

3. Yes.

4. Field engineering surveyors of the staff of the Roads Division, Department of Public Works.

QUESTION N. 56 :

1. One contract was let for plumbing and heating in the remodelling of the old Superintendent's residence at the Hospital for Mental and Nervous Diseases. Tenders were invited by advertisement in the public press. Two tenders were received—from Wm. Tiller Ltd. and R. W. Barnes. The lower tender, that of R. W. Barnes, in the amount of \$6,461.73, was accepted. The work comprised of new heating system and the installation of three new bathrooms.

2. A list of the contractors employed in plumbing and heating in various public buildings and institutions in E. John's, is given below :

|                        |             |
|------------------------|-------------|
| R. W. Barnes .....     | \$10,886.56 |
| P. M. Donnelly .....   | 17,985.55   |
| P. J. Edstrom .....    | 5,528.57    |
| H. F. Hunt .....       | 1,704.82    |
| C. A. Hubley Ltd. .... | 2,917.87    |
| E. J. Learning .....   | 5,613.82    |
| F. Roche .....         | 151.10      |
| W. T. Ryan .....       | 225.00      |
| W. D. Ryan .....       | 59.08       |
| J. J. Taylor .....     | 3,609.38    |
| Wm. Tiller, Ltd. ....  | 5,904.79    |
| A. Walsh .....         | 6,637.99    |

HON. DR. H. L. POTTLE (Minister of Public Welfare): Answer to Question No. 54.

1.—  
51-52—

Hopedale — Whitefield Andrews, Wesleyville.

Nain—James Carter, Greenspond.

Nutak—George Carter, Greenspond.

Hebron — George Rogers, Twillingate.

Salaries—\$165 per month for June, July, August, September, October and part of November, plus free board and transportation.

Total expenses—\$4,462.83.

1952-53—

Hopedale—Whitefield Andrews, \$165 per month.

Nain—Martin Martin (Eskimo on trial basis) \$150 per month.

Nutak—James Carter, \$165 per month.

Hebron—George Rogers, \$165 per month.

NOTE: As previous year men employed from June 1st to November 11th (above) and with the exception of Martin Martin were provided with free board and transportation. Books not finalized for 1952-53 but total should not be in excess of 1951-52.

2.—Strictly speaking the Division operates only one sawmill in Northern Labrador, this is a small mill operated on the depot at Nutak by our own staff. Power is supplied by an eight to ten H.P. gasoline engine, the small amount of lumber produced is used for repairs and additions to depot buildings.

At Nain, Martin Martin and other Eskimos operated a sawmill in 1951-52 as an independent venture. The machinery used was that supplied in 1942 by the Department of Natural Resources and was loaned to the operators mentioned free of cost. The production was around 15,000 feet board measure and was produced mainly by the Nain Depot and used for repairs and local building.

At Kaipokok Bay, Mr. William Gillett operated a mill as a private venture; the machinery owned by the Government was loaned to the operator free of cost.

At Makkovik some machinery was supplied several years ago by the Department of Natural Resources, and in this case was charged to the operator. This mill as far as we are aware, did not operate in 1951-52, or if so only a negligible quantity of lumber was produced.

At Port Hope Simpson or vicinity a private operator was advanced supplies in the amount of approximately \$1,700 and this amount was repaid to the Government in full during the year.

3.—The operator at Kaipokok Bay mill was advanced supplies by the Government for the operation, and agreed to place the proceeds of sale of lumber to the credit of his account which was done. It has been stated that the operator at Port Hope Simpson received supplies and paid for same.

4.—This was a matter between the private operators and the loggers concerned, and we have no specific information on record on this point.

## 6.

### Kaipokok Bay:

|      |  |           |
|------|--|-----------|
| 1950 | 1—24 H.P. Blackstone Diesel Engine purchased from Great Eastern Oil and Import Company                             | \$1,270.7 |
|      | 1—D8 Tractor, on loan from D.N.R.  |           |
| 1951 | 1 Complete Sawmill, less engine, including four mill saws and quantity of belting. Purchased from Nfld. Hardwoods. | 54,014.8  |
| 1952 | 1—D8 Tractor on loan from Department of Mines and Resources.   |           |

## 5.—

- (a) Kaipokok Bay—Approximately 250 M. ft. B.M. sawn in the year. 131,399 feet sold by operator to Mark Gosse & Son, Spaniard's Bay at \$72 per M. and proceeds paid by the operator on his account with this Division. About 30 M. ft. purchased by the Division of Northern Labrador Affairs for building requirements on the coast. The remainder is still on hand at the mill at Kaipokok Bay as far as we know.
- (b) Nutak—Covered in answer (2) above.
- (c) Nain—Approximately 15 M. ft. produced and purchased by Nain Depot for local repairs and building requirements.
- (d) Makkovik—No lumber produced.

NOTE—The standard price paid by the Division on the coast for rough lumber was \$65 per M. Lumber shipped by the Kaipokok Bay operator to Spaniard's Bay was in a vessel chartered by the Division and freight was charged at the rate of \$15 per M. thus the net to the operator was approximately \$57 per M.



**Nutak :**

|   |           |
|---|-----------|
| 1951 1 9-10 H.P. Stationary Engine, 1 mill saw, 40 ft. Belting,<br>1 Mandrel and Pulley, purchased from A. H. Murray & Co.<br>Ltd. .... | \$ 784.45 |
| 1 Mill Table with carriage, rollers and bearings, purchased<br>from Horwood Lumber Co., Ltd. ....                                       | \$ 290.00 |
| 7. To the Moravian Mission.   |           |
| 8. See statement below.   |           |

9. The Books have not been closed for the year 1952-53. If the previous year, i.e. 1951-52 was meant, the loss as shown by the final accounts was \$72,436.07.

## DIVISION OF NORTHERN LABRADOR AFFAIRS

## Expenses—a/c Depots

**Makkovik :**

|  |            |            |
|--|------------|------------|
| Manager's wages .....                      | \$2,160.00 |            |
| Casual Labour .....                        | 455.55     |            |
| Fuel and Light for Dwelling and Shop ..... | 775.54     |            |
| Repairs including cost new wharf .....     | 952.77     |            |
| Expenses Radio Transmitter .....           | 280.48     |            |
| Sundry Expenses .....                      | 267.04     | \$4,891.38 |

**Hopedale :**

|                            |            |            |
|----------------------------|------------|------------|
| Manager's wages .....      | \$2,160.00 |            |
| Interpreter .....          | 1,280.00   |            |
| Clerk .....                | 948.00     |            |
| Casual Labour .....        | 95.91      |            |
| Fuel and Light .....       | 215.63     |            |
| Telegrams dispatched ..... | 138.90     |            |
| Repairs .....              | 194.20     |            |
| Travelling .....           | 189.10     |            |
| Sundry Expenses .....      | 258.50     | \$5,480.24 |

**Nain :**

|                                  |            |            |
|----------------------------------|------------|------------|
| Manager's wages .....            | \$2,640.00 |            |
| Clerk .....                      | 1,206.00   |            |
| Interpreter .....                | 1,320.00   |            |
| Casual Labour .....              | 1,025.10   |            |
| Fuel and Light .....             | 626.39     |            |
| Radio Transmitter Expenses ..... | 286.53     |            |
| Repairs .....                    | 740.71     |            |
| Sundry Expenses .....            | 173.10     | \$8,017.83 |

**Nutak :**

|                         |            |            |
|-------------------------|------------|------------|
| Manager's wages .....   | \$2,400.00 |            |
| Clerk .....             | 1,013.50   |            |
| Interpreter .....       | 1,550.00   |            |
| Casual Labour .....     | 231.66     |            |
| Fuel and Light .....    | 603.85     |            |
| Radio Transmitter ..... | 46.60      |            |
| Repairs .....           | 698.31     |            |
| Sundry Expenses .....   | 85.04      | \$6,628.96 |

**Hebron :**

|                         |            |            |
|-------------------------|------------|------------|
| Manager's wages .....   | \$2,400.00 |            |
| Clerk .....             | 1,454.92   |            |
| Interpreter .....       | 1,280.00   |            |
| Fuel and Light .....    | 572.33     |            |
| Radio Transmitter ..... | 64.44      |            |
| Repairs .....           | 413.84     |            |
| Sundry Expenses .....   | 66.68      |            |
| Casual Labour .....     | 577.43     |            |
| Travelling .....        | 221.41     | \$7,051.05 |

\$32,069.46

**RECAPITULATION****Wages :**

|   |             |             |
|---|-------------|-------------|
| 5 Depot Managers .....                      | \$11,760.00 |             |
| 4 Depot Interpreters .....                  | 5,430.00    |             |
| 4 Depot Clerks .....                        | 4,622.42    |             |
| Casual Labour at Depots .....               | 2,385.65    |             |
| Fuel and Light (Dwelling and Offices) ..... | 2,793.74    |             |
| Repairs at Depots .....                     | 2,999.83    |             |
| Radio Transmitters' Expenses .....          | 816.95      |             |
| Travelling .....                            | 410.51      |             |
| Sundry Expenses .....                       | 850.36      | \$32,069.46 |

HON. J. R. SMALLWOOD (Prime Minister): Question No. 53 on the Order Paper of March 31, 1953, addressed to the Honourable the Minister of Finance by the Honourable the Leader of the Opposition—the question reads as follows: "List the items amounting to \$27,500.00 noted in the Auditor General's Report as charges not in accordance with the terms of agreement between the Government and Chester Dawe Limited, or contrary to the provisions of the Revenue and Audit Act, 1951."

The comment to which the honourable gentleman refers appeared in the Report of the Auditor General and reads:

"It was also observed in the course of audit that certain charges were either not in accordance with the terms of the Agreement or were contrary to the provisions of the Revenue and Audit Act, 1951. Items falling in this category, amounting to \$27,550 have been set up in the books of the Newfoundland Hardwoods Limited as an account receivable."

The breakdown of the \$27,500.00 is as follows :

|  |          |             |
|--|----------|-------------|
| (i) Management Fees :  |          |             |
| (a) Dufresne, MacLagen & Associates .....  | \$12,000 |             |
| (b) Lumber Products Manufacturing & Export Ltd.  |          |             |
| (for services of Mr. W. H. Savage) .....   | 500      | \$12,500.00 |
| <hr/>  |          |             |
| (ii) Life Insurance premiums for policies on life of Mr. Chester Dawe in excess of \$200,000 authorized by Executive Council ..... |          | 3,958.50    |
| (iii) Travelling Expenses of Mr. Chester Dawe not properly accounted for .....   |          | 11,093.55   |
|  |          | <hr/>       |
|  |          | \$27,552.05 |
|  |          | <hr/>       |

I may explain that the firm of Dufresne & MacLagen were retained by Mr. Dawe to go through the Hardwoods Plant to establish a system of costing—industrial costing—to see exactly how long each individual step would take and what it would cost, and having learned the costs, to compare them with similar costs in other plants on the Mainland and thereby determine whether the operation in this plant was in every way efficient and economical as compared with operations in other plywood and veneer plants in Canada.

In short they were a firm of efficiency experts and he retained them and they cost him \$12,000. He thought it a proper charge on the operation of the plant. The Government felt otherwise; if he had a management contract with the Government and he wished to inform himself on the operation, he should pay or it. And so, the Auditor General,

naturally, objected to that amount being charged against the operation.

The same thing applied to W. H. Savage—he was loaned to the Hardwoods Limited by the Lumber Products of Montreal who made an expert survey of the plant for which the Government felt, as partners in the enterprise, the Government ought not to be called on to pay.

The third item—Life Insurance—this was in excess of the \$200,000 authorized by the Executive Council; (that is the amount of \$3,958.50). The Government decided that Mr. Dawe's life ought to be insured in favour of the Government, so that, if he died, and the Newfoundland Government suffered on account of his death, the Government would be covered, at least, to the extent of \$200,000. It is a common-place practice. It is not uncommon that people engaged in any important activity where its success might depend on the

health of a single individual, the concern in question quite commonly insures the life of the person involved in the case of his death or incapacity. In this case the Government decided to insure Mr. Dawe's life in the amount of \$200,000.00, and to have the premium charged as an expense in the operation of the enterprise. I forget the cost of the premium on \$200,000.00. I do not remember the figure. Mr. Dawe evidently had his life insured with the same company, or with another, for a larger amount, and that is his own business. But the cost of that additional life insurance ought not to be charged to the operation of Newfoundland Hardwoods, and that also was disallowed.

Finally, there was an amount of \$10,093—travelling expenses of Mr. Dawe, not properly accounted for. When Mr. Dawe travels, as he does frequently in the interests of the Hardwoods Plant, contacting customers, visiting other mills and plants to see what they are doing; in short, for the purpose of keeping himself up-to-date on this kind of operation and establishing marketing connections. These are expenses which are naturally a proper charge against Newfoundland Hardwoods Limited. However, he was supposed to provide vouchers and receipts showing what his expenses were when he travelled on business for the Newfoundland Hardwoods Limited, just as any Minister of the Government in travelling must provide the Treasury with full vouchers, receipts and invoices explaining thoroughly the expenses incurred so that the Treasury may allow or disallow this or that item. Similarly with Mr. Dawe no expenses incurred in travelling can be allowed for Mr. Dawe or anybody else travelling for the Newfoundland Hardwoods

Limited except in such cases where vouchers and receipts are produced. Now, I imagine business men, being a little unaccustomed to Government procedure in such matters have not been in the habit of preserving carefully their hotel bills, receipts, taxi bills, restaurant bills and all the odds and ends of expenses that accrue to anyone who does very much travelling. I myself, in some of my travelling have been equally negligent and when I was not able to produce the proper receipts and vouchers was out that much money. It came out of my salary and was not paid by the Treasury, which was as it should be. So I fear that Mr. Dawe will have to pony up the money unless he can produce the vouchers. Perhaps he lost them or never bothered to save them, but he has to learn as we have learned, not to discard the bills but to save them carefully and present them to the Treasury if we hope to get back the expenses we incurred.

No. 4. The Auditor General is of the opinion that the item is not in accordance with the Revenue and Audit Act. That is to say the life insurance premium above the amount authorized by the Government. That is the answer.

#### Orders of the Day

Adjourned debate on the Speech from the Throne:

MR. JANES: Mr. Speaker, with other members, Sir, I join in congratulating the proposer and seconder of this address. I was not here to hear what was said, but I did hear comments on the outside and I can say they were indeed very favourable.

I have to welcome also, Sir, the Honourable Minister for Mines and

Resources and the Honourable Minister for Provincial Affairs.

Since this Speech was delivered, Mr. Speaker, we have been grieved with the passing of Queen Mary. On the other hand arrangements are progressing for the Coronation which takes place several weeks from now. In all of the editorials which have been written, in most of the columns of the newspapers there has been comments on these two events, Sir. The passing of Queen Mary as the passing of an age. They say of her, she was the last link with the Victorian era in England and point to the ascension of Elizabeth as the beginning of a new age and a new era, resembling undoubtedly the Elizabethan Age of some years ago. If you look at these two things, Sir, there is not only a connection but a great significance. I picked up the newspaper this morning and there was an item there stating that Walter Ruther, the President of the C.I.L., was urging President Eisenhower to begin calling together committees to examine into the economic structure, to begin to think about some of the things likely to happen to us from an economic standpoint since it might not happen that we shall have the war that we have been talking about so much for the past few years. It is significant, I think, that we can probably carry a bomb and drop it in Moscow. On the other hand when we are faced with some of the economic things which we are likely to be faced with, we realize probably it is not too difficult to drop an economic bomb at least in our own back yards. The significance of these things, the passing of the Victorian Age and the crowning of the new Queen, the thoughts of men like Walter Ruther, these things which are happening around us, Mr. Speaker,

are significant to us here in Newfoundland. We cannot escape these things. I think that the Government's programme of economic development, of trying to move probably before that economic bomb is dropped in our back yards has far more significance than the honourable members of the Opposition have tended to give it in the past.

I am not going to waste any time, Mr. Speaker, dealing very much with what has been said from the opposite side of the House. It is but the usual jargon of nonsense so far as we have been concerned. All of us are very well acquainted with the riveted voice of doom. The honourable member for St. John's East only a year ago predicted that the machinery plant in at the Octagon was to be moved to Ontario. We have become accustomed to that sort of thing. There is not one good word from the Opposition regarding any of the Government industries, they have opposed every one of them, and I think Newfoundland should know that, the people of Newfoundland should understand that they have not voted for in this House any one of the new industries which were brought into existence during the past few years. They voted against every one of them. They did it in prior sessions and are doing it again in this session. We have even had one honourable member for Harbour Main-Bell Island, Mr. Speaker, stand up and tell us what wonderful days they were when flour was four dollars a barrel and beaver tobacco five cents for one letter. Wonderful days indeed, wonderful days.

Now, Mr. Speaker, I did not think very much of the days when flour was four dollars a barrel, I have recollections of them. I have recollections of good able-bodied men, willing to work,

wanting to work, going into the stores and putting five cents from their pockets on the counter and buying a letter of beaver tobacco. I do not think they were very good days, and it is most amusing to hear the honourable member for Harbour Main-Bell Island talk about these wonderful days.

The only member of the Opposition, Mr. Speaker, who has approached the problem of an opposition at all objectively has been the honourable junior member for St. John's East. But whatever objective criticism he has tried to level at the Government has been destroyed by the eloquence of his friends.

Of course, the most amazing things have been said by the Honourable Leader of the Opposition. Whilst he was speaking here a few days ago I made a few notes of things he said, and took them down as he said them, and will spend a few minutes dealing with them.

In criticising the Government policy, and of course in order to criticize Government policy as far as the Opposition is concerned, all they do is argue the forty million dollars surplus should have been spent on anything rather than what it was spent on. They forget about the amounts spent on public services and talk about the smaller part which has been spent in development of industries. That is wrong. Of all the money the Government has spent over the past four years they dig out this one paltry amount of around thirteen million dollars and hold these things up to ridicule.

**MR. M. M. HOLLETT** (Leader of the Opposition): Paltry? Thirteen million dollars?

**MR. JANES**: Supposing it was fif-

teen millions, it is a paltry amount compared with the amount of revenue the Government has taken in and which was spent.

**MR. HOLLETT**: Hold on to your hair.

**MR. JANES**: Said the Honourable Leader of the Opposition: "The Surplus (talking about the thirteen or fourteen million dollars spent on education and civil service salaries) sent it down the German sewer. It sounds nice. Undoubtedly the teachers of Newfoundland are impressed, Mr. Speaker, the civil servants of Newfoundland are impressed with it. But the Honourable Leader of the Opposition forgot one thing: Most of our civil servants and most of our teachers are intelligent people. They know as well as I know, and as well as the honourable member knows that the amount paid by this Government or any Government on Civil Servants or teachers' salaries depends upon the revenue which the Government can actually take in from the people; depends upon the taxes which can be collected from the people, and unless a people are working no Government on the face of this earth can collect taxes. So, according to the honourable member, we should have taken this money to build schools, ought to have given it to teachers in salaries. We need schools, Mr. Speaker, nobody in Newfoundland knows that better than I. Our teachers need better salaries. Nobody in Newfoundland know that better than I. I taught school for thirty dollars a month and know what it is. But I am not fool enough to think that any Government can pay me a salary whether as a civil servant or a teacher if that Government is not deriving revenue, and if revenue can be derived only from the

people who are working. If that were not so we would not have people on dole at 6c. a day a few years ago.

Whilst on this matter of education: There is no secret about where I stand on that matter at all, none whatsoever. But I do want to say this, and want to help destroy if at all possible this confusion which seems to exist in the minds of some people—we had complaints, only this morning I think, in the paper, an editorial regarding teachers and the salaries being paid teachers. We hear every day about the number of classrooms that are closed. I want to give this advice, Sir, to anyone who wishes to have it. You will not open the schools which are closed by increasing teachers' salaries. Yet I am one of many who agree whole-heartedly that teachers' salaries should be increased. You cannot put qualified teachers in our schools with the Government offering young men and women five or six hundred dollars a year to come in and attend Memorial University for a couple of years. That is one way to keep teachers out of the schools, if we want to go into the truth of the matter. We take our young people out of high schools, bring them in to the University for a year or two years and ask them to go back and settle themselves in a few hundred God Almighty holes in Newfoundland. They are not going to do it. It is hopeless and pointless to bring young people out of our high schools into the University, surround them with certain amenities of life; they have their social activities, their libraries, their friends, they have been brought into a new world from their small communities from which they came. It is useless to ask them to go back to these outports and teach the children. They do not intend to do it. Bring

them in as fast as you like but they will not stay with us. They will do as hundreds did before, use it as a stepping stone to go to something else.

What the answer is, Sir, I am not prepared to say at this moment. I believe there is an answer, a long range answer to these things, but I do not think the answer can be found in the approach we have to this problem at the moment.

Said the Honourable Leader of the Opposition: "Welfare is the business of Government not high finance and industry."

MR. HOLLETT: Mr. Speaker, may I rise to a point of order: I understand the honourable gentleman is quoting something I am supposed to have said in this House a few days ago. I submit he must table the Hansard if he wishes to quote me.

MR. JAMES: The conception of public welfare by the Honourable Leader of the Opposition consists, I believe, of handing out the dependents' allowances, the mothers' allowances. Once we have done these things and a few of our aged people are looked after, welfare, in his mind, ceases. It must be because he went on to say that high finance and industry were not the business of Government. Again a contradiction of thinking. He says it is a nice thing to have mothers' allowances, a nice thing to have dependents' allowances, a nice thing to have people looked after, but it is not a nice thing for Government to be dealing with high finance and industries. Yet he does not tell us where the revenues are to come from in order that dependents and mothers might have allowances nor that old aged people might have allowances.

MR. HOLLETT: I told you where the revenue was coming from, liquors and gas.

MR. JANES: High finance, and industry, he says, are not the business of Government, yet every Government in the world for the past twenty-five years have found themselves in the position where they have had to get into high finance and industry, just as explained by my friends over here, the honourable member for Port de Grave.

Then, Mr. Speaker, came the greatest boner of all.—He says: the member for Fogo over there told the boys to haul up their boats.

MR. HOLLETT: Didn't you?

MR. JANES: Of course I did. Then the Honourable Leader of the Opposition explains why it was done, as if 1950-51 were the first year the fishermen left the industry. I am not going to deal with that at the moment. I believe we are going to have an opportunity to discuss that further. But as for the talk that the Portuguese fishermen are coming over here and fishing the Banks which are being deserted by our Newfoundland fishermen, he says if the Portuguese can do it why can't our fishermen do it. Is he asking the fishermen of Newfoundland to accept the level of the Portuguese fishermen? Is he asking the fishermen of Newfoundland to accept the level of living of people living in the Mediterranean?

MR. HOLLETT: I wish they had it as high.

MR. JANES: You do, I don't. I have lived there and they are a darn sight better off than all the Portuguese coming over to catch the fish, but we are still better off than the

people to whom we are trying to sell our salted cod. The fact that Portuguese fishermen can come here to Newfoundland and fish is no guarantee, Mr. Speaker, that our Newfoundland fishermen can go out and fish. We are living on the North American continent. There is as much difference between our way of life on the North American continent and the way of life amongst the European people as there is, Sir, in Flower Island today and when Abraham Kean was building schooners down there.

Then, Mr. Speaker, he tells us in his charge of graft and corruption that we need a McCarthy down here I suggest to the honourable member that we already have a McCarthy down here and we don't need another right now—if he was allowed to be McCarthy.

MR. HOLLETT: I said no such thing.

MR. JANES: Now, Mr. Speaker I turn to the District of Fogo which I have the honour to represent here in the House. Before I turn to the District of Fogo I want to make quite clear why I, at least, support the Government's programme of economic development, why I believe the Government's programme of economic development, of trying to diversify our industries of trying to increase the number of working plants which we have. My reasons for supporting it are quite simple: I support it because the teachers in Newfoundland want better salaries. I support it because civil servants in Newfoundland want better salaries. I support it because I do believe that welfare is not just begin and end with paying out a few paltry dollars to people who are dependent people, aged people who can no longer look after themselves.



selves. I support it because welfare goes beyond these things, and it is the business of Government to promote industry, for no other reason but that in the promotion of industry new employment is created and the people are therefore more taxable, if we want to be brutal about it. But there is nothing brutal about taxation any more. The very reason why I support the Government's policy of economic development is the very reason why the Honourable Leader of the Opposition disagrees with it. We can build, Mr. Speaker, all the schools we want to build, we can make every one a castle, have castles built in every cove and inlet in Newfoundland and we will be doing one thing only, we will be educating children to take off for Ontario. Now if we can afford to do that in Newfoundland, I leave it to the discrimination of the people of Newfoundland. We cannot afford to do it. If we are to educate children in Newfoundland, let us, for the Lord's sake, hope after the capital investment has been made that we are going to be able to use it. Because every child we turn out of our schools is an asset to us, and after spending an amount to educate them, a capital investment in the future of our own Province. The Honourable Leader of the Opposition, as I said, would have spent that surplus on education and in civil servants' salaries and on welfare to dependents, but in those four years, Mr. Speaker, nobody knows what he would have done with the surplus, nobody but even himself.

MR. HOLLETT: Do you know what you have done with it?

MR. JANES: I will now, Sir, turn to the District of Fogo which I have the honour to represent. I heard the Honourable Leader of the Opposition

not so many years ago was going to take a trip down around there and some of our people heard of it, and I will not repeat some of the comments that were made with regard to his research that he would have—but I will say this, Sir, they were most interested. I had a letter I meant to bring along to read but unfortunately I left it at home. They are most interested in the things which the Opposition are saying down here, they know of the voice of doom, they have heard that repeated here about flour at \$4.00 a barrel and what wonderful days they were when beaver was five cents a letter, what wonderful days they were, they have heard all that. Last but not least they have heard the Honourable Leader of the Opposition would build more schools and more welfare to spend the surplus. They don't believe it, Sir.

The District of Fogo, Sir, geographically has two sections. They have the mainland section which they call the Mainland stretching for some seventy miles from Cape Freels, Lumsden to Horwood taken up with one half of the people of the district. The other section is the Island of Fogo and Channel Island and Indian Islands. Within recent years one of the Indian Islands became deserted. The people moved out to live most of them out of the District of Fogo altogether. Our people, about two-thirds of them I suppose, earn their livelihood as fishermen, trap fishermen. I went to the District in May, 1949. I will delay for a moment or two to tell this House how I travelled that district. I left St. John's and went to Gambo and I got aboard a boat which took me (I wanted to get on down as far as I could as I did not have much time to spend) down and landed me on a little island, I just

forget the name, just beyond Cape Island from which the people moved this winter and last winter. The rain was pouring. The boat could not get into Cape Island so the man said; "I will land you on this island and all you have to do is get out there and call and they will come for you. I did that. I did that and shouted a half dozen times and eventually someone saw me and came from the other little island in a boat and picked me up and I went to Cape Island. There I changed my shoes and put on a pair of long rubbers, and for the twentieth time in my lifetime I walked fifteen miles around Cape Freels to Lumsden. How many people have travelled through that Cape Freels area, people trying to get to the doctor fifteen miles away—what miseries in the generations they have lived down there since this Island was inhabited; that is something of which I have no conception at all. When they talk about the potholes from here to Pouch Cove and there are a lot of them I know; I go down there occasionally; they are nothing compared with the mudholes (and we have just as many mudholes as you have potholes)—from Cape Freels to Lumsden. There is only one difference; if you went down in one of these mudholes, a car could pass over you and you would not know it. The Government has undertaken to build a road, has given its assurance that a road will be built from Wesleyville, through the Strait Shore to Carmanville and then to Gander. The road on Cape Freels is being built. If I might quote one of the residents—Garfield Parsons—who was a passenger in a truck; and in coming along, he asked the driver to stop. The truck stopped and Garfield got out and stood on the road. The driver called

out, "What do you want?" He said, "I want to make sure it is here; that I was not dreaming." Sir, that road has done more for the people of Lumsden North and South than anything else this Government could possibly have done. Last year we did not have a schooner lost, and there are more schooners lying in the sand: of Lumsden than there are weeds in the Thames River.

There is great necessity for a road on the Strait Shore, so great that if somebody came to me and said, "Look here, Janes, unless we get that road we will be all out of it next year." I would be happy. The only medical services they can get are by going by boat to Twillingate. In recent years they find it cheaper to hire a 'plan to come to Gander. To the Department of Health I would say this: No matter how efficient, how well staffed the hospital at Twillingate is, it does not service the North East Coast. There was a time when that hospital served a great purpose; it is still serving a great purpose; but the people are no longer content to go aboard motorboats to take sick people to doctor, forty-five miles away. Gander is the logical medical center of the North East Coast. The people of Fogo Island should not be expected to go aboard a motorboat and go halfway across the Island when Gander is right alongside. It is cheaper to fly from Carmanville to Gander than to hire a boat to go to Twillingate. Twillingate Hospital has done a great job. We have the highest regard for Dr. Olds. Everyone in Notre Dame Bay has the highest regard for him. But I will say this, it should not be necessary any longer, with the facilities we have, with the developments we have, to ask the people in the remoter parts of the district to

hauled—a motorboat haul—to this hospital. Only those who travel that way know what we are talking about. I think the members of the Opposition should take a boat and go around Newfoundland, they would not have many roads to travel. From the time you leave Gambo, you have nothing until you strike Wesleyville. There are eleven miles of road there constructed by this Government. Go another ninety miles to Loon Bay and there are a few miles there constructed by this Government. And the Opposition talks about a few potholes between here and Pouch Cove. If they think the people of Newfoundland are going to be impressed by that, I want to disillusion them in that thought. Down there on the Strait Shore we are only eighteen miles from Gander, the cross-roads of the world, and yet we are living in as much isolation today on that Shore, which offers great possibilities for development not only in the fisheries, but in lumbering; but there is still as much isolation as in Cape Chidley. We have decent hospital facilities at Gander, yet we are asked to go to a hospital forty miles away. I am hoping in my time that there will be a road constructed which will connect the Strait Shore not only with Gander, but also with Lewisporte.

Turning back to Fogo—in 1949 I landed at Fogo and took a boat to Joe Batt's Arm. I wanted to get on to Tilton and I asked a resident how I would get there. He said "You have to walk." I walked to Tilton, six miles. When I got there I was lrenched, as it was raining, and I obtained the loan of a suit of clothes twice my size. I turned up the cuffs, and started back again. On Fogo Island there was then one jeep and one pick-up. It took Captain Wheeler

and myself three hours to get from Tilton to Fogo Island in a pick-up. Today on Fogo Island we have not got good roads; I do not think good roads will ever be built on Fogo Island; but we have something passable. You can get back and forth between Fogo, Tilton and Seldom. We are asking the Government to help us get four or five miles more built to get to Stag Harbour and we will be satisfied. Today on Fogo Island there are, I think, forty vehicles; in May, 1949 there was one pick-up and one jeep.

We have a fine hospital at Fogo. My suggestion when it was being built was that it was not large enough. I want to repeat now that it is not large enough, if we are going to operate it for five thousand people. If there is to be development in that district, if there is any future in the fisheries—and these are big question marks—something will have to be done to make the hospital large enough to do the job the people are expecting it to do.

Great things have happened, all of us have seen big things happen in Newfoundland during these last four years. Those of us who have travelled over Newfoundland, those who know the out-of-the-way places (not just from here to Pouch Cove)—but those of us who travel in the out-of-the-way places have seen that a lot has been done; but not enough has been done. How long it is going to take to get enough done, I do not know. But I would suggest to the Government that there is no problem facing Newfoundland today more difficult, more urgent than the roads. Nobody except those who have travelled in those places has any conception of the isolation there. No people should be left in such isolation today. In some

ways, perhaps, it is better to leave them alone; because once a road is built and they can get out and get in contact with the rest of the communities they will be so dissatisfied, they will want to stay out. It might be the cheapest way to centralize the population, the building of roads. I would suggest to the Government that within the near future, certainly within the next few years, they must lay down a road programme for this Province that will connect up most, if not all, the communities in Newfoundland. That must be done even if the Government has to borrow the money to do it.

We hear about all the cars on the Avalon Peninsula tearing up the streets of St. John's and that therefore the Government should assume certain responsibilities. That is a matter for the Government and the Council. We read in the papers that the Government should do everything to keep up the roads we already have. We wonder where all the cars come from? The registration figures are rising constantly. But what about the people in other parts of Newfoundland? How can someone in Cow Head own a car? What is he going to do with it—put it in the stage and tie it on? Our people in other parts of Newfoundland could drive the registration figures up ten times as high provided they had the roads on which to put the vehicles. It is not much use to buy a car or truck and put it in the barn and tie it on.

With regard to Fogo Island again, we have our problems down there. These problems are multiplied because of the fact that we live on an Island. They are multiplied because we know what isolation is. They are multiplied because we have no alternative to the salt cod fishery as it is

being carried on at the moment. I am hoping that when the Agreement between the Fishery Products Ltd., and the Government is finally ratified by the House—it is my fervent hope—that it will at least materialize in having that fine fish plant owned by the Fishery Products in Joe Batt's Arm re-opened. We are sitting on a bank of fish down there. We have fish all around us. We can catch far more, even with present-day methods, than we can possibly handle. Unless we have a central curing plant; unless some means is found to take the fish off their hands, we can only expect the fishermen to haul up their boats; and that is what they are doing.

Some time ago I was coming up from Joe Batt's Arm and behind me there was a man in a truck. I stopped the car and he stopped the truck. I asked him where he was going and he said he was going home. He told me he had broken some little piece on the steering gear in his truck. He was working on the roads. He had spent all morning crawling up that far from Seldom. He said he had wired a friend in Lewisporte to bring up this piece for the truck. He said "I have lost all day today; I am going to lose all day tomorrow and part of the next day before so and so gets here with this part for the truck." "If I was living in Lewisporte" he said, "I would have had that fixed in half an hour." He said "I had no intention of going fishing this summer." (I tell this because it gets to the root of the way our people are thinking today). "But" he said, "the old man is home; he has a few trap and he could not get any share-men and if my brother and myself said 'no,' he would have been ashore on the rocks all the summer. My brother and myself decided to go fishing for

the sake of our father; otherwise he would have had nothing to eat. We fished all summer. We got a fair amount of fish—a nice lot of fish, but you know," he said "last night, I sort of figured it up." He said, "I figured up how many hours I had spent fishing, how many hours spent making the fish; also the hours of my wife, my brother and my son; when I had it all figured up, I figured between the lot of us, we were making 30¢ per hour." I said "You could do better than that on the roads." This was a man between thirty-three and thirty-four years of age. It is no good for us to think that young fishermen of Newfoundland are going to put out boats every summer, bark their traps, go out fishing only to earn 30¢ an hour. Only a few days ago the Minister of Labour introduced legislation setting the minimum wage rate at 50¢ an hour. On behalf of the fishermen of Newfoundland I want to thank the Minister of Labour for bringing in that Legislation, because even up to last year we had people working in Fogo for 35¢ and 40¢ an hour—working eight to ten hours a day for 35¢ and 40¢ an hour. I do not know whose fault it was. Certainly it was not the fault of the people who are working. Probably it was not the fault of the people who were paying them. I have a suspicion it was the fault of the salt cod fishery of Newfoundland. We are faced, today, with the situation that unless something is done and done quickly, as far as the cod fishery is concerned, unless something is done to salvage what is left, in a few years time the industry will be in the hands of old age pensioners. To the credit of this government I will say they did nothing which was going to raise any false hopes of the fishermen. They did

exactly the opposite to what every other Government of the past did. They did not go out and say, "You vote for us and we will do so and so." To their everlasting credit, be it said that they did not cater to the fishermen's votes. They tackled the fishing industry from quite a different angle. We had to have new industries. There is no good in talking of educating the children and sending them here to the University and then expect them to go back to the same isolation. We had to have a diversified economy. So the Government had to lay down a working plan for the fishing industry because the fishing industry was the biggest industry of all; it was the biggest problem of all.

**MR. HOLLETT:** This Government has done nothing for the fisheries.

**MR. JANES:** They promoted more fish plants than any other Government prior to them. They appointed a Fisheries Development Committee which has been working two years. I do not know what the findings of the Committee are going to be. All I do know is that in less than two years they could not do a satisfactory job. Yet we have been told that the Committee should have brought in its Report long ago! Trying to find a solution to the fishery problems, particularly as regards the fishery problems in such places as the North East Coast, is not to be compared with fixing up a few potholes from here to Pouch Cove. It is a much bigger problem than that.

**MR. HOLLETT:** What is the solution?

**MR. JANES:** I have none, nor has any other honourable member. The

Opposition members have the solution to everything, but they never tell us what it is.

MR. JACKMAN: Decent wages.

MR. JANES: They tell us they have the solution. They will not tell us what it is. They will not tell the people of Newfoundland what it is.

MR. HOLLETT: Sure we know what it is.

MR. JANES: A few days ago Mr. Higgins and Mr. Browne in Ottawa were telling us what a wonderful thing Confederation was. Wonderful Mr. Higgins and Mr. Browne in Ottawa telling the people of Newfoundland what a wonderful thing Confederation was! We have the Leader of the Opposition telling us that Old Age Pensions and other welfare benefits were wonderful things. I do not know what the people of Newfoundland think about the Opposition. I know what I think about the Government and the Government policy.

There are problems in the fishing industry which are facing Fogo Island, that is my main concern this afternoon, and the problems which face Fogo are the problems of the fishing industry, so big, so deep rooted, that it is not merely a matter of building more plants, though expressing the hope again that the agreement between the Government and Fishery Products Limited will help to re-open the plant at Joe Batt's Arm, and get our people back to fishing under the conditions which they want to fish.

Now, Mr. Speaker, there are a few more things which I want to bring up, one is the matter of our coastal skippers. Last summer, I think, this thing sort of boiled over and reached

a point where we all became very much concerned about it. We have a number of men in Newfoundland who have been masters of schooners, fishing vessels and coastal vessels all their life time. When we went into Confederation there were some rumors, or the summer following, as to what a man had to do in order to be a master of a coastal boat, but nobody was very clear about it. But I do know that everything that was said in the press, every statement which was made on the radio left this impression, that any man who had been a master of a coastal vessel for twelve months, up to one hundred and fifty tons or something of that sort, a vessel anyway in our terminology, if he had been a master for twelve months prior to Confederation and if he applied within five years after the date of Confederation, provided he passed a certain test which was a simple thing, that he could automatically get his master's certificate. Now, Sir, most of our men understood that. But what was the truth of the matter? It was something right the opposite to that. A man not only had to be a master of a schooner twelve months prior to Confederation, but also in the twelve months, the qualifying period had to be prior to 1949 as well as being within five years of the date of his application. The result of that was, Sir, that we had quite a number of men, captains of schooners in Newfoundland—and we cannot do without these schooners in Newfoundland, we just cannot do without them for the purpose of carrying freight and that sort of thing,—who then were not too much concerned about it because they had five years. These men held out until last year when the Customs Authorities began to take action they went and

found that what they had been thinking was not so at all, but it was something different. The result is, Sir, that we have quite a number of skippermen who would have qualified last year or the year before and the year before that because they let this thing run until 1952, do not qualify now. I am informed there is an amendment before the House in Ottawa to change this. What the amendment is I do not know, but if it is something, Sir, which does not permit our skippermen to be masters of coastal vessels who had been master all their life to continue as such it will have no value to us down here.

Here is another point, Sir, I did not know this until two days ago: We had many, many skippermen last summer who were refused a master's certificate, who had they gone along and said: I do not want this one you are talking about, I want another type, I was a skipper and had twelve months service between 1943 and 1947, everyone of them would have qualified like that. But they were not informed of that. I was all up and down the water-front working on it, and nobody knew that certificate existed, yet a few days ago I saw of one skipper who went down and got that type which qualifies those serving from 1943-1947 on vessels less than one hundred and fifty tons. This, our skippermen should know: If they were masters of schooners for any period between 43-47; if they can pass the exam which is the same exactly as for the master's certificate they know of, they can still get the master's certificate. It is as good as the other, certainly it is as good to them as all they have to do is to sail in the waters of Newfoundland. I feel sure that unless nothing happens this summer things

will be the same as last summer with coastal vessels hanging around the waterfront.

Now, I am not going to take up any more time of the House, but I want the Honourable the Premier and the Government to feel that as far as I am concerned myself, as a private member of the House representing Fogo District, that I agree with them whole-heartedly in their programme of economic development, agree with them one hundred per cent. In the meantime I want to see the Report of the "Walsh Committee" for whatever it is worth, good, bad, or indifferent. If it is going to be written off if our fishing industry has to be written off, then I say let us write it off, but if we can reconstruct it let us start doing it. But above all never let us go out and tell fishermen; all you have to do is push off your boats in the spring and everything will be all right in the fall. They won't fall for it any longer. They did it for two hundred years but they won't do it any more.

I want to say also, Sir, that we are concerned about the amount of work which the Premier himself has been devoting to the matter of Government not only industrial development but all phases of Government. We believe that he has been working too hard. We want him to be with us for a long, long time. If I were to say anything this afternoon on behalf of the people of Fogo District I would say to the Honourable the Premier not to work so hard, to take things easier. He has done enough. He has brought us (and I am not quoting him now but two highly responsible men here in Newfoundland) he has brought us in a matter of four years a century ahead of where we were a matter of four years ago. They made

that statement publicly and gave it to the press and it was quoted throughout Canada. If there is any one man in Newfoundland who can take credit for doing that it is the Premier. Well, as I say, we want him with us a long, long time, and on behalf of the people of Fogo I ask him not to work so hard, but to do what he can for us down there to help us along the way. We have our problems but so has every district in Newfoundland. We believe that when the Fishery Development Committee's Report comes in that if it is to mean anything for the North East Coast of Newfoundland it will mean something for Fogo. We are not grumbling because we have not a machinery plant or textile plant or any other plant. We are not grumbling because of that. We have other things to offer. We have one of the finest coasts of Newfoundland from the Straight Shore. We have one of the greatest paradises in Newfoundland, Gander Bay. We know that when the roads are constructed and we are connected with the Trans-Canada Highway our opportunity is going to come. It might come a little later but it is going to come. If there is a future for the fishing industry of Newfoundland there is a future for Fogo District. When some of these things materialize, Mr. Speaker, there is one man we want to see around, to be able to enjoy them with the people for whom he has worked so hard, and that is the Honourable the Premier himself.

MR. SMALLWOOD: Mr. Speaker, I move the adjournment of the debate.

Committee of the Whole.

Items 3 to 12 on the Order Paper—Sundry Bills:

"An Act Further to Amend the Ex-

ploits Valley (Closing Hours) Shop Act, 1948."

HON. M. P. MURRAY (Minister of Provincial Affairs): Mr. Chairman, there should be inserted there after Good Friday, the Monday immediately preceding the 24th of May. The whole object of the Bill is that the 24th day of May is a holiday all over Newfoundland. The Dominion Act states that it be the Monday immediately preceding the 24th day of May. This Exploits Valley Bill only applies to its own area.

MR. FOGWILL: This change only applies to the people of that area?

MR. MURRAY: Yes.

Bill passed without amendment.

"An Act to Approve and Give Statutory Effect to an Agreement between the Government and Superior Rubbe Limited."

MR. HOLLETT: Mr. Chairman before you pass clause 2—Is it a fact that if you pass that clause there is no need of debating about anything else? "Hereby confirm, approve, adopt etc." It seems to me if we approve that section we approve the whole Act.

MR. CHAIRMAN: Not necessarily. I think there are some amendments that could be made.

MR. HOLLETT: May we make amendments to the Schedule if we pass this section?

MR. SMALLWOOD: The honourable gentleman may have a good point there. For which reason probably would be agreeable to the Committee if we began with the Schedule and come finally to Sections 1, 2 and 3.

MR. COURAGE: It is agreed that clause No. 2 stand.



Schedule read by Clerk.

SCHEDULE

THIS AGREEMENT made this 3rd day of March Anno Domini One thousand nine hundred and fifty-three

BETWEEN Her Majesty 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 Superior Rubber Company Limited a Company incorporated under the laws of Newfoundland (hereinafter referred to as the "Company") of the other part WHEREAS the Company was incorporated under the laws of Newfoundland on the ninth day of October Anno Domini One thousand nine hundred and fifty-two having a share capital of one million dollars divided into ten thousand shares of one hundred dollars each AND WHEREAS the Company is desirous of establishing and operating in Newfoundland a modern and up to date factory for the manufacture of rubber goods AND WHEREAS the Government has agreed to finance the Company to an amount of one million (\$1,000,000) dollars at the times and in the manner and under the conditions hereinafter appearing NOW THIS AGREEMENT WITNESSETH

MR. CHAIRMAN: Clause 2—

MR. HOLLETT: Mr. Chairman, on that one, I am quite sure the Premier is going to have something to say with regard to this million dollar loan, particularly after listening to the speech of the honourable member for Fogo.

MR. CHAIRMAN: Order—The

speech of the honourable member for Fogo has no bearing on this matter. —It is a past debate.

MR. HOLLETT: I bow to your ruling, Mr. Chairman. But the honourable member for Fogo referred to a speech I made five days ago, Sir.

MR. CHAIRMAN: In the same debate. The Address in Reply.

MR. HOLLETT: The point I want to make, Mr. Chairman, this million dollars, I wonder if the Government could tell us just why they arrived at the sum of one million dollars—"Lend or cause to be loaned to the company under Government guarantee the sum of one million dollars which sum is to be available at the time and in the manner hereinafter appearing." Now, Sir, we have been accused of holding up every industry here. I maintain we have not done that. Of course in opposing the Government's policy we get nowhere. We don't expect to. That is what a Government is for to carry out its wishes. To expect them to listen to us occasionally, stupid and all as we may be, but I would like to have some explanation from the Premier as to just why that sum of one million dollars is to be made available at the time and in the manner, etc. Perhaps the Premier can tell me.

MR. SMALLWOOD: Contrary to what the honourable member has just said, Mr. Chairman, it is always a great pleasure to listen to the honourable gentleman. I enjoy it very much and learn a great deal from what the honourable gentleman says. We may not learn what the honourable gentleman thinks but we learn nevertheless far more than perhaps he realizes. I really do like to listen to the honourable gentleman and all his colleagues in his party.

MR. HOLLETT: We prefer the "Opposition." The other sounds like Moscow.

MR. SMALLWOOD: We prefer the honourable gentleman opposite to Moscow. The reason one million dollars is named in this clause is that one million dollars is the amount necessary. Because it is the amount to wit; together with other amounts mentioned in the Bill will put the industry there, get it going and leave them with the necessary working capital. That is to say, on the day they begin to operate, which I believe is to be in the month of July of this year, they will have a certain grand total sum of money made up of the purchase of the land itself on which the building will have been erected, the building materials that go into the building, the erection of the building, the labour costs of erecting the building, the Federal Customs Duty and other taxes on such parts of the building imported into Canada as are taxable, machinery and equipment, the freight across the Atlantic, the cartage and truckage on that machinery and equipment from the waterfront in St. John's to the site of the enterprise, the installation of the machinery, the cost of the first raw material consisting in the main, of course, of raw rubber and synthetic rubber, synthetic from the mainland of Canada and raw from the Far East; and finally the actual cash working capital which any concern needs to enable it to operate until it is in sufficient production and its output is sold and paid for by those who buy it.

The Government here in this case is following fairly closely the formula established a couple of years ago under which the Government matched as a loan the amount of the value

invested by the enterprises in question. This million dollars, therefore, represents approximately one half the total cost of the industry. It is the amount which this Government is to lend to this company at interest. The details of the loan will follow in clause No. 3, No. 4 and on into the remainder of the schedule. These points will become clear as they are read and debated by the honourable gentlemen. The question is—Why the million dollars? And the answer, I think, is very simple—That is the amount that the Government undertakes in that agreement to lend to Superior Rubber Company.

MR. HOLLETT: Thank you. Mr. Chairman, that is the very reason why I raised that point. I have in mind other plants built by the Government themselves and I take it they have had estimates for them and know what they are talking about. Take the Cement Plant or the Gypsum Mill and we find in the public accounts that each one of these plants had to have working capital supplied up to many hundreds of thousands of dollars. That is the reason why I asked on another occasion if the Government had to spend that amount of money.

I take it the Government has had placed at its disposal figures which they could examine and which would justify them in arriving at an amount of one million dollars, and that the Government have these figures before them?

MR. SMALLWOOD: That is so. One of these is working capital. The working capital will be advanced as the final payment in a single sum. They will not need it until they are about to begin operations. What they need for the moment is money with which to pay freight on material,

machinery and equipment over across the Atlantic; to pay duty and taxes; to pay wharfage and demurrage; pay freight on goods to Holyrood; to buy the land and employ labour to build the structure; to install the plant and equipment in the buildings. For all these things they will need dollars and they will get it from this million dollars from time to time as will appear later in the schedule. The final item they will get will be working capital, and that is as it should be.

MR. HOLLETT: There is nothing here that says that.

MR. SMALLWOOD: It is provided in this column that the million dollars is to be made available at the times and in the manner hereinafter appearing. I think it is broken down in detail in subsequent clauses to the schedule.

Clause 2 carried.

Clause 3 carried.

Clause 4—

MR. HOLLETT: I cannot get this last paragraph.

4. (c) "Upon delivery in Newfoundland of plant machinery, tools, equipment, furniture and fittings and raw materials required by the Company or its production programme an amount equal to the landed cost thereof certified to the satisfaction of the Government made up as follows: Invoice cost, freight, insurance, duty and artagage, less the sum of twenty-five thousand (\$25,000) dollars or any other amount made available to the company under paragraph (a) hereof."

I think it is redundant.

MR. SMALLWOOD: Maybe so; at lawyers drew it up. The Leader of the Opposition has said that there

is nothing there about anything over \$25,000. In that case, there is no need to worry about it.

MR. CURTIS: It might be a lesser amount. They have the right to ask for \$25,000 and the Government has the right to give them \$25,000; but they might ask for only \$15,000 or \$20,000.

MR. SMALLWOOD: It might be \$24,999.99. It says "\$25,000," but it might be \$1.00 or \$24,999.99, that would not be \$25,000—it would be one cent less.

MR. HOLLETT: It does not say "Up to \$25,000."

MR. CURTIS: There might be no request at all.

MR. HOLLETT: Where does the request come in?

MR. CURTIS: Suppose they did not request any, or requested only \$5,000.

MR. SMALLWOOD: The Honourable Leader of the Opposition's qualifications do not include those of a lawyer.

MR. HOLLETT: I do not need to be a lawyer to see there is some discrepancy here; and I do know there is something wrong. Bring along all the lawyers you like.

MR. CASHIN: This \$25,000 is to be expended to acquire and prepare the site; then they get in their machinery and equipment. Now they have to build. What are they going to build with? How are they going to pay for the labour?

MR. SMALLWOOD: They have received the money in dollars from the Government equal to the value of the machinery they have landed.

That is cash in their hands. They can use that for labour in the construction.

MR. CASHIN: I think it will cost more.

MR. SMALLWOOD: I think it will cost less. It has cost \$11,000 or \$12,000 up to now and there are a couple of properties not finalized yet.

Clause carried.

Clause 5 carried.

Clause 6 read—

6.—Notwithstanding anything contained in this agreement the Government shall not be obliged to lend any sum of money or guarantee any loan raised by the Company in excess of the expenditure by the Company in cash or its equivalent in accordance with Clause 4 but not expenditure made by the Company of any amount previously advanced by or under Government guarantee.

MR. JACKMAN: Could we revert to Clause 5 for a moment?

MR. SMALLWOOD: That is agreeable.

MR. JACKMAN: I would like to say, Mr. Chairman, that this clause 5 reminds me of a labour agreement. I happen to be a representative of labour and I am very much concerned over the matter here of lockouts and strikes. Could I get the information here as to what is the basic rate obtaining at this plant?

MR. SMALLWOOD: I have no idea.

HON. P. J. LEWIS (Minister without Portfolio): 70c. an hour.

MR. JACKMAN: I think that would cause a strike.

MR. LEWIS: We have had no

trouble. Things are running along smoothly.

MR. JACKMAN: Even 70c. an hour might cause a strike later on, regardless.

MR. LEWIS: We have had no labour dissension.

MR. SMALLWOOD: This clause has nothing to do with labour rates; it has to do with date of delivery—it is there now.

MR. JACKMAN: It refers to lockouts and strikes.

MR. SMALLWOOD: Only in connection with something, and that 'something' is the date.

MR. CHAIRMAN: Clause 6 has been read.

MR. HOLLETT: "Notwithstanding anything contained in this agreement, the Government shall not be obliged to lend any sum of money or guarantee any loan raised by the Company in excess of the expenditure by the Company in cash or its equivalent in accordance with Clause 4 but not expenditure made by the Company of any amount previously advanced by or under Government guarantee." There must be a word left out. I think we will have to get our lawyer again. It does not make sense to me. I cannot grasp it.

MR. CURTIS: Is not that simple: The Company expends certain moneys. Some of the money they will receive from the Government; therefore if we were to match everything, we would be matching our own money. We do not match our own money.

MR. HOLLETT: Thank you.

Clause carried.

Clause 7 read—

7. (1) Before making any loan or guaranteeing any loan to the Company the Government may require the Company to give security satisfactory to the Minister of Economic Development.

(2) Pending the furnishing of such security if and when required by the Government, any moneys advanced by the Government or secured by Government guarantee shall be disbursed only as approved by the Government.

MR. HOLLETT: Would the Minister of Economic Development outline what would be "security satisfactory" to him?

MR. SMALLWOOD: When the machinery and building material for the structure or something else arrives, it, of course, has got to go through the Customs before the owners can take delivery; and the Customs appraise it and value it and collect duty on it. For such purposes they have the invoices and vouchers presented by the importers, and they also have other means well known to the members of the Committee for arriving at the realistic value of the things in question; and on the basis of that knowledge they appraise and fix the value and collect the customs duty. All that is, of course, made available to me. Then I have various other ways, about which I do not feel free to speak, confidential ways, of determining the actual values. My duty is to see that they do deliver goods for the value alleged so that the Government does not advance any more money as a loan than they receive in the form of goods, equipment, materials and supplies.

MR. HOLLETT: I wonder would the Honourable Minister inform us to what security the Government

has at the moment, I take it there is \$300,000 worth of machinery?

MR. SMALLWOOD: The position in connection with the Government financing of these industries is that the Government is the preferred creditor in all cases. The only exception being in the case of a mortgage to an outside party. Any Company which gets into financial difficulties, the Government becomes the preferential creditor; the Government is paid first before anyone else. Ordinarily the Government would take a mortgage on the property immediately but that may not be wise. In the first place we would not prefer it. We are contemplating the possibility that all these industries might want to raise money and we would have to release the mortgage if they did want to raise money. We decided it would not be wise to take a mortgage. They might not want the whole amount; they might want a lesser sum; and we did not want to take a mortgage and have the trouble of releasing it again. These amounts are not gifts they are not grants; they are loans; are investments. Our idea is to carry them along until they are organized. When they are organized and operating they will have no trouble in getting advances, and we will be paid off. We could take a mortgage today; another next week. It is just as well to wait. Meanwhile, the Government holds insurance on the properties.

MR. HOLLETT: Have you insurance on that one?

MR. CURTIS: There is nothing there to insure, I would say nothing but a mass of concrete.

MR. HOLLETT: There is absolutely no security whatsoever on \$350,000?

MR. CURTIS: The Government is the first creditor of everyone. If you owe a bunch of debts tomorrow, the Government is the first to be paid.

MR. HOLLETT: "Pending the furnishing of such security if and when required by the Government, any moneys advanced by the Government or secured by Government guarantee shall be disbursed only as approved by the Government." You have approved everything done so far, I take it?

Clause 7 carried.

Clause 8 read:

8. (1) The Company will repay the Government the amount of its loan as soon as it is able to do so and will repay any loan made by the Government as soon as the Company has succeeded in negotiating a commercial bank loan or the sale of its bonds and in any event within thirteen years from the date of any such Government loan.

(2) The Company will repay any Bank loan guaranteed by the Government as soon as it is able to do so and will repay any such loan as soon as the Company has succeeded in negotiating the sale of its bonds and in any event within thirteen years from the date of any such loan.

MR. HOLLETT: "The Company will repay the Government the amount of its loan as soon as it is able to do so and will repay any loan made by the Government as soon as the Company has succeeded in negotiating a commercial bank loan—" How is the Government to know when the Company is able to pay?

MR. CURTIS: Is it not obvious that if the Government guarantees a bank issue or bond issue, we will

know whether they raise it? And if they do, we will be paid off.

MR. SMALLWOOD: Is the honourable gentleman afraid that if we give them a loan, the Company will then go to the Bank and get another loan without our knowing it? Is that what he fears?

MR. HOLLETT: I think it is absolutely silly anyway.

MR. SMALLWOOD: Surely during the honourable gentleman's long and distinguished professional career he became aware of the fact that he is to read all of the words in the clause. Surely he never sent a man to jail or imposed large fines on him, in his long and distinguished career, on the basis of one or two words in a clause; surely he read the whole clause. If not, I shudder to think of the injustices done and of the poor devils who went to jail during those years.

MR. HOLLETT: I am afraid that grave injustice is being done right here where large sums of money are loaned out without any security whatsoever. The only guarantee we have is the knowledge that the Government is a preferred creditor.

MR. CURTIS: I just want to correct one point. Our friend (the Leader of the Opposition) will be sadly disappointed to hear that the title of all the property is vested in the name of the Honourable the Minister of Economic Development and if anything happened tomorrow, he would every stick on the ground. Is not that security enough?

MR. SMALLWOOD: Possibly the Leader does not regard my title the place as ample security, but I wish to assure him I have the title

my official capacity—Honourable J. R. Smallwood, Minister of Economic Development.

Clause 8 carried.

Clause 9 carried.

Clause 10 read:

10. If within three years after the date of this agreement the Company has not been able to raise the sum of one million (\$1,000,000) dollars from a commercial bank or by the sale of its bonds the Company shall establish a sinking fund and shall pay into the sinking fund annually, moneys sufficient with accumulated interest to liquidate within thirteen years from the date of the loan the amount of any loan made by or guaranteed by the Government under this agreement.

MR. FOGWILL: When this Bill was introduced by the Premier he did not give sufficient information, to me at least, as to how they will repay this loan within the period laid down here. I would like to hear some more about it. In one section it says they have to have the loan paid off in thirteen years. If they do not pay in the first three years—beginning with the fourth year, they have to set aside \$100,000 a year, plus interest. This Company will be subject to Federal taxes. I wonder if the Premier could tell us something more about that.

MR. SMALLWOOD: The cost to the Company would be about \$155,000 a year. They might not make any profit over and above \$155,000. They might or they might not. But surely for a large enterprise it would not be too difficult unless the world goes to pot.

MR. FOGWILL: That would be the average for ten years?

MR. SMALLWOOD: That would be the exact amount. You do not pay taxes until you make profits. I never heard of a company going bankrupt by paying profit taxes.

MR. FOGWILL: But if they are showing a profit they have to pay taxes.

Clause 10 carried.

MR. CURTIS: I suggest we finish reading the Bill, report progress and ask leave to sit again, and find out whether this is just a misprint. If not we will have to amend it by adding a clause in the original Act, Clause 4.

MR. HOLLETT: The reason I am concerned is that the Government are going to pay out a million dollars cash to this company and then help to raise a loan by guaranteeing a million dollar loan on the understanding that as the bonds are sold the money will be made payable back to the Government, is that right? So you will replace your loan of one million dollars with a guarantee loan of a million dollars?

MR. SMALLWOOD: That is in all the agreements.

MR. HOLLETT: None of them have raised any loan yet have they?

MR. CURTIS: They have not had time.

MR. HOLLETT: Some of them have had considerable time now.

MR. CURTIS: Operating?

MR. HOLLETT: I don't know what they are doing, certainly not very much good. Some of them are here a couple of years.

MR. SMALLWOOD: What one is here two years?

MR. HOLLETT: I can't think at the moment. They are losing money in the Gypsum Plant, about fifty-eight or sixty thousand dollars last year, why I don't know. Well there is nothing we can do about it.

MR. SMALLWOOD: The oldest industry in Newfoundland today brought in under this formula is not yet operating twelve months, not yet operating ten months, so how can they go out and raise bank loans or sell bond issues.

MR. FOGWILL: Has any one of these Government sponsored industries gone to the market and asked for a loan?

MR. SMALLWOOD: No, they did not.

MR. FOGWILL: The Asbestos people?

MR. SMALLWOOD: They are at this moment, I believe, endeavouring to do some refinancing involving perhaps a bond issue. But none of these European Industries has gone into the market.

MR. FOGWILL: Then it is not true, is it, that the Asbestos Company operating on the West Coast did endeavour to raise a loan or sell their bonds?

MR. SMALLWOOD: They endeavoured before the Government lent money to them. And they are endeavouring again now to raise a loan privately with which to replace the Government loan to them.

MR. FOGWILL: It is a fact then the Asbestos Company did.

MR. CHAIRMAN: The Premier knows he does not have to answer any of these questions.

MR. SMALLWOOD: The Chairman is not objecting.

MR. CHAIRMAN: I just remind the Committee it is not in order.

MR. FOGWILL: I don't know if it is a sore spot with the Government or not.

MR. CHAIRMAN: The Chairman objects, not the Committee. The debate is not in order—if the Premier wishes to answer and the Committee wishes to be out of order—

MR. HOLLETT: See, Mr. Chairman, in spite of the fact that some of the honourable members on the other side think we are opposed, we are not; only opposed to some of the methods being used to bring some of them in. Banks have loaned money to our own fish firms, and it is admitted that the fishery business is a very precarious trade, salt fish as well as fresh, yet the banks have loaned our own companies up to hundreds of thousands of dollars on Government guarantee. The thing, I say we are jittery about is the fact the banks have not loaned any of these foreign companies any money. Now, I can see a reason why they should not, the Government did not bother about it.

MR. SMALLWOOD: Does not that answer the point?

MR. HOLLETT: Now, some of these cases are offsprings of the great MIAG and other big companies in Germany, and surely the banks of Newfoundland would know the firm of MIAG and other big firms over there, and surely ought to lend them money on the Government's guarantee. But, no, they have not done so. The banks apparently have said; if you want to help get these industries here give them the money yourselves.



we are not going to, that is the thing. In addition there is this other thing—as said by my honourable friend to-day in connection with the condition of our country, we know that we are behind some of the other Provinces with regard to roads, bridges, hospitals, schools, etc. We had forty odd million dollars, we maintain, and—

**MR. CHAIRMAN:** The honourable member is now going into the Speech from the Throne.

**MR. HOLLETT:** Yes, I believe I am, Mr. Chairman. I regret, and we maintain that could be better used, we may be wrong.

**MR. CURTIS:** This million will come back.

**MR. SMALLWOOD:** If the honourable gentleman cannot see the great essential difference between a situation in which the banks operating in St. John's lend money on the government's guarantee to, say, Fishery Products, Job Brothers, John Kenney and Sons, Olson's Scaling and Whaling and the St. Lawrence Corporation and other local concerns that have been operating here for many, many years, some of them one hundred and fifty years, and a situation under which banks decline to lend money to a concern just barely established here—if he can't see any difference in those two situations when I am not going to waste the committee's time trying to explain the difference, because if he can't see how he will not see after I have explained it. He has now made the point that some at least of these German concerns that have established here in Newfoundland, which Newfoundland companies are the offspring of large and well-known concerns in Germany, that of course is

true. But if a large concern in Germany or England or Belgium or anywhere establishes here a Newfoundland company, wholly Newfoundland and not connected with the parent corporation concerned—I use the word "parent" there in a very broad and loose sense of the word—the fact that the people have established here, are in another country big and important and wealthy people, does not assist in the least in getting a loan here for the company that is registered here, because the company there is here has only such assets as it has here. The assets of MIAG for example, which is a huge concern, have nothing whatsoever to do with the assets of CMIC or North Star Cement, nothing whatsoever, they are not security for a loan that the bank might make in any sense or degree. Are the assets of MIAG security for any loans advanced to CMIC or North Star Cement which are wholly local companies with their own assets and nothing else?

**MR. HOLLETT:** These banks have branches.

**MR. SMALLWOOD:** But if a company that is worth a billion dollars, a thousand million dollars, in X-country goes, or its owners go to XI-country and sets up a hundred thousand dollar company, and there is no connection between the two, none whatsoever none, and there can't be less than none; why should the value of the assets of the big company in another country be taken into account in making a loan to the smaller one which is a self-contained company, with its own assets, own accounts, own organization, own officers, its own personnel, quite separate and distinct from the billion or ten billion dollar company back in X-country? The bank is not going to

take any regard to anything except that one single, local company—the honourable gentleman knows that—he must know it.

MR. CURTIS: I think, Mr. Chairman, the Premier omitted to say that when we did put through the bulk of these agreements the banks were prohibited from lending money.

MR. HOLLETT: Are they prohibited now?

MR. SMALLWOOD: No. But as a result the Government are making certain inquiries right now. But from the moment we adopted this formula of matching investment with dollar loans, in fact for two months before we adopted it, the Bank of Canada forbade all banks to make loans for more than one year, and discouraged them from making them even for one year for capital account purposes, for anything more than mere current account trading loans to commercial concerns, quite deliberately trying to discourage capital investment, except in defence as they foresaw a huge swelling inflation in Canada. They invited all chartered banks in Canada to cease making loans for more than one year and none for capital account expenditure. The way of enforcing it was to refuse to buy Bank of Canada bonds which for all banks are the main source of their credit. If the Bank of Canada would not buy them, the banks therefore could not accept them from their customers as collateral and what Bank of Canada bonds they had in their possession already they could not cash. This therefore restricted credit very severely. That was the situation until very recently. Throughout the period when most of these loans were made by us no bank was allowed in fact to make such loans. Now, that

they are, we are looking into the situation again.

Clause 11 carried.

Clause 12 read:

12. As long as the Company is under any liability absolute or contingent to the Government the Company will insure and keep insured against loss or damage by fire all its fixed assets in Newfoundland and shall make any loss payable under any such policy or policies of insurance up to the amount of the Company's indebtedness to the Government payable to the Government or as the Government may direct.

MR. HOLLETT: On that point there: We asked a series of questions on the Opposition side relative to the insurance carried on these various companies which the Government has built up in this country, and we received a discouraging answer that they had not been covered for their indebtedness to us by sufficient insurance. Now, here is a clause here which deals with that matter. We want to know why in the past, these terms have not been carried out, and if it is the Government's intention to carry them out in this particular instance.

MR. SMALLWOOD: They have in fact been carried out in the past with, I think, one exception, and in that case it was a building of steel and concrete and expert appraisals showed that the amount for which they had insured, considering the amount of damage a fire would do there. In fact it is inconceivable that a fire would destroy that whole building, and considering the amount of damage which would in fact be done the amount of insurance on it was sufficient. They are not required

insure their working capital, their assets in the bank, but only their fixed assets, actual fixed property. We were well covered, we considered, and we will be well covered in this one also.

MR. HOLLETT: Are you yet?

MR. SMALLWOOD: No, because we don't consider there is any need. There is no rubber in the place yet, only concrete.

MR. CURTIS: Did my honourable friend go to Holyrood to see it?

MR. SMALLWOOD: That is a long, long way from St. John's.

MR. FOGWILL: The road is bad too.

Clause 12, 13 and 14 carried.

MR. SMALLWOOD: I believe the Honourable Leader of the Opposition wants to debate here the last three words in the Bill. I am sure he wants to debate that.

MR. HOLLETT: Mr. Chairman, I see no point in debating an accomplished fact. I visited the Registrar, of course, and have seen the signature of our friend, Braun Wogan. His signature, incidentally is quite legible, which reminds me, I received a reply from the Minister of Economic Development a few days ago in connection with an agreement, (maybe this is the same one), and what was given me was that the signature, in brackets, was indecipherable. An agreement between the Government and certain companies and the signature was indecipherable. I did go to the Registrar of Companies and the signature of Braun Wogan was quite decipherable.

MR. CURTIS: We could revert

now to Clause 2 which was read but not put.

Clause 2 carried.

MR. HOLLETT: Before you carry that, Sir, I hope the Government realizes that by passing this particular section —

MR. SMALLWOOD: To a point of order. That was adopted on second reading.

MR. HOLLETT: I was about to refer to the five and a half per cent. What I was about to ask was: What is the point of five and a half, is that the usual rate now for loans?

MR. CURTIS: That is a maximum rate just to protect them from paying in excess: To limit them to the amount they are to pay. If the Government is going to guarantee the loan the Government has to be assured that the rate of interest is not excessive.

Carried.

MR. CURTIS: I think the Committee should rise, report progress and ask leave to sit again.

MR. SMALLWOOD: Mr. Chairman, I move the Committee rise, report progress and ask leave to sit again.

MR. COURAGE: Mr. Speaker, the Committee of the Whole have considered the matter to them referred, have made some progress and asks leave to sit again.

Ordered sit again tomorrow.

The Committee of the Whole have considered the matter to them referred and have passed the Bill, "An Act Further to Amend the Exploits Valley, (Closing Hours) Shop Act,

1948," with some amendments. Ordered read a third time on tomorrow.

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

The House then adjourned accordingly.

WEDNESDAY, April 8, 1953.

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

##### Notice of Questions:

Notice of Questions given by Mr. Cashin.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I have here the answers to Questions No. 39—59 and 57.

#### QUESTION NO. 39 (1):

| Stocks on Hand | Retail Stores | In Bond       |
|----------------|---------------|---------------|
|                | Bottles       | Gallons       |
| Spirits .....  | 39,749        | 132,590       |
| Wine .....     | 13,704        | —             |
| Beer .....     | 101,148       | —             |
|                | <hr/> 154,601 | <hr/> 132,590 |

#### QUESTION NO. 39 (2):

|               |                   |
|---------------|-------------------|
| Spirits ..... | 908,116 bottles   |
| Wine .....    | 244,882 bottles   |
| Beer .....    | 9,776 079 bottles |

QUESTION No. 39 (3)

| Name of Firm                        | Quantity<br>Cases | Brand          | No. of<br>Bottles | Agent             | Where Located |
|-------------------------------------|-------------------|----------------|-------------------|-------------------|---------------|
| Can. Breweries Ltd .....            | 44,850            | Beer           | 1,076,400         | A. B. Baird       | St. John's    |
| Dawes Black Horse Breweries .....   | 3,800             | Beer           | 91,200            | S. Lake           | "             |
| Dow Brewery Ltd. ....               | 11,900            | Beer           | 285,600           | S. Lake           | "             |
| Export Bottlers Ltd. ....           | 300               | Bass Ale       | 7,200             | J. O'Dea          | "             |
| A. Guinness & Sons Ltd. ....        | 1,200             | Stout (Pts.)   | 28,800            | J. O'Dea          | "             |
| A. Guinness & Sons Ltd. ....        | 500               | Stout (Nips)   | 24,000            | J. O'Dea          | "             |
| Heineken's Lager Beer Co. Ltd. .... | 550               | Lager Beer     | 13,200            | R. Rennie         | "             |
| John Labbatt Ltd. ....              | 32,340            | Beer           | 776,160           | B. Stafford       | "             |
| Molson's Brewery Ltd. ....          | 34,250            | Beer           | 822,000           | B. Johnston & Co. | "             |
| Mooshead Breweries Ltd. ....        | 2,000             | Beer           | 48,000            | W. Petten         | "             |
| McEwan Younger Ltd. ....            | 1,200             | Beer and Stout | 28,800            | O. Vardy          | "             |
| Oland & Sons Ltd. ....              | 1,650             | Beer           | 39,600            | W. Chambers       | "             |

QUESTION No. 39 (4)

| Name of Firm                 | Quantity<br>Cases | Brand           | Spirits<br>Bottles | Wine<br>Bottles | Wine<br>Draught | Beer<br>Bottles |
|------------------------------|-------------------|-----------------|--------------------|-----------------|-----------------|-----------------|
| Jose Archabala .....         | 700               | Havana Club Rum | 8,400              | —               | —               | —               |
| Jas. Buchanan & Co. ....     | 1,600             | B. & W. Whisky  | 19,200             | —               | —               | —               |
| Jas. Buchanan & Co. ....     | 250               | B. & W. Whisky  | 6,000              | —               | —               | —               |
| H. B. Bulmer & Co. Ltd. .... | 100               | Cider           | —                  | 2,400           | —               | —               |
| Erven Lucas Bols .....       | 70                | Gin             | 840                | —               | —               | —               |
| Erven Lucas Bols .....       | 105               | Cordials        | —                  | 1,260           | —               | —               |
| Benedictine (France) .....   | 20                | Liquers         | 240                | —               | —               | —               |

| Name of Firm                          | Quantity<br>Cases | Brand                        | Spirits<br>Bottles | Wine<br>Bottles | Wine<br>Draught | Beer<br>Bottles |
|---------------------------------------|-------------------|------------------------------|--------------------|-----------------|-----------------|-----------------|
| Booker Rum Co. ....                   | 500               | Navy Rum                     | 6,000              | —               | —               | —               |
| Arthur Bell & Sons Ltd. ....          | 200               | Scotch Whisky                | 2,400              | —               | —               | —               |
| Ron Bacardi S. A. ....                | 600               | Cuban Rum                    | 7,200              | —               | —               | —               |
| Jas. Burrough Ltd. ....               | 50                | Gin                          | 600                | —               | —               | —               |
| The Bornn Bay Rum Co. ....            | 5                 | Bay Rum                      | 180                | —               | —               | —               |
| Barnes Wine Co. ....                  | 1,450             | Assorted Wines               | —                  | 17,400          | —               | —               |
| T. G. Bright & Co. ....               | 5,075             | Assorted Wines               | —                  | 60,900          | —               | —               |
| Canadian Breweries (Que.) ....        | 44,850            | Beer                         | —                  | —               | —               | 1,076,400       |
| Captain Morgan Rum Dist. Ltd. ....    | 2,475             | Rum                          | 29,700             | —               | —               | —               |
| Calvert Distillers Ltd. ....          | 200               | Rye Whiskies                 | 2,400              | —               | —               | —               |
| Chateau-Gai Wines Ltd. ....           | 16,698            | Assorted Wines               | —                  | 203,616         | —               | —               |
| Cointreau Ltd. ....                   | 25                | Liquers                      | 300                | —               | —               | —               |
| Canadian Schenley Ltd. ....           | 75                | Rye Whiskies                 | 900                | —               | —               | —               |
| Co-operative Wine Growers ....        | 50                | Paarl Sherry                 | —                  | 600             | —               | —               |
| Co-operative Wine Growers (casks).... | 10                | Port Wine                    | —                  | —               | 10              | —               |
| H. Corby Distillery Ltd. ....         | 75                | Rye Whiskies                 | 900                | —               | —               | —               |
| John Dewer & Sons Ltd. ....           | 625               | Scotch Whisky                | 7,500              | —               | —               | —               |
| John Dewer & Sons Ltd. ....           | 125               | Scotch Whisky— $\frac{1}{2}$ | 1,500              | —               | —               | —               |
| Dawes Black Horse Breweries ....      | 3,800             | Beer                         | —                  | —               | —               | 91,200          |
| Dow Brewery Ltd. ....                 | 11,900            | Beer                         | —                  | —               | —               | 285,600         |
| Drambuie Liqueur Co. Ltd. ....        | 50                | Liqueur                      | 600                | —               | —               | —               |
| Martin Doorley & Co. Ltd. ....        | 200               | Barbados Rum                 | 2,400              | —               | —               | —               |
| J. M. Douglas & Co. Ltd. ....         | 670               | Lamb's Rum                   | 8,040              | —               | —               | —               |
| Export Bottlers Ltd. ....             | 300               | Bass Ale                     | —                  | —               | —               | 7,200           |
| The Emu Wine Co. .... (pipes)         | 20                | Wine                         | —                  | —               | 20              | —               |
| The Emu Wine Co. .... (Hhds.)         | 15                | Brandy                       | —                  | —               | 20              | —               |

|                                     |        |                      |        |        |    |         |
|-------------------------------------|--------|----------------------|--------|--------|----|---------|
| .....(Hhds.)                        | 5      | Brandy               | —      | —      | 5  | —       |
| The Fleischmann Distilling Co. .... | 50     | Gin                  | 600    | —      | —  | —       |
| Manuel Fernandez & Co. ....         | 600    | Sherry               | —      | 7,200  | —  | —       |
| Fernandez & Co. Ltd. ....           | 200    | Rum                  | 2,400  | —      | —  | —       |
| Findlater Mackie & Todd ....        | 100    | Scotch Whisky        | 1,200  | —      | —  | —       |
| T. Gordon & Co. ....                | 1,550  | Gordon's Gin         | 18,600 | —      | —  | —       |
| T. Gordon & Co. ....                | 400    | Gordon's Gin, 1/2    | 9,600  | —      | —  | —       |
| A. Guinness & Sons Ltd. ....        | 1,200  | Stout (Pints)        | —      | —      | —  | 28,800  |
| A. Guinness & Sons Ltd. ....        | 500    | Stout (Nips)         | —      | —      | —  | 24,000  |
| W. & A. Gilbey Ltd. ....            | 6,658  | Rum, Gin, and Whisky | 79,896 | —      | —  | —       |
| Gonzales Byass & Co. ....           | 25     | One Eagle Port       | —      | 300    | —  | —       |
| Gooderham & Worts Ltd. ....         | 250    | Gin and Whisky       | 3,000  | —      | —  | —       |
| Gooderham & Worts Ltd. ....         | 50     | Gin and Whisky, 1/2  | 1,200  | —      | —  | —       |
| M. W. Groves & Co. Ltd. ....        | 100    | Apple Wine           | —      | 1,200  | —  | —       |
| Hill Thompson & Co. Ltd. ....       | 500    | Scotch Whisky        | 6,000  | —      | —  | —       |
| Haig & Haig Ltd. ....               | 975    | Scotch Whisky        | 11,700 | —      | —  | —       |
| Haig & Haig Ltd. ....               | 275    | Scotch Whisky—1/2    | 6,600  | —      | —  | —       |
| Hudson's Bay Co. ....               | 1,350  | Whisky and Rum       | 16,200 | —      | —  | —       |
| John Harvey & Sons Ltd. ....        | 70     | Creme Sherry         | —      | 840    | —  | —       |
| Hunt Roope & Co. Ltd. ....(pipes)   | 9      | Newman's Port        | —      | —      | 9  | —       |
| Hunt Roope & Co. Ltd. ....(pipes)   | 1      | Newman's Port        | —      | —      | 1  | —       |
| Heinekens Lager Beer Co. Ltd. ....  | 550    | Lager Beer           | —      | —      | —  | 13,200  |
| Jas. Hennessy & Co. ....            | 25     | Brandy               | 300    | —      | —  | —       |
| Jordon Wine Co. ....                | 4,950  | Assorted Wines       | —      | 59,400 | —  | —       |
| C. N. Kopke & Co. Ltd. ....(pipes)  | 20     | Lisbon Wine          | —      | —      | 20 | —       |
| C. N. Kopke & Co. Ltd. ....         | 25     | Sherry               | —      | 300    | —  | —       |
| C. N. Kopke & Co. Ltd. ....(pipes)  | 15     | Lisbon Wine          | —      | —      | 15 | —       |
| John Labatt Ltd. ....               | 32,340 | Beer                 | —      | —      | —  | 776,160 |

| Name of Firm                       | Quantity<br>Cases | Brand               | Spirits<br>Bottles | Wine<br>Bottles | Wine<br>Draught | Beer<br>Bottles |
|------------------------------------|-------------------|---------------------|--------------------|-----------------|-----------------|-----------------|
| C. N. Kopke & Co. Ltd. ....(pipes) | 5                 | Lisbon Wine         | —                  | —               | 5               | —               |
| Long John Distilleries Ltd. ....   | 250               | Scotch Whisky       | 3,000              | —               | —               | —               |
| Lugi Calissano & Figue .....       | 10                | Chianti Rossi       | —                  | 120             | —               | —               |
| Molson's Brewery Ltd. ....         | 34,250            | Beer                | —                  | —               | —               | 822,000         |
| Marshall Taplow Ltd. ....          | 100               | Scotch Whisky       | 1,200              | —               | —               | —               |
| G. H. Munn & Co. ....              | 25                | Champagne           | —                  | 300             | —               | —               |
| G. H. Munn & Co. ....              | 10                | Champagne—½         | —                  | 240             | —               | —               |
| J. G. Monnet & Co. ....            | 50                | Brandy              | 600                | —               | —               | —               |
| Meagher Bros. & Co. Ltd. ....      | 305               | Assorted Cordials   | —                  | 3,660           | —               | —               |
| Montmorency Dist. Ltd. ....        | 100               | Rye Whiskies        | 1,200              | —               | —               | —               |
| Martini and Rossi S. A. ....       | 50                | Vermouth            | —                  | 600             | —               | —               |
| Moosehead Breweries Ltd. ....      | 2,000             | Beer                | —                  | —               | —               | 48,000          |
| Melchers Distilleries Ltd. ....    | 50                | Rye Whisky          | 600                | —               | —               | —               |
| Martell & Co. ....                 | 25                | Brandy              | 600                | —               | —               | —               |
| McEwan Younger Ltd. ....           | 1,200             | Beer and Stout      | —                  | —               | —               | 28,800          |
| John E. McPherson & Sons .....     | 150               | Scotch Whisky       | 1,800              | —               | —               | —               |
| Chas. MacKinlay & Co. Ltd. ....    | 100               | Scotch Whisky       | 1,200              | —               | —               | —               |
| L. J. McGuinness & Co. Ltd. ....   | 275               | Rye, Whisky and Gin | 3,300              | —               | —               | —               |
| L. J. McGuinness & Co. Ltd. ....   | 70                | Cordials            | —                  | 840             | —               | —               |
| McDonald & Muir Ltd. ....          | 200               | Scotch Whisky       | 2,400              | —               | —               | —               |
| McDonald & Muir Ltd. ....          | 50                | Scotch Whisky—½     | 1,200              | —               | —               | —               |



## QUESTION NO. 39 (5):

|   | In Retail<br>Stores | In Bond                                       |
|---|---------------------|---|
| Spirits .....                             | 43,096 bottles      | 84 puns.<br>5 hhds.<br>2,114 bbls.<br>750 c/s |
| Wines .....                               | 15,581 bottles      | 24 pipes                                      |
| Beer .....                                | 76,923 bottles      | —   |
| (ii) \$2,600,000.                         |                     |   |
| (iii) In Bank of Montreal .....           |                     | \$462,379.65                                  |
| On Hand at Head Office and Branches ..... |                     | \$ 32,460.57                                  |

39 (6) :—\$1,262,269.07.

No. 59—As the honourable member has already been informed in reply to Question No. 7 (1), the proceeds of the \$10,000,000 bond issue were, pursuant to Section 3 of the Revenue and Audit Act, 1951, placed to the credit of the Consolidated Revenue Fund in the Bank of Montreal and merged with the balances therein.

In these circumstances it will be appreciated that it is not possible to indicate that a specific issue was made for a specific purpose out of the proceeds of the loan. All issues from public funds were made from the Consolidated Revenue Fund of which the proceeds of the \$10,000,000 loan formed part.

Information regarding the balance of the proceeds of the loan remaining unspent will have to await the Outturn of Revenue and Expenditure for 1952-53 which will be made known in the forthcoming Budget Speech.

57 (a) No.

(b) Yes.

2. (a) 13/8/52.

(b) \$9,677,329.

(c) 15th January and 15th July.

(d) Interest—4¾%.

(c) Sinking Fund Contribution—3%.

3. (1) Information now being compiled.

(2) Information now being compiled.

(3) Information contained in the Estimates for 1953-54 which will be tabled shortly.

57 (3) 1. \$7,981,514 to (31/2/53).

2. \$2,924,215 (to 31/3/53).

MR. POWER: Mr. Speaker, in accordance with the provisions of Section 37 (2) of the Audit Act, I desire to table copies of Minutes of Council.

#### Orders of the Day

Adjourned debate on the Speech from the Throne:

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I offer my very warm congratulations to all the members of this side of the House who have taken part in the debate which perhaps comes to a close this afternoon. We have had on this side of the House some excellent speeches. Indeed the standard of speeches in this debate has been as high as for many years past. I feel very proud indeed to lead a party that has produced such men, capable of deliver-

ing themselves with such clarity and so convincingly as so many members have done on this side of the House in this present debate.

I am sorry that so far as concerns the members of the official Opposition I have exceedingly little to answer. They, for some reason that I cannot fathom, preferred not to speak at any length, but contented themselves with very brief speeches in which they mustered precious little argument, brought forward precious little logic, and made very few points requiring anything in the nature of an answer. However, in their brief speeches, between them, they made a few points that I think deserve some answer from me:

The honourable and learned member for St. John's East who is absent at the moment, I regret, (perhaps we will have the pleasure of his presence later in the afternoon, perhaps his professional duties keep him away for the day). However, he made two points, and two points only, throughout his speech. I did not have the pleasure of hearing his speech as I was not in the House nor indeed in the Province at that moment. But friends of mine in this Chamber took careful notes of what he said. From them I am aware of the honourable member's speech. I am told that in his speech he said that the number of jobs in the new industries were less than one thousand. Putting the Government's expenditure as he had at forty million dollars on the establishment of these new industries, he divided the forty million by the one thousand jobs, and by simple arithmetic arrived at the figure of forty thousand dollars as being the cost to the Government, to the Treasury, of the establishment of every job that has been established in the new industries

—forty thousand dollars per job. Now, Mr. Speaker, last year the National Manufacturing Association of Canada conducted a survey into forty-five hundred of the representative industries all across Canada. They set out to learn how much capital had been invested in all of these industries, and how many employes there were in them. By dividing one into the other, they discovered that generally, across Canada, the cost of providing a job for a man in an industry was about eight thousand dollars. If Newfoundland could follow the same pattern, that is if the conditions in Newfoundland were the same as generally across Canada, if it costs no more to establish a new industry here than it does generally in Canada, the cost of providing a job in a new industry for one worker in Newfoundland should be of the order of eight thousand dollars, not forty thousand dollars as suggested by my honourable and learned friend.

Now, Mr. Speaker, there has been a lot of talk about these new industries, notwithstanding the fact that only five of these new industries originated in Europe and commenced by the Government are as yet in production. These are, of course, the cement plant; the gypsum plant at Corner Brook; the birch plywood and flooring plant in St. John's; the light machinery plant at the Octagon and the tannery at Carbonear. In addition to these five that are actually in production, or rather part production (not one of them is as yet in full production) there are four others in the course of being built. That is to say the rubber plant at Holyrood; the textile cotton plant in St. John's; the press board plant in there beside the birch plant and the battery plant in opposite Woodstock on Topsail Road

Four others have not even yet begun construction of their building; the fur dressing and dyeing plant at Holyrood; the glove factory at Carbonear, the boot and shoe factory at Harbour Grace and the ceramics plant at Clarenville. What do we get therefore? We get these figures: Five plants actually in part production, not one yet in full production; four plants now being built, and of course, obviously, not yet begun actual production; and four of them whose construction has not as yet even commenced. Therefore, to suggest that the Government have spent forty million dollars to build these new industries, and that less than a thousand men have found jobs in them, so that the conclusion follows that it costs forty thousand dollars to establish one man in industry, is to make statements that are farcical, that are grotesque, that are ludicrous.

The cost of establishing one man in employment in industry in Newfoundland is not yet known, and cannot be known until all of these plants are constructed and in full production. I venture the statement today that the difference in the cost of establishing a man in industry in Newfoundland will not vary much from the cost of doing it across Canada as a whole. It should work out at six, seven, eight or nine thousand dollars a man. The exact amount we will know in a couple of years or so from experience.

Now as to the actual amount of Government money spent to establish these industries: The industries are under two headings: First there are the plants built by the government itself, with public money, the Cement Mill, the Gypsum Wallboard Mill and the Birch Plant. The total outlay on these three plants is ten point eight

million dollars. That of course includes working capital as well. It did not cost that amount of money to establish these plants. But it cost that much to establish them and provide each one of them with the amount of working capital necessary. The amount provided to the cement mill was half a million dollars; to the Gypsum Wallboard Plant half a million dollars and to the Birch Plant some seven or eight hundred thousand dollars.

Now we come to the so-called German plants: These are the Tannery, \$368,000; the Machinery Plant, \$2,500,000; the Gypsum Plant, \$635,000; the Rubber Plant, \$1,000,000; the Optical Plant, \$150,000; the Textile Plant, \$2,000,000; the Glove Plant, \$350,000; the Battery Plant, \$325,000; the Ceramics Plant, \$1,000,000, and the Boot and Shoe Plant \$1,000,000, making a total, Mr. Speaker, of nine million dollars. After all the talk and all the propaganda about the Government of Newfoundland taking the people's money, the surplus, and pouring it down the German sewer; taking the people's surplus and spending it on German industries. As the honourable member for St. John's East said: taking forty million dollars and spending it on these industries. We find in fact that the exact amount spent, and squandered, on these German industries, spent and committed on these German industries is \$9,328,000, nine point three million dollars. On our plants built by the Government ten point eight million dollars, or to be exact, \$10,796,230. So that the grand total is of the order of twenty million dollars. Now there is a fair difference between twenty millions and forty millions, an exaggeration of a mere one hundred per cent.

Now Mark Twain said that he had

no patience with exaggerations of fishermen. Of course he used the word "fishermen" in the American sense, people who go off trouting and catching salmon. He said he had no patience with their exaggerations. He said no one minds a modest exaggeration of the size of the trout they catch or the number of trout they catch of a reasonable four or five hundred per cent. That is reasonable, that is human, and it is understandable. But he said it was these fishermen exaggerating up in the seven, eight, and nine hundred per cent he objected to. I say; "I don't mind the Opposition exaggerating just a tiny, wee bit."

If these plants, German and Newfoundland cost a total of twenty million dollars and they exaggerated and said this foolish Government, this stupid Government, this wild-cat Government, have taken say twenty-two millions, or even if they had become a little reckless and said twenty-five millions, and made away with five millions which they had not spent, that would be reasonable. But when they take an expenditure of twenty million dollars and call it forty million dollars, what trust, I say, can the people of Newfoundland put in the words of honourable gentlemen who would toss twenty millions of the people's money away without even a by your leave—

The same honourable and learned gentleman, doubtlessly after careful consideration of the matter pronounced judgment on BRINCO. Now, when the honourable and learned gentleman pronounced his judgment here in this Chamber on BRINCO he had certain facts before him. He had the fact first, that this is a group of British Companies from Great Britain. He had secondly the fact that this

group of companies now known as BRINCO (British Newfoundland Corporation) had been organized by the world famous House of Rothschild. He had thirdly the fact that this group is made up of no fewer than twenty British Companies, most of them with names that are known around the world. The Prudential is on this whole earth the largest of all insurance companies, the famous "Pru" a household word around the world. English Electric Company, the biggest industrial concern in the United Kingdom, which employs forty six thousand people, Messrs. Samue and Company, the principal owners of Shell Oil, a fly-by-night outfit amongst other things they are the principal owners of Shell Oil. Twenty great concerns owning between them leaving the banks out—six banks—over three thousand million dollars, and their balance sheet assets. Now, knowing these facts, because these facts have been published in the local paper the honourable and learned gentleman from St. John's East pronounced his judgment on BRINCO.

And the honourable and learned gentleman deserves to have his opinion carefully weighed and considered here in this House. But I wonder what will the people of Newfoundland say of the honourable and learned gentleman who can dismiss a \$30,000,000 industry with the word "Bunko." A colleague of his, a member for the same district, has gone a little better. He showed a very shrewd, careful and statesmanslike attitude summing it up in the word "Bing

With regard to the honourable and learned gentleman from St. John's East, I ask was his comment on the number of men employed in the industries; the cost of employing them and his description of "Bunko."

ask was his comment useful? Was it constructive? Does it throw any light on these matters that will help the people of Newfoundland to know of these two matters? Are the people now any wiser for what the honourable and learned gentleman said? In short, has his attitude in this Chamber been the attitude the people of Newfoundland have a good right to expect of its elected members? That is that they take grave matters seriously; that they analyze them; examine and consider them. I ask was anything he said the result of serious, patriotic, mature judgment? I ask as the honourable gentleman's remarks statesmanlike or did his remarks represent nothing more than wdry and shabby politics?

In connection with these new industries, of which as I said five are now in part production, the House told I are sure the people will be interested to learn that in 1953 they will pay out in wages, over two million dollars—\$2,700,000 to be exact. Let us not forget it is two-sided. It is true that the Government with the consent of this House takes this money from the surplus and lends it to these industries. That is one side. The other side is that these industries come into existence and as a result, men are employed and wages are paid. In 1953 over two million dollars were paid out—and that is not hay.

MR. JACKMAN: Would the Premier permit a question? What is the basic rate paid in these industries? Is it my argument right straight enough.

MR. SMALLWOOD: I am going to devote some of my remarks to the honourable gentleman from Harbour Main-Bell Island. I do not want him to think he is going to be forgotten.

I hope he will be pleased with what I say concerning him.

MR. JACKMAN: It all depends.

MR. SMALLWOOD: He will see how much I admire him. It is a mutual admiration society.

Last year, these same industries paid out in wages, \$1,224,000.

MR. HOLLETT: Two millions, wasn't it?

MR. SMALLWOOD: \$1,224,000. The year before \$285,000. Add it up. Five of them only had begun production. Four of them had not begun to be built; the five which are producing have already paid out in wages three and a half million dollars.

MR. HOLLETT: Which industries paid out wages?

MR. SMALLWOOD: I will table the figures and the honourable gentleman will have ample opportunity to examine them.

Incidentally, I hope the newspaper men and radio representatives who honour us by attending the House will find it expedient on their side to publish the facts; they cannot get enough publicity to please me. I am trying to bring out the fact that that two million will be four million next year. Already we have spent twenty million dollars to establish these industries. Already they have paid out in wages three and a half million dollars. And four million next year, and it will be seven and a half million dollars by the end of 1954. In 1955 it will be five or six million more. I am not speaking of the wages paid out in the construction. If you wish to add the portion of the \$20,000,000 spent in actual wages for construction, you will find it runs to

several million dollars. So when we lend it to the industries, millions of the twenty millions were actually paid into the pockets of the Newfoundland workmen employed on the construction of the plants the money created.

Now, Mr. Speaker, I will table the figures of the amounts of money taken from the surplus to spend, first, to create three Newfoundland Government-owned industries; and second, to create German industries, and I hope copies will reach the Press.

Now, with regard to lending money from the Treasury to create industries; let it not be forgotten that in addition to the money spent for the three Newfoundland Government Plants and for the German plants; there has also been another activity of this Government money loaned to help purely local industries, most of them operating here in Newfoundland for anything extending from ten to one hundred years—purely local Newfoundland Companies. For example, we loaned \$160,000 to the Andrews Labrador Fisheries, Ltd. to Arctic Fisheries Ltd., \$125,000 to St. Lawrence Corp. Ltd. \$537,000; to Fishery Products Ltd. \$460,000; to Herring-Un Limited \$35,000; to Gaultois Fisheries \$425,000. Making a total of one and three-quarter million dollars—\$1,742,000.00. Now, this Government lent that money or caused it to be lent, which is the same thing. What has been the result? Let me give you some examples. We lent the Andrews Labrador Fisheries \$160,000, and here is what that one Company has paid out as a result of receiving that loan; and everything they paid out is the direct and immediate result of receiving that loan. In 1950 they paid out as wages, etc., \$251,000. In 1951 they paid out \$346,000; in

1952, \$303,000, and it is estimated that in 1953 they will pay \$600,000; a total of \$1,500,000 for four years. Now, I ask a question, a simple question, a common sense question—is it good business for a Government—this Government—the Government here in Newfoundland to take \$160,000 of the public funds and lend it to a Company if the result of doing so in four years will be to have \$1,500,000 distributed by that Company in wages and salaries?

MR. HOLLETT: Where did they get the money to pay out?

MR. SMALLWOOD: This is fish company—they got it by buying and selling fish. If the honourable gentleman wants to raise that question—where does Bowaters get the money? From the loggers and lumbermen. Where does DOSCO get its money? From miners and workers. Labour comes before capital and creates capital. If the honourable gentleman wants a discussion on economics, we can have it; but that was not my purpose this afternoon. I said, the Andrews Labrador Fisheries, Ltd., were given the loan of this Government of \$160,000.

MR. HOLLETT: When will they pay it back?

MR. SMALLWOOD: They have paid quite a bit back. They have paid back around \$50,000.00 already. Suppose they do not pay it back another ten years; as a result of their being loaned \$160,000 by the Government this Company has paid out four or three or four million dollars Newfoundland people to enable them to live and to rear their families; ask you is not that good business for this Government?

Take another example—the Ar

Fisheries Ltd. of South Dildo. The member from Trinity South from whom we heard in one of the finest speeches he has made (and members on this side have offered him privately our congratulations) —

MR. JACKMAN: What basic rates of wages are they paying?

MR. SMALLWOOD: If the honourable gentleman would allow me—I will come to him later. He must not feel neglected.

The Arctic Fisheries Ltd. are a small Company over in South Dildo engaged in whaling on a small scale—pothead whaling.

MR. CASHIN: We have a lot of potheads here.

MR. SMALLWOOD: I would not be satisfied with that word: I would use the word "dunderheads."

MR. CASHIN: You do not need to go to Dildo to get them.

MR. HOLLETT: There is collusion here.

MR. SMALLWOOD: The honourable gentleman and I, from the day the House opened, have been co-operating with beautiful and touching collaboration, as the whole Chamber knows. There have been times when we fell out. But this afternoon we see eye to eye.

As I said this is a small Company operating in a small place yet in 1950 they paid out nearly \$20,000; in 1951, \$88,000; in 1952, \$75,000; and they estimate in 1953 they will pay out \$83,000. Total \$266,000. Of the \$250,000 loaned them, they have paid back about half.

Now, we come into the district of the Honourable Minister for Burin—

the town of St. Lawrence. Up there, there are two companies operating—one the Fluorspar Co., and the other the St. Lawrence Corp. The St. Lawrence Corporation, Ltd., for reasons which would take too long to describe, reasons which enabled us to make a very close examination into the affairs of the Corporation in Newfoundland and the United States, and as a result we loaned them \$537,000. Now, this firm was about to close. They had built themselves up by plowing their profits back into the enterprise, and they had built themselves up especially in the early stages of their history by an almost unbelievable degree of friendly co-operation from the people, businessmen and others in St. Lawrence. But, at all events, they reached a point where they had to fold up. They could not get a single dollar credit in this world. They went to banks, bonding houses, they went to industrial development banks; everywhere they went the answer they got was the same—"no." So they came to us and said, "if we do not get a loan we will have to close up." We had Newfoundlanders working in St. Lawrence, so we decided as a Government, rightly or wrongly, to make them a loan and to keep the plant running. We made them a loan of \$537,000; with the result that in 1950 they paid out in wages \$272,000; in 1951, \$487,000; in 1952, \$574,000, and this year they estimate they will pay out \$600,000. Total two million dollars, in wages as a result of a half million dollar loan. Was that good business?

MR. JACKMAN: It was the result of organized labour.

MR. SMALLWOOD: If they had been so strongly organized that they would not sleep with their wives unless they were organized, they still would be out of jobs, unemployed,

and drawing unemployment relief unless we loaned that money to the St. Lawrence Corp. It was organized Government and organized treasury that did it. They were broke; they were going to close down and we loaned them half a million dollars and as a result of that they have paid out two million dollars in wages. Next year they will have paid out five, six or seven millions—all as a result of our lending them half a million dollars.

I will give you another example—Fishery Products, Ltd. We loaned them \$460,000. In 1950 they paid out in wages \$41,000; in 1951, \$215,000; in 1952, \$255,000 and this year they estimate they will pay out \$265,000. Three quarters of a million dollars they will have then paid out as a result of that loan.

Then we Herring-Un Limited we loaned \$35,000. It is a small operation—in 1950 they paid out \$17,000; in 1951, \$36,000; in 1952, \$34,000 and they estimate in 1953 they will pay out \$25,000. Total \$100,000.

And to Gaultois Fisheries we made them a loan last year of \$425,000 and last year, in only a couple of months of operation (last Fall they began)—they paid out in wages \$80,000; and this year they estimate they will pay out \$375,000. Grand total of one and three quarter million dollars.

These companies will have paid out to our people by the end of 1953 the sum of five million dollars. What is wrong with that? Can anyone tell me? All these figures have been before the House—but we do not hear a word about these. We only hear about the money going down the German sewer.

Now I come to the honourable member for St. John's East. St. John's

East has two honourable gentlemen representing the district—one, the honourable and learned gentleman; he being a lawyer and that is the term used to distinguish him from the honourable member who is not a lawyer.

The member I refer to now is the honourable gentleman who is not a lawyer. He made four points which I thought worthy of attention. One was that it is not this Government that is developing Newfoundland. Then he went on to say that at least we have not convinced the Opposition that it is this Government. I am prepared to agree that we have not convinced the Opposition; and because we have not convinced them, that is why they are the Opposition. That is the reason they are over there on that side.

Then he talked about BRINCO and it was at that point he coined his immortal phrase of "Bingo." He said the Government was tying up our natural resources with people who are speculators. I ask the House to notice his description of twenty of the greatest companies in all of the United Kingdom—his description of them as "speculators." I merely draw attention to it and then pass on.

Then he came to the question of liquor. He spoke of all the liquor the Government is selling. I asked him across the floor, would he have the Government stop selling liquor. He has very discreet. He did not answer that question. He has not answered it yet. I asked him would he have the Government stop selling liquor he very discreetly declined to answer. I ask him again today, would he have the Government stop selling liquor? Would any member of the House, on that side or on this side



have the Government stop selling liquor? Before answering he must give the matter some careful thought. He must consider the alternatives and consequences that might follow out of each alternative before giving a glib answer. I say the courses open to the Government are very limited. There are three courses. Three things only we can do. We can do one, two or three. We can do only one of the three. One is we can repeal all laws with regard to liquor insofar as Newfoundland laws are concerned. We can say that anyone who wants to make liquor can make it, can make any kind; anyone who wants to sell it can sell it to anyone at whatever price and under any conditions that pleases them to do so. Anyone can drink it. The Government does not care. Throw it open. Have nothing to do with it. Does anyone in the House suggest that? Another thing we could do would be to prohibit it absolutely and say no one shall sell it; no one shall drink it; no one shall make it. Anyone suggest that? Anyone suggest we make that a law? It was tried in the United States. "A noble experiment," they called it. It was tried in Newfoundland. But all it produced was a few rich doctors who sold scripts;" and a few rich bootleggers. What is the third?

The third is for it to be made, for it to be sold, for it not to be consumed, but at least sold by the Government. We don't consume it. I am personally a temperance man. I have yet to taste rum or whisky or brandy or gin or any kind of hard liquor. Since I was born, to this very moment, I have never tasted them. I do not like a glass of wine. I don't like beer, but I do like a glass of wine. I would not go across the floor to get it but I like it with a meal. I

never tasted any hard liquor. I am a temperance man. I don't believe in prohibition. I was once the secretary of the Vigilance Committee of St. John's. That was an organization of clergymen of different denominations who felt there was too much lawlessness, etc., in connection with liquor. I was the secretary of it, and I believed in prohibition. I was young, and I had not seen as much as I have seen since then. Well, I don't think there is any course that is practicable; I don't think there is any course that is sensible; I don't think there is any course that is sound except for the Government to sell it. I cannot see it open to private enterprise, but for the Government to sell it, and to sell it under decent conditions, under decent laws and regulations, to see that taverns are clean and hygienic, wholesome and attractive, not just a rendezvous for the lowest dregs in which to congregate, but a decent, clean, attractive place. There is no shame about it, no shame, the Government is not trying to hide its head. There is nothing wrong with a drink of beer to a man that likes a drink of beer. He should not be treated as a criminal but as a decent, God-fearing, law-abiding citizen. If he wants a drink of beer let him go in and have it under civilized conditions not in the dirty, stinking holes that there were in St. John's before this Government came into power, but decent, clean, brightly-lighted, well ventilated, well furnished taverns. If it is lawful let there be no shame about it. Let a man go in and if he wishes to take his wife in for a glass of beer let him do it. It is the only possible course. I would like some one to show me another. Wipe it out altogether or throw it wide open for anyone to do what they like or the middle course, which we

are following, sell it under Government regulations, regulating the conditions under which it may be consumed, fixing the price and what profit there is in it to come back to the Treasury. That is plenty. I can tell the House right now it is plenty and a handsome profit we make. We are only sorry it is not more. I am always egging on the Minister of Finance to keep piling the price up to the point where it is just in danger of encouraging bootlegging but not actually, get all the traffic it will bear, and in "God's name" if that is not a good thing, to tax liquors, what is it? Tax it as heavily as we can. Let people have it under decent, civilized conditions but make them pay for it. That is this Government's policy. Nevertheless, we will hear an awful lot of nonsense talked in this House and out of it about liquor. In 1951 the people of British Columbia spent sixty-one dollars a head on liquor, including beer and wine; Alberta fifty-six dollars a head, Ontario, fifty-eight a head, Saskatchewan forty dollars a head, Quebec forty-six dollars a head, Manitoba forty-three dollars a head. Incidentally just to go back to the forty-six dollars a head in Quebec where there is no temperance sentiment, no social sanction against taking a drink, where it is even sold in the restaurants, forty-six dollars a head which is twelve dollars a head less than they spend in Ontario. That should be noted, Nova Scotia thirty-five dollars a head; New Brunswick twenty-nine dollars a head, Prince Edward Island, twenty-one dollars a head and Newfoundland fifteen dollars a head.

MR. JACKMAN: Newfoundlanders have not enough money to spend for liquor. What is the answer to that?

MR. SMALLWOOD: If the honourable gentleman will be a good boy I will come to him. He does not have to speak once more to draw attention to himself. I am coming to him anyhow. I have a note made here and I assure him I am coming to him.

MR. JACKMAN: I am not worried, but you know me.

MR. SMALLWOOD: Now, we are six dollars a head lower than the lowest other Province of Canada, Prince Edward Island, and forty-six dollars a head below the highest Province in Canada.

Now, Mr. Speaker, having said all this about liquor, I would like to add this: In my view (and in this my colleagues in the Government agree with me) there is too much liquor consumed in the world, in Canada, in Newfoundland, especially here in St. John's. There is much too much liquor consumed, which is no argument for the Government to stop selling it. If we stop selling it the bootleggers will sell it, the moonshiner will make it. Nothing is going to stop people from taking a drink if they want a drink. There is too much liquor consumed and the Government are more than a little concerned about it. The Government would like very much to see here in Newfoundland a organized campaign of temperance moderation, not prohibition but moderation, temperance, a campaign of propaganda. Young fellows in Newfoundland today and young girls scarcely hear a word spoken or written against the use of liquor.

There is never a warning, scarce ever, I won't say never, I know the churches are in Newfoundland, know they do work, I know that, but I still say there is not enough temperance

ance or moderation propaganda education. I do not think that our young people, the majority of them, receive enough fair warning of the pitfalls, the perils that lie in the use of liquor. For that reason when my honourable friend, the Minister of Finance brings down his estimates and budget, I hope that he will provide a sum of twenty-five thousand dollars to be devoted to any movement, any group that will spring up, of inter-denominational character, to carry on, and one that will meet with the approval of all the major denominations, that will carry on an active temperance and moderation campaign. We are prepared as a Government to give twenty-five thousand dollars a year, if some group of people will organize themselves into a temperance movement. We think there is definite need of that. Now, that does not mean we have to stop selling it. We don't intend to stop selling it. We would be fools, stupid, silly, jackasses to do so. It is not a matter of revenue. We are glad to have the revenue. But the liquor department was not established to get revenue. We can get far more revenue as a Government, and our Treasury would get far more by throwing it high wide and handsome, let it be sold in the grocery stores as it is in the Province of Quebec and in New York, let it be sold in every grocery store everywhere and tax it heavily. We would then take in far more revenue than we do. So we don't maintain the Department of Liquor Control only for revenue. We maintain it so as to exercise control of the sale of liquor. At the same time we do think there is too much being consumed.

Now, I think I will come to my honourable friend from Bell Island and dispose of him.

MR. JACKMAN: You won't dispose of him.

MR. SMALLWOOD: No. Dispose of his nice, friendly speech here in the debate.

He said a lot of nice things about this Government. He said a lot of nice things about me. In fact, he was in a very nice mood that day, much nicer than he is today.

MR. JACKMAN: I object.

MR. SMALLWOOD: I mean a nice mood.

MR. JACKMAN: A kindly mood.

MR. SMALLWOOD: Yes.

MR. JACKMAN: Very well.

MR. SMALLWOOD: Yes. He was in a nice kindly mood and spent the first three quarters of his speech in expressing kindly things about us over here. He told us he liked us. We told him we liked him. He told me he liked me. I told him I liked him. It was just a friendly, kindly conversation which was carried on for about two-thirds of his speech. Then in the last three minutes of his speech—it was only a short speech—he went prophetic. He told us that the honourable gentleman, the present Leader of the Opposition, was going to be Premier of Newfoundland.

MR. HOLLETT: I think that was kind of him.

MR. SMALLWOOD: "For I dip't into the future far as human eye can see;

Saw the visions of the world  
And all the glories that would be."

The honourable gentleman is not a good prophet. The honourable gentleman is leading him presently; I

don't know who will lead him next session. But at the present time, this session, I know. Who lead him last session, I know. Who led him the session, I know. Who led him last next session I do not know, because I do not know who will be the Leader of the Opposition. There have been four in four years. That is an average of one a year. Presumably there will be a new leader next year. If the honourable gentleman from Bell Island will possess his soul in patience his turn will come. Before it is all over he may be the Leader of the Opposition. If he is, by that time, he will be the Opposition. The only way the honourable gentleman will become the Leader of the Opposition is by becoming the Opposition. The only member in this House in the Opposition might well be the honourable member for Bell Island.

Now, is that enough about the honourable gentleman?

MR. JACKMAN: Time will tell.

MR. SMALLWOOD: Time will tell many things.

Now, the Honourable Leader of the Opposition when he spoke to the debate was probably not in good form. He did not say anything. He spoke, yes, and he did say this:

"The Government has spent forty-six millions of surplus and half of it was wasted." First he said it was all wasted, then corrected himself, and said it was half wasted. Then he made the statement about the money down the German sewer. But that cannot be all of it as that was only nine million dollars, and nine is not half of forty-six, not in my arithmetic.

What was he referring to then when he said half of it was wasted? We

have spent twelve million dollars on roads and bridges. Was that in the hall that was wasted?

MR. HOLLETT: Some of it.

MR. SMALLWOOD: The amount was \$12,087,091. Would the honourable gentleman be prepared to say that ten million dollars of that was wasted?

MR. HOLLETT: Address your remarks to the Chair.

MR. SMALLWOOD: I am. I am only looking in the honourable gentleman's direction. A cat may look at a queen—some queen—now if I describe the honourable gentleman as "some queen" he had better not describe me as "some cat."

\$6,186,000 was spent on hospital accommodations for new hospitals, enlarging old hospitals and furnishings. On schools \$2,092,000. On housing and slum clearance and assisting local town councils around Newfoundland \$1,179,000.

Mr. Speaker, may I say here—I speak with great seriousness and I feel I speak for every member of the House regardless of which side he is on—we are all very happy this afternoon to have here as visitors in the Chamber a number of mayors of Newfoundland towns. I understand they are in the city for a convention of mayors. A number of them have come here to visit us this afternoon and I am sure we are all very happy indeed to see them in the House today. \$1,179,000 for housing and slum clearance and \$154,000 assistance to local town councils, grants to local town councils, and public buildings not counting hospitals \$391,000, a total of \$22,750,000. Is that wasted?

MR. HOLLETT: That is the half that was not wasted.

MR. SMALLWOOD: All right, would the honourable gentleman say that the two millions we spent on surveys, waterpower, materials and timber was wasted?

MR. JACKMAN: Definitely.

MR. HOLLETT: The Federal Government promised that.

MR. SPEAKER: Order.

MR. SMALLWOOD: I have asked my friends on this side of the House to remember that it was wasted. Now, what will the honourable gentleman say, if and when this two million dollars spent on surveys and produces just one mine. All it needs to do is to produce just one mine.

MR. HOLLETT: That is problematical.

MR. SMALLWOOD: And the honourable gentleman is so beautifully cool in the cold shades of opposition for the next three years. After that he has to find a seat for the next three years, he can wait very comfortably.

MR. JACKMAN: Mr. Speaker, on a point of order; has the IBEC Report ever been tabled?

MR. SPEAKER: There is no point of order. Resume your seat.

MR. SMALLWOOD: It was, I think, Mr. Speaker, just one of those things. The honourable gentleman was talking and he forgot for the moment that he would be reminded of what he said; that half of the surplus had been wasted. Go down around Cape Freels about which my honourable friend from Fogo District poke so truly yesterday where they

have built roads and are building more and ask them if that was wasted. Go around Fogo Island, New World Island and the District of my honourable friend, the Attorney General, around Springdale in Green Bay, go down around St. Anthony and go up in Fortune Bay the road leading into Terrenceville, do the people down there think the money was wasted from the surplus to build that road. My honourable friend from Placentia West, who is not here this afternoon, ask his people from Placentia West if the money spent to connect that highway out to several coves on the coast were wasted. Ask my honourable friend the Minister of Finance if the money spent to connect Fox Harbour with the highway were wasted, or rather go ask the people in Fox Harbour.

MR. HOLLETT: It is minerals we are talking about.

MR. SMALLWOOD: No. I am talking about the roads. Go to Cow Head and to Trinity Bay and ask them if the money spent to build the causeway connecting the Island with the mainland and the road along from Gooseberry Cove and Queens Cove, ask if that was wasted. Go down to Fogo and ask the people if the hospital was wasted and ask them in Springdale if it was wasted, in Port aux Basques, Channel and ask them if that was wasted, in Trepassey and ask if that was wasted. Go down to White Bay and Englee and ask if that money was wasted.

I could go on for the next hour merely mentioning the things on which we spent the surplus. But the honourable Leader of the Opposition, with that statesmanlike attitude for which all of the Opposition are so noted, says half of the surplus was

wasted. The people of Newfoundland don't believe that, he is not going to get them to believe it. They know the difference. They know if the money was spent they shared in the benefit from the spending of it.

That is all the honourable gentleman said. As I listened to him I made one note of what he said and that is all. The honourable Leader of the Opposition whose speech ought to be a red letter event in the history of each session of the House of Assembly. But I will come back to him before I finish. Now, I have other things to say first.

Mr. Speaker, the dullness of the early winter months this year were somewhat relieved by a rather fierce controversy that raged between the two daily newspapers of St. John's. The subject of interest entertained me quite a bit. It was this:

"Is the Government of Canada taking more money from Newfoundlanders in taxes than it is paying out here in Newfoundland, or is it paying out more cash here than it gets from Newfoundland." I gathered the impression that the "Evening Telegram" believes that Ottawa pays more cash into Newfoundland than it takes from Newfoundland, whereas the "Daily News" is actually the other way about and believes that Newfoundland gives Ottawa more cash than Ottawa gives Newfoundland. Here are extracts from three editorials in the "Daily News." The first was on November 24, last Fall, just over four months ago. I quote these exact words: "In terms of what Ottawa spends in Newfoundland the books balance. What we get in all forms of Government expenditure is returned in direct taxes to Ottawa." On that date, therefore, November 24, the "Daily News" ap-

peared to believe it is just about six of one and a half dozen of the other, neither Ottawa nor Newfoundland gains in the matter of dollars. But twenty-seven days later the "Daily News" possibly after more mature reflection, changed its views. In an editorial of December 20th: "Ottawa is spending much more in Newfoundland than was estimated in the 1948 calculations. Family Allowances, Old Age Pensions and tax rental payments are up by a grand total of at least nine million dollars. But even then (he says) total expenditure falls far short of the probably amount derived from Newfoundland in direct and indirect taxation." Note the words "far short." What Ottawa spends in Newfoundland is far short of what Ottawa collects from Newfoundland.

But on January 3, last the "Daily News" seems to have acquired some little doubt about the matter in an editorial of that date said: "This newspaper has said that our account with Ottawa must be very nearly in balance. We refer to this year not to two years ago."

I followed that controversy with some interest. I felt the "Evening Telegram" was right and the "Daily News" wrong. I felt that Ottawa was spending far more money in Newfoundland than she was getting from Newfoundland either directly or indirectly. I, therefore, did what both newspapers ought to have done. I asked the Government of Canada for the facts. I thought that the people of Newfoundland would probably want to know the facts. Well, Ottawa has given me all the facts but one. There is one fact that they did not give me, so that I am obliged to make my own estimate on that one point. The editor of the "Daily News" had

his estimate on that one point, but I cannot accept his estimate. The point has to do with the amount of taxes that Ottawa collects from Quebec, Toronto and other Mainland places on goods that are shipped to Newfoundland sold here at prices which include the taxes collected in the places where the goods are manufactured.

Here are the facts from the first year of Confederation up to and including the official estimates for the present financial year which began a

few days ago. That is, in other words, five years of Confederation. I shall first give the facts about the money that Ottawa collects from Newfoundlanders. That perhaps is the most interesting fact. I will distribute these so that no one needs to take down the figures. The years are 1949-50 the first year of Confederation 1950-51, 1951-52, 1952-53 and this year, 1954.

I shall first give the facts about the money that Ottawa collects from Newfoundlanders. It is as follows:

REVENUE COLLECTED FROM NEWFOUNDLAND BY GOVERNMENT OF CANADA

|                              | 1949-50      | 1950-51      | 1951-52      | 1952-53      | 1953-54      |
|------------------------------|--------------|--------------|--------------|--------------|--------------|
| Income Tax,                  |              |              |              |              |              |
| Corporation Tax,             |              |              |              |              |              |
| Gift Tax,                    |              |              |              |              |              |
| Tax on Private               |              |              |              |              |              |
| Companies — \$               | 4,078,000    | \$10,855,000 | \$19,006,000 | \$ —         | \$ —         |
| Succession Duties            | 86,000       | 233,000      | 261,000      | —            | —            |
| Excise Taxes                 |              |              |              |              |              |
| (Sales Tax) collected within |              |              |              |              |              |
| Newfoundland =               | 1,301,000    | 1,604,000    | 2,163,000    | —            | —            |
| Excise Taxes                 |              |              |              |              |              |
| (on production within New-   |              |              |              |              |              |
| foundland) —                 | 1,627,000    | 1,467,000    | 2,059,000    | —            | —            |
| Excise Duty —                | 1,341,000    | 1,534,000    | 1,418,000    | —            | —            |
| Import Duty —                | 3,407,000    | 3,733,000    | 4,442,000    | —            | —            |
|                              | \$11,840,000 | \$19,426,000 | \$29,349,000 | \$37,181,000 | \$47,000,000 |

And now I must add something to these figures to cover the taxes our Newfoundland people pay to Canada on goods which came from the Mainland of Canada. I refer to the taxes which the manufacturers of those goods pay to Ottawa in Quebec, Ontario and so forth. The manufacturers pay Ottawa the taxes, but of course they get them back from New-

foundlanders by adding the taxes on to the prices of the goods when they are sold in Newfoundland. All of which means that it is really Newfoundlanders who pay Ottawa, not the manufacturers or shippers on the Mainland.

The "Daily News" gives its own estimate of this amount, but it is too high. Their estimate for the past

year is \$16,000,000. That is grotesquely high, as consideration will show. I would be inclined to put it at something closer to five million, but to be on the outside, I shall put it at ten million dollars for last year, and of course the amounts would be smaller in the earlier years, just as we might expect it to be larger in the year upon which we have just entered.

Now, here is a copy of the Federal Act under which these taxes are levied by the Government of Canada—that is the excise tax and sales tax—the 10% and 15%. Here are the things on which we do not pay any taxes whatsoever—in any way, shape or form; not one cent; completely tax free:

Cereals — split peas — drinks made from milk, fruit—fruit juices, farm and fishery products; ice cream; jams; maple syrup, molasses, milk (raw, preserved, sterilized or condensed), flour, beef and pork, salted in barrels, peanut butter; meats and poultry; gasoline, boats, vessels (not exceeding 200 tons) engines, batteries, fishing nets, fishery salt, medicaments, artificial limbs, hearing aids; seeds, feeds,

lime, fertilizer, insecticides and farm equipment; rope and cordage; religious articles; books, papers, text books, etc.

In other words, on the big bulk of things that Newfoundland imports from the mainland of Canada, there is no taxes whatsoever; none. So I put the figure at ten million dollars for last year.

MR. JACKMAN: What about cigarettes?

MR. SMALLWOOD: The duty on cigarettes is quite heavy. But the point I was making is half of all we import from Canada consists of food and is tax free.

MR. JACKMAN: What about refrigerators and cars, is there not 3% sales tax on these?

MR. SPEAKER: The honourable member spoke on March 19th, and cannot speak now.

MR. SMALLWOOD: Adding these amounts, therefore, we find that Ottawa has collected from Newfoundland to the end of March past, and will collect to the end of March, 1954, the following total amounts:

#### TOTAL AMOUNTS COLLECTED BY THE GOVERNMENT OF CANADA FROM NEWFOUNDLAND

Grand Total for the five years—\$183,296,000.

|            |            |            |            | Estimate   |
|------------|------------|------------|------------|------------|
| 1949-50    | 1950-51    | 1951-52    | 1952-53    | 1953-54    |
| 11,840,000 | 19,426,000 | 29,349,000 | 38,181,000 | 47,000,000 |
| 4,000,000  | 5,000,000  | 7,500,000  | 10,000,000 | 12,000,000 |
| 15,840,000 | 24,636,000 | 36,849,000 | 47,181,000 | 59,000,000 |

That, of course, is a very large sum of money. If it were the complete story, a pretty sad one it would be for Newfoundland. But let us turn to the other side of the story—what Ottawa spends in Newfoundland, and

here we are on even firmer ground, for we have no estimating to do. The figures are firm, except for the estimate for the year which ends in March next year; and that estimate is the official one made by the Treas-



surey of Canada upon the basis of four years' practical experience with the Federal finances in respect of Newfoundland.

The account, as we might expect, is a much longer and more complicated one, for whereas there is only one Department of the Government of Canada collecting taxes here in Newfoundland, there are eighteen or twenty Federal departments of the Government of Canada spending money in Newfoundland. Here are the figures: I have the grand total for 1952-53 but not the breakdown. It is in the airmail and has not arrived.

MR. CASHIN: Does it separate capital from ordinary expenditure?

MR. SMALLWOOD: The Government of Canada does not keep their accounts that way. It is straight expenditure. It does not mean re-votes. I had to telephone to get the grand total. I have not got the breakdown.

To keep it fresh in your minds, I will put it this way: In 1949-50 Ottawa collected from us 15.8 million dollars; they spent on us 47.3 million. They collected 15.8 million dollars from the people of Newfoundland both directly and indirectly; and they spent on Newfoundland 47.3 million dollars.

MR. CASHIN: Part of the 47 million dollars is repayment for stores etc., post offices, and so on.

MR. SMALLWOOD: Not at all. The honourable gentleman wants to take the Gander, the Post Office Departments, and the things we owned before Confederation—is he wants to add all that in—

MR. CASHIN: It is included in the forty-seven millions. You are

giving the cost of operating the services which we owned.

MR. JACKMAN: What did the Canadian Government do in 1891?

MR. SPEAKER: If the honourable gentleman interrupts again, he will be named.

MR. JACKMAN: I am satisfied to leave the Chamber. I only asked a question. I have as much right as anyone else to ask a question.

MR. SPEAKER: The honourable member has no right to ask a question of such ancient vintage as the one he just asked.

MR. JACKMAN: I bow to your ruling.

MR. SMALLWOOD: In the next year, Ottawa collected from us 24.6 million dollars and spent \$55.5 million in Newfoundland. In the next year Ottawa collected \$6.8 millions and spent 56.6 million dollars in Newfoundland. Next year they collected 47.1 million dollars from us and they spent 69.7 in Newfoundland. This year which began a week or so ago, Ottawa will collect 59 million dollars from us and will spend in Newfoundland 74.1 millions.

MR. CASHIN: Does that include money spent on capital account, particularly for Defence purposes?

MR. SMALLWOOD: It does not include capital account on the railway rolling stock, etc. It does include defence. The total is \$303 million dollars.

MR. HOLLETT: Is it broken down?

MR. SMALLWOOD: All except 1952-53 and when I get these figures I will release them.

In short, let us take the two grand totals: the grand total of what Ottawa took from us in taxes, and the grand total of what Ottawa spent in Newfoundland.

|   |               |
|---|---------------|
| Grand total spent in Newfoundland .....       | \$303,613,000 |
| Grand total collected from Newfoundland ..... | 183,296,000   |
| Leaving Newfoundland better off by .....      | \$120,317,000 |

When I say that Newfoundland is better off by \$120,317,000 in the five years, the first five years of Confederation, I am referring of course to the mere dollars and cents side of it.

Since we became a Province of Canada we are incomparably better off because we have had Responsible Government restored to us. We are now a self-governing, democratic land in which we manage all of our own affairs; many of them through our own elected Newfoundland House of Assembly, the remainder through the Parliament of Canada, in which we are represented by thirteen of our own Newfoundlanders.

Since we became a Province of Canada, we have become one of the members of the great Canadian family. It is a British family. It is a family that commands respect throughout the world. It is a family whose health and prosperity are improving every month. We have not lost stature or importance, we have gained in both in volume.

And now before I leave this subject there is one final point that should be made. There are ten Provinces in Canada. Four of them undoubtedly contribute more cash to the Treasury of Canada than they take from the Treasury. They are Quebec, Ontario, Alberta and British Colum-

bia. These are very rich Provinces indeed.

Six of them receive more from Ottawa than Ottawa receives from them. They are Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

If the Canadian Government balanced its budget exactly, it would mean that the amount of money that those four Provinces gave Ottawa over and above what they received from Ottawa would equal exactly the amount that the six Provinces receive from Ottawa over and above what they give to Ottawa.

You must think of Canada as Canada, starting from Cape Spear in Newfoundland and going four thousand miles across the Northern half of this continent to Victoria in British Columbia. It is one vast, prosperous, British nation.

The advantages of Confederation to Canada—and to Newfoundland—are not to be measured in dollars. If they were, then Nova Scotia, New Brunswick, Prince Edward Island, Manitoba, Saskatchewan and Newfoundland would be of no advantage to Canada as a whole. On a strictly cash basis it would be better for Ottawa to lose those six Provinces. On this same cash basis it would be better for the United States of America to lose about twenty to her forty-eight States.

If we reduce it to a mere cash basis it would be best for Newfoundland to lose about 1000 of her 1800 towns and settlements.

I am not proud of the fact that Newfoundland is receiving more dollars from Canada as a whole than it is contributing to her.

It is when we give Ottawa more than we take from Ottawa that Newfoundland will be truly the great Province that we all wish her to be. That is the day for which we should be working—that day when there will be five Provinces, not four, rich enough to give Ottawa more than they take from her. Up to three years ago one of the present four Provinces—Alberta—was not in that fortunate class. In her case it was oil that lifted her up into the favoured class. Our hope is that oil and minerals and ore and forests and waterpowers and fish, boldly and creatively developed, will do the same for our own Newfoundland.

Now, Mr. Speaker, I wanted to make those points, and I still have time to make some comment about the debate that has gone on here in this Chamber.

Like all of us here, I listened with great interest and not a little amusement to the honourable and gallant and old veteran the senior member for St. John's West. It is not the first time I have heard him. I will say this: Even when I hated his guts; even when I hated every single word he uttered, at least he was never dull. You could listen—in fact you have no choice; you have to listen. But he was never monotonous, never peevish, never dull. The honourable and gallant gentleman has a gift for being able to say what he has to say, very brightly, very attractively, and when I say I do not always agree with him; I do not very often agree with him.

MR. JACKMAN: We have not heard much from him lately.

MR. SMALLWOOD: You better not get mixed up in a three-cornered

fight. I am talking about the member for St. John's West. Here the other day he made another speech and I am sure a lot of people—Tories and Liberals, and people who are neither, and there are some of those too—a lot of people, I say, were wondering how (if I may say it without disrespect)—Peter was going to take it on the chin from Malcolm and Gordon?

Was he going to take it on the chin or was he going to lash back? My guess was that he was going to lash back. I will never forget it. If I had been the present Leader of the Opposition, I would have crawled through a knothole and dragged the hole in after me. I have never seen the hide so completely peeled off anyone as the honourable gentleman had the hide peeled off him by the honourable and gallant member for St. John's West.

MR. HOLLETT: That is what you think.

MR. SMALLWOOD: At first we wondered "what is it all about?" Over here we felt that this was a family quarrel at first and that we should not get mixed up in it. But it is not a family quarrel any more. The honourable gentleman has been kicked out. The family felt it was too good for him. They could not associate with him.

MR. HOLLETT: The honourable member has no right to make that statement.

MR. SMALLWOOD: The Opposition kicked him out. They could not associate with him.

MR. JACKMAN: He was not kicked out; he was voted out. There is quite a difference.

MR. SMALLWOOD: They could associate with Mr. Gordon Higgins; he could come down from Ottawa, dictate to them, tell them how to vote; they could take him, but they could not take the man who got them what votes they have.

MR. HOLLETT: You can have him.

MR. SMALLWOOD: We do not want him. Look at our ranks. The honourable member committed hari kari when he kicked out the only chance they had to get a few votes in Newfoundland.

MR. JACKMAN: I don't thank you for it, either, I know you fought like hell to beat me.

MR. SMALLWOOD: And will try that again.

MR. JACKMAN: And fail again.

MR. SMALLWOOD: Does the honourable member think I look like the type of fellow who gets discouraged?

MR. JACKMAN: Do I?

MR. SMALLWOOD: You belong over here. You are not a Tory. What are you doing over there? You are not a Tory. You should be over here.

MR. JACKMAN: I am a Newfoundlander.

MR. SMALLWOOD: However, if I had been an amateur in politics—

MR. HOLLETT: Like the Leader of the Opposition?

MR. SMALLWOOD: Like him—that is what I am referring to. If I had been an amateur in politics and were given the privilege of becoming a candidate in St. John's West where I did not know my way around, the

names of the streets, hardly knew which was north and which was south; did not know any of the people, who were influential people, who were any one, knew nothing about it, a complete amateur—if I had been given the privilege of being a candidate in that great district and I had one of the best vote getters that Newfoundland ever produced —

MR. HOLLETT: You can have him.

MR. SMALLWOOD: The honourable gentleman says that now, but he did not say it when he was a candidate. The honourable gentleman is helping my argument now. If I had been.

MR. HOLLETT: But you were not.

MR. SMALLWOOD: If the honourable gentleman really wants to hear some funny talk that will be quite parliamentary, which the honourable, the Speaker can't rule out of order, and he really wants fancy talk just keep provoking me.

MR. HOLLETT: Mr. Speaker does that come under the heading of threatening language?

MR. SPEAKER: It is bordering very closely on it.

MR. SMALLWOOD: Then I suggest to the honourable gentleman to stop interrupting—I say, if I had been that amateur politician hardly knowing my way around in St. John West, and I had been privileged to be a candidate in that great district, and I had been taken by the hand and led around almost like a child by the greatest vote getter in Newfoundland politics today, except for me of course, and led around through the byways and highways of St. John

West and brought into this House of Assembly as a member through his friendship, his help, his incessant work night and day, then I will tell you what I would have done—This is the way I look at politics—all the Gordon Higgins's between here and — could have come down here and before I would rat on a man like that who had befriended me, stood by me —

MR. JACKMAN: I rise to a point of privilege there, Mr. Speaker: My point of privilege is that the Leader of the Opposition never did rat on anyone—I will stand by him anytime, whatever you think of it, not only here but outside, anywhere.

MR. SPEAKER: Now the honourable member has spoiled his point of privilege as he is himself out of order.

MR. HOLLETT: Mr. Speaker, I wish to rise to a point of order. My point of order is this, sir: No honourable gentleman in this House on that side or on this side has the right to use personal reflections against me or any threatening language, and I want you to quote, sir, to the honourable member orders 233 and 234 on personal reflections and threatening language as laid down in Beaushene.

For one, am not going to stand any an getting up in this House and saying I ratted on anybody.

MR. JACKMAN: You don't have and that is not a laughing matter.

MR. SPEAKER: This point becomes exceedingly difficult when I have to be speaker inside and guard outside. Have I no one in the gallery who will tell the visitors they must keep quite? That will be done it—spectators must as far as is possible control themselves—they are not supposed to be hearing anything.

The point of order called for by the honourable Leader of the Opposition is a touchy one. The entire subject is very delicate. The expression of which he has complained ought not to have been used. It is an internal matter which is for the Opposition therefore, no member on either side of the House has a right to refer to it.

MR. JACKMAN: On a point of order—It was not an internal question this afternoon. It came from the Premier who accused our Leader here.

MR. SPEAKER: Will the honourable member kindly resume his seat? Thank you —

MR. SMALLWOOD: Mr. Speaker, I was merely offering some comments on what has been said here in the present debate which I have now the honour to close this afternoon, the Address in Reply, comments made by the senior member for St. John's West—I am merely commenting on what the honourable and gallant member has said.

MR. SPEAKER: Personal allusions to certain members of the opposite side I must oppose.

MR. SMALLWOOD: May I say this, then, Mr. Speaker, we have in Ottawa today five Liberal members of Parliament and we have five Liberal Senators, there is one vacancy by death. That is ten Liberals we have in Ottawa and there are two Tories. If any one or more of these Liberals came down here from Ottawa and began telling the Liberal party here in Newfoundland how to run its affairs, first we would just laugh in their faces, just laugh at them—we are here, we live in Newfoundland. Now there has to be men elected to the House of Commons, that is necessary and it is so. There has to be men

going from Newfoundland to the Senate of Canada. That is necessary and it is so. So any one who chooses to enjoy life in the Parliament of Canada, it is a great institution and a great life. But we who are here are here, we have lived in Newfoundland, we are on the spot, in touch with the people, in constant touch with them. Many of the members are constantly travelling around in their districts, getting on the telephone and talking to many of them and thousands of them come into their offices and see them. So we hold, we who are here in the party provincially, the provincial party, are closer to the people, closer in touch with them, we know their problems, their needs, we are with them more and they are with us more, and we would not tolerate for one moment a man coming down from Ottawa, from the Prime Minister of Canada down, and he is the Leader of our party, a great national leader, and a great man he is. But we would not tolerate even our great national leader the Right Honourable Louis St. Laurent, the greatest Canadian living in Canada today from Cape Spear to British Columbia, the greatest living Canadian—we would not tolerate even that leader to come down here and begin bossing us around, elected members of the House of Assembly. He would not attempt it, he would not try it of course. He is a gentleman and a real man, a gentleman and a leader. He is a great political leader and he does not attempt any dictatorship, and he does not attempt to dominate and dominate the elected members of the House of Assembly. We would not put up with it for one split second, because we are elected by and we are in touch with the people.

MR. JACKMAN: A point of or-

der, Mr. Speaker, I think this is a provincial legislature.

MR. SPEAKER: That is not a point of order. It is quite apparent to everybody.

MR. JACKMAN: Not a point of order?

MR. SPEAKER: Resume your seat. The member giving a speech has a perfect right to be heard, and the honourable member has absolutely no right whatever as he has spoken for thirty-seven minutes in the same debate on the 19th of March and is not speaking today. Apparently he has forgotten he has already taken part in the debate. The patience of the Chair is just about exhausted. Resume your seat.

MR. JACKMAN: I am sorry.

MR. SPEAKER: There is no personal apology necessary—it is the dignity of the House.

MR. SMALLWOOD: Now to everyone on this side of the House it would be utterly intolerable, some thing not to be put up with, that a politician should come down here from Ottawa and attempt to dictate to and dominate elected members of this House of Assembly on either side, and I know what would happen to the man who would try to do that to us.

MR. FOGWILL: Did anybody ever do that?

MR. SMALLWOOD: No one ever thought of that. What would happen if any one in the Liberal party in Canada came down, whom on my part I would consider a foreigner, perhaps I am wrong, have a mistaken faith but I believe if they came down a began telling me; or my colleg

that they have to get rid of Smallwood, I think they would get rid of them first. I don't think that one member of the Liberal party here in Newfoundland would put up with that for a second—get rid of Smallwood, we will get rid of you first—and that is the way it should be. I heard it with my own ears, seated in the Speaker's private gallery seat in the House of Commons. I heard George Drew, the Leader of the Tory Party in the House of Commons point out that it was not the business of the Progressive Conservatives (as he called them or something like that) party (the Tory Party) to interfere (referring to the party federally) with provincial politics, no business, no right. And that is the attitude of the Liberal Party—They have no right to come down here, and let them try, not that they want to do so nor have it in their minds. But I hope that if ever the test comes, that, as the man who leads this party in Newfoundland, I will have some loyalty shown me, that I won't be knifed from here to there, won't be trampled in the mud and in the dirt, flung to the dogs, flung out on the street. Let us hope that day never comes. In this party there is loyalty. Let us hope there will be loyalty in this party as I know here is and know there will be.

Now I don't like the honourable gentleman's politics. Don't misunderstand me, the honourable and gallant member for St. John's West, the senior member, as long as he has been in this House and I have, I have fought him to a standstill and licked him most of the time. He fought me sometimes and licked me, we fought each other but now he is down.

MR. CASHIN: I am not down, only starting to come up. This crowd over here are going to find that out.

MR. JACKMAN: You will be surprised.

MR. SMALLWOOD: I am not a bit surprised at that. Anyway, I don't like to see a man get kicked below the belt. I don't like the honourable gentleman's politics, never did dislike him personally, very much, but don't like his politics and don't like them today. He is not a Liberal and I don't imagine he ever will be one. We don't want him over here. We have enough. We have the finest young men ever came into the House of Assembly. If the honourable member wants to go to Ottawa to take the place of Gordon Higgins, I am not going to say one word about that, it is one of my business. But as long as he is in this House of Assembly as a member of the House of Assembly he will get what he always got as far as we are concerned on this side. We will listen to him, agree with him when he is right, disagree when he is wrong, treat him as a man, as a gentleman though we dislike his politics.

MR. HOLLETT: Will you do the same for me?

MR. SMALLWOOD: Of course, what else can I do, the honourable gentleman is a gentleman.

The honourable gentleman caught me there I admit. I must, yes I will do that, I will follow the parliamentary rules and treat the honourable gentleman as the Leader of the Opposition. He was elected so by his party and I must recognize him in this House as the Leader of the Opposition as long as he is and has a seat in this House. I do wonder though what district he will try next, and who will be leading him through the next district he tries for.

MR. HOLLETT: St. John's West.

MR. SMALLWOOD: Don't try to make me laugh. Don't try to be funny.

MR. HOLLETT: I am man enough to try it anyway.

MR. SMALLWOOD: If I thought the honourable gentleman would really —

MR. CASHIN: You did not have the guts to appear before the people of St. John's West and have not got them now.

MR. SPEAKER: Order.

MR. HOLLETT: Is there any reason for me to take that, sir? No one in this House has any reason to analyze my guts.

MR. CASHIN: To a point of order, Mr. Speaker, as senior member for St. John's West, elected.

MR. JACKMAN: Mr. Speaker, I rise to a point of order.

MR. SPEAKER: Order — Order. I was about to suggest to the honourable member we might all stand up. I was under the impression this was a House of Parliament, but if I have gotten into the wrong place I shall leave. Now: If the honourable member wishes to make a point of order he may do so, but must not make a speech for St. John's West.

MR. SMALLWOOD: Seems I stirred up something. I did not mean to stir up anything at all. I wanted to say, Mr. Speaker, what I felt; that an honourable gentleman in this House has gotten a rotten, rotten, rotten deal, and I want him to know, and I want all Newfoundland to know that I consider he got a rotten, rotten, rotten deal. That is all—He has got a rotten deal, got kicked below

the belt, got kicked out. The only man they got or had who could produce a few votes for them. Not only that, but I have a selfish reason in wishing he had remained Leader of the Opposition. You know, when I speak I don't like to be looking down that way so that people might think I am talking to the gallery. I want to look at the man I want to talk to. The only man I like to speak to, Mr. Speaker, is too far from you for you to see my face when I talk to him.

MR. SPEAKER: I wish to offer the suggestion that if the honourable member wishes to express his sympathy he might find some language which will not at the same time put the honourable member in another breach of order.

MR. SMALLWOOD: Mr. Speaker, my only regret is that parliamentary rules and my determination to obey them forbid me to express in words that would be really —

MR. HOLLETT: You are not stuck for words.

MR. SMALLWOOD: Yes, by the rules of this House I am not permitted to say what I really think about the certain recent act which I can submit was an action of treachery dirty ingratitude, filthy, dissolute, committed here in St. John's against: man whose politics I hate, whose politics I never agreed with and never will. I cannot find the words, and I only hope and pray to God that will never be treated like that.

MR. FOGWILL: Who committed that Act?

MR. SMALLWOOD: I think the facts are fairly well known, fairly public. Perhaps the honourable gentleman would excuse me from answering that.



MR. FOGWILL: I hope you are just expressing your opinion.

MR. SMALLWOOD: That is all—merely expressing my opinion.

MR. FOGWILL: What you don't know about it is a lot.

MR. JACKMAN: What did you do with Sam Drover?

MR. SMALLWOOD: I may say this, insofar as the honourable gentleman who just asked me the question is concerned, and so far as his colleague in St. John's East is concerned, and the honourable member for Harbour Main-Bell Island, on that side of the House is concerned, I have nothing to say in this whole matter, nothing to say, I am thinking in another direction on the same side of the House.

MR. FOGWILL: I don't care what direction—The main thing is to get it clear you are expressing a personal opinion.

MR. SMALLWOOD: That ought to have been clear from the beginning.

MR. FOGWILL: You don't know the facts.

MR. SMALLWOOD: It ought to be clear, that what I am doing is expressing my own personal opinion. I don't think the honourable gentleman has any need to draw that to the attention of the House. I am merely taking part in this debate which began two or three weeks ago. Every one present, practically, has taken part —

MR. JACKMAN: You are taking up the cudgel for —

MR. SMALLWOOD: I am taking up the cudgel for a man who in my opinion got a dirty, rotten, filthy deal.

I don't like his politics and he does not like mine. He is not a Liberal, never was.

MR. JACKMAN: Point of order, Mr. Speaker.

MR. SPEAKER: There is no point of order.

MR. JACKMAN: No point of order?

MR. SPEAKER: Resume your chair or I will have to ask the Sergeant-at-Arms to remove you from the House.

MR. JACKMAN: Mr. Speaker —

MR. SPEAKER: If you interrupt again I will name you.

MR. JACKMAN: I will go now as far as that is concerned.

MR. SPEAKER: I am about to name you now, Mr. Jackman, if you interrupt again the Sergeant-at-Arms will help you from the Chamber.

MR. JACKMAN: I will go now.

MR. SMALLWOOD: Mr. Speaker, the last thing in the world I want is for anything to happen to the honourable gentleman.

MR. SPEAKER: Is it here agreed the Chair cannot sit here and have this House made a laughing stock for the rest of the world. The honourable gentleman has been interrupting the Speaker and refusing to obey the final order of the Chair, and the Chair was compelled to take the final act that it did.

MR. CASHIN: Mr. Speaker, I am Leader of the Opposition again.

MR. SPEAKER: Order.

MR. CASHIN: I never let Smallwood drive me out of here anyhow.

MR. SPEAKER: Order. The honourable member knows very well he ought not to mention by name any member of the House.

MR. SMALLWOOD: Mr. Speaker, the one member of this House I would hate to see anything happen to is the honourable member for Harbour Main-Bell Island. So we are on this side, so glad the honourable member withdrew before Your Honour was compelled to name him, because the honourable member is liked by all of us including Your Honour, I am sure.

MR. SPEAKER: Personal opinions on the part of the Chair have nothing to do with it.

MR. SMALLWOOD: Perhaps the honourable gentleman was not in his usual good, happy mood, and therefore, felt more like interrupting than he would otherwise. It is not much use in my saying in polite, parliamentary language what I feel. I say again that one of the rottenest, one of the dirtiest things, one of the filthiest things, one of the most unfair things, unjust things that I can imagine for a man whoever he is or whatever he is, who goes out and works like a dog leading a political party in a political campaign in an election and then when the election is over the people who benefited from his campaign, just because somebody came down from Ottawa and suggested to kick him out, when he should have been stood by as their leader; a man who came butting in from outside, from Ottawa. Who should have been stood by? Who is the man they should have stood by? Their leader, and not someone coming down from Ottawa, from another part of Canada even if he happened to be a Newfoundlander. It is dis-

gusting, rotten, unfair. If I thought my party would ever treat me like that I would walk out right now and never come back. Is there no loyalty in the world, no gratitude? Has politics gotten to be such a rotten thing that you can't depend on ordinary gratitude? Has a man got to be booted out as though he were a dirty dog.

Well, if the honourable gentleman runs in St. John's East as I hear rumours on the street he is going to do, I will have to fight him on the opposite side. I will have to fight him that is all there is to it, but I do hope he licks the fellow who came down and knifed him.

MR. CASHIN: If I run in St. John's East, I will lick hell out of the two of you.

MR. SMALLWOOD: I know the honourable gentleman will try hard to do it. I will have to try to fight for my party. We are on opposite sides. I would not be a loyal party man if I did not do it. If the devil himself were nominated as a liberal candidate I would support him. But I cannot support a man unless he is the official liberal candidate of our party. That is why if the honourable member runs in St. John's East, I will have to cast one vote against him, two in fact, my wife and mine will be cast against him.

MR. CASHIN: I believe Mrs Smallwood would vote for me.

MR. SMALLWOOD: I would not take up a bet with you on that. All I can say is that I think the honourable gentleman had a rotten deal. That is that.

Well, Mr. Speaker, we have had long afternoon here talking on the

matters and in the latter part of the afternoon, we have had it a little, just a little bit rough, a little bit unpleasant. I don't think we need take the thing too seriously. Newfoundlanders do not pay too much attention to this. I think the people of Newfoundland are too busy working too hard, are too much concerned with their industries to pay very much attention to what is said here these days in the House of Assembly. I am not under any illusions that the pearls of wisdom that fall from our lips here are going to stir up revolutions in Newfoundland nor start great public demonstrations or result in the calling of many public meetings. Newfoundland—that is the keynote, Newfoundland is prosperous. Never was she so prosperous in all her days, never before. Last year was just unbelievably prosperous, this year will be much more prosperous, millions of dollars more prosperous. What it shall be like in 1954 is more than I can say. I am afraid more than any man here can guess. But today she is high, wide and handsome—Newfoundland is, as I have said before, Newfoundland is on the March. Newfoundland is going up. Newfoundland is going ahead. Newfoundland is prospering. Newfoundland is getting out of her centuries old slump. There are vast things yet to be done that will call for all our ingenuity, all our strength and all our enthusiasm, will all for all our courage because two prosperous years do not make a prosperous province. We have vast things and great things yet to do. This Government has the youth and the strength, they have the ingenuity and they have the courage, and they have the brains to bring Newfoundland even further and further ahead, to lift Newfoundland ahead, to lift

Newfoundland up by her very boot straps, because we won't take no for an answer, won't take it for an answer. We have the imagination and the daring and the heart.

In concluding, Mr. Speaker, I want to say this: No man ever had a more loyal party to support him, to uphold his hand than I have. No party has ever shown greater loyalty, greater friendliness, greater friendship, greater comradeship to its leader than the Liberal Party here have done. They have overlooked all my faults and all my idiosyncrasies, and they have followed me and they have watched along with me and I have tried not to get too far out in front of my own party, I have tried to keep them along with me every inch of the way. We have been a pretty happy band of warriors in these past four years. We are beginning to see some good results for Newfoundland. The Newfoundland people are beginning to see so good results. The people are beginning to see that Confederation was practically a gift from heaven, it was good sense, it was heaven sent. The greatest diehards today in Newfoundland in a secret vote, if they could save face and no one could know what they had done, the bitterest diehards in a secret vote today would vote for Confederation. You would not get a hundred votes in all Newfoundland out of all the population to put us out of union with Canada. A God send, a pleasant, a wonderful thing for the Newfoundland people.

Sunday night I was interviewed on Radio Station CJON and at the last moment as I was just going off the air, it occurred to me that it is true that Confederation has hurt very few people. I am trying whilst I speak to think of the people whom I know

have been hurt by Confederation, very few, and it has helped a great many. I refer to that because the Opposition have been stupid enough, short-sighted enough to drag it in again—the more they refer to it, the more amateurish they are as politicians. If they only knew how the people feel! Take Ferryland, for instance where the vote was 99%, I think—at any rate a very high degree of opposition against Confederation; every one of them just as hardworking; just as sincere as any other people in Newfoundland; today, after four years—it is not long—just four years—everyone of them would vote for it today. Some people did not like the way it came about; but it would have been a terrible tragedy if we had lost. I cannot think what Newfoundlanders would have suffered if we had not joined up. I have travelled in a thousand of the 1300 places throughout Newfoundland. I know the people. I know what tens of thousands of people, men, women and children—I know what they got through Confederation and it would break your heart to think of their losing it. And yet the members of the Opposition remind the Newfoundland people who it was that brought Confederation about. There are three or four anti-Confederates here. We are the Confederate crowd; and we are delighted. Never did a crowd bring such benefits to the people as the crowd on your Honour's left.

Bill read a third time.

Committee of the Whole on Numbers 4 to 7 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 Superior Rubber Limited."

HON. L. R. CURTIS (Attorney General): I would like permission that the House revert to the second clause of the Bill.

It will be remembered that yesterday when we were considering Clause 11 of the Schedule, it was discovered the words "per annum" were missing—sixth line—"interest thereon shall not exceed five and one-half per centum." I do not think there is question as to what those words mean. I do not think there is any question of what the Court would construe them to mean. But for the sake of greater accuracy and to be sure there is no question about it, as the amount involved is substantial, I would move that Clause 2 of the Bill—at the end of the seventh line—after the words "adopted and," we add the words "subject to Section 3." The idea then would be to re-number 3 and make it No. 4 and have a new section 3.

The new section 3 of the Bill will read:

3. Clause 11 of the said Agreement shall be read as if the words "per annum" were inserted after the words "per centum." It is a legal way of amending a Bill already signed. Section 3 will now become Section 4.

Amendment carried.

No. 5. Committee of the Whole on Bill, "An Act Further to Amend the Wild Life Act, 1951."

Passed without amendment.

No. 6. Committee of the Whole on Bill, "An Act to Amend the Public Utilities (Acquisition of Lands) Act 1951."

Passed without amendment.

No. 7. Committee of the Whole on

Bill, "An Act Further to Amend the Forest Fires Act, 1933."

Passed without amendment.

MR. SPEAKER: No report can be received as there is no House to receive it. (Quorum short).

Ordered that Bills be read third time tomorrow.

MR. CURTIS: I move that the remaining Orders of the Day be deferred.

Carried.

MR. CURTIS: I move that the House at its rising do adjourn until tomorrow, Thursday, at three of the clock.

Carried.

The House then adjourned accordingly.

THURSDAY, April 9th, 1953.

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

#### Presenting Petitions

MR. COURAGE: Mr. Speaker, I have here a petition from the residents of Pool's Cove, Bay DuNord and Lally Cove, in the district of Fortune Bay, asking for a road to link up Pool's Cove with Belleoram road. This petition is signed by the residents in the three constituencies named in the petition; that is, Pool's Cove, Bay DuNord and Lally Cove.

I am one of those who believe that progress in this country depends in a small measure upon the building of roads. I believe that roads are one

of the things that must come first and I believe this road is well worthwhile. As a matter of fact, when I made an overall plan of improvements for the district, which I presented to the Premier about three years ago, I had already included this road in my recommendations.

I have much pleasure in supporting this petition. I believe what the petitioners ask for is worthwhile and I beg leave to table this petition in the House and ask that it be referred to the Department of Public Works.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

None.

Dr. Pottle tabled Policy Manual of the Department of Public Welfare.

Mr. Hollett tabled the following questions:

(62) MR. HOLLETT: To ask the Honourable the Premier, or other appropriate Ministers to lay on the Table of the House the following information:

(a) The names of the Directors of the Atlantic Gypsum Ltd.

(b) How much money was paid in Directors' fees by said Atlantic Gypsum Ltd., between the dates—October 1, 1951 to August 31, 1952?

(c) How much, in Directors' fees or salaries, was paid to each individual Director during the same period?

(d) Give a statement showing the net loss on operations by said Company for the period October 1, 1951 to August 31, 1952, as shown by the Profit and Loss statement.

(e) How does the said Company account for a shipment of 5024 sq. feet of wallboard by C.N.R. Car No. 2324, consigned to one, Mr. Edward Russell c/o Curran's Store, corner Roache's Line, Brigus, and free of charge together with all freight charges prepaid on the 26th of August, 1952.

(f) What was the manufactured cost of this particular shipment, and how much was paid as freight on said shipment by the Atlantic Gypsum Ltd.?

(g) Give particulars regarding a shipment of 501 tons of Plaster, shipped to Montreal on consignment on or about the seventh of July last year. To whom was it consigned and up to the present time, what are the total shipping and transportation charges and storage at Montreal?

(h) What is the manufactured cost of this 501 tons shipment and to date how much of it has been sold and at what price?

(i) On whose authority was the salary of Ernest Leja with the Atlantic Gypsum Ltd. raised from \$250 per month to \$750 per month as from November 1, 1952?

(j) Give the number of people employed at the main plant of the Atlantic Gypsum Ltd., showing nationality of each person, also the number employed at the Quarry with nationality of each individual employed.

(k) Give total of salaries and wages paid in November 1952. List total paid to Newfoundlanders and total paid to other than Newfoundland citizens during November 1952.

(l) Lay on the Table of the House a copy of Auditor Doane's Report for the period between October 1, 1951 and August 31, 1952.

HON. DR. H. L. POTTLE (Minister of Public Welfare): I give notice that I will on tomorrow ask leave to introduce a Bill entitled, "An Act Respecting the Correction and the Prevention of Delinquency and Crime."

Third reading of Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Superior Rubber Limited." Passed.

Third reading of Bill, "An Act Further to Amend the Wild Life Act, 1951." Passed.

Third reading of Bill, "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951."

Third reading of Bill, "An Act Further to Amend the Forest Fires Act, 1933." Passed.

HON. L. R. CURTIS (Attorney General): I move that the House resolve itself into a Committee of the Whole on Items 5 to 10 inclusive; and 11 and 12.

Committee of the Whole on Bill, "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to create a Tourist Development Loan Board of Newfoundland."

MR. CHAIRMAN: Is it the wish of the Committee that these Bills be read Clause by Clause or that the numbers only be called?

HON. J. R. SMALLWOOD (Prime Minister): I think that with possible two exceptions, the old practice of reading the clauses aloud is a good one and ought to be followed. The two exceptions are: Where a Bill has been approved in principle, with only very much disagreement, and is

long and cumbersome one, the Committee might agree to its being called by numbers. The other exception is when the House gets towards the end of the session and where there is no strong disagreement from the Opposition, it might be agreeable to have the clauses called by numbers. Normally we ought to follow the old established practice of having the clauses read aloud by the Clerk.

Clauses 1 to 3—Carried.

MR. SMALLWOOD: In introducing this Bill I made a statement to the effect that the Chairman would be Mr. O. L. Vardy, the Director of Tourist Development. I had forgotten when I made that statement that in conversation earlier with Mr. Vardy, he had made the suggestion that it might be better to have some citizen who might be able to serve in that capacity without pay. I agreed and when I made that statement here upon the introduction of the Bill, I had candidly forgotten the fact that I had that conversation with Mr. Vardy and that he had made that point, and that I had agreed. I concurred in the idea that the Chairman might and ought to be some citizen other than an employee of the Government. Although the appointment of the Chairman will, of course, rest with the Lieutenant Governor in Council, and I could not, at the moment, without consultation, say who the Chairman will be; but I will say it will not be Mr. Vardy. I think it only fair to the Committee now to say that I will not be recommending Mr. Vardy to my colleagues to be Chairman for the reason which Mr. Vardy suggested—that it would be better to call on some private citizen to serve on the Board. I make that explanation so that the Committee will be

under no misapprehension on that point.

Clauses 4 to 7—Carried.

Clause 8 read:

8. "Where a bank has made a loan for a purpose prescribed by the regulations in pursuance of an application made to and approved by the Board, the Board may guarantee payment of the loan."

MR. HOLLETT: Mr. Chairman, that is the section upon which I commented in the second reading of the Bill, and upon which I personally, and as Leader of the Opposition, would not agree with the Government. The very nature of that Board, in my opinion, precludes any idea of allowing them to guarantee loans. If you look at Section 4 (2), (if I may refer to that, Mr. Chairman)—Members of the Board shall be appointed for one year and be eligible for reappointment—in addition to that section we now have the statement made by the Honourable the Premier, that Mr. Vardy, as the Tourist Director, would be regarded as more of a permanent person on that Board than any other. Under Section 4 (2) we find that now he is not the chairman of the Board.

So we have a Board appointed for one year only, anyone of those members may be chairman. Anyone of whom may be appointed, and not Mr. Vardy, as permanent director of the Tourist Bureau. We give them under this Act the authority to guarantee loans to an unlimited amount, except that under Section 1 of the Act it stipulates that the Lieutenant Governor in Council may make rules and regulations. These rules and regulations are not a schedule to the Act, and this House of Assembly does not know what these rules and regu-

lations are likely to be. I maintain, Mr. Chairman, that is practically delegating the powers of the Lieutenant Governor in Council to a Board which is appointed for one year, and which may during that year guarantee loans out of all proportion to the need, and to the ability of this House, perhaps, to meet.

Sir, I move that that section be deleted completely on these grounds. This is not to offset the efforts of the Government with regard to the Tourist policy. We are all anxious to get a good tourist policy, but I am definitely against the Government delegating their authority to what I would describe as a non-existent Board, one not yet appointed, and which when appointed, is there for but one year with a chairman of whom the House of Assembly has no knowledge at this moment whatsoever.

On these grounds, Sir, I would like to move that this Clause No. 8 be deleted.

MR. SMALLWOOD: Mr. Chairman, I would ask the Honourable Leader of the Opposition to withdraw his motion and let the motion come from this side of the House. This is Government legislation.

MR. HOLLETT: I will do that.

MR. SMALLWOOD: We would be obliged to vote it down because it is tantamount to a vote of lack of confidence. We are quite agreeable to this. Indeed I indicated at second reading that we would amend the clause in question. Therefore, I move this amendment. I have had no opportunity to consult with the Honourable the Attorney General—no doubt he has followed it. After the word "loan" which is now the final word

of the clause there should be added the words: "On such terms and conditions as may be approved by the Lieutenant Governor in Council,"

Clause 8 as amended—Carried.

Clause 9 Carried.

Clause 10 read and carried.

Clause 11 read:

11 (1) The Lieutenant-Governor in Council may make regulations not inconsistent with this Act.

(a) prescribing the enterprises or types of enterprises in the tourist industry in respect of which loans or guarantees may be made;

(b) prescribing the manner in which applications for loans or guarantees may be made;

(c) prescribing the terms and conditions on which loans or guarantees may be made;

(d) prescribing the manner in and the conditions upon which a borrower may sell or transfer any property whether real or personal in respect of which an unpaid loan was advanced or guaranteed by the Board;

(e) prescribing or limiting the amount of any loan or guarantee;

(f) deferring the payment of the whole or any part of any loan for such reasons as the Board may in its discretion determine;

(g) fixing the rate of interest on loans;

(h) providing for the commutation of any payments due to the Board;

(i) prescribing the form of any mortgage and the manner of its execution;

(j) prescribing or regulating the form and contents of any agreement



between a borrower and a contractor for the construction of any building, erection, or premises or the installation of any equipment therein in respect of which a loan is to be made or guaranteed;

(k) prescribing or approving the design, plans, and specifications for buildings or constructions in respect of which a loan is to be made or guaranteed;

(l) prescribing, in the event of default in the repayment of a guaranteed loan, the legal or other measures to be taken by the bank and the procedure to be followed for the collection of the amount of the loan outstanding, the disposal or realization of any security for the repayment thereof held by the bank and the rate of interest to be charged on overdue payments;

(m) prescribing the method of determination of the amount of loss sustained by a bank as the result of default in repayment of a guaranteed loan and the procedure to be followed by a bank in making a claim for loss sustained by it in respect of a guaranteed loan;

(n) prescribing the steps to be taken by a bank to effect on behalf of the Minister collection of any guaranteed loan in respect of which payment has been made by the Minister to the bank under this Act, and providing that on failure by the bank to take such steps the amount of such payment may be recovered from the bank by the Minister;

(o) requiring reports to be made periodically to the Minister by a bank in respect of guaranteed loans;

(p) providing for the examination and audit of accounts and for the in-

spection of buildings, erections, constructions, premises, and equipment in respect of which a loan or guarantee was made under this Act;

(q) prescribing further or additional functions, duties, or powers of the Board;

(r) in relation to any matter or thing for the more effective carrying out of the purposes of this Act, whether or not such matter or thing is of the kind enumerated in this section.

(2) Any regulations made under sub-section (1) shall have effect from the date of publication in The Newfoundland Gazette or such other date as may be stated in the regulations, and the regulations shall be laid before the Legislature within fifteen days after they are made if the Legislature is then in session, and, if not, then within fifteen days after the commencement of the next ensuing session.

MR. SMALLWOOD: I move the word "shall" be substituted for the word "may" in the first line of Clause 11.

MR. HOLLETT: If I may revert back to Section 10—I think the Premier is doing the right thing. The word "shall" in the third line of Clause 10 should also be changed. If not it leaves the Minister of Finance at the mercy of the Board for all monies paid in that section, even contrary to the wishes of the Lieutenant Governor in Council.

MR. CHAIRMAN: We could probably deal with this amendment first and then revert back. Amendment is that in the first line of Clause 11 the word "shall" be deleted and the word "may" substituted.

MR. CURTIS: In that case (we are all speaking individually now) the final decision, as I see it, the Legislature is going to vote certain monies every year and instead of this Board having its own account its account is going to be carried in the Minister of Finance's Office. Obviously, if this money is voted to the board and we give the board regulations under which to make loans and disbursements, surely that is enough. They will just draw on the Minister of Finance the same as if the amount were credited in the bank. Frankly, we have not discussed it between ourselves. We are not committed to any particular thing. If it would be an improvement to take out "shall" and make it "may" it is all right. But I cannot imagine a board, having the control of certain monies, not being able to draw a cheque. That is practically what it amounts to. They must first ask the Minister of Finance. If the word "may" were there what would happen, Mr. Chairman? All monies received by the board shall be deposited to the credit of the fund in an account to be kept by the Minister of Finance and all monies required by the board shall be paid—but he may refuse to pay it.

MR. HOLLETT: Of course, on the advice of the Lieutenant Governor in Council.

MR. CURTIS: But the Lieutenant Governor in Council has already placed the money at the discretion of the board setting out rules and regulations as to how it is to be used.

MR. HOLLETT: And when the board receives money other than from the Government?

MR. CURTIS: For any source they receive money they put it into the Minister of Finance.

MR. HOLLETT: And he is forced to pay it out on their recommendation which is the very thing, I believe, the Honourable the Premier did not want to have.

MR. SMALLWOOD: I am trying to visualize what would happen were the word "may" put in there in place of "shall." What will the position be then? The Minister will pay it out, but if it is made mandatory upon him by the use of the word shall, that would appear to put him in the position where he has no choice but to pay it out. Now, the Honourable the Attorney General may be perfectly right—we ought not to be doing this in committee, we ought to have settled this in Cabinet) but now that it has come up perhaps we could iron it out in a perfectly friendly way here.

MR. HOLLETT: Why would you not add: "On approval of the board and the Lieutenant Governor in Council"?

MR. CURTIS: That would mean every payment they would make would have to come back to the Lieutenant Governor in Council and we may as well be the Committee ourselves.

MR. SMALLWOOD: In the case of the other loan boards, what is the position? They have their own fund. We scarcely ever know what loans the three loan boards have made under the chairmanship of Mr. Baxter. could not, to save my life, tell the committee now what loans they have made during the last six months.

MR. HOLLETT: Have they a authority to guarantee loans?

MR. SMALLWOOD: I believe they have under certain conditions, that would be to come to the Lieutenant Governor in Council, or else the :

gregate of the loans they make must not exceed the amount that has been voted to them. Then if they make a loan or fifty loans and the total does not exceed the amount granted to them it really does not matter much whether they make the loans in cash or guarantee them at the bank. Here there will be no bank account in the name of the loan board. The money will be in the name of the Minister of Finance and kept at the Finance Department.

MR. HOLLETT: I can foresee a situation arising where the Board, which I call a backward non-descript board, may approve and receive from the Minister of Finance a payment of fifty thousand dollars that may be altogether contrary to the wishes of the Minister and the Lieutenant Governor in Council because the Minister of Finance "shall" pay it out on their approving it.

MR. CURTIS: What would happen if the Minister of Finance held it?

MR. HOLLETT: They would force it.

MR. CURTIS: If the Minister of Finance saw a payment going through to which he objected would he obviously block it? Then what would happen? The matter would be considered. That is all there would be to it. I think it is immaterial whether the word is "shall" or "may."

MR. SMALLWOOD: I think the committee should remember that it is not actually the Minister. Whenever it says the "Minister of Finance" it actually boils down to the permanent staff, the Controller of the Treasury and the Deputy Minister of Finance. Every Finance Department in the world is more in the hands of the permanent officials than any other

department of government. These things would normally come before the officials who would refer it to the Minister only where they did not have confidence in what they were doing and he in turn would refer it to the Cabinet and the Cabinet would from time to time be passing on various matters referred to them from this board, from this Minister. Then again there is another Minister involved: that is the Minister of Economic Development. There again most of these things pass through the hands of Mr. Short, the Deputy Minister. I see very little of what goes on in Tourist Development. I frankly have not the time. Mr. Short, the Deputy Minister, is kept fairly busy and is in constant touch with Miss Godden on all the ramifications of tourist development. He refers to me only on matters on which he feels he has not the authority to act, or feels it would not be entirely proper for him to act where policy is involved. But where the Government has laid down a policy it is carried out in the normal course by the permanent officials. Perhaps the word "shall" will do. If not we can always amend it.

MR. HOLLETT: If the Government is prepared to take the headache for the next three years, we will be able to amend it after that, if there is any trouble.

MR. CURTIS: Since we have amended section No. 8 perhaps the "may" might remain there in Section 11. Let the section be permissible instead of mandatory.

MR. SMALLWOOD: The fact is all the boards make their own regulations. They make the original draft and send them to the Governor in Council. We study them and pass

them and they are gazetted and become law after we have passed them. It does not matter very much who writes them originally. They have to come before the Lieutenant Governor in Council to be passed. Therefore, to say "The Lieutenant Governor in Council shall make the regulations" is only to carry out what in fact happens. In passing them we are making them. We may not have written them originally but we pass them. It does not necessarily mean we have to sit down and write them. The board writes them and they are well considered, and we consider them and pass and amend them to our own satisfaction.

Carried. Clause 21, 13, carried.

Clause 14 read :

14. The Board shall, not later than the thirtieth day of May in each year, prepare and submit to the Minister a financial statement setting forth the assets and liabilities of the Board and the receipts and expenditures of the Board for the previous financial year, together with a report concerning the work of the Board during the previous financial year, and the statement and report shall be laid before the Legislature within fifteen days after they are submitted to the Minister if the Legislature is then sitting, and, if not, then within fifteen days after the commencement of the next ensuing session.

MR. HOLLETT: Mr. Chairman, with regard to section 14—they must be tabled in the House. Is that in the other boards too? Have they been submitted here?

MR. SMALLWOOD: I can only say, I have repeatedly reminded Ministers as the date for the opening of the House approached, the reports

of your various boards must be submitted within fifteen days. If they have not they ought to catch something from the Opposition. Probably I am guilty. Maybe there is some report ought to have reported to me, some report I ought to have tabled here, but our departments are really the ones who have to remind us of that.

MR. HOLLETT: Can't the Honourable the Premier tell us whether or not these reports have been tabled—The Fisheries Loan Board, the Industrial Loan Board and the Co-operative Loan Board?

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): I can speak for the Fisheries Loan Board and the Co-operative Loan Board which were tabled, I believe on the 13th day after the House was opened.

MR. HOLLETT: Well done—thank you.

MR. SMALLWOOD: If the Industrial Loan Board Report has not been tabled it may be for many reasons (1) it has not been made (2) it has been made and I have not seen it and (3) made and the department has not seen it (4) they have seen it and not sent it to me (5) it was given to me and got lost on my desk.

MR. HOLLETT: There should be a penalty clause.

MR. SMALLWOOD: Yes. On the Minister.

Clauses 13, 14, 15, 16, 17 read and carried.

MR. SMALLWOOD: Mr. Chairman, I would move that the Committee rise, report progress and beg leave to sit again, so that in the meantime the Attorney General may have

careful look at it as to one or two of the disputed points.

Committee of the Whole on Bill, "An Act Further to Amend the Local Government (Elections) Act, 1951."

Clauses 1, 2, and 3 carried.

Bill passed without amendment.

Committee of the Whole on Bill, "An Act to Amend the Community Councils Act, 1952."

Clauses 1 to 10 carried.

Clause 11. "38. In all proceedings, in any court of summary jurisdiction, to which the Community is a party, the Community may be represented by the Chairman of the Council or such other person as the Council may designate."

MR. HOLLETT: I wonder what the Attorney General thinks of that? Here you have the Community Council represented by the Chairman who may in some cases be required to give evidence for or against the Council. What position would he be in as Prosecutor for the Council?

MR. CURTIS: I think a Prosecutor can give evidence himself. The purpose is to make it unnecessary for him to send to St. John's to get a solicitor. If there was no such clause it would be impossible for them to have representation in Court except through a solicitor; even if they went on to collect taxes. I have seen cases and I am sure my honourable friend has seen cases where the solicitor gave evidence himself.

MR. HOLLETT: "Or such other person as the Council may designate."

MR. CURTIS: That is only in the case where the Chairman is away. It would not be necessary to send to

St. John's for a solicitor on a petty case.

Clauses 11 and 12 carried.

MR. CURTIS: Could we revert to Section 9 again.

(1) The Chairman of the Council shall be chairman of all meetings of the Community, but if he is not present a chairman for the meeting shall be elected by those attending."

I am disturbed by the word "Community" without the word "council."

And in Section 11—"to which the Community is a party, the Community may be represented—"

I am wondering if the meaning is clear? Does Community mean Church meetings?

MR. HOLLETT: You have to define the word "Community."

MR. CURTIS: We certainly have to report progress on this and ask leave to sit again.

Committee of the Whole on Bill, "An Act Further to Amend the Old Age Assistance Act, 1951."

Bill passed without amendment.

Committee of the Whole on Bill, "An Act Further to Amend the Mothers' Allowance Act, 1949."

Clause 1 carried.

Clause 2 "(5) An allowance may be paid to a father who is resident in Newfoundland on behalf of himself and his child or children.

(a) while he is incapacitated and living at home with the child or children; or

(b) while he has to remain at home with the child or children because he

is unable to obtain the services of a suitable person to look after his home."

MR. HOLLETT: I can foresee where the Minister of Welfare is going to have all sorts of trouble there. "While he has to remain at home with the child—" That is to say, an able-bodied man, having all his faculties, if he has small children at home and is unable to obtain a baby sitter or a woman to look after the children, then he is entitled to stay at home and receive the assistance. I can foresee a lot of difficulty there. However, that is the headache of the Honourable Minister.

DR. POTTLE: I expect the Honourable the Leader of the Opposition has overlooked the latter part of the clause—the circumstances under which it is given:

"if his wife is incapacitated, deceased, an inmate of a sanatorium for tuberculosis, a gaol, a penitentiary, or a hospital or has deserted the home."

Our experience to date is that the number of claims in this category have been very few; but whether they will increase by the passing of this law, I do not know. The number of applications for assistance, falling in this category, has been few and where they have occurred they have really been deserving cases.

MR. HOLLETT: How much money is paid to an able-bodied man with say, 5 young children, at home when the mother is dead?

DR. POTTLE: \$45.00 a month and \$20.00 supplementary.

MR. CURTIS: It would not pay him to stay home.

MR. HOLLETT: I have seen cases in my own experience in some

places where \$65.00 a month is a lot of money. However, I just raise the point.

Clause 2 carried.

Clause 3. The said Act is further amended by striking out the words "sixteen years" wherever they appear in the Act and substituting therefore, the words "seventeen years."

MR. HOLLETT: Has the Honourable Minister any idea of how much that would cost the Treasury?

DR. POTTLE: That question is a hypothetical one. This is an amendment to the Mothers' Allowances Act, and we do know that in certain cases a family would be much better off if a child were enabled to go on to the 11th Grade in school. The 11th grade is considered the base line for qualifying for a worthwhile position. The number coming under this heading would not be very many. There would probably not be more than five cases in any one year where an extra allowance might be required to keep the child in school.

Clause 3 carried.

Bill passed without amendment.

Committee of the Whole on Bill. "An Act Further to Amend the Blind Persons' Allowance Act, 1951."

DR. POTTLE: I may say this is the same as for the Old Age Assistance Act. If the committee would take it as read.

Bill passed without amendments.

Committee of the Whole on Bill "An Act to Amend the Timber Licenses (Reversion to Crown) Act, 1951."

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

man, two minor changes have to be made in the schedule. I don't know if it should come in under section 3 or not.

Sections 2, 3, 4, carried.

DR. ROWE: Mr. Chairman, the documents from which these were copied were very old ones written out in long hand and unfortunately typographical errors crept in. Instead of "June 3" it should read "June 2" and "April 8."

Carried.

MR. HOLLETT: I wonder if the Minister would explain to us just why these exceptions to the Act are here. In Horwood Lumber for instance. There must be some reason for granting these exceptions.

DR. ROWE: Mr. Chairman, I thought I explained that at the time of second reading. I don't know if the Honourable Leader of the Opposition was present at the time or not. These two particular organizations whilst they did not adhere strictly to the letter of the original agreement et substantially fulfilled the requirements set forth. Horwood Lumber company were given a small section of land on which, I believe, it said they were to erect a pulp mill. Actually they did not have sufficient land to erect a pulp mill, and in place, erected a large sawmill and continued to operate that sawmill and have a factory here in St. John's continuously ever since, giving employment to several hundred persons every year. I explained in second reading it is not the intention of the Government to penalize any persons who met the spirit at any rate, the obligations imposed at the time the original lease was given.

In the case of "Grenfell," they undertook to erect a sawmill capable of turning out a certain quantity every twenty-four hours. What actually happened was that: apparently with the approval of the Government of that day, they sub-leased the area to Saunders and Howell who erected a sawmill of the same capacity they were supposed to erect and operated that sawmill down in Roddington for the Grenfell Association. Actually Dr. Grenfell's Association was not in a position to erect a sawmill and simply assigned it to the other party. It is the feeling of the Government that both parties had met in substance their obligations. That is why those exemptions were brought in here under this amendment.

MR. HOLLETT: May I ask if there are any other old obligations under old grants which are not considered here.

MR. SMALLWOOD: Several.

MR. HOLLETT: If there are several what is the idea of this amendment? Is it that these people have done more in complying with the obligations?

MR. CURTIS: Substantially more.

MR. HOLLETT: I remember last year some one paid a license fee and I wonder what you did in the matter?

MR. SMALLWOOD: We did not return it. He was warned when he came to pay it. Notwithstanding we had no right to refuse the payment under the law. But we warned him that the payment of the rental alone would not be regarded as performance of the obligations his organization had undertaken. That was only part performance. We could not refuse the payment. We had to accept it, and

we did accept it, and it went into the Treasury.

MR. HOLLETT: Are you sure you didn't have a change of heart in that and some other cases like these two particular ones.

Bill passed with some amendments.

MR. CHAIRMAN: Mr. Speaker, the Committee sat and reported having considered the matters to them referred and have passed the following Bills without amendment:

"An Act Further to Amend the Local Government (Election Act) 1951."

"An Act Further to Amend the Old Age Assistance Act, 1951."

"An Act Further to Amend the Blind Persons' Act, 1951."

"An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

Ordered read a third time on tomorrow.

The Committee has passed the following Bills with some amendments:

"An Act to Amend the Timber Licenses (Revisions to Crown) Act, 1951."

Ordered read a third time on tomorrow.

The Committee of the Whole have considered the following Bills and have made progress and asks leave to sit again:

"An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

"An Act to Amend the Community Councils Act, 1952."

Ordered sit again tomorrow.

Second reading: Of Bill, "An Act Further to Amend the Accident Companies (Licensing Act) 1949."

MR. SMALLWOOD: Mr. Speaker, in the absence of the Honourable Minister of Finance from the House this afternoon, I intend to move second reading of this Bill.

There are in Section 3 several relatively minor amendments to the original Act of 1939, but the principle amendment to that Act is the one proposed here in Clause 2.

The position is that we have in Newfoundland quite a number of insurance companies operating in the Province. Most of them have been operating here for quite a number of years, some of them for half a century and even longer. The names of these companies are exceedingly well known to all of us in this House and generally to the people of Newfoundland. With regard to them there is not now any difficulty, and there has not been any difficulty of which I know down through the years. The Bill certainly has no reference to them. Now, in addition to the companies that have been here for many years there are others which have been here now so many years. In connection with them there has been no difficulty nor is there at now. But, Sir, within the last year or so a new type of insurance company has come into Newfoundland to do business by means of representatives of sales organizations who have travelled through the Province and visited many of our outports. It is the duty of the Legislature, I hope to see that our people are not defrauded or imposed upon by possible agents of insurance companies ab-



whom little if anything is known by the public or indeed by the Government or the Legislature. There was quite a spectacular case in Newfoundland within fairly recent months of an insurance company coming in here, I think from the United States, and engaging in the business of selling insurance to our Newfoundland people.

Now, ideally the Government would have a special department or division of a department charged with the special duty of examining the credentials and the standing and reputation of any and all companies coming here to do business in insurance with our people. To establish and maintain such a department or division however, would be a pretty expensive undertaking for this Government. So it occurs to us that the sound procedure would be to take advantage of the full of the insurance inspection and investigating services of the Government of Canada, which has a most elaborate and efficient service in that connection, and to allow to do business in Newfoundland only those insurance companies who have been examined by the Government of Canada, and brought under the registry of the Canadian and British Insurance Companies Act of 1923 of Canada; or the Foreign Insurance Companies Act of Canada, holding a certificate of registry under one or other of these two Acts.

The whole purpose of these Bills to provide that no insurance company may do business in this Province, unless and until, to use the words of a gentleman who was notable in this Chamber for some considerable period of time—"unless and until"—at company has become registered under the two Acts of the Parliament of Canada.

Now, to what extent if any, would that effect the well known and well established insurance companies now doing business in Newfoundland and who had been doing business, most of them, for many, many years past? Exactly none, because all of these companies are already registered under these two Acts, which means that in every case they have been subject to the careful examinations and investigations instituted by the efficient department of the Government of Canada charged with the duty of doing so under these two Canadian Acts.

Any new company desiring to come into Newfoundland to engage in the insurance business would be permitted under this Bill, if it becomes law, to do business in Newfoundland only after they had succeeded in getting themselves registered under the Canadian Legislation. It is an amendment to our present Act of 1939 aimed at the single purpose of protecting the Newfoundland people against possible fraudulent or honest but unsound companies that might come into Newfoundland.

Now, that is a possibility that would not have occurred to the members of this House, but for the fact that there did come here within recent months a company writing insurance business about which there is some reason to suppose that they are not of the type of company whose policies would be worth buying and paying for by our Newfoundland people. It is purely for the protection of the people of Newfoundland. This will work no hardship on any one whatsoever, on any business firm or insurance company if they want to do business in Newfoundland they would find it much better to comply with these two pieces of Federal Legislation. In short, let them be examined

by the proper division of the Government of Canada who would investigate them, then register and certify them as competent and acceptable companies to write insurance business.

If we could afford it as a Province we would set up our own investigating organization. But that would be a little rich for our blood for the purpose merely of dealing with one or two or three cases which might arise in the course of the next few years, and when the machinery is already in existence, paid for by us as taxpayers of Canada. Why not avail ourselves of the services freely provided by the Government of Canada out of the Treasury of Canada?

I move the second reading of this Bill, and I expect for it the cordial and unanimous support of the entire House.

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 Newfoundland Corporation Income Tax Act, 1949." Bill read a first time, ordered read a second time on tomorrow.

A Bill entitled, "An Act Further to Amend the Crown Lands (Mines and Quarries Act) 1951." Bill read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Amend the Western Memorial Hospital Corporation Act, 1947." Bill read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited."

Bill read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Provide for Urban and Rural Planning." Bill read a first time, ordered read a second time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move that all further Orders of the Day do stand and be deferred.

I move that the House at its rising do adjourn until tomorrow, Friday at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 10th, 1953.

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

MR. SPEAKER: I wish to assure all honourable members that there is no misprint either in line one or line two of Standing Orders No. 2 in their copies of Standing Orders. That, I hope, will cause all honourable members to take out their Standing Orders and read Standing Order No. 2. There is no misprint in it, and it means exactly what it says.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Notice of Questions

MR. M. M. HOLLETT (Leader of the Opposition): I give notice of questions on tomorrow.

To ask the Honourable the Minister of Economic Development to lay a

the Table of the House the following information :

1. A description of the German Manufactured Cement transaction.

2. What was the cost of same?

3. What is the total expenditure to date on the Cement Plant and the total working capital advanced?

4. Explain the ex gratia award of \$150,000 to Benno Schilde by Atlantic Gypsum Ltd.

5. Give reasons for obtaining a special warrant for a loan of \$8,000 to Newfoundland Tanneries — William Dorns Ltd.—and state in what way grave damage to persons or property or to the interest of the Crown or the public world would have occurred unless the families of eight (8) German workmen had been brought here, as certified by the Hon. Dr. Pottle, then acting Minister of Economic Development.

To ask the Honourable the Minister of Fisheries and Co-operatives to lay on the Table of the House the following information :

1. Table all agreements, both original and supplementary between Messrs. H. A. Russell and Associates and the Government of Newfoundland, and between Messrs. Thomson & Nickles, Hartmann Agents, and the Government of Newfoundland relative to the Bonavista Fish Meals and Oils Ltd.

2. What amounts of monies were paid by the Government to Bonavista Fish Meals & Oils Ltd., and to Messrs. Thomson & Nickles, Hartman Agents?

3. Who are the Directors of Bonavista Fish Meals & Oils Ltd?

4. What was the cost of Experimental

Fishing carried on in the schooner "Golden Glow"—and the schooner "Zahm"?

To ask the Honourable the Minister of Finance to lay on the Table of the House the following information :

1. What order was made on October 1, 1951 relative to repayment of \$160,000 loaned to Andrews' (Labrador) Fisheries Ltd.?

2. What instalments, in accordance with said order, have been paid out and on what date?

3. How much is still owed by said Company, both as to loan Principal and loan Interest?

4. What security is held by Government on said loan?

To ask the Honourable the Minister of Finance to lay on the Table of the House the following information :

1. The special warrants, if any, for payments to the Superior Rubber Company Ltd., in excess of \$183,000 amounting to \$130,000.

2. If no special warrants were secured for this latter amount, on what authority was money paid out?

3. Also, on what authority was some \$59,000 paid out to the Hanning Electric Company over and above \$30,000, sanctioned by special warrant, dated October 31st, 1952?

To ask the Honourable the Minister of Economic Development to lay on the Table of the House the following information :

1. What is the exact position with regard to the Oil Hardening plant for which \$25,000 was advanced by special warrant dated October 31st, 1952?

2. Give details as to expenditures, by these Firms, to whom any Gov-

ernment monies have been paid, and the present activities of the said plants.

To ask the Honourable the Minister of Municipal Affairs and Supply to lay on the Table of the House the following information :

1. List Community Councils which have received Grants to date, showing amounts advanced to each said Council.

To ask the Honourable the Minister of Economic Development to lay on the Table of the House the following information :

1. Give the total cost of the construction of the Birch Plant, together with the working Capital as at March 31st, 1952.

2. Give the total amount of working Capital advanced to the Newfoundland Hardwoods Ltd., since March 31st, 1952.

3. What amount of Bank Loans have been guaranteed said Company by the Government?

4. Has the Government been furnished with monthly statements of Profit and Loss accounts of said Atlantic Hardwoods since November, 1952 and if so, will the Honourable Minister table said accounts?

5. Has the Government considered it advisable to appoint a Comptroller of the expenditure of said Company, and if so who is the appointee?

**MR. FOGWILL:** Mr. Speaker, I give notice of the following question on tomorrow.

To ask the Honourable the Minister of Education :

1. Has the Department of Education

engaged the services of Dr. Raymond Miller as an adviser to the Memorial University, in respect to the Extension Services of the University, if so, who made the recommendation, what salary is being paid, and in what way is Dr. Miller to advise the University, give details?

2. How many School Desks were purchased by the Department of Education during the fiscal year 1950-51, 1951-52, 1952-53, from whom were these desks purchased, give details as to the cost and the number of desks purchased from each person or firm concerned, also state if tenders were called, have any orders for School Desks been placed since April 1st, 1953.

#### Notice of Motion :

**HON. L. R. CURTIS** (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend Chapter 127 of the Consolidated Statutes, 'Third Series.'"

#### Answers to Questions

**HON. J. R. SMALLWOOD** (Prime Minister): Is it too late to give a reply to a question, Mr. Speaker? Question No. 62 on today's Order Paper: I can answer some of that today. The names of the directors of the Atlantic Gypsum Limited are: J. R. Smallwood, President; Hon. E. S. Spencer, Secretary-Treasurer; Hon. L. R. Curtis; Hon. C. H. Ballam; Dr. Alfred A. Valdmanis; Ernest Leja.

No money was paid to directors a fees between the dates mentioned no any other dates. No money was paid to them in any shape or form, with the exception of one director, Mr. Leja, who is the Managing Director and General Manager of the Plant.

The rest I cannot answer at the moment. The General Manager is absent from the Province on the Mainland on business for the Company. I will have to wait until his return to get some of the information that is here asked. I will gladly table it as soon as Mr. Leja returns and I can get it from him.

With regard to the shipment of plaster board mentioned here. It will be appreciated that that is a commercial corporation doing business in Newfoundland and sells in Newfoundland and on the Mainland of Canada. I don't know where else, in open competition with other similar companies, I don't think the House would expect me to table any of the individual transactions of the Company. In connection, however, with (e) I can say at once that I will be greatly surprised that they were giving away plaster board. I may learn it but will be very surprised to learn that they are giving it away. I do know, that when they began their trial runs to break in the machinery and get the process going, the ordinary running tests of the plant, they would at first operate the machinery with the use of the new raw material and might be at that for some days or weeks before making the final adjustments in the machinery, during which time they would turn out a certain quantity of inferior in fact at first, vastly inferior products, then still inferior, and finally a product that would be good enough to put on the market. I do now they had a quantity of stuff that they could not put on the market. I know of a company here in St. John's that bought quite a considerable quantity of plaster board, away below standard, which was sold as thirds. Then there would be some conditions before they got up to their

quality of No. 1, marketable grade. Material even below thirds was made in the early stage, board not even good enough to be graded as thirds, and I know they sold some of that also, on the understanding it was not to be branded, which could be used for poultry houses or to seal a well-house or something of that order. I know they sold some of that. Now, it may be that is what is referred to here. I don't know and will not know until the Managing Director returns. I assure the House I will get to the bottom of it, and I will be greatly surprised to learn they gave away any—perhaps they did.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I ask leave to table the answers to Questions Nos. 61, 60, 59, 58, 57 (3), 52 and 49.

Question No. 61:

1. Herewith—(Public Accounts 49) given to Mr. Cashin.

2. \$8,813,028.89.

3. \$318,462.44.

4. £174,000.

5. \$10,850,000.

Question No. 60:

1 and 2. The Hon. Minister is, in effect, requesting a report of the Out-turn of Revenue and Expenditure for 1952-53. This information will be contained in the forthcoming Budget Speech and it is considered that it would not be proper to table it at this time.

3. (i) Liquor: 64,702 btls. Wines: 18,340 btls. Beer: 732,843 btls.

(ii) \$400,000.

(iii) \$318,462.44.

(iv) \$26,325.50.

Question No. 59:

As the honourable member has al-

ready been informed in reply to Question No. 7 (1), the proceeds of the \$10,000,000 bond issue were, pursuant to Section 3 of the Revenue and Audit Act, 1951, placed to the credit of the Consolidated Revenue Fund in the Bank of Montreal and merged with the balances therein.

In these circumstances it will be appreciated that it is not possible to indicate that a specific issue was made for a specific purpose out of the proceeds of the loan. All issues from public funds were made from the Consolidated Revenue Fund of which the proceeds of the \$10,000,000 loan formed part.

Information regarding the balance of the proceeds of the loan remaining unspent will have to await the Outturn of Revenue and Expenditure for 1952-53 which will be made known in the forthcoming Budget Speech.

Question No. 58 :

(a) Retained.

(b) 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.

(c) No salary or fee has been determined. Payments made only in respect of services actually rendered.

(d) \$1,630.66.

Question No. 57 (3) :

(1) \$7,981,514 (to 31/3/53) :

(2) \$2,924,215 (to 31/3/53) :

Question No. 52 :

The question is not altogether clear. There have been numerous cases since April, 1949, where, in the day-to-day administration of the Rev-

enue and Audit Act, requests for payments in excess of Legislative provision have been deferred by the Comptroller. In all such cases but one, the payments were so adjusted subsequently as to fit within the framework of the Legislative authorities and were thereupon made.

2. The one exception relates to the Graduate Nurses' Dance, 1951. In this instance the charges relating to the function were certified for payment from Public Funds by the Health authorities and forwarded to Finance for payment where such action was refused on the grounds that (i) it was a new service for which no provision had been made by the Legislature and (ii) agreement to accept meant that Health was reversing a long-standing policy and accepting as a Public Charge costs which had always been regarded as being of a private nature.

3. In January, 1952, a Minute of Council ordered that the amount (\$182.61) be paid from Public Funds. The Comptroller then made a formal statement of the position to the Minister of Finance and declined to cause an issue to be made save under instructions of the Treasury Board in accordance with the provisions of Section 45 (1) of the Revenue and Audit Act, 1951. At a meeting held on 17th October, 1952, the Board sustained the Comptroller and no payment has been made.

Question No. 49 :

1. \$413.

2. \$229,384.92 (including cost of living bonus).

3. 238.

4. See below.

| Name of Pensioner      | Pension Per Annum<br>(Inc. C. L. Bonus) | Reason Why<br>Pensioned |
|------------------------|---|-------------------------|
| Miss Elizabeth Redmond | \$ 517.23                               | —                       |
| D. McGuire             | 93.00                                   | —                       |
| J. Bartlett            | 999.60                                  | —                       |
| Thomas Kelly           | 828.63                                  | —                       |
| W. Haynes              | 712.32                                  | Ill health              |
| Miss Maud Ryan         | 689.68                                  | —                       |
| Miss F. Parsons        | 376.64                                  | —                       |
| James Parsons          | 1,197.23                                | —                       |
| Miss May O'Mara        | 819.42                                  | —                       |
| Geo. J. Veitch         | 1,949.92                                | —                       |
| Mrs. Bessie MacGregor  | 560.00                                  | —                       |
| H. J. Duder            | 2,415.09                                | —                       |
| H. Buchannan           | 774.67                                  | —                       |
| Mrs. Harriett Hooper   | 123.92                                  | —                       |
| Geo. Rideout           | 455.00                                  | —                       |
| Joseph Joy             | 999.60                                  | —                       |
| D. Winsor of George    | 857.83                                  | —                       |
| Alec Mugford           | 403.41                                  | —                       |
| F. Burry               | 756.52                                  | —                       |
| Mrs. W. K. Murphy      | 331.08                                  | —                       |
| Mrs. Mary O'Reilly     | 911.40                                  | —                       |
| Miss Margaret Efford   | 152.94                                  | —                       |
| Mrs. L. M. Bishop      | 445.87                                  | —                       |
| Miss M. Cook           | 514.93                                  | —                       |
| E. LeDrew              | 318.66                                  | —                       |
| T. J. Fitzgerald       | 971.34                                  | —                       |
| T. L. Billiard         | 264.33                                  | —                       |
| James MacFtridge       | 449.25                                  | —                       |
| Mrs. E. Ford           | 34.01                                   | —                       |
| Norman Nichols         | 394.33                                  | —                       |
| J. W. Ridgley          | 169.96                                  | —                       |
| J. Rowe                | 561.17                                  | —                       |
| Mrs. M. Fleming        | 105.32                                  | —                       |
| J. Griffin             | 506.06                                  | —                       |
| Thomas Knott           | 827.64                                  | —                       |
| George Banfield        | 204.99                                  | —                       |
| J. St. Croix           | 621.50                                  | —                       |
| Costello               | 816.96                                  | —                       |
| G. Goodyear            | 236.74                                  | —                       |
| Walter Guy             | 503.73                                  | —                       |
| Henry Hutchings        | 207.94                                  | —                       |
| W. A. Toop             | 344.78                                  | —                       |
| John Riggs             | 261.98                                  | —                       |
| Philip Batterton       | 856.30                                  | —                       |
| G. Winsor              | 408.42                                  | —                       |
| Gaulton                | 290.40                                  | —                       |

| Name of Pensioner     | Pension Per Annum<br>(Inc. C. L. Bonus) | Reason Why<br>Pensioned                      |
|-----------------------|---|--|
| J. Hannon             | 808.80                                  | —  |
| J. J. McGrath         | 435.87                                  | —  |
| Mrs. M. Hillier       | 26.55                                   | —  |
| Joseph Eveleigh       | 61.24                                   | —  |
| Cecelia Myles         | 53.24                                   | —  |
| A. G. Greenham        | 21.38                                   | —  |
| Susannah White        | 50.90                                   | —  |
| Hattie Collier        | 26.55                                   | —  |
| Jane Ball             | 47.39                                   | —  |
| Clara M. Foley        | 84.96                                   | —  |
| Mrs. Ambrose Pope     | 26.55                                   | —  |
| Mrs. Charles Vincent  | 26.55                                   | —  |
| Mrs. May Piercey      | 33.94                                   | —  |
| Isaac Bartlett        | 30.20                                   | —  |
| Mrs. Thomas Hynes     | 26.55                                   | —  |
| A. R. Roberts         | 1,020.00                                | —  |
| George McDonald       | 484.12                                  | —  |
| Mrs. M. Gould         | 81.45                                   | —  |
| Mrs. Katie Lahey      | 234.46                                  | —  |
| Mrs. Maggie Davis     | 60.00                                   | —  |
| Mrs. B. Robbins       | 79.99                                   | —  |
| Mrs. Anastatia Dunphy | 99.32                                   | —  |
| Barnabas Moss         | 323.66                                  | —  |
| Ray Jardine           | 168.24                                  | —  |
| M. Power              | 119.60                                  | Abolition of Office<br>due to reorganization |
| W. Parsons            | 438.76                                  | do   |
| J. Power              | 177.04                                  | do   |
| Miss A. March         | 442.68                                  | do   |
| Miss A. English       | 111.04                                  | do   |
| W. Hutchings          | 442.76                                  | do   |
| A. Tilley             | 876.64                                  | do   |
| L. Bradbury           | 1,307.20                                | do   |
| Thomas Young          | 1,172.27                                | do   |
| John A. Butt          | 853.17                                  | do   |
| Stanley Adams         | 628.68                                  | do   |
| James J. Fowler       | 695.17                                  | do   |
| James L. Jackman      | 259.55                                  | do   |
| Joseph G. Keiley      | 791.73                                  | do   |
| Otto Skeffington      | 354.90                                  | do   |
| Stanley Lawlor        | 543.48                                  | do   |
| Douglas Shute         | 425.88                                  | do   |
| Oliphant Green        | 445.91                                  | do   |
| James Crickard        | 268.78                                  | do   |
| Leonard Squires       | 138.40                                  | do   |
| Wm. Aspell            | 243.99                                  | do   |



| Name of Pensioner     | Pension Per Annum<br>(Inc. C. L. Bonus) | Reason Why<br>Pensioned                      |
|-----------------------|---|--|
| Frederick Kavanagh    | 157.27                                  | do   |
| Mrs. Mabel Mealey     | 319.92                                  | do   |
| Miss Florence Mercer  | 273.76                                  | do   |
| Charles Janes         | 128.15                                  | do   |
| Harold Wylie          | 258.51                                  | do   |
| John Constantine      | 119.37                                  | do   |
| John J. Kemp          | 211.09                                  | do   |
| Edward White          | 135.43                                  | do   |
| Cyril Lush            | 200.98                                  | do   |
| Wm. Tibbo             | 61.96                                   | do   |
| Miss Bessie Marshall  | 113.08                                  | do   |
| Henry G. King         | 139.36                                  | do   |
| M. J. White           | 432.62                                  | do   |
| P. W. O'Dea           | 76.74                                   | do   |
| C. Hudson             | 92.64                                   | do   |
| Mrs. F. M. LeCour     | 12.10                                   | do   |
| Mrs. Ed. Broydell     | 14.88                                   | do   |
| Mrs. H. Sweetland     | 184.54                                  | do   |
| James Pike            | 635.19                                  | do   |
| Arch Crane            | 26.45                                   | do   |
| Mrs. M. Hulan         | 10.26                                   | do   |
| Miss Bessie Hartigan  | 270.39                                  | do   |
| John Garcin, Jr.      | 781.32                                  | do   |
| Mrs. G. Aylward       | 11.12                                   | do   |
| W. J. Hogarth         | 671.21                                  | do   |
| Mrs. Rose Ryan        | 42.18                                   | do   |
| Mrs. Agnes Walsh      | 63.98                                   | do   |
| A. B. Sceviour        | 325.48                                  | do   |
| Miss Georgina Cooper  | 400.90                                  | do   |
| George R. Spencer     | 13.78                                   | do   |
| Mrs. W. Winsor        | 17.64                                   | do   |
| Miss Julia McLoughlin | 723.22                                  | do   |
| A. J. Kirby           | 943.20                                  | do   |
| Eli E. Giles          | 131.25                                  | do   |
| E. B. Sainsbury       | 395.20                                  | do   |
| Mrs. Belle McGrath    | 175.02                                  | do   |
| Mrs. Mary A. Cole     | 49.58                                   | do   |
| Mrs. Lucy O'Brien     | 89.70                                   | Ill Health                                   |
| Mrs. Elizabeth George | 14.24                                   | Post Abolished                               |
| Mrs. Martin Reid      | 13.92                                   | do   |
| E. Crane              | 368.16                                  | Abolition of Office<br>due to reorganization |
| Mrs. Sarah Morris     | 19.86                                   | do   |
| Miss Minnie Forward   | 325.28                                  | Ill Health                                   |
| K. W. Knight          | 523.23                                  | do   |
| Miss Theresa Coady    | 210.77                                  | do   |

| Name of Pensioner      | Pension Per Annum<br>(Inc. C. L. Bonus) | Reason Why<br>Pensioned                      |
|------------------------|---|--|
| Mrs. Nellie S. Devine  | 188.46                                  | Abolition of Office<br>due to reorganization |
| John Power             | 617.98                                  | Post Abolished                               |
| Alfred John Hoffe      | 605.73                                  | do   |
| Thomas Bishop          | 188.97                                  | do   |
| Mrs. Mary F. O'Neill   | 37.68                                   | do   |
| Norman Pike            | 297.96                                  | do   |
| Wm. Sheppard           | 370.64                                  | do   |
| Herbert Greaves        | 261.12                                  | Ill Health                                   |
| Arch Bungay            | 775.11                                  | do   |
| Mrs. Ed. Delaney       | 20.04                                   | Post Abolished                               |
| Wm. H. Adey            | 630.00                                  | Ill Health                                   |
| Charles Truscott       | 206.49                                  | do   |
| P. W. Farrell          | 100.80                                  | do   |
| Mrs. Alberta Pennell   | 143.16                                  | do   |
| Thomas Fudge           | 107.49                                  | do   |
| S. F. Banfield         | 123.92                                  | Post Abolished                               |
| J. S. Roberts          | 62.44                                   | do   |
| Charles Gruchy         | 34.58                                   | Ill Health                                   |
| R. F. Newhook          | 1,764.00                                | do   |
| Miss Blanche March     | 929.96                                  | do   |
| R. Dunn                | 373.96                                  | do   |
| Miss Margaret Sim      | 287.70                                  | do   |
| Miss Florence Miller   | 305.16                                  | do   |
| Leslie E. Harvey       | 409.40                                  | do   |
| Reginald J. Miles      | 624.41                                  | do   |
| Wm. G. Atwill          | 1,429.88                                | do   |
| Miss Louise G. Mills   | 123.92                                  | do   |
| Joseph Hobbs           | 103.40                                  | Post Abolished                               |
| Miss Georgina Peckford | 380.00                                  | Ill Health                                   |
| Daniel King            | 979.20                                  | do   |
| J. P. Williams         | 849.92                                  | do   |
| George E. Squires      | 833.00                                  | do   |
| Mrs. Hannah Ballam     | 930.01                                  | do   |
| Paul Moores            | 951.92                                  | do   |
| Mrs. Mary F. Murphy    | 216.00                                  | do   |
| Arch Way               | 232.40                                  | do   |
| Mrs. Melina Critch     | 323.04                                  | do   |
| Mrs. Eva Cooper        | 273.36                                  | do   |
| Wm. Moore              | 612.00                                  | do   |
| Harry Sweetland        | 660.00                                  | do   |
| Mrs. Carrie Crocker    | 183.82                                  | do   |
| A. J. Verge            | 355.05                                  | do   |
| George Brown           | 564.32                                  | do   |
| George D. Bartlett     | 243.57                                  | do   |
| J. A. McGrath          | 1,118.20                                | do   |

| Name of Pensioner          | Pension Per Annum<br>(Inc. C. L. Bonus) | Reason Why<br>Pensioned |
|----------------------------|---|-------------------------|
| J. Hudson                  | 373.96                                  | do                      |
| F. X. Linegar              | 618.20                                  | do                      |
| Miss E. I. Gardner         | 789.30                                  | do                      |
| Mrs. Adeline Alexander     | 619.96                                  | do                      |
| W. W. Kearney              | 500.57                                  | do                      |
| John T. Jackman            | 51.36                                   | do                      |
| Malcolm M. Hollett, M.P.P. | 1,272.10                                | do                      |
| Mrs. Mary M. Kelly         | 73.92                                   | Ill Health              |
| E. Gordon Legge            | 42.23                                   | Post Abolished          |
| W. P. Hiscock              | 1,573.73                                | do                      |
| Miss Cicely Martin         | 209.37                                  | Ill Health              |
| Mrs. Margaret Benoit       | 41.76                                   | do                      |
| Win. J. Morris             | 147.96                                  | do                      |
| Miss Amelia R. Anstey      | 250.67                                  | do                      |
| J. S. V. Holloway          | 409.24                                  | do                      |
| Miss Alice McLoughlin      | 578.65                                  | do                      |
| Clara I. Costello          | 107.93                                  | do                      |
| F. W. Rockwood             | 289.08                                  | do                      |
| Bessie I. Thomas           | 726.06                                  | do                      |
| Charles S. Poole           | 851.08                                  | do                      |
| Mark Sheppard              | 583.46                                  | do                      |
| Walter Crane               | 512.36                                  | do                      |
| A. Greene                  | 677.08                                  | do                      |
| D. H. Ferguson             | 992.92                                  | do                      |
| Capt. Robt. Sheppard       | 1,275.75                                | do                      |
| Mrs. Louise Coles White    | 439.65                                  | do                      |
| Kenneth Sheppard           | 423.24                                  | do                      |
| Mark R. Roberts            | 523.03                                  | do                      |
| Fred Squires               | 707.40                                  | do                      |
| P. Knox                    | 345.42                                  | do                      |
| Mrs. Ada R. House          | 437.65                                  | do                      |
| Charles A. Stanley         | 1,170.74                                | do                      |
| T. S. Devine               | 1,680.00                                | do                      |
| John E. Foran              | 655.74                                  | do                      |
| Miss Nora E. Rendell       | 1,265.68                                | do                      |
| Isaac Newell               | 770.00                                  | do                      |
| Hugh Martin                | 740.73                                  | do                      |
| L. F. Cullen               | 490.61                                  | do                      |
| Miss Louise W. Noonan      | 1,105.92                                | do                      |
| W. J. Robinson             | 3,106.62                                | do                      |
| Dr. E. L. Sharpe           | 2,103.49                                | do                      |
| J. Bishop                  | 754.19                                  | do                      |
| N. C. Crewe                | 1,666.92                                | do                      |
| Wm. Richards               | 995.66                                  | do                      |
| Miss Mary B. Greene        | 1,363.40                                | Post Abolished          |
| J. William Russell         | 1,529.50                                | At own request          |

| Name of Pensioner            | Pension Per Annum<br>(Inc. C. L. Bonus) | Reason Why Pensioned |
|------------------------------|---|----------------------|
| Wilfred Furlong .....        | 299.69                                  | Ill Health           |
| Geoffrey W. Kelly .....      | 593.33                                  | do                   |
| Wm. S. Petten .....          | 345.80                                  | do                   |
| Nath Somerton .....          | 534.52                                  | do                   |
| Peter Keough .....           | 86.40                                   | Post Abolished       |
| Miss Phyllis A. Rennie ..... | 604.31                                  | Ill Health           |
| Patrick A. Brien .....       | 1,904.00                                | Post Abolished       |

NOTE.—It is not possible, at this date, to show "Reason why pensioned" in respect of officers pensioned prior to 1934.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I apologize for coming in late. In view of the fact that I have to leave town on official business Monday afternoon and will not have an opportunity to be in the House for a few days I crave permission of the House, if that is possible, to present a petition, if I may, at this time.

Permission granted by the House.

MR. SPENCER: Mr. Speaker, this petition comes from Botwood, Point Lemington and Northern Arm. It is signed by upwards of a thousand people of the area and refers to the road extending from the Town of Botwood on through around the Northern Arm section of that community and over the hill to the community of Point Leamington which connects with some of the outlying sections of Notre Dame Bay. This road carries possibly about the fourth or fifth heaviest line of traffic in the whole of the Province of Newfoundland. A very large percentage of the industry in that area has its supplies and materials carted and trucked over that road. In order to make the situation clear I will read a portion of the petition. "The highroad from the end of the pavement from Northern Arm to South Botwood, around

Northern Arm and from Northern Arm to Point Leamington is in a deplorable condition and in many places the said road is too narrow and has several dangerous curves making it hazardous for the motor cars, pulpwood and lumber and food and other supplies to the value of over four hundred thousand dollars which were transported over the said road in the past year, and whereas large quantities of firewood are transported over the said road each year, and whereas the general motor traffic over said road is steadily increasing, be it therefore resolved that we the said residents of Botwood ask that the road be given immediate attention, the present dangerous curves eliminated, the road be widened and resurfaced where necessary, and the section from the end of the present pavement to the junction of Point Leamington road to Northern Arm be asphalted."

To anybody who has ever visited that industrial section of Newfoundland I don't think it is necessary to stress any further the facts other than what the petitioners themselves say of the great need of making this road so that it can carry the load of traffic which it is called upon to bear. The ordinary maintenance, filling of potholes, as we are frequently told, and

which is really the case, temporary repairs, are not the type of thing that will build up this particular section of road to withstand the very heavy traffic it has to bear. I give this petition my support, and if I may, smilingly, ask that it be referred to the Department to which it relates.

Notice of Motion (cont.):

**HON. C. H. BALLAM** (Minister of Labour): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the St. John's Municipal Act, 1921, and for other purposes."

**HON. DR. F. W. ROWE** (Minister of Mines and Resources): Mr. Speaker, I give notice that 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 Canadian Amco Limited."

**MR. SPENCER**: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Incorporate the Association of Newfoundland Surveyors and for other Purposes in connection therewith."

**MR. BALLAM**: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Workmen's Compensation Act, 1950."

**MR. FOGWILL**: In reference to question No. 31, the Industrial Loan board, I was wondering if the answer would be forthcoming at a later date?

**MR. SMALLWOOD**: Would the honourable gentleman read it?

**MR. FOGWILL**: Question No. 31 appears on the Order Paper of March 3, addressed to the Minister of Finance or other appropriate Minister.

The question has been answered in part, Mr. Speaker, the answer given to the second part was that the question had been referred to the board and would be tabled in due course.

**MR. SMALLWOOD**: Was not the amount owed to the board given in the answer?

**MR. FOGWILL**: No, the amount owed to the Government.

**MR. SMALLWOOD**: There is none owed to the Government. I have no knowledge of any money owed to the Government. There is an amount of fifty thousand owed to the board.

**MR. FOGWILL**: I take it that would not refer to an amount owed the Newfoundland Government.

**MR. SMALLWOOD**: That might be tax and sales tax.

**MR. FOGWILL**: I don't know.

**MR. SMALLWOOD**: Anyway that is the answer, apparently, given by the Minister of Finance. That I would guess would be sales tax. But they owe nothing to the Government in respect of any loans because the Government made no loans to them. This one refers undoubtedly to something else. The loan was made by the Loan Board in the amount of \$50,000.00. They owe that \$50,000.00. The security is on the plant to the value of the plant—\$78,000.00. There is a mortgage on it in favour of the Board.

#### Orders of the Day

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

Passed.

Third reading of Bill, "An Act Further to Amend Mothers' Allowance Act, 1949."

Passed.

Third reading of Bill, "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

Passed.

Third reading of Bill, "An Act Further to Amend the Blind Persons' Allowance Act, 1951."

Passed.

Third reading of Bill, "An Act to Amend the Timber Licenses (Reversion to Crown) Act, 1951."

Passed.

Third reading of Bill, "An Act Further to Amend the Old Age Assistance Act, 1951."

Passed.

MR. CURTIS: I move the House resolve itself into Committee of the Whole on Nos. 7, 8 and 10.

Committee of the Whole on Bill, "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

MR. CURTIS: I would ask the Committee to refer back to Section 8. Yesterday afternoon the Honourable the Premier suggested and the Committee agreed that we should add the words "on such terms and conditions as may be laid down by the Lieutenant Governor in Council." I went over the Bill carefully and I think if we strike out those words agreed to yesterday, and also strike out the words "this Act or" in the second line, it would be much better.

The amendment is "this Act or" in the second line be deleted; also the words added yesterday after the word "loan" in the fourth line be deleted.

MR. HOLLETT: I am afraid we are going to have trouble there. Does it mean the Lieutenant Governor is going to make separate regulations for every separate loan?

MR. CURTIS: The regulations will set out the type of loan, the interest rate, security, etc. A blanket form will have to be followed.

Amendment carried.

MR. CURTIS: I would ask the Committee to revert to Clause 11. I wish to assure the House that this is not an attempt to put anything over on anyone. This has been considered by my Department and I am speaking now as Attorney General and not as a member of the Cabinet. The Department took the position with Section 8 that where the Bank has made a loan for purposes prescribed by the regulations, we will be protected; they will not be allowed to go outside the Regulations. At yesterday's session in Section 11 we struck out the word "may" and put in "shall." But my Deputy and other members strongly object to that. There are loans which cannot be covered by Regulations until the time comes. In (r) "in relation to any matter or thing for the more effective carrying out of the purposes of this Act, whether or not such matter or thing is of the kind enumerated in this section." Obviously if we could have made Regulations we would have made them now. But the fact of our having to make provision for Regulations should suggest to the House that these Regulation will be made from time to time according to the need and the develop

ments taking place. To compel the Lieutenant Governor in Council to make Regulations now, would make the Act unworkable and would create a problem we cannot face. Therefore this Clause is not to be mandatory, but we must be able to do it when and if necessary. It is not a case of putting anything over on anyone. It is purely a Departmental recommendation.

**MR. HOLLETT:** Is there any limitation on the amount which the Board may guarantee?

**MR. CURTIS:** What about (c)?—"prescribing or limiting the amount of any loan or guarantee." If we left the word "shall" there it would split up the whole section; it would make an impossible situation.

The amendment is the word "shall" be deleted and the word "may" be inserted.

Amendment carried.

Committee of the Whole on Bill, "An Act to Amend the Community Councils Act, 1952."

Section 11. Amendment—

"38. In all proceedings, in any Court of summary jurisdiction, to which the Community or the Council is a party, the Community or that Council may be represented by the Chairman of the Council or such other Councillor may designate."

**MR. HOLLETT:** "Council" means "Council of the Community"?

**MR. CURTIS:** Yes.

Amendment carried.

Committee of the Whole on Bill, An Act Further to Amend the Accident Companies (Licensing Act) 49."

Bill passed without amendment.

**MR. CHAIRMAN:** Mr. Speaker, the Committee of the Whole has considered the matter to it referred and has passed the following Bills with some amendment:

"An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

"An Act to Amend the Community Councils Act, 1942."

Ordered read a third time on tomorrow.

**MR. CHAIRMAN:** Mr. Speaker, the Committee of the Whole has considered the matter to it referred and has passed the Bill, "An Act Further to Amend the Accident Companies (Licensing) Act, 1949," without amendments.

Ordered read a third time on tomorrow.

Second reading of a Bill, "An Act Further to Amend the St. John's Shop Act, 1942."

**HON. M. P. MURRAY** (Minister of Provincial Affairs): Mr. Speaker, that is a measure which has been arousing a considerable amount of interest around St. John's very recently and I don't think it requires very much in the way of explanation. The principle of the Bill, Sir, is merely to change the half holiday from Wednesday as presently obtaining, to Saturday and the late opening hours on Saturday night to Friday night.

I might say, Sir, this is being done at the request of various responsible bodies who have been approached. The Retail Clerks' Association have

notified their approval, the Importers' Association and the Civil Servants' Association have all been consulted on this measure and have notified us of their approval. As you know, Sir, at the present time the Saturday shop closing is in effect by the CNR, the Federal Civil Servants and the bank employees. The idea is to bring the rest of St. John's into conformity with the holiday now existing.

I move the second reading of this Bill.

MR. FOGWILL: Mr. Speaker, with respect to the closing time and opening time of the shops on Water Street, of course those concerned mostly are the people employed in these shops and stores as the case may be. I do note from the press they have asked for an opinion, a straw ballot and the response has been very great. I cannot say I am against it because for the past thirty years, I have been having Saturday for my half holiday. But I don't think, Mr. Speaker, as yet there has been sufficient representation from the people concerned, not only the people employed in the shops but the general public which is concerned also. We have many people coming in from the outlying settlements to do shopping. The Minister has outlined that he has heard representations from several organizations who favour the change. I don't suppose he has any representation from the public itself.

The principle of the Bill, Mr. Speaker, concerns the changing of Wednesday to Saturday, and I think May 24th is to be changed to the Monday immediately preceding the 24th of May. In other words "Empire Day" would be celebrated on Monday—I think that is right?

MR. MURRAY: Yes, always on Monday.

MR. FOGWILL: I don't know if the Honourable Minister has had any representation from the public with respect to changing the date of "Empire Day" to bring it in line with that holiday in Canada. In St. John's particularly, many people avail of the 24th of May and look forward to it to go into the country for various purposes. Perhaps they may enjoy the day on Monday as they could have a longer weekend. I have no objection to the principle of the Bill, Mr. Speaker, in respect to this change to Saturday or "Empire Day" but I do say, Sir, that a little more time should be given before the House finally passes this Bill so that it may be possible that people and parties interested can make some representation to those concerned.

DR. ROWE: Mr. Speaker, I should like to add one or two words to what the Honourable Minister of Provincial Affairs already said and what the honourable member for St. John's East has said on this matter. I think there are two or three factors which ought to be taken into consideration and which have been taken into consideration by the Government with regard to this Bill.

First, I should like, however, to refer briefly to the observations of the honourable member for St. John's East with regard to his feelings that not enough time has been allowed for public reaction to this measure. I am at a loss to imagine just how much time would be needed because after all the idea of changing from Wednesday to Saturday half day is no new, has been off and on ever since I have been living in St. John's, since back in 1943, and it has been unde



serious consideration, I believe, by various organizations. I also believe it has been considered by the Government over the past two or three years. There certainly has been ample time, in my opinion, for any organized body of public opinion to express itself.

There has been no large scale measure of opposition to this measure. As the Honourable Minister who moved second reading of the Bill has indicated, several of the large organizations concerned have indicated their approval of it, and certainly there has been nothing in the press, apart from the odd letter one way or the other, to indicate that the public in general would be against the Bill at all.

I am reminded of a somewhat similar situation which developed some years ago, I believe in the latter years of the Commission of Government, with respect to the change over in driving from left to right. For years we talked about it. There was much argument pro and con, but when after a few years of talking over, very quietly the change was made, and from that day to this I have never heard a word about it. I predict exactly the same with regard to this change over from Wednesday to Saturday.

There are a couple of other points that occur to me which are worth mentioning; first there is the beneficial effect this change over will have on two particular groups of our community. First of all in the smaller group, and I say smaller only in the comparative sense, that large group of young men and women from Conception Bay, the Southern Shore, and even from some parts of Trinity Bay and Placentia Bay who work here in

St. John's but whose homes and whose roots, one might say, are out in those communities. The change over to Saturday will enable this group to enjoy longer week-ends with their parents, associates, friends, church organizations and other organizations which they have out there. Certainly it will be beneficial to them.

I see also, Mr. Speaker, a far greater benefit with regard to the fathers of this city. I speak with some feeling on this matter as for a number of years I have experienced this handicap and it is something which has been experienced by many hundreds of fathers and perhaps mothers, certainly fathers in this city. With the Wednesday half holiday the father is home, free, able to go into the country or engage in some kind of recreation but the children are in school, whereas on Saturday when the children are at home the father or the mother maybe, is at work. Parents in this city have gone, I suppose, right through the year from September to June without having had the chance to take their children out in the country apart from Sundays or, special holidays of which there are not very many during the school year. This change over then will enable parents to spend the afternoon, or those who wish to do so, with their children. I am sure the great majority of parents prefer to spend the afternoon with their children as a family group. I believe, Mr. Speaker, in giving my support to this that this measure will meet with a large degree of popularity from the people.

MR. HOLLETT: Mr. Speaker, I wish to say just a word or two with regard to one or two things said by my honourable friend the Minister of Mines and Resources. With regard to

the school children and the parents, I think, in all probability most parents would love to have Wednesday afternoon to get away from the children once in a while. There is something to be said for that you know. But that brings to my mind the question; what pains have the Government gone to in order to endeavour to find out the housewife's reaction. Now, I am not speaking against the principle of the Bill at all. It is immaterial to me as an individual and probably to most of us whether or not the half holiday is on Saturday or on Wednesday. But there is a large group of people including the housewives particularly. A good many of them undoubtedly are not provided with refrigeration to take care of enough food to carry over for several days particularly when there is a holiday on Monday. On top of that there is the recognition of the fact that they have to finalize the house-keeping arrangements for the long week-end. The Honourable Minister for Municipal Affairs and Supply said they had representations from the store clerks and from retail clerks' association, but they have not had any representation from the general public. Now, I grant you these people who work in the stores should be considered as they have made the request, but, as my colleague here pointed out, I think a little longer time, probably a week or two, should be given in order that the general public be given a chance to express its opinion. I grant you they have had ample time but you know the general public is not organized as to the expression of any opinion at this time. I do think once we get the half holiday on Saturday it will be better for a large number of people. We have nothing against it at all. But I do think my

colleague is right when he says it might be better if a little longer time had been given. I think it would have been much better if the Bill had been introduced not as a party measure at all.

Now, I have taken the trouble to go into a good many stores and examine the reaction amongst the clerks. I do find the majority in favour of the half holiday on Saturday. On the other hand a number would like to have the break in the middle of the week, so that there is a divided opinion. I see nothing wrong at all with the suggestion of my colleague to have a couple of weeks rest for this Act.

MR. SMALLWOOD: Mr. Speaker the request of the Government to do this was made a year ago. It was made by the Retail Merchants Association, by the employees, the shop and office workers' association and by the Newfoundland Federation of Labour. Notwithstanding these requests we as a Government, declined to bring it the Legislation for a very good reason, namely; that we had heard suggestion that some at least of the religious denominations might not favour the change so that we decline to bring the measure forward later year, preferring to do two things before introducing the measure (1) to consult as far as we found it possible and practicable to do so with representatives (ecclesiastics) to learn first hand what views if any they have in this matter, and (2) to allow public opinion to formulate and perhaps to jell. All that was a year ago. We are now satisfied that there is no objection whatsoever from any religious denominations in Newfoundland, and we are now satisfied that public opinion wants this change made. I do not suggest that public opinion

unanimous. As the Honourable Leader of the Opposition has just said he noticed himself in the shops he visited that the majority were in favour of the change but that there were some who did not agree. If we waited in this House to get unanimity of opinion from the public for any measure very few measures would ever be introduced or passed in this Chamber. We have no doubt whatsoever that the overwhelming majority of those most concerned favour this Bill which is why we brought it in. We had no particular reason for bringing it in or not bringing it in, no particular reason at all. We try in these matters to suit the public, and we think that the opinion of the public concerned in the matter are overwhelming in favour of this Bill.

I may say this; notwithstanding the requests of the merchants, the shop owners; the office workers, and the much larger Newfoundland Federation of Labour, I would never have recommended to my colleagues this change without feeling assured in my own mind that the large religious bodies took no stand in the matter. I would not please any other organization in such a matter as this go contrary to any pronounced feelings or opinions of large religious bodies. I found none. I took particular pains to see there were any feelings in the matter, and I found there were none. So that in the absence of any such opposition we are strongly inclined to accede to the request of large and important bodies such as the Merchants' Association, the Shop and Office Workers' Organization and the Newfoundland Federation of Labour. Actually we are their agents in sense here today, carrying out their desire in the absence of any strong opposition to what they ask for,

**MR. MURRAY:** Mr. Speaker, to wind up the debate on this question I might point out that the half holidays as such are not a primary concern of the Government at all. Whether a shop is open on Wednesday afternoon or Thursday or Saturday afternoon is of no concern to the Government. What a Government is concerned about of course is that people should not work beyond certain hours in a week and that decent conditions should apply where they do work. The Government only became concerned, Sir, in this measure because of the people concerned approaching the Government. In 1939 attempts were made between employees and employers to come to some agreement with the majority as to the holidays and they did eventually come to some agreement and brought along their agreement which was enacted into law. That is the present Shop Closing Act. The Government only became involved when the parties concerned wanted the Government to do it.

Now, as to the point made by the Honourable Leader of the Opposition that dreadful consequences will ensue if shops are not open on Saturdays, as far as I know all over Canada and in the United States of America all Saturdays are holidays.

**MR. HOLLETT:** May I rise to a point of privilege—what was the objection quoted as made by the Leader of the Opposition? I did not quite get it.

**MR. MURRAY:** He seemed to me making a point that some dreadful consequences would ensue to housewives.

**MR. HOLLETT:** To a point of order, Mr. Speaker—I said no such thing about any dreadful consequences.

MR. MURRAY: I think the Honourable Leader of the Opposition was trying to make the point there would be some discomfort.

MR. SPEAKER: It does seem to the Chair that the honourable gentleman has been somewhat misquoted. I looked at the honourable member expecting him to disagree as it did seem to the Chair that the honourable member had not said what would bear that out.

MR. MURRAY: Mr. Speaker, all I can say to clew the thing up is that all organized bodies have been approached. We know that both the workers and employers seem to be in favour and there has been no dissent from any religious bodies, and I think everybody will agree that ample time has been given.

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 Newfoundland Corporation Income Tax Act, 1949."

MR. CURTIS: Mr. Speaker, I would like to move the second reading of this Bill, which, if I recollect is something the Honourable Leader of the Opposition is always interested in, income tax.

Perhaps I should explain why it is necessary in 1953 for me to ask the House to amend an Act which applies only to income earned in the calendar years 1947 to 1951. The reason is that a corporation's taxation year may begin in 1951 and end in 1952 in which case the five per cent Provincial tax applies to the same proportion of the total earnings in the corporation's fiscal year that the number of days in the fiscal period in 1951 bears to the

total number of days of the fiscal period. Consequently any changes made last year in the Federal Act which apply to the 1952 taxation year must, if it effects corporation, be made to the Provincial Act also.

In other words I was just quoting this, Mr. Speaker, from instructions received from Ottawa. The amendments contained in the draft Bill are not lengthy, and in future years the only amendments required in the Provincial Act will be those where it arises as a result of an amendment in the Federal Act which effects corporation and applies to the 1952 or prior taxation years. The amendment in effect, Mr. Speaker, will just bring our Act into conformity with the Federal Act, and the idea of that is so that firms and corporations will only have to make one set of returns and will not have to make one set of returns to the Federal Government representing Federal taxation and another set of returns to the Provincial Government representing the Provincial taxation.

I will be able to explain this to the honourable members when the House goes into Committee, and if they want it, the effect of the various sections I think at this time it may not be necessary. I move the second reading of this Bill, Mr. Speaker.

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

Second reading of Bill, "An Act Amend the Western Memorial Hospital Corporation Act, 1947."

HON. P. S. FORSEY (Minister Health): Mr. Speaker, in moving the second reading of this Bill I would point out that the original Act call for the appointment of the memb

of the Western Memorial Hospital Association as, three from the Government, three from the company and three from the people. The principle, if it can be called a principle at all, is that we substitute for "by the Government" (incidentally the members appointed by the Government are members appointed from outlying sections of the Humber District, one by the company, one by the two townships of Corner Brook East and Corner Brook West) in accordance with their new responsibility and three as heretofore to be elected by the general public in the area.

As I have said, Mr. Speaker, it is merely a modification of the principle in accordance with a more democratic approach to the appointment of the members of this corporation. The other sections of the Act similarly carry out the principle in modification of the principle I have just mentioned. Accordingly, Mr. Speaker, I move the second reading.

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

Second reading of Bill, "An Act Further to Amend the Crown Lands (Lines and Quarries) Act, 1951."

DR. ROWE: In rising to move the second reading of this Bill, I need say very little. This amendment is signed in the light of experience remove one or two analogies in the Lines and Quarries Act. There is obviously one error in the original where the words "Lieutenant-Governor" appears instead of the words "Lieutenant-Governor in Council."

That is one amendment. Another amendment is to remove a source of delay with respect to the prescribed area. Delays of several weeks in

prospecting have occurred by too rigid adherence to the prescribed form. In order to eliminate delays it has been decided to amend it to read:

"a deed or affidavit made under Section (1) shall be in the prescribed form or in any form approved by the Minister."

Section 63 is repealed, the object being to re-write it in order to clear up an ambiguity, so that now the renewal may be made possible year after year. That section has been re-written to remove the ambiguity that existed there.

One other amendment is in Section 66. Section 66 (2) is removed. In the light of experience, it has no practical use to the Department. The only effect it has had is to scare up or put a scare in the minds of potential investors, who say "what else can you bring to bear?" When a man takes out a mining claim, he likes to know the conditions there and then, not after he has invested \$200,000 or \$300,000, and then the Government can bring in conditions which make it uncomfortable for him to operate.

These are minor but necessary amendments to remove any possibility of ambiguity in the Act.

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

Second reading of Bill, "An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Newfoundland Fluorspar Limited."

DR. ROWE: I wish to move second reading of this Bill and in doing so give the House a little background concerning it. The House will recall

that at St. Lawrence we have two Corporations engaged in mining fluorspar—one, the St. Lawrence Corporation, which is operated by Mr. Siebert; and the other the Newfoundland Fluorspar which is a subsidiary of the great Aluminum Company of Canada. The Aluminum Company of Canada in recent years has undertaken tremendous expansion, particularly on the West Coast of Canada, in British Columbia and their requirements for fluorspar are likely to increase considerably; indeed they are increasing considerably.

It is generally taken for granted that in the St. Lawrence area the Company has sufficient reserves to carry on on the present scale; but to undertake any large-scale expansion they would require a larger area to enable the Company to improve its deposits. By this agreement, the Government gives to the Newfoundland Fluorspar Limited a concession for a period of five years to an area of 500 square miles on the Burin Peninsula, on which the Company will do prospecting and exploration work over the five year period; in return for which the Company undertakes to expend in the five year period not less than \$75,000, and not less than \$15,000 in any one year. The Company may in any one year expend more than \$15,000 and if it does that, then the excess it spends over \$15,000 may be carried over another year or years.

I think I should point out that in the light of our experience with this Company and with other Companies, the pattern is to exceed the minimum stated in the Agreement. I think it has already been pointed out that several Companies had spent much more than the minimum amount—they have spent as much as ten, fifteen and twenty times as much as the

minimum called for. I should point out also that this Agreement with the Newfoundland Fluorspar Limited follows what I believe is the Falconbridge pattern in respect to areas in other parts of Newfoundland.

At the end of the five-year period the concession will expire and at the end of that time the Company may take out a Development license on an area of not less than one square mile and not exceeding forty square miles. In return for that Development License on from one to forty square miles, the Company undertakes to perform a minimum of twenty-five days' work in each of the forty acres that it holds. Also the Company will pay the regular rental which, I believe, is 50c. an acre. To those who may be curious to know how much that would amount to, I say it would be \$320 for each square mile held and if they took out forty square miles, it would mean they would pay \$12,800 annually to the Government.

That Development License would be held for five years, after which time the Company would have to take out a Mining License for ten years. The Mining License requires that the Company will bring the area into production within a period of two years.

I think, Mr. Speaker, I have covered all the main features of the Agreement. In effect we are giving Fluorspar Limited the right to look for other deposits in the Burin Peninsula and they will get it by the Agreement which is standard practice adopted by this Government the time of the Agreement with Falconbridge.

I move the second reading of the Bill.

MR. SMALLWOOD: There are one or two words I can add to what the Honourable Minister of Mines and Resources has said about this concession to the ALCAN subsidiary. They have been operating in Newfoundland for quite a few years and when they came to the Government (I think when they came originally, it was actually just before the Honourable Minister was a member of the Government) we felt we were bound to give them a concession. But actually they requested too much. They wanted something of the order of 2500 square miles. At the outset we agreed to give them none at all, in the belief that they had ample reserves. Our advice was that they had ample reserves to carry them on for one hundred years at the existing rate of extraction. We saw no reason why we should give them the right to pile up reserves beyond a century.

They came back subsequently with more details as to their reason for the application. These were that (1) that their development at Kittimat on the coast of British Columbia would increase very greatly their need for fluorspar and for this reason they would have to double their production at St. Lawrence. And (2)—rather interesting it was—their source of cryolite in Greenland is diminishing rapidly and they see the end of their supply in sight; so therefore they have been developing a process whereby fluorspar can be fluxed with kaolin to make this cryolite which is used in aluminum manufacture. And so fluorspar is the principal source of this new process, that fact will increase very considerably the consumption of fluorspar.

For these two reasons they expect their production at St. Lawrence, not to be doubled, but actually to be

trebled and to run up to over one hundred thousand tons a year in the course of the next year, or two or three.

So, in view of these new facts, we felt we ought with the consent of the House, to give them the opportunity to find additional bodies of fluorspar. But as they were, in fact, interested in fluorspar, we went a step further. We were not too much interested in having Aluminum Company of Canada find potential resources prospecting here in Newfoundland merely for fluorspar. They said they were not interested in anything but fluorspar, we said "find someone to come in with you." I believe they got either the American Metal Co. or the New Jersey Zinc Company—the American Metal Company, I believe—to join with them in the prospecting; the idea being that the fluorspar found will be developed by ALCAN and any other base metal discovered (of which there is excellent indication in the area in question), would be developed by their associated prospecting Company.

And so we whittled it down to 500 square miles on the Burin Peninsula—and I speak from memory—I believe the 500 square miles given them is contiguous to their present holding—north of their present holding. North of that again is the area which will be the location of BRINCO; and to the south is the boundary of the area already ceded to NALCO who, I may say intend to put on this summer quite an intensive exploration programme.

We now believe, as a result of advice given us by technical people and by other authorities, that the Burin Peninsula gives great promise of turning out to be one of the most richly

mineralized areas in Newfoundland today.

Certainly with NALCO operating a number of teams at the southern part of the Peninsula; with the Aluminum Company of Canada through their subsidiary and with their associated American Metal Company operating in the next northern area and with BRINCO in the third and final portion northwards, there will be, this year, quite intensive exploration activity—indeed, the most intensive in the history of the Burin Peninsula. It is for Newfoundland an excellent thing to have so great a company as the Aluminum Company of Canada operating here and we look for much bigger things as a result of the programme of exploration they will carry out this year and in the next years to come.

I might say the House must not take seriously the minimum amount called for in this Bill by way of expenditure. When the Aluminum Company goes in for an exploratory effort, you can be quite confident it will cost more than the minimum \$15,000 to which they are bound in this present Bill. All these Companies seek strangely small minimum amounts, why, I frankly do not understand. But they do, invariably; I have not heard of an exception yet; they do ask for a minimum expenditure. But although they ask for what appears usually to me to be an absurdly low figure as the minimum expenditure, they almost invariably spend many times the amount they undertake to spend. And so I feel it will be in the case of the Aluminum Company of Canada and the American Metal Company, which is one of the greater mining concerns of the whole world.

MR. HOLLETT: I was born in Burin, Mr. Speaker, and I could not let this Bill pass without saying a few words.

For a paltry \$15,000 a year, the Government is giving all the mineral rights in 500 square miles to this Company, it works out at \$30.00 per square mile. You gave them the right to explore for all minerals not only on the Mainland but in the Island adjacent, from the settlement of Corbin on the North West, across the Peninsula towards Fortune Bay and then across to Baine Harbour. You are asking them to spend at least \$15,000. I ask you how far will \$15,000 go with regard to exploration for minerals in that large area—500 square miles? To my mind, you are tying up 500 square miles of an area which is highly mineralized. You have a Corporation of your own—NALCO—with apparently, reserves of money to expend, with all the brain and experience necessary to explore that area, and if they find mineral they would be able to profit there and the country would profit. I am not against the principle of the Bill. If you find all the minerals the Premier has pointed out, it will be a great thing. I think the Minister of Health will agree it is the finest country in the world down there; it is the finest Peninsula in Newfoundland and I am sure the whole House will agree that it produces some of the finest men of the world. With our wooden heads and our stupidity, we can take it. If the Government believes there is rich minerals on the bit of soil on which I was born and raised, I am agreeable. I am against some of the clauses which feel that the Government has cheapened the land by putting it down at \$30 per square mile.



This Company has been there thirty years. I do not know what exploration work they did; certainly there was nothing to prevent them from exploring it during those years. Now, they are afraid of NALCO and I am surprised to learn the Government is allowing them to put one over on NALCO, their economic arm. I believe in that 500 square miles there are plenty minerals to have netted a tidy sum to NALCO.

I am not against the principle of allowing the Company to explore. I do deplore the fact that they are only supposed to spend \$15,000, which is not enough to take sufficient grub into the heart of the Burin Peninsula for a picnic or a partridge shoot. It would not pay Mr. Leja who gets \$750 a month. You are cheapening the Burin Peninsula. I am surprised that the Honourable Minister of Health has not said a few words about that .

DR. ROWE: Mr. Speaker, I take it no one else wishes to speak to the Bill and I would like to reaffirm the statement made by the Honourable the Premier, that we are giving nothing in the world away, not one single thing. The Honourable Leader of the Opposition knows about the Crown Lands Mines and Quarries Act. It works this way: We give a concession on a large area for five years. After all we have to give them a concession. They are going to spend fifteen thousand dollars. At the end or before that time, if they have spent the minimum amount, they may then apply for a development mineral license and that area is reduced very considerably, in fact to a maximum of forty square miles if they wish to develop, and they may only hold that for five years and during that period they must perform certain obligations

in conjunction with the Newfoundland Mines and Quarries Act which involves actual work and rental as well for the land they hold which they must reduce down to a maximum of forty square miles, and at the end of the period either give the whole thing up or take out a mining license which they can only hold for two years again in accordance with the conditions of the Mines and Quarries Act, spend so much money, do so much work and pay rentals and in two years bring about production. If not they relinquish all title so that we give them nothing actually. They are not getting this land of the Burin Peninsula. I have very high regard, as the Honourable Leader of the Opposition has, for that peninsula, having lived there for some time, nor are they getting title to land on the Bonavista Peninsula nor on Labrador. We have followed the same formula adopted several years ago and continued ever since in our negotiations with some, I believe, twenty odd different companies.

I can only reiterate what I said at the beginning and what the Honourable Premier has said, that any mining company will not commit itself to a high minimum amount in any one year or period of years. The Iron Ore Company, I am speaking from memory now, would only agree to something like fifty thousand dollars and they spent two and a half million dollars in one year. Last year they spent two and a half million dollars in exploration and prospecting etc. They only committed themselves to fifty thousand dollars. That is all they were obligated to spend. Nobody expects the Aluminum Company of Canada to go in there and spend only seventy-five thousand dollars, my own guess would be a half million.

Nevertheless the policy is established all over Canada and all over the world that such companies only commit themselves to only a comparatively low expenditure but they have to spend much more than that. I move the second reading of this Bill.

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Flourspar Limited," read a second time, ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill, "An Act to Provide for Urban and Rural Planning."

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, I believe this Bill of which I move the second reading is a further step in that social legislation which in recent years has done perhaps a great deal to bring about the emancipation, if you like, of our people in as much as it has helped them to assume for themselves the responsibility which in the past were exercised, if at all, by the Provincial Government. In other words, this legislation proposed now is merely another step in trying to decentralize some of the Government functions and give the citizens in the outside areas more of the responsibility which is properly theirs but which in the past they have not been called upon to exercise. It is social legislation but not socialistic. The main principle of this Bill, Sir, is not as one might think at first to beautify areas, but rather to bring about an improvement in the services in public facilities in the utilization of these things which will possibly help to beautify, but in their primary sense will give our people a better place to live in and

better services in these places in which they live.

Some years ago Professor John Bland and Professor Spence-Sales were called upon to make a plan for the greater Corner Brook Area, but having done so they found no town planning legislation was in existence in our Province and they were rather amazed to find that, contrary to their experiences across the Mainland of Canada and in the United States and of course in England, no legislation was on our books at that time.

This primarily as a result of these inquiries is an answer to a community need, thus this Act is brought into the House. The Act itself is a summarized finding of Dr. Bland who drew from his own experience and his own knowledge in many of the Provinces across Canada in order to give us what he thought might best fit our people who at the present time are slowly emerging, as it were, from dependency upon the Provincial Government to taking on some responsibilities in their own local communities.

The main broad purpose of our legislation is to empower the Provincial Government to administer control generally throughout the Province to co-ordinate public works with a development of the Province as a whole, to control a sub-division of planned orderly development in areas outside the municipal limit of the city of St. John's and town councils in order that we might preserve some of the natural beauty of our country side bordering our highroads by any necessary regulatory measures. Secondly, and this is equally important, to enable local authorities to co-ordinate public purposes which bear upon town development according to an

overall plan covering the foreseeable period of time. Anyone familiar with our Province as most of us are, can readily call to mind many cases, practically all places within this Province where the town has grown up in a sort of higgly-piggly fashion without any rhyme or reason and certainly without paying any attention whatsoever to the ordinary amenities of a place. I think of Bonavista for instance, on a level piece of land with a population of from four to five thousand people, and yet one would be required to live in Bonavista at least a week in order to know all of the various streets running here and there throughout the town. I can pick out many instances within recent years which do not redound to the credit of the places and are certainly causing a headache to those entrusted with local authority there today. The same argument applies to Corner Brook West. Coming here to St. John's which through its long history merely grew spasmodically and even when it was rebuilt after the last fire, we find still in the central area of the city to go through certain streets is almost like a rabbit's burrow.

Now, the purpose of this Bill will be an orderly planning so that though it does not remedy that which is already done, it does take care of and provide for the future that proper attention will be paid to the proper outlay of the streets, the laying of water and sewerage and the open spaces necessary to provide health and recreation, in other words a regulated town something similar to the Housing plan of the Housing Corporation incorporated some years ago and carried out today in many places whether on the checker board plan or not.

Just how badly this planning is needed we can see if we look to the North West Section of St. John's. Although there is a great deal of merit in what has been happening in the other externs of St. John's within the very foreseeable future we are going to have a major difficulty to face there. It is all very well for people to put in private wells and septic tanks in individual houses, etc., so long as the number of people affected is very small, but as soon as you get a very large number of people doing that sort of thing you are confronted sooner or later with the major task of providing water and sewerage facilities.

Now, within recent years, of course, under the Housing Act of Canada several areas have come under review and there are two or three places which I can think of where in the foreseeable future in Newfoundland it is quite possible that planning will be done under some law which may even necessarily provide the survey and general outlay for water and sewerage. Houses in those areas have to be built to standards laid down by CMH and there will be a collaboration as it were between CMH and town councils of that area. In addition we must bear in mind, although emerging as it were out of the dim past which took little interest in local affairs so far as building was concerned, our progress has been rather rapid we have some forty areas with town councils which will all have included amongst their responsibilities the responsibility of seeing that housing conforms to certain standards laid out by themselves. This is all to the good and this Act does not take away from them any powers which they have under previous Acts but merely supplements and

makes possible a much wider planning of a much more general scale.

In the administration of this Act, Sir, we do not propose, although there are provisions here for a staff, at the moment nor for some time to come to place any staff. We do not know just what areas will require advice on planning. Provision is made that the move must come first of all from the local area concerned. Should there be a request from any particular area such as Stephenville for instance during the coming season we will ask them to prepare a plan or we will try to get for them a consultant engineer who will be of service to them. One of our own staff can be of considerable help in the matter of engineering facilities. We have in St. John's at the present time attached to the city council a man whose salary is provided in fact by the Government whose duty is to plan and I have no doubt, if there should be any great demands or requests then it will be necessary for us to look for a director for the primary purpose of seeing to development along these lines.

Further provisions make arrangements whereby three or four town councils could form a joint planning board very similar to what may happen in the Corner Brook area where four town councils are operating together in order that they may put in water and sewerage systems eventually.

Another important feature of the Bill and one which requires some attention as we go through in committee stage is the power given to the board whereby it may take any designated highroad and make sure that along that area nothing is done in order to detract from the beauty of the land but rather to make things better than they are at present.

Many of the details of the Bill can be taken up of course as we go into committee stage. There is a provision wherein plans have to be approved by the Minister or by the advisor appointed. This Bill comes under the Department of Municipal Affairs which is the common procedure across the Mainland of Canada.

One of the important provisions of the Bill is concerned with expropriation of land which will not depart from procedure already laid down for town councils and public works.

The Bill states that the Lieutenant Governor in Council may designate any highway or byway of natural beauty outside of any municipality to be protected against uncontrolled development. In other words this Bill does give to the Government authority to look after, for instance, the setting up of provincial parks, if they care to do so, not in the ordinary maintenance of parks but in the overall planning pattern. The advisory board may regulate development along such roads and in such areas and the subdivision of land is a rather important duty. Some five, six or seven months ago a town councillor told me of where the owner of a piece of land subdivided his land into five plots which he sold for housing, building purposes. When the purchasers of the lots applied to the town council they were refused permits because the buildings would be built in such a way as to create a first hand hazard and could not allow them to put in water and sewerage. With the provisions here of course that sort of thing will be prevented under the powers of this Act.

Mr. Speaker, I don't think I need add anything more to the general principle of this Bill and I move second reading.

**MR. SPEAKER:** Before I propose the motion I want to assure the Opposition that I have no intention of putting the question unless they are agreed. Members may, if they wish to speak to the motion may object and do so on the grounds the Bill is a lengthy one and not enough time has elapsed.

**MR. HOLLETT:** Mr. Speaker, we have just received this Bill this afternoon. I think there are some sixty odd sections and although whilst listening to the Honourable Minister I heard nothing in his speech to which we could object yet we would like to have a little time and opportunity to study the Bill, and, if I may, I should like to adjourn the debate until Monday.

**MR. SMALLWOOD:** There is no desire whatever to rush the Bill. I would suggest that the honourable gentleman not move the adjournment of the debate as there may be others who wish to speak today, if so, when they have all finished then the honourable gentleman could adjourn the debate.

**HON. DR. H. L. POTTLE** (Minister of Public Welfare): Mr. Speaker, I wish to support the motion before the House briefly but enthusiastically nonetheless. I take my cue from the fact that the Honourable Minister introducing the Bill referred to it as social legislation, and that he does so, I think, quite appropriately.

All of us who know something of the development of our trend of population or development of city life will know that there is a tendency for many people to escape the regulations of city life or of the life of a large town and to set up houses and occupy them and carry on their liv-

ing outside the fringe of the city. We don't have to go any farther than St. John's to know what has happened. In the course of our history here as you look around the nucleus of St. John's you will find a whole city ringed with areas where people for various reasons have escaped, as I say, the regulations of city life, and have set up their households out there without regulations or with a minimum of regulations. According as that happened certain things inexorably take place and one of these things is the fact that you have very soon on your hands problems, severe problems of housing, delinquency, sanitation and a whole battery, if you will, a whole line of social diseases.

Now, what this Bill attempts to do as the Minister has indicated is to break into the vicious circle somewhere. This legislation is preventative and it anticipates. Its purpose is to step into the line of cause and effect, if you like. It cannot go backwards nor undo very largely what has been done but it is timely as far as Newfoundland is concerned. The trend in Newfoundland is that our people are tending more and more to live in fewer and fewer places. Up to now we have been thinking of St. John's as the only city but there are other places in Newfoundland which have a continuously increasing population, one could name them right off, where many thousands of people are congregated, some of which have been named already by the Minister, so that the word urban today applies not merely to St. John's but more generally throughout Newfoundland than any of us could possibly have imagined. Those of us connected with the social welfare scene in Newfoundland will know that in these areas though small compared with the

world's population we have the most definite problem on our hands of trying to control, trying to regulate, trying to put order into the social life. We find more prisoners coming in from these people, more delinquency coming from these areas which have grown without social control. Now, just as some societies find conditions going down and down the hill because people copy from one another, it is not too optimistic a tribute to say in Newfoundland we copy good things. Those of us who knew St. John's not less than twenty years ago know that it was a city as far as buildings were concerned of unrelieved drabness. In this House attention has been drawn a number of times to the work which the St. John's Housing Corporation has done. Whilst it was criticized at the time it can nevertheless be seen as an excellent example of a good social scheme. People who are building today can afford to build and some probably are building who cannot afford to build are building individually better houses, better planned, they have more regard not merely for what it looks like on the outside but what it looks like on the inside. People are thinking more about these things on their own, things which this Bill envisages.

I recall a few months ago when I visited, among others, the new State of Israel. It is a small state as far as its geographical situation goes. But as far as its influence in the Middle East and in the world at large it exercises a great influence and will continue to do so out of all proportion to its size. Now, Israel is in the unique position of being able to start from scratch in planning its life. What is it doing? In new areas they have a developed planning as their

major concern. People are kept in certain areas in primitive communities until the place is ready for them, the town is ready for them. What is remarkable about this planning is that it is not merely a matter of getting people in houses with a roof over their heads but it is a matter of building towns where people and their children can live happily. I was most struck by the fact that the first thing thought about in these communities were community centres where families would play together and could have their recreation together. Around the community centre which was the first area carved out the apartments and individual houses took their place. Now, not every nation nor state nor province is in the unusually unique position as Israel. We have to start with people where they are. These people who have the job on their hands of building a completely new state can give an example in what state building can be like, and they are giving it in the way I have suggested.

Now, Sir, another feature of this Bill, amongst many which should appeal to us, is that the Government in this Bill gives us opportunity for the public to contribute both the time and talent to the planning which the Act envisages. That, I think, is a fine thing; for the Government not merely to take things into its own hands or to be so far ahead of the people that legislation becomes rather scraps of paper or theoretical—but there is a large place given here for voluntary help, through organization, through advisory boards, to band together to give their time as other boards in Newfoundland hitherto have given their time. In that way the Government will not keep very far in its leadership from the most intelligent

and forward looking views of the public in these important matters.

I will say, Sir, that this legislation whilst it may include some control and some prohibitions nevertheless in essence is not negative legislation, it is positive and forward looking. On that basis I will give it my full support.

**MR. HOLLETT:** Mr. Speaker, I move the adjournment of the debate.

Moved all remaining Orders of the Day stand deferred and the House at its rising stand adjourned until Monday at three of the clock.

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. J. R. SMALLWOOD** (Prime Minister): Mr. Speaker, I beg leave to table the Annual Report of the Board of Commissioners and Public Utilities for 1952.

#### Answers to Questions

**MR. SMALLWOOD:** Mr. Speaker, in connection with question No. 63 on the Order Paper of today:

(1) The story is this: When the Cement Mill was under construction at Humbermouth a couple of years or so ago, the machinery and equip-

ment for the mill came from Germany via Hamburg, on a number of ships. It did not all come on the one ship obviously. Indeed, it came, I believe, on some half dozen different ships. There was one time when certain machinery was very badly needed for the construction schedule of the Cement Mill if it was to be maintained. Precisely at that time, we found, or the managers of the machinery, found it to be quite impossible to find a ship to bring forward to Humbermouth several hundred tons, I think exactly nine hundred tons of machinery for the Cement Mill. In that situation I appealed to Crosbie and Company to look for a ship knowing that they had connections with ships and that they had agents in London, etc. They undertook to find a ship as quickly as possible to pick up that nine hundred tons of freight. They found a ship for the purpose, the Hilbur I, which had a freight capacity of two thousand tons. But the tonnage of machinery to be brought out at that time was nine hundred tons leaving eleven hundred tons freight capacity unfilled. We, of course, would have found the freight costs on that nine hundred tons exceedingly high because the nine hundred tons of machinery would obviously have to bear the full cost of chartering the ship for that voyage.

Crosbie and Company pointed out the fact to us and we asked them if they had any suggestions to make. Their suggestion was that they load her up for the balance of the capacity with cement which they would buy in Germany or Belgium or somewhere near the port of Hamburg. We agreed, so Crosbie and Company themselves purchased the cement to the extent of nine hundred and ninety tons and filled the ship with the cement along

with the machinery. Now, that is not an ideal way to ship cement because they fitted the cement in between the machinery, between the cases and the large pieces of steel and steel machinery etc. The result of that was to reduce by many many thousands of dollars the cost to the Government of freighting that machinery out from Hamburg.

MR. FOGWILL: How much?

MR. SMALLWOOD: I don't know, I can get the figures. I am speaking from memory and don't know.

MR. FOGWILL: Could you give an estimate?

MR. SMALLWOOD: I think it was something like twelve or fifteen thousand dollars saved on the cost of freighting the machinery.

Now, when the cement arrived, it arrived at Humbermouth, because the ship arrived at Humbermouth, and it was unloaded there. We asked Bowers if they would allow the cement to be stored in one of their warehouses. They agreed to do so and they stored them there. Quite a number of bags of cement were torn open on board the ship. It was their story, I supposed it was caused from the movement of the ship and the unloading at Humbermouth. At all events we asked the firm of William J. Lundrigan Limited at Corner Brook who are the biggest dealers on the West Coast in cement, and other building products, if they would take delivery of the cement and sell it for the Government. They agreed to do so and they sold the cement and paid the money over to the Treasury. On that transaction, there was a loss of, I am speaking from memory, two or three or four thousand dollars on the actual cement transaction, on the sale

of the cement. But that loss on the cement stacked against the saving on the freight of that machinery and resulted in a considerable saving on the Treasury of Newfoundland.

(2) Now the cost of that cement, I speak again from memory, ran, I think, to thirty-six or thirty-eight thousand dollars.

(3) The total cost of construction—\$1,788,658. The working capital advanced to date is: \$211,351.98 advanced to the 30/4/52 and from the 1/5/52 to 31/3/53 \$690,357. No, I beg the honourable gentleman's pardon that is not the cement plant. The honourable gentleman might keep these figures, but apply them instead to the Birch Plant. So far as the Cement Plant is concerned the figures have been tabled here not once but a number of times.

MR. HOLLETT: They are never the same, always different.

MR. SMALLWOOD: The honourable gentleman has to take them as they have been tabled. The figures just tabled now are those effecting the Newfoundland Hardwoods Limited.

Question No. 69. With regard to (3) \$150,000 at the Canadian Bank of Commerce and then by order in council it was increased to \$350,000. Then in November 1952 the Company paid off the three hundred and fifty thousand out of funds provided by the Government and a further revolving credit of \$150,000 was guaranteed at the same bank. Is that clear?

MR. FOGWILL: No not yet—it is clear as mud.

MR. SMALLWOOD: I can only give the explanation and cannot be



responsible for the honourable gentleman's ability to understand me. I can only give the facts.

Question No. 67—The answer is: None.

MR. FOGWILL: What is the actual position with regard to the oil hardening plant?

MR. SMALLWOOD: The \$25,000 was not in fact advanced.

MR. HOLLETT: But you had a special warrant?

MR. SMALLWOOD: Yes in case we needed it. We did not need it, therefore, it was not advanced.

MR. HOLLETT: Mr. Speaker, I notice the Honourable Minister answers question in what form he likes, but I have asked that answers be tabled from No. 63 to No. 69, and I see no reason why they should not be tabled that way. I, at least, would like to have them answered in such a way I could understand the reply. Very few of them have been answered it all. The Honourable Minister just touched on one or two.

MR. SMALLWOOD: I thought I had answered the questions addressed to me.

MR. SPEAKER: The honourable member asks that the answers be tabled.

MR. SMALLWOOD: Mr. Speaker, that is the way I choose to answer them.

MR. HOLLETT: Have you answered No. 63 (4)?

MR. SMALLWOOD: No, I have not, but will gladly do so. It is a claim in full of part of a claim made by Benno Schilde in the con-

struction of the Gypsum Plant the building and provision and installation of machinery arising out of greatly increased costs to them flowing from greatly increased labour rates of pay brought into effect as a result of some labour disturbance or stoppage or strike or threat of strike—I forget the exact details—and the increased cost of materials, both of which costs increased after the agreement had been made with them and during the actual course of construction. They claimed an amount of about double the figure shown here, and we settled for \$150,000. In fact that is payment in full but is about one half of the additional expenses to which the contractors were put as a result of a considerable increase in the rates of pay for construction workers, an increase also in the cost of steel and other materials that arose after the job had been begun. It was a payment made in equity.

MR. HOLLETT: And No. 64?

MR. SPEAKER: If honourable members would wait until the Chair calls the questions. I was about to call No. 64.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): I hope it will be satisfactory to the honourable member if instead of tabling the agreements we table typed copies of them. These are presently being typed and I will be able to present them tomorrow. In the meantime, I beg leave to table the reply to the balance of the question.

MR. SPEAKER: Question No. 65.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I hope to have the answers to No. 65 and No. 66 tomorrow. Meanwhile I would like to table answers to question No. 60 subsection (3):

60 (3)—

- (i) Liquor: 64,702 bottles. Wine: 18,340 bottles. Beer: 732,8843 bottles.
- (ii) \$400,000.
- (iii) \$318,462.44.
- (iv) \$26,325.50.

MR. SPEAKER: Question No. 68.

HON. S. J. HEFFERTON (Minister of Supply: Mr. Speaker, I have no copy to table, but the only money that has been paid up and the only community council receiving money so far is a grant of \$3,000 to the "Lawn" council formed under that Act. There are three or four others in process of negotiation but no payments have been made apart from the one I have mentioned.

MR. SPEAKER: Question No. 70—in course of preparation.

Any further answers to questions?

MR. HOLLETT: Mr. Speaker, may I refer back to Question No. 63 (5)? I don't know if that has been answered.

MR. SMALLWOOD: That is an amount of \$8,000 that was lent to the Tanneries at Carbonear for the purpose of enabling them to defray the expenses of some of their key workers, eight German workers whom they wished to bring to Newfoundland to work in the tannery. These men would not come unless they could bring their families. They had no money, none at all, no dollars and so, as it was vital that they should have the key men and could not have them unless they could bring their families, the Government very gladly lent the company this eight thousand dollars to pay the cost of bringing these families to Carbonear from Germany. The people of Carbonear and town

council and businessmen and citizens generally, very gladly, and I may say very efficiently, canvassed the town to locate accommodations and houses and the owners of the houses set most reasonable rentals and when the families arrived in Carbonear a committee of ladies of the town met them, and cared for the ladies who arrived and their children and got them stored away. They also invited them to their homes and from that day to this made them very welcome in Carbonear and enabled them to fit into the community and social life of the town. This \$8,000 is a loan made for that purpose.

#### Notice of Motions

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I give notice that I will on to-morrow ask leave to introduce a Bill entitled, "An Act with Respect to the Grading of Live Stock and Meats."

MR. FOGWILL: Mr. Speaker, before you go off questions, I would like to make reference to No. 39 (6) in relation to the amount of duty paid to the Federal Government in respect of the importation of liquor.

MR. SMALLWOOD: That question is being examined. I would not say it is being prepared, but the question itself is being examined. It may be one that the Government does not feel like answering.

MR. FOGWILL: Mr. Speaker, is a public question in respect of taxation on a commodity brought in the Island.

MR. SMALLWOOD: It is a Government policy to give the Honourable the public the figures on which to determine the amount of duty made on liquor.

MR. FOGWILL: I would like to point out that the question was not directed in respect of the amount of profit but the rate of taxation.

MR. SPEAKER: Any further answers to questions?

I would like to inform the House that 3:15 of the clock today I waited upon His Honour the Lieutenant Governor and His Honour was pleased to accept the Address in Reply to the Speech from the Throne.

### Orders of the Day

Third reading of Bill, "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

Ordered passed and title be as on the Order Paper.

Third reading of Bill, "An Act to Amend the Community Councils Act, 1952." Ordered passed and title be as on the Order Paper.

Third reading of Bill, "An Act Further to Amend the Accident Companies (Licensing) Act, 1949." Ordered passed and title be as on the Order Paper.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I move we now go into Committee of the Whole on Bills, Nos. 5 to 9 inclusive.

Committee of the Whole on various Bills:

"An Act Further to Amend the St. John's Shop Act, 1952."

MR. HOLLETT: On Section No. 2 there, I have been wondering and I have had a good many people see me about it as to whether the Gov-

ernment would consider the Saturday half holiday for this coming year only in the summer time, that is during the, what we used to call the "John Anderson's Time" in the old days, during the period from the first Sunday in May to the first of October, then go back to the Wednesday half holiday during the winter months. I think if the Government would think about that they would find some merit. Mind you it is immaterial to most of us, but I bring the matter up because the point has been raised with me by several people. They would like to have the holiday on Saturday but are afraid of what the winter months might put them in for. I thought the Government might at least consider giving them the half holiday during that particular period of Newfoundland Summer Time, and then go back to the Wednesday half holiday during the winter months. I raise that point in order that the Government might think it over. We are not against the principle of the Bill, remember, in any way.

MR. CURTIS: In reply, Mr. Chairman, to my learned friend, though speaking now on the principle of the Bill, nevertheless, the Government will take it into consideration, meantime have the Act go through as it is.

With reference to Empire Day, I think, we might strike out the words immediately following in brackets (The Monday immediately preceding May 25th).

MR. CASHIN: In other words leave it as it is?

MR. CURTIS: Leave it on the 24th. We fix it by proclamation anyway.

MR. CASHIN: Mr. Chairman, mind you I am in favour of the prin-

principle of the Bill, but a lot of people have been talking to me and they feel that May 24th is a traditional day. If we carry out this Bill here now it would wipe out the 24th of May. But from what the Honourable Minister says, May 24th will still continue as a holiday?

MR. CURTIS: Yes, Mr. Chairman, both the honourable and gallant gentleman and I learned that: "The 24th of May is the Queen's Birthday, if we don't get a holiday we will all run away." We would like to pass that on to our children and our children's children. So we cross out that whole item and cover it year by year by a general whole holiday.

I wonder why the date for Christmas day?

MR. HOLLETT: For fear the Government might alter it.

MR. CURTIS: I think that ought to be stricken out.

MR. HOLLETT: I want to raise a point if I may: I have been informed and I guess most of the members of the Government know of it too. There is a habit amongst certain shopkeepers of setting up a fruit and candy store and using it as a cover to sell almost anything. I raise the point, because I think it is something that is detrimental to the whole spirit of the Act, and one which I think the Government will have to take note of, or somebody will have to take note of by way of prosecuting people who deliberately, under cover it is true, violate this Act. Legitimate grocers for instance close their stores whilst just across the street there is a store which can sell everything that the grocer sells but under cover of fruit or candy. I raise the

point so that the Government may take notice.

MR. SMALLWOOD: Well, Mr. Chairman, surely the honourable gentleman would not suggest that the Government put policemen in all those shops to watch every individual sale—there are not enough policemen. If, after certain hours, a shop is supposed to sell only certain things and occasionally sells something else, how on earth is that going to be checked or prevented—how?

MR. HOLLETT: Do you keep no check?

MR. SMALLWOOD: I honestly don't know. The Attorney General does as the police come under him. But I can't see for a moment how in literally hundreds of shops in the city of St. John's any effectual check can be made. The people who are first to cause such violations are the public. Some man or woman at eleven o'clock in the night may find they have not some article for breakfast and he or she has forgotten, and goes to the back door of some shop and asks for some sugar or a quarter of a pound of tea. Well if the public does that and the shopkeeper breaks the law, but he is under pressure to break it because of the public. In addition to putting a policeman in every shop I think it would be necessary to put one in every house. I understand they do things like that in Russia and in Hitler's Germany and Fascist Italy and behind the Iron Curtain today but we don't intend to go watching citizens or individual shops along the line.

MR. HOLLETT: That is a little information—The Government is not going to engage in Iron Curtain Policy. I would point out they do

license all shopkeepers. So there must be some means whereby the watchdog of the Government can decide whether or not the regulations under the license are being properly carried out. Of what they do in Russia or behind the Iron Curtain of course I have very little knowledge, and cannot speak with any authority at all. But I do suspect the Government in Russia has almost the same sort of problem we have here in Newfoundland with regard to shops, the only thing is they may not have as much goods in the stores perhaps. I raised the point because it has been raised with me by a good many shopkeepers.

MR. CURTIS: Mr. Chairman, in reply to the honourable gentleman, the Department of the Attorney General investigates any cases reported to it, but obviously does not send men to do nothing else but to see that these regulations are observed. Cases drawn to our attention are always investigated.

MR. FOGWILL: Mr. Chairman, in respect to Friday—8.30 a.m. to 3:30 p.m., that means the shops on Vater Street, or as the case may be, will be open on Friday nights. Now, that is a question which I believe the employees of the stores on the main streets of the city are concerned with, and I think it is their desire when sitting out the Saturday night that they would also be relieved from working on Friday nights. I would suggest to the Committee that we cut it out and have the hours on Friday from 8:30 a.m. to 6:00 p.m.

MR. SMALLWOOD: I have a certain amount of sympathy for that proposal. I am wondering if that is really necessary. I will say that my colleagues have not been consulted on this matter. I would, therefore, not

make any motion without consultation with and the agreement of my colleagues. As I stop to think about it, I ask myself, is it really necessary to open the shops on Friday nights because there is a half holiday on Saturday? I think someone could make a case for the workers. Perhaps there was a good reason for it in the past, and perhaps there is not now. Perhaps the Committee would be agreeable to pass this matter over and give me a chance to consult my colleagues. We might let that suggestion stand.

MR. FOGWILL: If the Premier wishes, yes.

MR. CURTIS: Mr. Chairman, before we raise the Committee, I would ask to revert to section No. 3. I move that we strike out number 3 and put in number 4 and put in a new section number 3 which shall read: "This Act shall come into force on a date to be fixed by proclamation."

Amendment carried.

MR. CURTIS: I move, Mr. Chairman, the Committee report progress and ask leave to sit again.

"An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Passed without amendment.

"An Act to Amend the Western Memorial Hospital Corporation Act, 1947."

Passed without amendment.

"An Act Further to Amend the Crown Lands (Mines and Quarries) Act, 1951."

MR. HOLLETT: Mr. Chairman, I wonder if the Minister could explain this section dealing with re-

newals applied for—does that 25 days work mean for corporations as well as persons? Can a person simply by doing twenty-five days work, eight hours a day, get a renewal of a lease?

DR. ROWE: As I understand it, Mr. Chairman, it includes corporations.

MR. HOLLETT: I take it, Mr. Chairman, that a huge corporation such as BRINCO does twenty-five days' work, eight hours a day, they can get the license renewed. That is the idea, is it?

DR. ROWE: Most companies, Mr. Chairman, have special agreements.

MR. HOLLETT: As it reads there any large corporation can send one man into an area of forty acres where there is a mine or a prospective mine, for twenty-five days and hold their license.

DR. ROWE: I would point out, Mr. Chairman, that amount of work adds up very considerably twenty-five days' work, eight man hours each on every forty acres as usually companies would have several square miles included in the development license, and the amount of work done annually would be very considerable. In any case at the end of a five year period they would have to apply for a mining license or give up the whole thing. That has been standard for some time. That is not a new insertion, that is not an amendment, that clause is rewritten with a few words added in order to clarify the situation. That is in the original Act which I have in front of me, Section 63. That has been in force for some years and this Act merely brings it in here because the paragraph is rewritten to clarify the situ-

ation, and to remove some ambiguity that was there.

MR. FOGWILL: I would like to ask the Honourable Minister how does the department compute the man hours worked, at what rate?

MR. CURTIS: That is defined—eight man hours—

MR. FOGWILL: Yes, but the value of the hours? Is it \$1.00, \$2.00, 70¢ or 60¢, what is the computation of man hours?

MR. CURTIS: A man hour is an hour.

DR. ROWE: I don't recall that anywhere in the Act is it stipulated what an employer must pay personnel he engages to work.

MR. FOGWILL: Fifty cents an hour? The Government, I think, has set a minimum rate for the Island at 50¢ an hour—is the man hour worked stated at the minimum rate of 50¢ an hour?

DR. ROWE: I am quite sure it is not. I am quite sure the rates being paid by various corporations and individuals in various parts of the Province would vary quite considerably. I am quite sure, for instance, a company having to take people into the heart of Labrador would probably pay a higher rate than if they worked a mile or two from a town.

MR. FOGWILL: What I am getting at is, on work outlined as exploration, the aggregate or sum total of the work performed be accepted as what, for a man?

DR. ROWE: I am afraid I could not answer that question at this particular time. This is a clause which has been in force some years and the companies operated on those co-

ditions—what the rate is I just don't know. I am sure there would not be any flat rate in any case, there would be different rates.

MR. FOGWILL: The reason, Mr. Chairman, that I raised the point is that the minimum rate for the Island is 50¢ an hour. The Government cannot accept less than that, that would be \$4.00 a day otherwise the department would be breaking their own rule.

DR. ROWE: The work for this year is only in the course of preparation and usually starts in the month of May. Certainly, of course, in our computations in the future we will have to reject anything showing less than 50¢ an hour as the Law of the Land says the minimum is 50¢ an hour.

MR. FOGWILL: In that case the Government undertakes to guarantee the committee and the Opposition the aggregate won't be less than the minimum set out in the Minimum Wage Act—we can take that as an undertaking by the Minister?

DR. ROWE: I must repeat, I don't see how our department could accept any returns from any corporation if it showed the rate of wages paid as less than the minimum paid by the Government. In actual practice I don't think there is any corporation in Newfoundland paying the minimum. In order to get people they have to offer much more than that. I know what we in the department have to offer in order to get people for the summer, works out I am sure at more than fifty cents an hour.

MR. HOLLETT: It was pointed out this particular company on the Aurin Peninsula is not interested in

any other mineral except fluorspar, but all minerals in that area are reserved.

MR. SMALLWOOD: May I—This is all very much out of order, Mr. Chairman, but if your Honour will overlook it, with the unanimous consent of the Committee I ought to make this explanation: When I spoke here on Wednesday on that matter, I stated that we had refused to give them the grant except on conditions that they would have associated with them another company who would be concerned with those minerals with which Amco themselves were not concerned. So that all minerals would be covered, Fluorspar by Amco and all others by the Company that would be associated with them. Now that is correct, but what I had forgotten is this, when we whittled them down to five hundred square miles from the twenty-five hundred they sought, that idea was dropped, the idea of insisting that they should have another company associated with them. A new idea was introduced that they get the rights only to look for fluorspar and have no rights on any other minerals on that five hundred square miles.

MR. HOLLETT: Thank you, Mr. Chairman. I have no desire to become out of order on this, but just quoted that point of order to point out that under this amendment here any corporation for a mere one hundred dollars can have a renewal license. I referred to that particular corporation because forty acres of fluorspar is considerable acreage and by merely spending twenty-five eight hour days at 50c. an hour, they can hold that forty acres indefinitely—That is the reason I raised that point.

DR. ROWE: I must assure the honourable gentleman that is a mat-

ter of an agreement, that forty acres is not a part of this amendment at all. This is just a clause that is rewritten. But I would like to point out that a Government mineral license expires at the end of five years, that is an exploration license which provides they spend so much money each year.

MR. HOLLETT: One hundred dollars.

Carried. Bill passed without amendment.

Committee of the Whole on Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited."

MR. HOLLETT: I wonder if the Government would consent to having it made a straight line there instead of "in a general North Westerly Direction."

MR. SMALLWOOD: A straight line would seem proper to me. I am not a lawyer and if the committee would allow that to stand I would consult a lawyer, namely, the Attorney General, as there may be a little legal technicality there.

MR. FOGWILL: Mr. Chairman, in respect to clause 4, the minimum of fifteen thousand dollars seems to be very low. After all that is only enough to employ seven men, and does not take into account camp equipment, food and so forth—I think the minimum amount, Mr. Chairman, is insufficient. It should be at least double. How can any company take upon themselves to explore an area of five hundred square miles in a period of five years at a minimum of fifteen thousand dollars a year? It seems to be rather impos-

sible. I think that should be at least doubled, and they should spend a minimum of thirty thousand dollars a year. It also sets out that any amount in excess of fifteen thousand a year should be credited to the next year. That should be increased because it does not allow for the employment of any help whatsoever, it would hardly cover the cost of a fishing trip.

MR. SMALLWOOD: Mr. Chairman, the last sentence of the honourable gentleman is perfectly correct. Fifteen thousand dollars is practically nothing. But the fact is that they will spend three if not four times as much as that this year and the year after and every year, forty-five or fifty thousand dollars at least. My own belief is that it will run over this year to a hundred and possibly two hundred and possibly three hundred thousand dollars a year as it must the moment they begin drilling and trenching. Now the way to look at this is: here is a big company who have almost unlimited sums of money at their disposal, the Aluminum Company of Canada, the world's biggest producer of aluminum, even bigger than Alcan, the aluminum company of America, presently building a five hundred million dollars aluminum development on the West Coast, British Columbia—It is a very big and very wealthy company in dire need of additional supplies of fluorspar. Now, surely these hard facts are more important than the amount that they agree to as the minimum of their expenditure. The fact is they are putting on an aggressive, energetic and expensive campaign. Why they and all mining companies insist that the amount they are bound to by legislation shall be set at a low figure is something that I frankly do not un-



derstand, but it is universal. We have not met one mining company yet that did not express exactly the same feeling no matter what they spent. Falconbridge for example in their agreement we made with them, in a hard driven agreement, undertook to spend fifty thousand dollars a year in the three years the third of which ends at the end of 1953. That would be one hundred and fifty thousand dollars for three years. They spent last year, 1952, over six hundred thousand dollars and they have spent over one million dollars in the two years, and they have 1953 to go, so that it is a conservative estimate to say that they will have spent one and a half millions in the three years. But they bound themselves in their agreement to spend one hundred and fifty thousand in the three years. Now, similarly, this much bigger company, big as Falconbridge are, and they are one of the principal companies of the Ventures Limited Group of Companies, very big, very rich, but as big as they are, they are only a pigmy beside Alcan. So if Falconbridge are bound in their agreement to spend one hundred and fifty thousand dollars and spend one and a half million, I suggest that notwithstanding this clause Alcan, though bound to spend seventy-five thousand, will spend in fact ten, fifteen or twenty times as much as that. Why they insist on a minimum of fifteen thousand I confess frankly I don't know, but I have no doubt in my mind they will spend very much more than that.

**MR. HOLLETT:** Mr. Chairman, in view of what the honourable the Premier has said, that it is his opinion that the company are going to spend several times that amount I do not see what the objection is to in-

creasing the amount of fifteen thousand dollars.

**MR. SMALLWOOD:** I don't either.

**MR. HOLLETT:** We are not dealing with ALCAN at all, but with Newfoundland Fluorspar.

**MR. SMALLWOOD:** A wholly owned subsidiary.

**MR. HOLLETT:** But they have not shown up ALCAN to any advantage here in Newfoundland. But we are making the agreement with Newfoundland Fluorspar. There is another point, we are allowing the Newfoundland Government to tie up various blocks of fluorspar and other minerals for the paltry amount of fifteen thousand dollars for forty acres. As long as it is so cheap we might as well send Mr. Planta or Dr. Valdmanis for a holiday up there and spend the fifteen thousand dollars. I agree with my honourable colleague, fifteen thousand dollars is too small. The Honourable the Premier, will, in two or three years, look at that agreement as he looks at the Icelandic Agreement.

**MR. FOGWILL:** Although I am rather inclined to accept the Premier's explanation in respect to the minimum amount, nevertheless, he did make reference to ALCAN a great aluminum company, nevertheless if these people are interested to that extent that they now need the minerals which are supposed to be in the ground in this particular area on the Burin Peninsula because the aluminum company on the West Coast of Canada will be going into production in the next one or two years.—This Agreement allows exploration for five years. I think it should be pushed forward and we should require these people to spend more money in this

period, and the minimum should be stepped up, the minimum is too small. I think they should be required to spend more. After all fifteen thousand dollars a year would not sustain four men in the field for one year, and what exploration can four men do? It should be stepped up if they want to bring along this project in line with the proposals outlined by the Premier. We should force these people to go ahead and spend more money and put more men in the field. I suggest: that amount instead of fifteen thousand dollars should be thirty thousand dollars and the total should be three hundred thousand instead of one hundred and fifty thousand.

MR. SMALLWOOD: We would accept the motion if we felt sincerely it was needed. But if we were to double it now and put it at thirty thousand dollars it would still be too little. I think they ought to spend twice that amount this year and the moment they run into any mineralization of which they can determine the strength only by drilling, then they would have to spend real money. But for reconnaissance surveys this year they will probably send two or three parties into the field, each one headed by a good geologist. They will make a general reconnaissance of the whole area, which reconnaissance may turn up some mineralization showing on the surface. If it does not, it will at least do this: Give them the basic rate from which they can draw a new geological map, the study of which over the coming winter months should probably suggest to them places calling for active drilling. The drilling then might commence next year. So that if we did not feel that this wholly owned subsidiary of ALCAN were seriously

looking for fluorspar we would not have given them anything at all.

In fact our first reaction was not to give them anything, until they came forward with the explanation that they would soon be under the dire necessity to double and treble their production at St. Lawrence, which they can not do for any great length of time out of their present reserves. Now it may be argued that instead of giving this five hundred square miles to ALCAN or their subsidiary it would be better to have four or five companies in there. But would it? Supposing four or five companies went in on that five hundred square miles and the five companies began to explore and were lucky enough, each of them, to find a deposit of fluorspar, and the five companies began to operate mining fluorspar—would not that be better than just one company, namely ALCAN? The answer is, probably not—For this reason it would be far better for Newfoundland to have a large mining company with sufficient reserves to enable them to spend enough money of a capital nature to put in a large operation that would last for many years, than it would be to have five times as many companies operating and taking the mineral out of the earth in five, eight or ten years. It would be far better to have one big company operating for a long time as we could plan our economy better and further into the future of Newfoundland.

If we were not confident that this company will spend many times as much as the minimum they have set we would not agree and we would not bring this legislation before the House. Let the committee remember that we owe ALCAN nothing, this House owes them nothing except fair

play, common decency, we owe them that but nothing special, and it is only because they are a Newfoundland company.

They have been operating in Newfoundland for the last ten or fifteen years, and as far as we know have acted decently and have paid standard union wages. Now they tell us they want to double or treble their mining and milling operations at St. Lawrence, and we say, all right, have the five hundred square miles and we are satisfied they undertake to spend a minimum of fifteen thousand dollars a year which we submit is only trifling, but they will spend far more than that. So we have made the arrangements with them and this is the legislation to confirm it. That is not being stupid but is facing what we think the facts are.

MR. HOLLETT: It is a private company, how are the Government to know?

MR. SMALLWOOD: They all report to us these companies.

MR. HOLLETT: Auditors' statements?

MR. SMALLWOOD: Yes, some we have the right to send our own auditors and cross check.

MR. HOLLETT: Can the honourable gentleman tell us how much aluminum was produced by this company last year? I would like to have it. Not the aluminum, the fluorspar?

MR. SMALLWOOD: Not this year they have not produced their output.

MR. HOLLETT: Mr. Chairman, is this the only money that is to come into the Province or the Government from this particular company—supposing they should find plenty of minerals there?

MR. SMALLWOOD: We take five per cent of their profits.

MR. FOGWILL: That comes directly into our Provincial Treasury?

DR. ROWE: May I explain a point here—they are speaking here of the development license before they can take any minerals out they must apply for the mining license which is again issued under the Mines and Quarries Act.

MR. HOLLETT: Only five per cent of the profits?

MR. SMALLWOOD: That is all we are allowed to get under the tax rental agreement. Five per cent is uniform right across Canada.

MR. FOGWILL: Directly into the Provincial Treasury?

MR. SMALLWOOD: Deductible as an expense.

MR. HOLLETT: That is only a tax, I was referring to something other than the tax, by special agreement?

MR. SMALLWOOD: That is done in NALCO.

MR. SMALLWOOD: I move that clause 10 be allowed to stand.

MR. HOLLETT: I take it it is not the intention of the Government to give an outright grant to any area?

MR. SMALLWOOD: We give no fee simple grants except to churches, schools and farmers.

MR. FOGWILL: On the question of town sites. Companies have been granted areas for town sites in the past twenty-five or thirty years, and and it has perhaps happened that free enterprise has not been allowed or has been curtailed from going into

such town sites by rule of the company concerned. If a town site is to be granted this company it should be in such a way that ordinary citizens would be allowed to go into such town sites whether it is a closed town or not. That should be clarified.

MR. HOLLETT: That is why I raised the matter of grants. I think they have a grant in Grand Falls for the whole area and can even lease you a piece of land to have a house built on the land for a term of ninety-nine years—they have the outright grant as far as I can gather.

MR. FOGWILL: Mr. Chairman, I suggest that the word "townsite" should be clarified to define and come under the new Act now before the Legislature, the Rural Area Act. It could come under that Act, under Government control and people would not be disallowed to go in there.

MR. SMALLWOOD: Incidentally, this is freehold. This clause deals with that. The actual mill and the mill town must have freehold grants. The question is, does freehold carry with it the right to make a closed town?

MR. FOGWILL: We have two now.

MR. SMALLWOOD: Yes, two too many. We might let that clause stand and we can take it up again at the next sitting or subsequently.

Clause 13 read:

13. "If the Company shall be desirous at any time of acquiring private lands or any rights thereover for telegraphs, telephones, electric power transmission lines, railways, tramways, or roads or other sites for mills, works, factories—warehouses, townsites, whar-

ves, piers, docks or other shipping facilities for the purposes of the efficient construction, maintenance or operation of any mining undertaking of the Company under this agreement or for any other purposes incidental thereto, it shall be lawful for the Company, with the prior assent of the Government, which assent shall not be unreasonably withheld, to enter upon and assume possession of and appropriate any lands belonging to any person or corporation or any rights thereover that may be required for the purpose aforesaid or any of them and the compensation to be paid by the Company to the owner for and in respect of such lands or rights or the damage or injury sustained by the owner through the exercise by the Company of its rights under this clause shall, unless settled by private agreement, be determined by arbitration in the manner hereinafter provided."

MR. FOGWILL: That is the joker.

Clause 13, 14 and 15 carried.

MR. HOLLETT: Before you go on, Mr. Chairman, that seems to be a very important clause—simply by failing to submit their accounts they are liable to lose their whole rights there, according to this section.

MR. CURTIS: Mr. Chairman, it will have to be willful neglect. I don't think it is particularly harsh at all. It is one way in which the department of Mines and Resources can keep track, the only real way apart from actual inspection is by means of the accounts they have to submit. None of the big corporations is likely to accidentally forget an account like that. If they did forget, there is an opportunity to correct the omission.

**DR. POTTLE:** Under the provisions of clause 17.

**MR. HOLLETT:** Another point strikes me is that it is a very simple way for the company to get out of the business altogether, simply by not submitting the account.

**MR. SMALLWOOD:** I have heard of no way, Mr. Chairman, where any Government nor anybody else can compel a second party to prevent the second party from breaking an agreement. There is a penalty clause of course. If they are going in there to look for fluorspar and at the end of the year when they have spent \$15,000 they decide this thing is hopeless, who is to prevent them from giving it up?

**MR. HOLLETT:** That is an escape clause—that is why it is there, is it?

Carried.

**MR. HOLLETT:** With reference to Clause 17, in view of what the Premier said a half hour ago, in connection with fluorspar, I wonder if we could have clarification of this particular clause. I understand from what the Premier has said that these people only need the fluorspar and have no rights to any other minerals. But it looks to me that somebody will have to do something about explaining that particular clause. What I want to know is: Has this company the right to look for and develop minerals other than fluorspar or have they not?

**MR. SMALLWOOD:** It is a good question, and it has driven me back to the Act here to see just what minerals are included in their rights. I had a letter today from the company drawing my attention to my re-

marks in the House here yesterday or when we spoke on that matter, I think it was on Friday—they drew to my attention the fact that they were looking only for fluorspar and they have been exempt by the Government of the necessity of having another company associated with them to deal with other minerals. But indeed they have gotten the rights supposed to be given to two companies. They now have those rights in this Act for one company. I think, if they had not written me today reminding me of these facts, it might have gone through, but I don't see how we can pass this now.

**MR. CHAIRMAN:** Is it the wish of the Committee the clause should stand?

**DR. ROWE:** Mr. Chairman, there is nothing in the first part, as pointed out by the Honourable Premier, nothing to specifically state fluorspar. It is a full mining lease and according to the terms of the Mines and Quarries Act if any minerals are found there they must necessarily develop or they lose their rights, all and any minerals of any kind.

**MR. SMALLWOOD:** Mr. Chairman, I move the committee rise, report progress, and we will bring their representatives here and make any necessary changes—it is now over a year since negotiations began.

**MR. CHAIRMAN:** Mr. Speaker, the Committee of the Whole have considered the matters referred to them and have:

Passed the Bill, "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949." Passed without amendments.

Passed the Bill, "An Act to Amend

the Western Memorial Hospital Corporation Act, 1947." Passed without amendment.

Bills ordered read a third time on tomorrow.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and on the Bill, "An Act Further to Amend the St. John's Shops Act, 1942." And "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited." The Committee of the Whole have made some progress and asks leave to sit again.

Ordered sit again on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move that all remaining Orders of the Day do stand deferred, and the House do adjourn until tomorrow.

The House then adjourned accordingly.

—

TUESDAY, April 14, 1953.

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

MR. BUTTON: To a point of privilege, Sir: On behalf of the residents of Hants Harbour, who went adrift whilst seal hunting, I wish to offer my sincere appreciation and thanks to the Honourable the Premier for his speedy action, when he received the news that nine men were adrift, and arranging to have an aircraft sent out to locate these men and having the Icebreaker "Sorell" made ready for the rescue if necessary. Thanks to God, Sir, these men arrived

safely at Head Cove and Old Perlican which eliminated the boat from going. I feel confident, Sir, that the people concerned will never forget the Premier for his efforts in arranging for their safety. I also, Sir, wish to thank the honourable member for Harbour Main-Bell Island whom the Premier placed in charge of the necessary arrangements.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

None.

#### Notice of Questions

(71) MR. HOLLETT: To ask the Honourable the Minister of Public Welfare to lay on the Table of the House the following information:

1. Give the cost of Able-bodied Relief at the various posts on Labrador for the fiscal years—1949-1950; 1950-1951; 1951-1952; 1952-1953.

(a) Kaipokok Bay—(b) Frenchman's Island—(c) all other posts.

2. Give the total cost of supplies issued by Government or on Government instructions to William Gillett during the years 1950-51; 1951-52; 1952-53.

3. What amount, if any, is still owing to Government on account of any such issues?

(72) To ask the Honourable the Minister of Mines and Resources to lay on the Table of the House the following information:

1. What amount of money was spent during the fiscal years 1950-1951; 1951-1952; 1952-1953, in connection with the Blueberry Industry?

2. Give the names of all Inspectors and other Personnel in the employ of the Government during these years in connection with the Blueberry Industry and the amount paid to each individual.

3. What is the total acreage burnt over, under the supervision of the Department since the beginning of the Burning Programme.

4. What was the export value of all blueberries for the 1952 Season?

#### Answers to Questions

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I have the answer to Question No. 60 and will table it here:

60. 1 and 2. The Honourable Minister is, in effect, requesting a report of the Outturn of Revenue and Expenditure for 1952-53. This information will be contained in the forthcoming Budget Speech and it is considered that it would not be proper to table it at this time.

60 (3) Liquor: 64,702 btls. Wine: 18,340 btls. Beer: 732,843 btls.

(ii) \$400,000.

(iii) \$318,462.44.

(iv) \$26,325.50.

#### Orders of the Day

Third Readings:

A Bill, "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949." Bill read a third time, ordered passed and title be as on the Order Paper.

"An Act to Amend the Western Memorial Hospital Corporation Act, 1947." Bill read a third time, ordered passed and title be as on the Order Paper.

"An Act Further to Amend the Crown Lands (Mines and Quarries) Act, 1951." Ordered passed and title be as on the Order Paper.

Committee of the Whole, on Bill, "An Act to Amend the St. John's Shop's Act, 1942."

MR. SPEAKER: Leave was given yesterday that this Committee sit again today.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Chairman, I am glad to be able to say that my colleagues and I, in a meeting of the Cabinet this morning, decided to recommend to the House, to the Committee, elimination of the Friday night work in connection with the St. John's Shop Act. We gave the matter some considerable consideration and can see no reason why that night work should be necessary, in view of the fact that generally all across Canada that kind of work does not exist except, of course, during the busy Christmas shopping season. We intend also to recommend that exception to the general rule should apply also here in Newfoundland as well. That is to say, we do not suggest that the night opening of shops come to an end in the Christmas Season, but that it should proceed as usual for the Christmas Shopping Season.

Now, I ought to add further, that our thought is that the coming into force of this Act be by proclamation for this new feature of the Act as well as other features, because it is just a little difficult to determine at the moment when or what would be

the most suitable time for the coming into force of this Act. It has been suggested to us for example that the churches most, or all of whom hold garden parties throughout the summer and who endeavour normally to do so on a half holiday, usually make their arrangements in advance at least to the extent of picking on the month or even the day for the holding of the garden parties. In all probability at this moment some churches throughout the Province have fixed on their month and even date for this year's garden parties. For which reason we feel that the practical way to meet the situation is to have this Act come into effect upon proclamation of the Lieutenant Governor in Council. That, obviously, would give the Cabinet some little time during which to consider the matter and determine upon the most suitable time for the coming into effect of the Act and to advise His Honour accordingly so that His Honour's proclamation might be issued. Perhaps it might be practicable to have the Act come into force in its different parts on different dates, perhaps on the other hand it might be more practicable to have all of these changes come into effect on the same date. I cannot express any opinion on that matter, because frankly, I have not gotten any opinion. But this will give the Cabinet more time during which to consider these things. Present meetings of the Cabinet are devoted almost entirely to consideration of the estimates and the Budget and we find we don't have as much time as we should like to have at this stage for consideration of matters other than the estimates and similar financial affairs. But that situation will end very soon now, whereupon we will be able to give a normal

amount of attention to the normal affairs of Government and then this matter as to when this Act should come into force will receive its proper share of consideration and when the Cabinet thereby will be in the position of knowing what it wishes to recommend to His Honour the Lieutenant Governor, so that the proclamation might be issued in connection with this Bill.

MR. FOGWILL: Mr. Chairman, in reference to the remarks of the Premier in connection with Friday night closing. Am I to understand that Thursday night closing would be in effect also—that is the next clause of the schedule.

HON. L. R. CURTIS (Attorney General): I have the amendments, if my honourable friend would like to wait.

MR. FOGWILL: If the Committee will bear with me for a moment, I would like to make one or two remarks with respect to the Saturday half holiday. It appears it will be the recognized half holiday in St. John's and I would suggest that the Committee would consider—in fact, I am of the opinion that the Saturday half holiday should be recognized right through the whole year with the exception of the Christmas Season, and should not be effected in any way by a whole holiday coming in any other part of the week, but should be a regular feature only with the exception of where a holiday comes on Saturday, when the day would be a whole holiday. I think the half holiday on Saturday should be a regular feature and should not be interfered with in any way. I don't think people should have to work on Saturday afternoon if a holi-



day should come in the earlier part of the week.

There is one other point in respect of the closing of shops not being on Water Street. I think every member understands and knows there are quite a lot of business establishments, or quite a few large size grocery stores, super-markets, drygoods stores in other parts of the town away from Water Street. I believe these too should have the same closing hours. I think it is now 6:30 in most of them and when there is night work it is 10:00 p.m. That is to be changed, I understand, but the closing hour of these shops, I think, should coincide with Water Street due to the fact that quite a large number of business establishments are now off Water Street selling groceries, etc. I would suggest that to the Committee, Mr. Chairman.

MR. CURTIS: I think, Mr. Chairman, we might perhaps turn to the schedule first, it has not been passed. I would move, Mr. Chairman, on page 5 of the Bill, Items 3 and 4 be deleted: That is Item 3 which says, every Friday not being a half holiday, shops open from 8:30 to 9:30—that to be stricken out and the reference to Thursday when Friday is a whole holiday should be stricken out. Item then will be renumbered 3 and item 7 renumbered 4 and so on.

On the next page, Mr. Chairman, the same amendments should be made. I would move these changes.

MR. HOLLETT: Mr. Chairman, before you put the motion, I would like that the Government seem to be making the amendment but in making the amendment it reminds me of something I said yesterday with regard to what I shall not call—boot-

legging in goods—since yesterday several people have made it their business to see me in connection with this, and I dare say some members of the Government, with regard to the fact that considerable amount of bootlegging is going on in regards to merchandise in the so-called fruit stores. I can see now with the night work cut out that tendency is likely to increase and consequently the legitimate grocers who actually close their stores and endeavour to carry out the Law, if they are not protected by some means of enforcing this Act will be driven out of business by those who deliberately or otherwise sell groceries when grocery stores are supposed to be closed. I just mention that again, Sir, I can see it is a serious problem. I know it is difficult for the Crown to get after these, but until you do that you will have as you have had in the past, bootlegging of groceries, and that, to my mind, is very serious and eventually if something is not done about it, you will have all the grocers having little fruit stores attached to their grocery store and dishing out goods through that fruit or confectionery store in order to survive. I raise that point again in order to draw it to the attention of the authorities.

MR. SMALLWOOD: Mr. Chairman, whatever we might be disposed to do in that matter in another session of the House remains to be seen. But we do not feel disposed to make any changes in the position as it stands in the Act at the present time.

Now, we can all have opinions, and doubtlessly we all have opinions on the matter, private and personal. A strong case can doubtlessly be made for what my honourable friend, the Leader of the Opposition has present-

ed in the point of the legitimate grocer against the competition of the small shop owners. On the other hand, I think that a strong case can likewise be made in behalf of the small shops, they too must live, they too deserve to make a living and there is many a widow in St. John's today who runs a small shop on the scale that used to be known as a "Bulls Eye" store—small modernized "Bulls Eye Shops," selling a little fruit, a bit of candy, soft drinks and small odds and ends of that type, and making a living. There must be scores of them in St. John's today. I would feel doubtful in my own mind as to the wisdom of going after these little shops. I feel somehow that the legitimate grocers will survive, thousands of them who are off Water Street. Of the survival and prosperity of those on Water Street I have no doubt whatsoever, and that the large mercantile firms on Water Street will survive and prosper and the medium size ones off Water Street will survive and prosper. I think we might spare a little of our sympathy for the scores of tiny shops around the back streets whose owners are not very high up in the capitalistic scale—very modest, very small little business people—I think this Committee and this Chamber could find bigger things to do and more profitable to Newfoundland as a whole than to make any effort to go after these little people, the least of all our business community in Newfoundland today, the very littlest of them today, tiny, little business people, scores of them—I think we can find bigger things to do for Newfoundland as for example; economic development, as for example; consideration of our over-all financial position as we will do shortly in the estimates and the

Budget, as for example; this titanic problem of education, this gigantic problem of public health, of public welfare. Let us not waste the time of this Chamber worrying about the few scores of tiny, little people with their tiny little shops, let us feel a little reassured in our minds that the so-called legitimate grocers and the bigger fellows on Water Street will somehow as in the past, manage to survive and even to make a dollar, and let us spare the little people, let us spare them, let us stop talking about them, stop worrying about them, let them make their living, without breaking the law I hope and I believe, let us drop the matter.

MR. HOLLETT: Mr. Speaker, I think I took about a minute to state my case, whereas the Honourable the Premier has taken five—but I am wasting the time of the House—he took about five minutes to do that. So that I am five to one up on him. I raised the point that there is bootlegging going on, just as much as bootlegging in liquor or booze, in the grocery business. The Premier condoning that bootlegging. He gets up on his feet in this House and states—let us leave them do it—let the little people make their living let them break the law, we won't bother at all—in so many words that is exactly what the Premier said, other words bringing in a law as egg on the offenders who are breaking the Shop Act. Mr. Chairman, I cannot see eye to eye with the Premier on that, but I am making the charge that he is introducing an amendment to this Act, and he has stated here in this House he and the Government are prepared to wink at all breaches of the Act by little shopkeepers. If he is prepared to do that, I don't know what he calls the li

shop keepers, I am not talking about the shop keepers on Water Street—but I do deplore the fact that the Honourable the Premier has seen fit to tolerate and wink at breaches of the Shop Act any more than a breach of any other Act. I am surprised that the Honourable the Premier would do that. If he wishes to make cheap politics out of the mere fact that I say this should not be permitted to go on he is at liberty. I am not making politics and don't wish to make any, but I do say—

MR. CHAIRMAN: The honourable member is getting on dangerous ground. It could be termed as offensive.

MR. HOLLETT: All right, if it be offensive, Mr. Chairman, I will not pursue the matter. But I do say I brought up the matter on account of various complaints made to me, and probably to other members of the Government, that certain stores—as a matter of fact, instances have been quoted to me—have had to close up their businesses altogether on account of illegitimate competition by certain shop keepers who sold groceries and other things at hours when the shop was supposed to be closed. Further than that, I do not want to go. I just brought it to the attention of the Government, but if they see it to wink at such law breakers they may do so.

MR. SMALLWOOD: I hope the committee noticed I did not say—let them do it—when speaking of these little people. I did not say a word about letting them do it, but let them alone. There is all the difference in the world—stop worrying about them, there is only a few scores of them and they are very little people. I think there is gross exaggeration about the

extent to which they offend against the law.

MR. HOLLETT: That is an opinion?

MR. SMALLWOOD: Yes, it is an opinion based upon some knowledge too—a gross exaggeration to the extent to which they offend against the law. The Honourable the Attorney General said here yesterday on this very matter that his department takes action and will continue to take action against any people who offend against this Act—that is enough. Now, the Attorney General did not say he was going to put a policeman in every one of these little shops, still less in the home of every citizen who might conceivably go out at 10:00 o'clock in the night and try to get a quarter of a pound of tea—the number of loaves of bread and the number of quarter pounds of tea purchased in these tiny little shops will not be such a volume as to endanger the prosperity of these hundreds of larger and I hope profitable shops—it is grossly exaggerated, the thing is out of all proportions.

Schedule carried.

MR. CURTIS: Mr. Chairman, if we might refer back to Items 3 and 4: Yesterday, I suggested to the Committee that we might renumber 3 and 4 and put in a new clause 3. I think now perhaps I was wrong and the new section we are to put in about the Act coming into force by proclamation might well be section 4 of the Act, and section 3 might stay just as it is, section 4 to follow it immediately. Under the new arrangement it would look better from a drafting point of view—It is just a little change of the wording. The Premier this afternoon suggested, and wisely so,

that it may not be perhaps advisable to bring the whole Act into force on some special date. Probably all of it could come into force on the one date, but it might be wise to defer one or two of the sections—So that I ask to have the new section 4 amended to read as follows: "This Act shall come into force on the date to be fixed by proclamation" and after the word "proclamation" I would like to add the words—"Of the Lieutenant-Governor in Council."

Secondly, to meet the point raised by the honourable the Premier, I ask that instead of saying: this Act shall come into force, we would make the clause read—"This Act or any section thereof"—That is in the new section 4—This Act or any section thereof shall come into force—That will enable the Government to bring in this Act piecemeal.

Amendments carried.

MR. CURTIS: Now, Mr. Chairman, just to make it uniform—before the word "schedule" we might write in the word "schedule" so that this will be the schedule of the Act—The first word of the schedule to the Act will be the word "Schedule,"

Carried.

Bill passed with some amendments.

Committee rose.

MR. COURAGE: The Committee of the Whole have considered the matter to them referred and have passed the Bill with some amendments.

Bill ordered read a third time on tomorrow.

Second reading of Bill, "An Act to Provide for Urban and Rural Planning."

MR. SPEAKER: Debate on this motion was adjourned by the Honourable Leader of the Opposition.

MR. HOLLETT: Mr. Speaker, we have no great objections; none whatsoever to the principle of this Bill. But as I read the Bill and gave it some little study, to me it looks a very complicated document a mix-up of authority. So far as I can see it is going to be a mix-up between all the Ministers concerned, the Municipal Councils and Town Councils, and there is going to be a crossing of the duties and obligations of the various authorities named herein, and there is a considerable number. For instance, in the first place, the Act sets up an advisory board which consists of a director and three representatives of the various departments and then authorized administrators of those councils or boards of assessors, joint planning authority and finally it gets back to the Minister, and it has various other authorities as well. The more I look through it, the more I see there is going to be a great amount of complications. For instance in section 5: The Advisory Board shall do so and so—provide control in accordance with this Act over areas situated outside the City of St. John's and outside municipalities held and administered by the St. John's Municipal Council. In other words, this Advisory Board controls the activity of the St. John's Municipal Council in areas held or administered by that council.

Then the Minister has the right to define the areas to be comprised in the administration of the plan, and all probability that is the correct thing to do, but how far would it go in conflicting with the various town council acts which have been passed in this House? Now, there are various other things which can be drawn

to the attention of the Government in Committee, sir, and it is not worth my while to waste the time of the House at the moment on them. But I do believe this Act is going to complicate matters between the various town councils and the council of St. John's and the Advisory Board and various councils set up by this—I have nothing against the principle of the Bill, generally.

MR. JANES: Mr. Speaker, I am not sufficiently conversant with the various pieces of legislation which have been passed by this House in previous governments with regard to local governments as to feel the way the Honourable Leader of the Opposition feels about placing authority upon authority. That might be so—I am not prepared to say, if so we will probably hear more about it in committee.

I have been, sir, for a long time, of the opinion that there is some need for some authority, some board in Newfoundland which has power to do something about regulating some of the things which are going on in our communities throughout Newfoundland. Apart from the areas of the towns where we have town councils we have hundreds of communities in Newfoundland, where no authority at all exists except for the local Road Board. The chief function of the Local Road Board is to call all the old age pensioners and call them out once a year to repair the roads on a fifty-fifty basis. Now that is their biggest function. I would like to think otherwise, but the truth is that we make a big splurge once a year to get the old age pensioners and call them out to try and get the roads repaired on a fifty-fifty basis. Probably there is no other way to get it done, I don't know, if not, we have a lot

of citizens in these communities not accepting their responsibilities. But we are getting on now towards community welfare. I looked in the Act this afternoon for one of the authorities at least some power with regard to administering the areas which are not in municipalities, which are not incorporated in community councils, and which are not designated as a sort of natural beauty area. I think, sir, we have more spots of natural beauty than we have municipalities, we have more spots of natural beauty than we have need for municipalities. It is probably not going to do much good to encourage too many municipalities in Newfoundland. Anybody who has given this problem any thought knows that it is most desirable, if at all possible, our people should congregate in much larger communities than today if they ever hope to get services and amenities for which they ask this Government to provide. For that reason I would like to see in the Act one of the authorities having discretionary powers with regard to areas not only in spots of natural beauty but where we have good harbours, where we have areas, where there is at the moment probably nobody at all living. For the future, if there is any future at all in the fishing industry, communities might be established and good town sites might be formed and some islands which are becoming deserted areas might have those people move there. There is nothing in this Act giving any one of the authorities discretionary powers to deal with that.

Now, sir, with regard to designating areas of natural beauty in Newfoundland where there are far more areas of natural beauty than we have municipalities. There are a few which I can think of, for instance, an area

like Gander Bay in Fogo District, which is one of the finest beauty spots in the whole of Newfoundland, and another one near Dildo. We have living in Gander Bay scattered around, roughly ten thousand people from Main Point right around to Victoria Cove. Anyone who gets off at Glenwood and takes a canoe down the Gander River a few hours' run would find one of the finest beauty spots in all of Newfoundland.

**MR. HOLLETT:** Are the Opposition allowed down in that area?

**MR. JANES:** No. I am talking to this side of the House, I hope to get more of these holiday makers from this side than over there. I think an area like Gander Bay could be designated as an area of great natural beauty and have something done by this authority about it, and not have the area cluttered up with shacks and that sort of thing. I will again, sir, remind the Honourable Minister there is nothing in the Act which gives the Board discretionary powers to go into an area except where a Municipality is already in operation or community council or which is going to be designated as an area of natural beauty. I think there are other areas which have an equal value, these areas where we have fine harbours which possibly in the future might be developed as great fishing centres. I think there should be something in that Act, sir, to give one of these authorities discretionary powers to go in there and protect that area so that when the time comes that they would ever be settled they won't have to undo something which the Minister finds there as they have to undo things in other communities in Newfoundland.

**MR. SMALLWOOD:** Mr. Speaker, this Bill is one of the most important

pieces of legislation ever brought before this House. Furthermore, this legislation is a direct and necessary outcome of our modern Newfoundland revolution through which the Province is now passing. Three or four years ago such an Act as this would have been unthinkable, it would not even have occurred to anyone's mind that there should be legislation of this kind. The latest figures of the last census of Canada which included this Province revealed a very remarkable shift in population. There are areas in Newfoundland whose population has fallen steadily but there are other areas whose population has increased spectacularly, and I may add uncomfortably because the increase has been so great in so short a time as to create a most embarrassing situation with regard to the ordinary amenities of civilized living. I will give you as an example of what I mean the fast growing town of Stephenville on the West Coast of Newfoundland, a town which today must be at least ten times as populous as it was a mere five year ago. Unfortunately, in that particular town no legislation existed enabling any kind of regularity or uniformity of building, of sanitation, of water and sewerage, or any other of the ordinary things of a civilized community to be brought into existence. Indeed until very recently nothing was done about it, until the formation of the new town council.

If you go today to my district you will find no fewer than three places where very large numbers of people have recently come from other parts of the district, and indeed other parts of the Province; Glovertown and Trout town are today together a very large community peopled almost entirely by families that moved in there from some of the islands of Bonavista P

Now I can remember when the outer Gooseberry Islands were populated by people who lived there all the year around, that is quite a while ago. Now, the outer Gooseberry Islands lie out in the open Atlantic Ocean at the far off mouth of Bonavista Bay, and indeed the ordinary coastal steamer steering its course along in Bonavista Bay is out of sight of that outer Gooseberry Island, as the Island is to the crew and passengers of the boat.

I have seen the Outer Gooseberry Island only once or twice in my life in all the time I have travelled from that bay, so far off does it lie. Well, years ago the people left that Island and came in to live in Glovertown and Traytown. When I ran for election to the National Convention in one part of my present district, Bonavista Centre, the Inner Gooseberry Island which is many miles further in from the north of the Bay, although still a long distance out from the head of the Bay was populated by a number of families, fifteen or seventeen or twenty families, though that was a very small number compared with what it had been some years before. When I went back to that same bay for election to this House of Assembly here was one family left on that Island. Today there is not even one family because that family has removed to another part altogether of Bonavista Bay, I believe Musgravetown, Bloomfield in Goose Arm of Bonavista Bay. So that Glovertown and Traytown have grown quite rapidly as a result of people moving in there from the Islands in Bonavista Bay. The result is that you have now at Glovertown and Traytown a major town here in Newfoundland.

I can give you another example in Gambo, Middle Cove and Dark Cove, three places lying snugly together on

the main line of the railway. The population (I was born at Gambo), my father was born there and some uncles and an aunt of mine were born at Gambo at a time when no one lived there (that is the generation before me) except them and a few others who worked in and around the large saw mill operated in Gambo by my grandfather. Today Gambo, Middle Brook and Dark Cove have a population between them of five hundred voters which means probably between fifteen hundred and two thousand people every one of whom moved in there from the islands of Bonavista Bay.

Now, we have still another example in that same bay, further out on the north side of the bay which is populated today by people who moved themselves there from the islands of Bonavista Bay. Now you have a new movement on foot; people on Pinchard's Island have ambitions to remove from Pinchard's Island to Pool's Island as soon as Pool's Island is connected with the mainland at Badger's Quay by a causeway which the Government proposes to build. Then I hope Pinchard's Island will become mainly a vacant island, because it is lacking in all of the basic possibilities for modern living. They have to go across the tickle from the island at Newtown and bring their drinking water back in the form of frozen ice which they then melt when they get back to Pinchard's Island. Pool's Island on the other hand is a fairly sizable place, a few hundred feet only, removed from Badger's Quay and once the causeway is built they will be virtually on the mainland of Newfoundland, and they can build with the people who are already on Pool's Island and the people at Badger's Quay and at Valleyfield, a fine large community

of people who can, being of the same religious denomination, occupied at the same trade, would be people with a community of interests. I might mention in passing another very remarkable shift in population in Newfoundland, at Freshwater and indeed Dunville, both of them places represented in this House by the Honourable Minister of Finance. It is quite a remarkable thing the way that Freshwater and Dunville, especially Freshwater, has grown in the past three or four years. I understand that at Freshwater there is an average of a hundred new families a year moving in there.

**MR. POWER:** It has grown from twenty families to fourteen hundred people in a matter of ten years.

**MR. SMALLWOOD:** Here has grown up a few miles from St. John's an entirely new town with a population of fourteen hundred people. On the mainland of Canada a place of fourteen hundred people would by the laws of most provinces be, I believe, called a town.

Lewisporte in the district of Grand Falls is another very remarkable example. Lewisporte today has become one of the largest towns in Newfoundland among I suppose a dozen large places in this Province which have grown and have been populated by families who have moved there from smaller places around Notre Dame Bay and especially around Green Bay. Another outstanding example is the town of Springdale in Green Bay, whose population has grown and continues to grow because of the fact that large numbers of people in smaller and more isolated and more remote coves have removed themselves into Springdale. As a result have built what has become one of the finest

and one of the most modern towns in all Newfoundland. I could give many examples around this island of the shift in population from one part of the Province to another, causing thereby a small and in some cases, a very major fall in the populations of one part and a very large increase in the population of another.

Now, this great shift in population has been going on—It is a fine thing, a very encouraging thing, it is the thing for which we have wished in Newfoundland for many years past, wished to such an extent that I have heard public men advocating seriously that the Government should spend many millions of dollars to pay the cost of moving people from these islands and these remote and isolated coves into centres of larger population, where, because of the fact that they had commodious harbours, ample land on the foreshore and much decent, level land on which to build homes, good soil in which to have gardens, some timber and plenty of fresh water, become practicable and feasible for a town to develop. Without spending those millions we find in fact for other reasons and for good reasons people have and are moving in from the small places to larger producing places, a tremendous shift which is a magnificent thing. On the other hand, it is a movement which creates new and distant problems for the Government, and for, I may say also, the religious denominations, because the places they left had churches had schools, and the places to which they go, although they too have schools and churches, have not got churches and schools big enough to accommodate the sudden influx of new population. An example of that is Stephenville. At Stephenville today, I believe, there is dire need for a ne



school with possibly ten or fifteen classrooms, so rapidly has its population grown.

Now, what has all that got to do with this Bill? Again and again throughout Newfoundland, I think one who has travelled much in the Province knows that in hundreds of places there has been quite literally no control over building, no control over streets no control over sanitation, no control over any kind of centralized drinking water, in short no control. Now in the Newfoundland of thirty, forty, fifty years ago, that may not have been very serious, but in Newfoundland of today it is most serious, it is gravely serious. The honourable member for Fogo said here in this House earlier in the present session; that you were not going to get teachers to come from small places to St. John's, enter the University for a year or perhaps two years, get good training, become accustomed to the kind of life that may be lived here in the city of St. John's, and be willing to go back to small one-roomed schools. Now, that raises a real problem in Newfoundland, and I hear it said today by a former Commissioner for Education, that in his belief if you were to double the salaries paid to teachers in Newfoundland today, you would still have a grave problem to get teachers to go out in the tiny little places of Newfoundland and occupy the one-roomed schools. The whole trend in Newfoundland is away from tiny places to larger ones. Now that trend of course existed in other parts of North America and in other parts of the world long ago, but it is a relatively new one in Newfoundland. But it is a trend that was inevitable once there was a world war followed by a second world war, and the sweeping fundamental changes in the

very thoughts of people, that was inevitable, and it has overtaken us and we are in the midst of it now. It is a great movement of people away from the smaller places into the larger.

Now, Mr. Speaker, let us suppose here this afternoon that the Fisheries Development Committee to which my honourable friend referred with great wisdom, when it submits its report, copies of which will be tabled here in this Chamber, should recommend a programme of approximately this order, namely, that the Government of Canada and the Government of Newfoundland should join and be joined perhaps by a group of fishermen and a group of merchants or individual merchants in an effort to build a number of entirely new fishing communities, especially, but not necessarily on the north east coast of Newfoundland. Suppose that is recommended, which would be a very logical thing indeed. I, for one, will be greatly surprised if the report fails to make a recommendation of that kind. Now when I say entirely new communities I do not necessarily mean places that have today no people. But new in the sense that new types of fishing processing are introduced there, new in the sense that new types of boats, engines, and gear are introduced there, new in the sense that from relatively small places they are invited and assisted to become large flourishing fishing communities—in that sense of the word new fishing communities. Let us assume that is the case. What will be the first need of such places? This very Bill that is before the House today. That is the first thing they will need. What will we do? Will we emulate in these new fishing communities, places where the community is laid out without regulations,

places without electricity, are we going to have these communities be replicas of Corner Brook West where for the lack of a little ordinary precaution they grew up higgly-piggly, with people building houses wherever they liked except in the middle of the street, facing any point of the compass, digging wells where they liked, sticking up out-door lavatories wherever they liked, every man his own boss, every man building regardless of the interest of his neighbour in the community. Are we going to have them grow up that way, these new fish communities? New industries as they grow will inevitably exhilarate this shift of population. Surely it is necessary to have legislation enabling someone in authority to control building, to control the layout of communities, to control in the matter of sanitation and public health. That is the purpose of this legislation. I am very proud of it. I am proud that this Government, that it fell to our lot to bring it in. I am proud that the rapid development of Newfoundland has made this kind of legislation so necessary in Newfoundland today.

Now, I will be frank with the House, and say that I have not studied all the details of the Bill. I will say that quite frankly. I will listen in Committee of the Whole to these clauses with a great deal of interest, but I speak today on the principle of the Bill. It is a solid principle, a sound one, a necessary one, and I hope it gets the unanimous support of the House.

MR. FOGWILL: Mr. Speaker, in rising to support this Bill, I would like to say that it is possible that no other place in the world except in this country has there been the lack of town planning that we have evidenced here. It has been a tradition

with the Newfoundland people all through the years with the exception of perhaps five or six districts, the people lived by the water, built their houses by the water, followed the water line on the mainland, and also on the islands on which they lived and from which they earned their living.

This legislation, I think, is needed, not because of the fact that the Honourable the Premier pointed out—he pointed out so many points in respect to this Bill—but I think it is something that every member here can see for himself. I, too, would like to make some remarks in respect of the words of the Honourable Minister for Public Welfare when he said on the debate on this Bill a couple of days ago, when he intimated at that time there were many people who had left the city or the town as we may call it, and built outside to escape the city regulations. I don't think they did that, but they did leave the city to escape from slum conditions in the main instance and went out into the open and built for themselves to be clear of the closeness of conditions of their neighbourhood, have more space for their children to play and more freedom.

Mr. Speaker, I think the whole crux of this Bill depends upon clause 9 which relates to any council who may make application to the Board as set up under this legislation. Also in clause No. 9 the Board itself has very wide power which I do not quite understand—but it appears they have quite a lot of power in respect of the setting out of areas where perhaps no town councils nor rural councils may exist, in setting the area out in a way which would be of benefit to those that would come and live there in respect of streets, sanitation, lighting

and so on. Perhaps that might be a good idea because if honourable members remember many years ago, when the great mid-western states of the United States became open for immigration the general plan there was to set out all the great prairie lands in blocks of what they called homesteads composed, I think, of somewhere around 180 acres each. Such homesteads had to be joined by roads and if they were divided in half or sections, as the case may be, before they went there to live a plan was established for them. This Bill, Mr. Speaker, may lay out something for the people of Newfoundland whereby before they go in to an area and attempt to develop an area for themselves—if there is a town or community council something may be done to assist them so that they would get away from the haphazard building which has been so evident on the outskirts of many of our towns and in small towns throughout the Island, like in Corner Brook West. Corner Brook today is a closed town, streets and roads are laid out and the sanitation is provided for people before they move in there, but other citizens came along afterwards and went across the river with the result that the buildings over there are in a condition well known to everybody, especially to the honourable member for the Humber District. I think the same thing applies to Grand Falls, which is a closed town having another town adjacent to it, Windsor. I think Windsor has a town council at the present time. I have been myself a visitor there on many occasions, and have noted the difference between the haphazard building and road work in Windsor in comparison to Grand Falls. I think the same thing also applies to Buchans which is a closed

town. That is a matter to which I would like to refer; the giving control of areas to companies who come in here to establish an industry. Where they have an idea in mind of building a town or an area in which their employees are to live unless there is Government control over such an area, they naturally would have to ask for the control over that area for themselves.

St. John's, Sir, is in the same category as the other towns mentioned. We have large areas outside, built upon or squatted upon by people who were, I think, hampered by paying high rents, living in bad conditions, with no place for their children to play, and so they moved out. The conditions in which they now live although they probably are better than in the places which they left, are no doubt not all they should be, sanitation in many cases is lacking, and the road work in these places is not what the people should have.

Mr. Speaker, I support this Bill. I think it will go a long way towards helping these people who want to be helped in the laying out of plans in any suitable location in which they think they could live. I would not go as far as my honourable friend from Fogo when he said; I would like to see more and stronger clauses embodied in this legislation whereby people should be forced to do these things—I don't think the Government can move any faster than the people themselves. Any legislation here, Mr. Speaker, if it is to be a success, must stem from the people, encouragement must be given to the people by the Government, but it must come from the people in the communities and towns asking for assistance, because if they are not encouraged to do this everything envisaged in this Bill, the

whole idea embodied in the Bill will become inoperable unless the ideas and the needs and the requirements of the people are exercised by the people themselves. From the community or town councils must come the ideas and the expressed wish for assistance to carry out the provisions of this Act, thank you.

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, I want to refer to one or two misconceptions of this Bill and to answer in part one or two criticisms—I mean criticisms in a nice way, that were numerated here.

First of all the Honourable Leader of the Opposition has pointed out that it appears from first looking at the Act that there may be some complications, some competition as it were, amongst the various authorities controlling certain sections of the administration. In answer to that, I may say there is one Act in force at the present time, I believe the Local Authority Act, and one of the questions we had to decide in bringing in this legislation now before the House was whether or not it overlapped legislation which we already have. There are a few instances in which there is some overlapping. A few days ago I said that it would take some time for the implementation of this Act to come about. For the time being anyhow, it is not always possible to set up the necessary personnel called for under the Act. We cannot very well repeal existing legislation until this legislation can in effect operate. When that is done, then I think it will be quite possible we may be able to rescind certain sections of this present legislation.

The honourable member for Fogo referred to certain omissions in the legislation. Now, I was careful to

point out when I moved second reading that, first of all, town councils were a measure of slow growth that is rapidly expanding. Because of this, our councillors have not the experience and for the time being, these powers should be more or less retained under the Minister of Municipal Affairs and Supply. Just as soon as these councils are able to take unto themselves wider responsibility then, as far as I am concerned, we shall be happy indeed to give them these wider powers. That accounts in large measure for certain sections of the Act which empowers the Minister to do certain things.

Now, the biggest misconception is the idea that the Act as given here would allow us to take care of planning in any and every area in Newfoundland. In fact all this Act does is to make provisions whereby planning may be carried out once a request is made from some incorporated area whether it be a town council or a community council. It also makes provisions for the Minister himself to designate certain areas in order that conditions may be kept as far as possible free from bad usage.

Now, it may be possible when we go into Committee stage that we may want to implement certain sections of the Act in order to give to some designated authority the power to deal with areas in the Province which are not covered in this Act as presently stated.

Mr. Speaker, I move second reading of this Bill.

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

First reading of Bill, "An Act Further to Amend Chapter 127 of the Con-

solidated Statutes (Third Series) entitled 'Of Companies.'

Ordered read a second time on tomorrow.

First reading of Bill, "An Act Further to Amend the St. John's Municipal Act, 1921 and for other Purposes."

Ordered read a second time on tomorrow.

First reading of Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco Limited."

Ordered read a second time on tomorrow.

First reading of Bill, "An Act to Incorporate the Association of Newfoundland Surveyors and for other Purposes in Connection Therewith."

Ordered read a second time on tomorrow.

First reading of Bill, "An Act Further to Amend the Workmen's Compensation Act, 1950."

Ordered read a second time on tomorrow.

First reading of Bill, "An Act Respecting the Grading of Livestock and Meats."

Ordered read a second time on tomorrow.

MR. CURTIS: Mr. Speaker, a few days ago we passed a Bill entitled, "Of Registration of Deeds and Other Documents." It has come to the knowledge of the Government that another amendment would be desirable to that same Act. Of course we can bring in a new Act but the result would be to have two Acts in the same session dealing with the same

subject matter, and that always leads to confusion. I was wondering, therefore, if the House would consent to having the third reading of this Bill rescinded and the Bill recommitted?

MR. FOGWILL: Mr. Speaker, on page 145 of the Procedure on Bills, paragraph 6 it states: "A Bill when passed and given Royal Assent becomes an Act and then may be amended in the same session. But a Bill passed and not given Royal Assent cannot be amended in the same session."

Now, Mr. Speaker, I do not want to hamper the business of the Government at all in any way, but we should have some understanding of the meaning of that because we establish a precedent on the recommitting of a Bill after it has been read a third time, which is not in accordance with proper procedure. It will be wrong. We should have a decision on this now.

MR. SPEAKER: The words read by the honourable member are to the effect that if a Bill has been read a third time and passed and has received Royal Assent it may be amended by another Bill—it can only be amended by another Bill. The next sentence deals with a Bill which has been read a third time and passed and may be amended in the same session. It does not follow that the third reading could not be rescinded. A Bill cannot be amended, of course, in third reading. It is on the decision of the House that the third reading be rescinded.

MR. FOGWILL: Thank you, Mr. Speaker. But in the last paragraph—when a Bill comes up for third reading it may be referred back to committee of the whole for amendment,

but cannot be amended when the question has been put that the Bill do pass. So it seems to me, it cannot go back into committee now.

MR. SPEAKER: The same situation is referred to on page 45—the third reading would have to be rescinded.

MR. FOGWILL: Mr. Speaker, I do not want to hamper the business of the Government, as I have already said, but, if we bring this Bill back into committee stage to make any amendments nominal or otherwise, a precedent would be established here in this House. I am of the opinion, Mr. Speaker, that this Bill cannot be recommitted according to the procedure laid down on pages 45, 46 and 47. If the Government wishes to have an amendment made to this Bill, in my opinion, Sir they would have to have the Bill assented to and bring the amendment in this session.

MR. SPEAKER: The whole point is that the Bill cannot be recommitted unless this third reading is rescinded. That could be done by the consent of the House. Would the honourable member like me to quote from "May"?

MR. FOGWILL: Yes, Sir.

MR. SPEAKER: "Every question when agreed to assumes the form either of an order or resolution of the House. The House may at some later date wish to undo what it had done on that particular date and there are three ways by which the House may vary its previously expressed opinion, directive or proceeding—one instance is the discharge of an order, the repeal of a standing order." Now, in this instance there is no order to discharge, it can hardly be classed as a resolution to be rescinded, it could

hardly be classed as something to be classed null and void.

It says here; if the status quo can be restored merely by discharging an order there would be no question of annulling and voiding the previous order.

The power of recession cannot be exercised merely to override a vote of the House—in this instance there is no question of overriding a vote of the House—there is no negative vote. As I see it, it is merely a question of the House now wishing to do over again something which it has already done for the purpose of saving time and expense. It is merely to take the order that the Bill has been read a third time and rescind it for the purpose of recommitting it. I do not see that the motion is at variance with established practice.

MR. FOGWILL: Mr. Speaker, could I have another word? It is like this: If we had a Bill passed through the various stages here and the Bill reached the stage of third reading and passed third reading. It may be possible that during the debate on the several readings the Bill may have been debated and members could have objected to various clauses in it. Then after the Bill had been read a third time and passed by the House on the next day when people who were against certain clauses which were embodied in the Bill were absent the Government or some member of the Government as the case may be asks to have the Bill recommitted to pass certain formal amendments. If, Mr. Speaker, the people who were against certain clauses which were proposed had been present they would have voted against rescinding it, because I think it calls for the unanimous consent of the House. In tha

case, Mr. Speaker, I think the minority in that case would have to give up all hope of debating the Bill. But any Bill brought back into committee calls for the unanimous consent of the House, otherwise, Mr. Speaker, I think the minority would not have the protection which I believe all rules of order, May and Beaushene and all the rest of them—the first order is that the minority be protected at all times.

MR. SPEAKER: There is no point of interference with freedom of speech in this instance. However, if we consider what the House would have to do if the Bill had received Royal Assent and the Minister wished to make an amendment. He would merely bring in a Bill, an Act to amend the Act already passed. The same situation will be reached if the third reading is rescinded and the House is asked to consider the amendment here and now or at a later date. There is no question of interference with freedom of speech in this instance at all. As long as freedom of speech is not interfered with or no attempt is made to override a vote of the House then the motion is legitimate and may be accepted. However, the full consent of the House would be required.

MR. FOGWILL: Mr. Speaker, may I have one more word?

MR. SPEAKER: I have given my decision and only by leave of the House—if the House wishes the honourable member to speak again?

MR. FOGWILL: All right, Mr. Speaker.

MR. SPEAKER: Does the Honourable Minister wish to proceed with the motion?

MR. CURTIS: Yes, Sir, I have

asked for the consent of the House to this motion.

MR. SPEAKER: Does the House consent to have this motion put: That the third reading be rescinded?

MR. FOGWILL: No.

MR. SPEAKER: The motion is lost.

MR. CURTIS: Mr. Speaker, does it have to be unanimous? I suggest a majority vote would be sufficient.

MR. SMALLWOOD: I move the House at its rising do adjourn until tomorrow Wednesday at 3:00 of the clock.

The House then adjourned accordingly.

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WEDNESDAY, April 15th, 1953.

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

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I beg leave of the House to table a report of the Newfoundland Fishery Development Committee. The report has just been received by the Government of Canada, and the Government of Newfoundland and is being tabled in both Legislatures without delay. Copies of the report are to be tabled in the House of Commons this afternoon to coincide with their tabling here in the House of Assembly.

The House will appreciate that I am not in a position to make any statement with regard to the report at this moment. Each Government will give careful consideration to the report, and, as soon as possible, meet

in conference to decide upon joint action. Thereafter, it will be possible to make a statement. Copies are on the Treasury Table for members of the House as well as for the press and radio. With leave of the House I would ask that the pages distribute them.

MR. M. M. HOLLETT (Leader of the Opposition): May I ask, Mr. Speaker, if it is the Government's intention to set aside a day for study of this report?

HON. J. R. SMALLWOOD (Prime Minister): Yes. Not study, but discussion.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Notice of Motions

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Crown Lands Act, 1930."

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, entitled, "An Act to Amend the Shop Hours of St. John's Barber Shops 1928."

#### Answers to Questions

DR. ROWE: Mr. Speaker, the answers to question 71 and 72 are being prepared. I would ask for some clarification of sub-section 2 of No. 72. I assume that temporary employees are included in that.

MR. HOLLETT: No, I don't mean the labour.

DR. ROWE: Thank you, in that case we will have the answer in a day or two.

MR. KEOUGH: I beg leave, Mr. Speaker, to table the Agreement called for by sub-section 1 of question No. 64.

#### Orders of the Day

Section reading of a Bill, "An Act to Amend the Newfoundland and Labrador Act, 1951."

MR. SMALLWOOD: Mr. Speaker, I rise to move the second reading of this Bill.

From various public announcements that have been made by the Government from time to time in recent months I think it has become fairly common knowledge that the Government have decided to change rather drastically the character of NALCO. The present Bill is for the purpose of giving effect to the decision of the Government in this matter.

Now, sir, NALCO (Newfoundland and Labrador Corporation, Limited) was created by this Legislature a couple of years ago the suggestion of the Government, and is a creature of this Legislature, and in particular, of course, of the Government that sponsored it and introduced it to the House. I would like the House to recall the basic purpose for which NALCO was created. It will be quite impossible to understand the reasons for the change in the character of NALCO as provided in this Act unless members understand correctly the reasons why NALCO was created in the first place.

NALCO was created at the instance of the Government for the primary purpose of bringing about economic



development in this Province, and more especially economic development in the field of natural resources. It is true that from time to time since NALCO was created we have ideas as to what the functions of NALCO might be. These ideas have fluctuated, they have varied from the passing of the Act. There was a time for example when it seemed to the Government to be desirable to have NALCO assume ownership of the three industrial enterprises founded by the Government with public funds. Indeed an effort was made to enable NALCO to acquire title to these three plants. For that purpose the Legislature authorized NALCO to float a bond issue in an amount of ten millions of dollars, the proceeds of which were to be paid over to the Government for the three plants. The better to enable NALCO to float its bonds in that amount the Legislature undertook to guarantee NALCO's bonds. NALCO, as is well known, went on the market in an attempt to sell its bonds. In the first instance, it went on the American Financial Market and then decided to withdraw from that market and transfer its attention to the Canadian Mainland Financial Market. There, however, it soon became quite apparent that in the nature of things, in the nature of NALCO itself, its complete absence of a record of earnings and indeed its complete absence of any securities other than the assets that would be acquired from the loan NALCO was not able in fact even with the unconditional guarantee of the Government as to principal and interest to float that bond issue. The House will recall that the Legislature is soon afterwards called together and that the Government itself floated that bond issue in the same amount which enabled the Government to re-

cover the ten million dollars it had laid out in building these three plants. At other times the Government had thought of using NALCO as a special instrument for particular purposes associated with the whole programme of economic development even outside the field of natural resources. There was a thought that NALCO as such would become, as we called it, the Government's economic arm in relation to the industrial enterprises that had been established in this Province by means of funds and assistance in the form of loans extended to certain European companies who had established here. I might go on and describe still other ideas that occurred to the Government from time to time as broadening, as widening, as specifying the functions of NALCO in the whole economic development programme.

However, sir, time passed and the Government's ideas continued, as might well be expected, to undergo changes and fluctuations until finally some months ago, in fact last Fall, the Government's ideas hardened to the point where we were able to bring this legislation forward.

Our thought is that NALCO should be devoted almost entirely, if not entirely, to the field of the development of natural resources by which of course, I mean primarily minerals and timber.

Now, it became evident, so we saw last Fall, that the work of NALCO in the year during which it actually operated in the field had established certain facts concerning that operation. In the first place it became very apparent to the Government as the pioneers of NALCO that the costs of exploration especially exploration for minerals in this Province and more

particularly in Labrador as part of this Province must be very great indeed. That the costs of exploration must be so great, running indeed in all probability into millions of dollars as to make it very questionable indeed whether the Government would be justified in gambling these necessarily large sums of public money. It is one thing for the Government to take certain chances with public funds by lending them to companies about to engage in industry. It is one thing for the Government to take certain amount of risk with public funds to lend the companies engaged in or about to become engaged in fishery development. It is one thing for the Government to take a certain amount of risk with public funds by undertaking to lend to any kind of established company or companies established in other parts of the world with a record of success in that part of the world and now about to establish a business enterprise in Newfoundland. But it is certainly quite another thing for a Government to risk really large sums of public money on so speculative a thing as prospecting and exploration for minerals underneath the surface of the earth. If there is any one enterprise above all others which is an enterprise for private capital, that enterprise is prospecting. Indeed as you cast your eyes about the world you will find perhaps not even one Government anywhere that has, except in Russia, where they have an entirely different system of Government and an entirely different philosophy of Government. Nowhere else will you find the concept that the Government ought to do the job of prospecting for minerals underneath the earth. At the most the Governments around the world spend public money to conduct geological

surveys and thereby enrich the general geological data about its own territory. Even that is done primarily for the purpose of encouraging private speculative capital to run the risks of the more detailed explorations required before any mine actually comes into production. Certainly it is not, in any part of our Western World, considered to be part of the functions of a Government to take the public funds and spend any considerable portion of them in any programme of actual exploration of prospecting for minerals. At the most they spend money, and a relatively small proportion of the public funds at their disposal, in a broad and general campaign of enriching the general geological knowledge of the area concerned. Yes, Sir, that money must be spent—someone must spend it. If it is not spent, and spent in very large sums, the chances are greatly diminished that mines will be the result. The chances of getting mineral development in this Province depend enormously, probably depend entirely upon the spending of very large sums of money on actual prospecting and surveys in a search for minerals.

There are very few parts of North America so genuinely difficult and expensive to prospect as the Province of Newfoundland, more particularly that part of the Province of Newfoundland known as Labrador. You have both in Newfoundland itself and on the Peninsula of Labrador a noticeable absence of the types of navigable rivers which are frequently quite common in other parts of the world thereby making access to the areas to be prospected extremely difficult and extremely expensive. You cannot, for example, cover any relatively large area of Labrador in a canoe. You have to get to those areas chiefly

foot, which is a very slow and cumbersome way of doing it, or by aircraft using floats in summer and skis in the winter. In that regard incidentally, the Island of Newfoundland itself is particularly well placed because of the very large number of rather sizable ponds and lakes we have.

In the second place, Newfoundland, unlike a great many parts of the rest of North America, has quite a considerable portion of its surface covered by an overburden that may consist of relatively dry land or deep bogs, bogs running as deep as thirty, forty and even fifty feet in thickness. Any area which is covered in the most part by a heavy overburden is an area that is most difficult and expensive to prospect. Indeed it has become common knowledge, in Newfoundland and Labrador that prospecting in this Province is a slow and cumbersome and very expensive operation to carry out.

Now, we have had some practical experience in that matter as a Government, because as the principal shareholders of NALCO we have had one year of practical experience in carrying on actual prospecting on the twenty-two thousand square miles of the NALCO concession as it stands at the present moment.

It may be argued that the airborne magnetometer has greatly speeded up the practical chances of carrying on a geological survey. That of course is true. It is a remarkable scientific advance of very recent years in the field of geological prospecting. That magnetometer method, whether it be applied on the ground in which case it means cutting long parallel lines and using the magnetometer at intervals along these various lines, or carrying out from an aircraft in which method there is great merit in that it

reveals anomalies in the magno flow of the earth. They do indeed point to significant and interesting areas of the territory that deserve closer attention. But that is all they do. There is no way known to man to find minerals except by digging down or sending a drill down. All that the magnetometric surveys can do is to narrow the general search and pinpoint the more likely places worthy of immediate attention of the geologists and prospectors. But even at that the airborne magnetometer survey is an astonishing advance on the old methods. It is possible now in a space of two or three good flying days to cover by airborne magnetometer an area that it would otherwise take several years to cover in the same way. All it does, and I ask the House to bear in mind that all it does or can do is to narrow down somewhat the more promising areas for more careful examination and ultimately for diamond drilling. But it is the careful and on the spot examination, above all the diamond drilling that will tell you (1) if minerals are there and (2) what kind they are and (3) the volume and richness of the minerals involved.

In 1952 NALCO did conduct some airborne magnetometric surveys over its own area and did conduct some other surveys on foot. From that experience of one year, NALCO, and through NALCO the Government have learned from hard practical experience what an enormously expensive thing it is in a Province such as Newfoundland to carry on a geological and prospecting work. We asked ourselves again and again, would we be justified as a Government to take the necessarily large sums of money running practically into many millions of dollars from the public funds and

spend it on so expensive and precarious and hazardous and risky a venture as straight prospecting, a thing which under all ordinary circumstances is done by private enterprise willing to take the risk.

Now, having created NALCO for one primary purpose, let this never be forgotten, one primary purpose overshadowing all other purposes—to procure the development of our natural resources—having created NALCO for that purpose, having discovered that development of minerals and forests and the like can be done in this Province only upon the basis of detailed and very exhaustive prospecting, and having asked ourselves the question—were we justified in going to that great expense out of the public funds? We came to the conclusion that we would not. But that rather we should take all possible steps to bring private capital in to underwrite the great costs of detailed and intensive prospecting in Newfoundland including Labrador. Hence the idea of selling more of the shares of NALCO.

The House will recall that in the NALCO Act as it stands the authorized share capital of the NALCO is three million, not par value shares, but three million shares having no par value. Of these three million shares, one million shares were in fact sold at a price fixed by the Government quite arbitrarily at one dollar a share. Of the million shares sold at a dollar each the Government itself bought nine hundred thousand. So that of the million dollars that came into the Treasury of NALCO from the sale of these shares nine hundred thousand dollars were transferred from the Treasury of Newfoundland to the Treasury of NALCO, and of the one hundred thousand dol-

lars remaining that came into the Treasury of NALCO all of it was subscribed by the minority or private shareholders and these consisted in the main of the firms of Harriman-Ripley and Company, Inc. of New York, Wood Gundy and Co. Limited, of Toronto, and two or three other much smaller shareholders altogether making up one hundred thousand dollars of shares bought and paid for.

Now, at this moment NALCO has something of the order of eight hundred thousand dollars in its Treasury having spent in all about two hundred thousand dollars on surveys in the field and on other activities by way of gathering data about these holdings and in the ordinary overhead and administrative costs of any corporation. This year NALCO has decided to spend about three hundred thousand dollars in a further and more intensive geological and prospecting programme on its own holdings, so that at the end of this year NALCO will have spent five hundred thousand dollars of its one million dollars.

Now, if in this calendar year the spending of that three hundred thousand dollars on an active and extensive prospecting campaign over relatively limited part only of the areas NALCO should turn up a valuable mine then, of course, the situation for NALCO and for the Government as the ninety per cent shareholders would be a most encouraging situation. True half of its capital would have gone, half a million dollars, but it would have to show that half a million expenditure in two years a rich mine, if it found a rich mine in 1953. But supposing it does not find a rich mine in 1953 then the position would be that half was a corporation of whose capital half had been spent, enthusiastic

spent, sincerely spent in an honest effort to discover a mine somewhere in its twenty-three thousand square miles, but gone, nonetheless, gone. It would be a corporation half of whose original capital had disappeared in the first years of its life. Now, I ask you this; in that situation what would be the value of NALCO's shares, which remember have no par value, they cost a dollar, an arbitrary price of a dollar had been placed on them in the first place but—what would not be the value of NALCO's shares set at a dollar in the first place and a million dollars thereby brought into the Treasury of the Corporation, half of it now gone, half of it left—what would be the market value of the NALCO shares as it enters its third year, 1954? Well its position at the beginning of 1953 would be, in those circumstances, a vastly different one from its position at the beginning of 1953. At the beginning of 1953 its position is extraordinarily good, indeed magnificently good. In the first place it has at the beginning of 1953 eight hundred thousand dollars cash in its treasury, it has had a year of actual prospecting to the good, it has most encouraging signs, that is all they are, the presence of minerals in its area, and it is about to launch a second campaign of prospecting at a cost of one hundred thousand dollars. Nobody knows at this moment, as of today, what will be produced by the spending of that three hundred thousand dollars, only the almighty God himself could tell us at this moment whether that three hundred thousand dollars will be down the drain or will buy up an extremely valuable mine. Nobody knows that.

We decided therefore, that as NALCO was in fact only a million dollars, may I remind the House that a

million dollars for prospecting for minerals is an extremely small amount, an exceedingly small amount in these days.

Two years ago the Legislature gave a concession to Falconbridge Nickel down there in Notre Dame Bay which consists of an area, here I speak from memory, of twenty-three hundred square miles. They were obliged under their Agreement with the Government to spend fifty thousand dollars a year at least in a geological survey and in prospecting of their twenty-three hundred square miles. Now, remember that the Newfoundland Government had spent two hundred thousand dollars on an airborne magnetometric survey of that twenty-three hundred square miles together with a balance of five thousand, eight hundred square miles. The Newfoundland Treasury had spent two hundred thousand dollars on a magnetometric survey of that area of which we leased twenty-three hundred square miles to Falconbridge. That Agreement required them to spend a minimum of fifty thousand dollars a year for the first three years, two of these first three years have now passed and they have spent over one million dollars on that twenty-three hundred square miles the vast bulk of which has not been surveyed. Now, it becomes very clear indeed to the Government, and I hope to the Legislature as time goes on that it is imperative that NALCO should have vastly more capital than they had, vastly more. Remember the purpose of NALCO from our standpoint is to get development of our natural resources.

Well we had two choices before us in selling shares of NALCO. There were two million shares in the Treasury which were not sold. We had two choices as a Government in the

sale of these two million shares (1) for the Government to buy whatever shares might be sold as to ninety per cent of them or such proportion of them that would retain for the Government absolute share control of NALCO. What did that mean? That meant at least fifty one per cent of the shares to be sold must be bought by the Government of Newfoundland, and (2) to buy none of the additional shares sold now. Now, if we are to turn to the market and sell another one million shares that would then make a total of two million shares sold of which, if we bought none of the second million, we would then hold nine hundred thousand shares of the two million shares. Instead of owning the shares of NALCO as to ninety per cent of them, the Government would then own the shares of NALCO only as to approximately forty-five per cent of them but the cash that would have come into NALCO's Treasury would not have come from the Treasury of the Government and the people of Newfoundland. It would be entirely fresh capital brought in from private interests whom we hope are better able to afford the risk, the gamble and the hazards involved in spending large sums of money on prospecting for minerals.

The Government have decided on the latter course. The proposal in the first place in this Bill is to increase the authorized shares from three millions to five millions. The House will find a clause in the present Bill that would have that effect, that the authorized number of shares of NALCO would be not the three million it is now, but rather five million shares of no par value—all of no par value. And to see—this is not provided in the Legislature as the cor-

poration itself have the authority to sell its own shares. That authority is vested in the corporation by the NALCO Act as it stands at the present moment, and so using that authority, with the consent of the Government—it can do nothing without the consent of the Government as long as the Government controls a majority of the shares—so with the consent of the Government NALCO proposes to sell one additional million of its authorized shares. I will not say at this moment the price at which these shares will be sold. They are of no par value. We know that the million shares actually sold were sold at a price of one dollar per share. I am of the opinion, from information received from expert authority, that these additional million shares of NALCO which it is proposed to sell can be sold at a price which will net the treasury of NALCO five million dollars. Now, that would bring a once, as soon as the sale was effected into the treasury of NALCO a very handsome sum which the company would of course use in a really great drive to discover new mines in the Province of Newfoundland.

I will say this: even with the spending of five million dollars at the five hundred thousand dollars there is still a chance that not one mine will result, that that money would be down the drain. It would have this advantage at least, would not be the taxpayers' money it would be speculative money vested by the people of wealth who have faith in the prospects of mine development in this Province; who, though they might hate to lose it, could lose it and not go on to dole as a result.

I may say in that connection that the chairman of the Board of NAI

has recently returned to St. John's to spend a few days here in conferences with the local directors and especially with the members of the Government before returning to the Mainland of North America to resume conversations he has been holding for over a fortnight with great and important American and Canadian mining concerns with a view to having these great concerns taking a lead in the purchase of the new issue of NALCO shares. I will not say more than to express confidence in the Chairman, in the Chairman's ability to interest great and important mining concerns in the shares of NALCO. Time alone of course will tell. I have no intention whatsoever of going into any detail as to the cities in which these negotiations have been and will be conducted, as to the names of the great concerns with whom the negotiations are proceeding. I will say no more than that I have great confidence that the Chairman of the Board of NALCO is very capable of interesting large and important concerns in the purchase of shares to be issued by NALCO if this Bill here becomes law.

Now, clearly we have come to a parting of the ways in NALCO policy. The choice before the Government is the choice before the House, the choice before the people—Shall the work of NALCO be continued? Shall the work of NALCO be continued on a vastly increased scale? Shall the company itself have that greatly accelerated campaign borne specifically by the Treasury of Newfoundland or shall it be borne by speculative capital from private enterprise? The decision of Her Majesty's Government is at it shall be done by private enterprise risking its own money. In that I firmly believe. Notwithstanding

anything that may be said we firmly believe that the public of Newfoundland will applaud the Government for its decision to have the financing of the expensive and hazardous business of prospecting done by private enterprise and not out of the taxpayers' money.

Now that, of course, is the great purpose of the present Bill—to denationalize NALCO—to uncrown the corporation—to turn NALCO into what would be essentially a private company in which the Government, the public of Newfoundland from being the ninety per cent shareholders would become minority shareholders to the extent of forty-five per cent.

Now, what of the additional millions when these million shares are sold? They will remain in the treasury three million shares still perhaps to be sold. Of that three million NALCO might decide to sell one more and having sold that one more it might ultimately decide to sell still another one million and then finally it would still have the remaining million in its treasury which some day they might sell. Would the Government participate in those additional future sales of NALCO? Would the Government participate or not?

Well, it would be a very short-sighted thing to do if I were to say now whether or not the Government, having decided not to purchase any of this second million shares, would or would not decide later to buy some of the three million shares. We would have the right to do so. We have the right to purchase all or some of this second block of a million shares. We have decided not to purchase any. As to the third million or the fourth million or the fifth million if ever they were sold,

The Government of that day whether it be a year, two years, ten or twenty years from now would decide whether it was or was not in the public interest to purchase additional shares of NALCO. That decision of course would be based upon its assessment of the value of NALCO's shares—for example: If this million shares—presumably, if this legislation passes the House, to be sold, are sold at a price that would net the Treasury of NALCO five million dollars, then clearly the million shares already out would be worth an equal amount. If subsequently a third million shares of NALCO were sold and were sold at \$20 a share then our nine hundred thousand shares are worth \$20 each because there is only one class of shares throughout the whole corporation. They are all no par value shares and what a man pays has no bearing whatever on what they are worth. They might be worth five cents each and they might be worth fifty dollars each, but whatever one is worth they all are worth. And as the value of NALCO's shares increased so would the value of the Government's holdings in NALCO. Put it another way—if this million shares be sold in the next few weeks or months at five dollars the Newfoundland Government has then in that corporation nine hundred thousand shares worth four and a half million dollars at a cost of nine hundred thousand dollars which would be a very handsome profit. If it wanted to, it could sell its nine hundred thousand shares, which I may say the Government has not the slightest intention of doing. Whilst we have no intention of purchasing any of this block of a million shares we have at the same time no intention of selling any of our block of nine hundred thousand shares.

But what will happen as to the third million shares if and when they are put on the market whatever the price will then be is a matter for the future decision upon the basis of the information in the possession of the Government at that time.

Now, that, as I say, is the primary purpose of this Bill. There are several other points in it, for example: It was discovered last year in negotiating an Agreement between NALCO and a mining company in the United States of America that the Legislation itself was defective in one particular and important respect. After all if NALCO makes a deal with Newmont Mining Company or American Zinc, Lead and Smelting or any large American mining company it can convey to that company nothing more than it has itself under the legislature. It cannot convey what it has not got. It was discovered in the actual negotiations during last year NALCO did not in fact have certain powers it had assumed it had. That has to be remedied obviously whatever is the final disposition of NALCO itself its right must be clearly defined. There is an amendment here to cover that.

I have no intention, Mr. Speaker of anticipating here today what I shall say later on with regard to BRINCO. BRINCO will be dealt with fully in this House when the Bill to give effect to that agreement come before the House. On that occasion I will explain the full details of the BRINCO deal. I can however, as I must today, anticipate the BRINCO Deal in one or two respects because there are provisions in the Bill presently before us that are there for the purpose of paving the way for things that have to be done in the BRINCO Agreement. But before I come to the



there is some swaps, an exchange as it were of territories. The House will remember that the Legislature gave to Dr. Arthur Seigheim, a concession in Labrador of some thirteen hundred and eight odd square miles of timber land; gave to Dr. Seigheim, the sole right to cut timber on an area of Labrador. That Agreement has fallen through because Dr. Seigheim found himself, for reasons which it would be futile to discuss today, unable to carry out his Agreement. Therefore, his rights to the timber on the Seigheim Concession have lapsed. Now we gave also to NALCO the mineral rights on the Seigheim Concession. The House probably remembers that that is the case. In all events a look at the NALCO Act will show it is the case. So that with regard to these thirteen hundred square miles we gave timber rights to Seigheim and mineral rights to NALCO. Now in the BRINCO Deal we give the timber rights that were Seigheim's to BRINCO and we take from NALCO the mineral rights, and that is in this Bill of today. The mineral rights on the Seigheim Concession we take from NALCO and give to BRINCO. When I say give, the House will understand what I mean: We do not give fee simple right to survey land in this Province. We give it for churches and cemeteries, schools, farms and factories, etc., but we give to BRINCO the rights to develop the timber, the timber rights on the Seigheim Concession, and we give to BRINCO also the mineral rights on the Seigheim Concession. So that the present Bill provides that NALCO ceases to have any rights over the Seigheim Concession.

In the second place we give to NALCO (that will be found in this Bill) a roughly equivalent area in another part of Labrador. A part in-

cidental that may turn out to be much more valuable than the part which we now take from NALCO. The part which is to replace this Seigheim Concession for NALCO is the South West Corner of Labrador. It is defined here or the boundaries are defined here in this Bill, but the House will understand the better if I describe it in popular language. The House will remember where Seven Islands is; how the railway beginning there runs straight north through Quebec from Seven Islands until it crosses the border into Labrador. Now the border at that point runs very roughly east and west in a wavy line and it is that wavy line straight in from Seven Islands that railway crosses. Now at that point is what I call the South West corner of Labrador. It contains two very valuable pieces of natural wealth. In the first place, it contains timber which had been surveyed in fact by the Labrador Mining and Exploration Company which is the company that promoted the big, new iron mine at Burnt Creek and Knob Lake and is now building that railway. This is a valuable timber stand which lies on both sides of the railway. In short, Mr. Speaker, the railway itself runs clear through the very centre of this fine stand of pulpwood timber. Bear in mind the railway is a common carrier by which I mean that it must carry any freight that is offered from the public at freight rates set by the Board of Transport Commissioners which is the authority that regulates all railway freights. Secondly a vast (how vast it is I do not know) area, I have been told it runs into many hundreds of millions of tons of vast deposits of iron ore. A deposit which the Labrador Mining and Exploration Company dropped. Or rather a deposit in an

area which the Labrador Mining and Exploration Company dropped. The presence of the ore in that area was learned only after they dropped it. If they had their time back they would not, I think, ever have even dreamed of dropping that huge area containing, what I have heard called not hundreds but thousands of millions of tons of iron ore, of not as high a grade as the iron ore down 365 miles north of Seven Islands, but ore which can be most valuable because it lies close to the railway, this common carrier, and some hundreds of miles closer to Seven Islands. That area we give to NALCO in this Bill in place of the Seigheim Concession.

Then again, there may be one or two other spots on Labrador itself which we cede to NALCO. However, on the Island of Newfoundland we ceded to them by separate Orders-in-Council from time to time in the last couple of years, for example: Parson's Pond which came back to the Crown a year and a half ago and we ceded it to NALCO. That is ratified in this Bill. A short time ago we ceded to NALCO the tip of the boot of the Burin Peninsula, some five hundred square miles, I think, out at the end of the boot (I am speaking from memory) and other pieces and parcels of land scattered through the Province. These have been ceded to NALCO from time to time and are now ratified in this Bill.

Finally, and most important from the standpoint of public policy, and I repeat that, Mr. Speaker—from the standpoint of public policy, we have decided to give to BRINCO first chance—the first chance—to develop all hydro-electric potentialities in the Province of Newfoundland that has not already been ceded or committed to others other than NALCO. For

that reason these rights presently held by NALCO are to be taken from NALCO and placed in the possession of BRINCO with ample provision, ample safeguards, to guarantee that (No. 1) BRINCO develop the power that is needed or lose their rights in any given area in any given water power potentiality. They develop it as it is demanded or lose their rights and the person who wants the power gets the right to develop, including NALCO, making quite sure that no one who needs power, and is prepared to buy it, is deprived of it. We nevertheless, having made sure of that, have ceded to BRINCO the hydro-electric power rights which presently exist in the NALCO Act. That is public policy—It is the policy of this Government. I may say very briefly what that reason is: One of the twenty great companies in BRINCO is the famous English Electric Company, one of the greatest in the field of electricity, is coming into BRINCO and they through BRINCO are coming into Newfoundland and Labrador with one great purpose and one great purpose only, to develop hydro-electric. We as a Government are most anxious to clear the way for BRINCO. The only hydro right that we will extinguish in behalf of BRINCO are those of NALCO in hydro electric power right. We extinguish no other rights in this Province only those of NALCO and in that regard only hydro electric rights, so that the English Electric Company can have a clear field, every possible inducement to embark upon a vast hydro-electric development programme.

Mr. Speaker, in the course of Committee of the Whole, all of those clauses of course will be debated clause by clause. We strongly hope that the House will debate this Bill

on both sides. It is our very strong hope that this Bill will be given the finest debate of this session up to this time, at least. Then perhaps we can have an even finer one on BRINCO and other legislation still to come of great importance to Newfoundland. In Committee of the Whole there will be some explanations which will have to be made because the negotiations as to some of the points in this Bill have gone on as recently as a couple of days ago and the Bill itself was printed, I think, a week ago, since then some additional changes have been negotiated. These will be proposed by me or by the Attorney General in Committee of the Whole. Mr. Speaker I move the second reading of this Bill.

MR. SPEAKER: Motion before the House is that Bill be now read a second time.

MR. SMALLWOOD: Mr. Speaker, I assume that my honourable friends of the Opposition will want some time to study and consider the Bill and for that reason I without any intention of speaking again except possibly to close the debate, move the adjournment. If my honourable friends would indicate when they are ready to go forward with it I think we could accommodate ourselves.

MR. HOLLETT: Mr. Speaker, I think on Monday.

MR. SMALLWOOD: Monday would do.

MR. SPEAKER: Do you want to make Monday a firm date, or just adjourn until tomorrow?

MR. SMALLWOOD: Just adjourn until tomorrow and decide from time to time.

Second reading of Bill, "An Act Further to Amend Chapter 127 of the

Consolidated Statutes (Third Series) entitled 'Of Companies'."

MR. CURTIS: Mr. Speaker, I have much pleasure in moving the second reading of this Bill, which is a Bill dealing with the regulations and management of companies.

This Bill, Mr. Speaker, is designed to deal with companies which have a capital of no par value. As the House knows, companies are of two kinds (1) companies with a capital which is a fixed capital at so much per share of \$40, \$25 or a \$100, as the case may be; and (2) companies which have a share capital consisting entirely of no par value shares.

No par value shares are a recent introduction into Newfoundland by legislation passed either last year or the year before. This House introduced them and gave permission for them to be registered. Only recently, however, have companies asked for registration under this no par value shares structure. It is true that NALCO which we were discussing a few moments ago has no par value shares, but NALCO being incorporated under an Act of the Legislature did not need to be incorporated under the Companies Act, consequently the question of fees did not arise.

Now, the object of this amendment is twofold. In the first place, the object is to provide for companies having both types of shares in the same capital structure, in other words, some companies might like to have no par value shares and at the same time have par value shares. So this Bill before us now is proposed to enable such companies to have both types of shares some with a no par value and some with a par value. When a year ago, at the request of the trade, this House brought in

legislation enabling companies to register with no par value shares the trade itself drafted the legislation and is slipped through the Government offices without too careful scrutiny. Anyway we felt the trade knew what they wanted and we accepted the principle, but they did what the trade likes to do, omitted any reference to the taxation to be paid, the fees to be paid on the registration of their new companies.

MR. SMALLWOOD: That can't be true.

MR. CURTIS: So we have been forced—

MR. HOLLETT: You mean no limitation on their own fees?

MR. CURTIS: No fees at all were fixed. Mr. Speaker, the result was that recently the solicitors engaged by our well-known BRINCO went to incorporate themselves and found there were no fees fixed. Consequently, the registrar of companies did not know what fees to charge. We decided to remedy that, Mr. Speaker, not so much because of BRINCO, but because of the other companies that wished to incorporate. We certainly do not want to lose the revenue accruing to us through the incorporation of companies.

The Bill before the House now, Mr. Speaker, provides that; if in the articles of association of a company is a maximum value fixed as the maximum price at which shares can be sold they by multiplying the number of shares by that amount get a certain capitalization, that is the capitalization upon which they pay registration fees. In other words, if they say in the articles of association the shares of this company shall not be sold for more than \$2 and it has a

thousand shares the capital of the company would be two thousand dollars. The registration fees would be accordingly. But in cases, Mr. Speaker, where there is no such restriction, in cases where shares may be sold one day at a dollar and another day at five and another day perhaps at ten dollars, we have provided in this Bill that such shares shall have an arbitrary value of five dollars each in the case of general companies and one dollar each in the case of mining or exploration companies. So that a general company with a million shares would have a nominal capital and would pay fees on the basis of five million dollars. On the other hand a mining company of a million shares would have a nominal capitalization of one million dollars and would pay fees accordingly.

Mr. Speaker, after looking over the legislation of all the provinces we have decided to recommend to the House this legislation which is based on the British Columbia Legislation. I move the second reading of the Bill.

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 St. John's Municipal Act, 1921 and for other Purposes."

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, there are quite a few amendments under this Act or Bill, most of them however, are minor and I do not think they require any elaboration. The first amendment is purely administrative matter and allows the city clerk to add to his present duties that of supervising municipal elections. It will be recalled he already has the power to prepare a voters list and

make other necessary preparations. This amendment allows him to act as supervisor as well.

The second amendment merely regulates as it were, the conduct of officials. The next section deals with a matter of regulations and is purely a nominal matter, but rather important from the standpoint of records. The House is aware that in recent years the question of water supply for the city of St. John's has come before the public on various occasions. The only source of water contiguous to the present supply are the ponds known as Long Pond and Handy Pond and one of the amendments of this Act allows these ponds to be taken over by the council in order to augment the present water supply of St. John's.

There is another amendment here, Sir, which allows the council to take steps for the collection of arrears particularly arrears going back to the paving of Water Street some few years ago.

You will have noticed that on trucks and lorries today the owners name is printed on it so that it is easily seen who owns the vehicles and another amendment to this Act gives provision whereby truckmen and cart-drawn vehicles will have the name thereon displayed so that a police officer or the agent who is acting for the court can quite easily find the owners if there is occasion to do so.

One of the other amendments deals with trying to get a more exact appraisal value for the purposes of helping the appraiser when they are setting the taxation.

There is an amendment in section 10 also for an increase in fees charged against transient dealers and people who come in from outside and barter

their goods around town. Provision is made here to tax them to the maximum under the tax rental Agreement and also to prohibit them from carrying on their business in a hotel room.

At the present time the St. John's council is not permitted under its rules and regulations to have petty disbursements to an amount of more than one hundred dollars without calling for tenders. One of the amendments proposed here would raise that maximum to \$250. That up to \$250 dollars they should be allowed to incur that expenditure without having to call for tenders and then wait until it is possible to call a meeting of the council in order to authorize an expenditure of these small amounts.

There is another amendment to the Act which adds powers to these already possessed by the council in regard to areas within one mile of the city limits. In addition to that an amendment also allows the council the right to prohibit erection of buildings which in the views of the council would cause traffic congestion and at the same time allows the council to impose upon the owners of such land the right to provide parking areas. Finally the only other amendment gives to the council the right on the recommendation of the city clerk and on the approval of four at least of the city councillors to make an arrangement to reduce or remit certain taxes which may be objectionable to the council. These are the main points of the Act, Mr. Speaker, and I move the second reading.

MR. HOLLETT: Mr. Speaker, as far as a casual glance over the Bill shows we have no objection to it except clause 19. I see there is some

provision made there with respect to certain industries. It appears the council has not the right to make certain regulations, restrictions or prohibitions, etc., with regard to any industrial enterprises which may be set up. I have not studied that clause, the Bill having only been distributed this afternoon, but I am afraid it looks as though you are taking away from the council the right to make regulations which most councils on the North American Continent, at any rate, have the right to make. I am not sure at the moment but we can take that up in Committee of the Whole. Other than that I have no objections to the principle of the Bill.

MR. HEFFERTON: That question can be answered when we go into Committee of the Whole.

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

Second reading of Bill, "An Act Further to Amend the Workmen's Compensation Act, 1950."

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, this amendment is not of a very serious nature. It will clarify some of the minor errors in the Act and in previous amendments.

Section 2 of the Act at the present time denies compensation coverage to employers' families who reside with the employer. That is, if an employer has certain members of his family working in his employ they are, under the Act, denied the right of compensation if they should be injured. We think this is wrong and because of that we are repealing that section of the Act. If an employer has any member of his family working in his employ and on the payroll, we take

it that they are just as much entitled to compensation as if they were some other person.

In section 3: At the present time the Board has to reject actions for Bills submitted for medical aid rendered if the Bills are not received within six months after the treatment was given. The Board has come across cases where it was unreasonable to apply this six months barrier and consequently the Board recommends and wishes to be able to pay such accounts where there are extenuating circumstances. There may be certain cases of long continuing treatment where medical officers may not have completed their medical findings on a particular case and the Act as it is, will not allow him to collect his fee after six months. We think that is wrong and the Board wishes to have that section clarified and the amendment permits the Board, if in its opinion the circumstances warrant, may pay the whole or such portion of the account as it thinks fit. It gives the Board the option to consider a case on its merits.

Section 4 is amended by adding the words "the approval of the Minister of Finance," which will amend an omission in the original Act.

It appears that all of these boards have dealings with large amounts of money and before investments are made, etc., they must have the approval of the Minister of Finance who is evidently guided by some board set up for that purpose. If that amendment is passed, in future the board will have to get the approval of the Minister of Finance before dealing with investments and also on placing of its funds, and moneys on deposit in a bank or banks. This gives an added safeguard to the Board

and also leaves the responsibility with the Department of Finance or the Treasury Board where it rightly belongs. Section 5 is to clarify an amendment that was made last year to sub-section 5 of section 40 saying that all of the words after such a word were to be deleted. We were referring to just that paragraph, but there are several sub-sections following that paragraph and it was never intended that the sub-sections should be deleted. So to clarify that we bring in another amendment: Sections 2, 3, 4, 5, 6 of sub-section 40 shall be deemed to have continued in force as if section 10 of the Workmen's Compensation Act, 1952 had not been enacted, also that this section shall be deemed to have come into effect on the first of July 1952 which is when last year's amendment came into effect. We have actually been carrying on as if the amendment had not deleted this sub-section last year.

The Board wishes to have the reserve fund for secondary injuries separated from any other reserved fund. What is meant there by secondary injuries is that in many cases where a person is uninjured during the course of his employment it happens in many cases that a second injury happens as a result of partly because of the first injury. For that there is no fund provided and the Board recommends that a reserve fund should be set up for this particular purpose. It merely clarifies and makes the Act more easily administered. As time goes on we find these little errors that occurred in the original Act and in the consequent amendments. The purpose of this new Bill is to clarify these points. I move the second reading of the Bill.

MR. HOLLETT: Mr. Speaker, we are perfectly in accord with these amendments. There is one thing,

however, of which I am not quite clear, and I would like to ask the Honourable Minister, if, under that section 3 of the amending Act, where an account for payment of medical aid is not received by the Board within six months after medical board has been given the Board may refuse or may pay the account as the case may be? The question I want to ask is: in that original Act is there a section which allows a repeal from the decision of the Board. If it is not there in the original Act, I do object to giving to the Board absolute authority to make up their minds as to whether or not they should or should not pay, unless there is a right to appeal to the Supreme Court?

MR. BALLAM: I think it is patterned after one of the Acts on the Mainland. I am not sure—but it is recommended, however, by the Board, and I think that they through experience know and feel that this is necessary.

MR. SMALLWOOD: Mr. Speaker, I am under the impression that the direct answer to the honourable gentleman of the Opposition is the simple word "no." I think it would be found that in this Act there is no appeal whatsoever, no actions whatsoever are taken in any court. I believe that no court action is contemplated nor permitted in the Act from beginning to end.

MR. HOLLETT: No appeal?

MR. SMALLWOOD: That is done very deliberately and is not an accident still less an oversight. It is done quite deliberately and all modern, civilized workmen's compensations acts in the world have the same feature, they don't allow compensations of injured workmen or the dependents of

killed workmen to become matters for courts. The Board is self-sufficient. The whole purpose and the whole spirit of the Act and the administration of the Act is worded in the interest of the injured worker, compensation for him, rehabilitation for him or compensation for dependents of the workers who are killed in industry within the definition of the Act.

There is one other thing which I would like to say in connection with that clause of the amending Act which vests in the Minister of Finance the right to give or withhold approval of investment of the Board. I am very happy to have the opportunity to say this. The Government of Newfoundland consider themselves very lucky to have such personnel as there are on the Workmen's Compensation Board, so competent, so admirably competent as this Board or this staff so carefully chosen and so competent in its work. They have undertaken a task that is monumental in its size and importance in the industrial life of Newfoundland. They have undertaken it with consummate success, it is a brilliant success. We are especially lucky in the person of the chairman of the Board, Mr. Irving Fogwill. Mr. Fogwill, before he became chairman of the Board was chairman of a commission, I think it was called as there could not be a Board until the Act was passed, until certain work was done. So he was appointed chairman of a Commission to prepare the Act for presentation to the House. This involved work and study quite staggering in their extent and in the sheer physical labour that had to be piled into the talks involving visits to other provinces, sitting in with workmen's compensations boards in other provinces. It involved mastering a quite remarkable range of technical matters

that have arisen down through the years in the administration of Workmen's Compensation Boards. All of that Mr. Fogwill, to whom the whole field of workmen's compensation was as new as it was to most of us, attacked with a gusto and a success very rarely equalled in the history of administration in Newfoundland. Now I pay that tribute to Mr. Fogwill and to the members of his Board and to the Board's employees because of the chance that they might regard this particular amendment as constituting somehow or other a vote of lack of confidence in them. It is far from that. That Board as the last report shows is actually collecting in annually something of the order of several million dollars a year. That is a tremendous sum of money, and that sum of money is collected in from some thousands of people. Out of it they pay out compensation to some thousands of people each year. It is a very great responsibility. Now, that is enough responsibility for that Board and its chairman. But when it comes to the very specialized business of investing that portion of Board funds which have to be invested always leaving enough liquid cash to leave the Board enough to meet any demands that crop up from week to week and day to day, then the investment of these funds for which the Act calls is a job requiring more financial experience, more experience in financial transactions that would be reasonable to expect from the members of the Board unless their background had been a background of banking and investing. Up to this moment they have done an excellent job in their choice of investment but the Government feels that it is not fair to the Board to impose upon them solely such a grave responsibility.



ity for which reason their investments are made only with the approval of the Minister of Finance.

Now, very few Ministers of Finance in Newfoundland's history to this moment have been men who have come into the position out of banks or investment fields. It is not because a man becomes Minister of Finance that he suddenly becomes mysteriously endowed with a commercial banking background that he did not have before. On the other hand, the Minister of Finance has at his disposal a considerable body of experienced people upon whom he can draw at a moment's notice, not only his permanent staff in the department, the deputy minister and controller of the Treasury and the Auditor General and the Chairman of the Loan Boards, Mr. Baxter, himself an ex-banker; but he has also the manager of the Bank of Montreal who is the Government's financial adviser as Manager of the Bank of Montreal, because the Bank of Montreal is the financial agent of the Government.

In addition to that, he has such other sources of good advice as he cares to seek in managers of other bonding houses and investment houses, so that a safeguard is created in the interest of a very hardworking and conscientious and efficient board. I think the Board will see this readily, if they have not become aware of this moment—whether they have or not I do not know—This amendment is in no way a reflection but they will see that it is in their interest and to protect their position.

**MR. HOLLETT:** Mr. Speaker, may I regard that as an answer to the question I raised with the Honourable Minister of Labour? If so, may proceed?

**MR. SPEAKER:** I take it that the Honourable the Premier has spoken to the debate. The Honourable Leader of the Opposition ought to have interrupted the Honourable Minister of Labour to ask that question—you are considered not to have spoken at all.

**MR. HOLLETT:** The Honourable Minister of Labour has, therefore, replied in the negative. I would like also to pay my compliments to the Workmen's Compensation Board in addition to those of the Premier. I have reason to know that they have done an excellent job, Mr. Speaker, and it is not to be thought that by criticizing any of the clauses of this Act that I am criticizing in any way the Board or the Government. They set up the Board. The Honourable the Premier has given some facts which makes the point I raised more important since he states they collect annually two million dollars a year and pay out sums in various ways and invest money and all that sort of thing. The reason I asked the question is that this clause gives the Board the right to say to Bill Smith, a longshoreman, if you like, we will pay you a certain amount of compensation or no compensation whatsoever. They have the absolute right under this Act, and under this amendment to pay Bill Smith compensation or they have the right not to pay it. If he does not get his medical bills and everything else in before the end of six months the Board has the right not to pay him. There is a danger, therefore that sometime in the future we may not have such an honest gentleman at the head of the compensation as Mr. Irving Fogwill, or we may not have a man so careful of the interest of the labouring man. We may have a man who has a politi-

cal grudge against Bill Smith and he may say to him, no compensation for you whatsoever. Therefore what protection is left for Bill Smith under this amendment, Sir? There is none. He cannot appeal to any higher decision than the Workmen's Compensation Board. That, Sir, is the point which I raised and which I think the Government should consider, the addition of just a very few words there that would allow an appeal to a higher court than even a board of which Mr. Irving Fogwill is Chairman.

MR. SMALLWOOD: That is the whole principle of the Bill.

MR. HOLLETT: I fail to see—in my opinion—it gives a man a second chance. I agree, Sir, the Government has taken the attitude all along in the setting up of all boards that they are not anxious to have the decisions of these boards subject to appeal to the Supreme Court. I am rather surprised that the Honourable Minister of Justice does not see eye to eye with me on that point. I think that it is very important that the decisions of all Boards, all bodies, are subject to higher courts. Even in the Supreme Court, Sir, their decisions are subject to appeal to a higher court—I take it, therefore, Sir, that the Government might be persuaded to add a few words to this section whereby if Bill Smith were turned down by the Chairman or by the Board, simply because he does not get his medical bills in time enough he may appeal.

MR. BALLAM: Mr. Speaker, I would like to rise to a point there, if I may?

MR. SPEAKER: The Honourable Minister has the right to close the debate and may answer any questions then.

MR. HOLLETT: Mr. Speaker, I think I have stated my point. I am just raising the point hoping that the Honourable Minister will recommend it to the Cabinet and put a few words in there to make an appeal possible.

MR. SMALLWOOD: Is the point the same as the Honourable Minister just raised?

MR. HOLLETT: That was just a full stop, I would raise just a comma.

MR. SPEAKER: The Chair is actually tempted to write a period—this is actually for the Committee stage. Does any other honourable member wish to speak?

MR. BALLAM: Well, Mr. Speaker, the Honourable Leader of the Opposition asked a question and that was answered, I think, by the Honourable the Premier. There is no right of appeal. But the Honourable Leader of the Opposition states that the Board by this amendment will have the right to refuse Tom, Dick or Harry medical aid. That is absolutely not correct.

MR. HOLLETT: That is what says there.

MR. BALLAM: The payment for medical aid is not made to Tom Jones. He receives the benefit—the medical aid is given by his doctor. No one able to prevent a person from receiving the compensation due him as a result of injury. A person who is compensatable must get his compensation as laid down by the Board. The medical aid referred to has no connection at all with the receiver of the compensation.

MR. HOLLETT: Can the doctor see the Board?

MR. BALLAM: No.

MR. HOLLETT: Then they won't treat them.

MR. BALLAM: That will be the day when they won't treat them if there is a dollar in it.

I think that probably is a little misunderstanding on the part of my honourable friend the Leader of the Opposition. I may say that nowhere in the Act by any court action can you have any appeal, the Board's decision is final in all these cases. That is the same in all Workmen's Compensation Acts across the Dominion—there is no appeal.

I don't think there is anything further, Mr. Speaker, and I move the second reading of the Bill.

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

MR. SMALLWOOD: Mr. Speaker, I move all further Orders of the Day do stand deferred.

I move the House at its rising do adjourn until tomorrow, Thursday at three of the clock.

The House adjourned accordingly.

THURSDAY, April 16th, 1953.

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 Motion and Question

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Slum Clearance Act."

#### Answers to Questions

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I have the answer to Question No. 71 on the Order Paper of April 15th. I should like to have copies of the answers distributed.

#### Orders of the Day

Second reading of a Bill, "An Act Respecting the Correction and Prevention of Delinquency."

DR. POTTLE: Mr. Speaker, I consider it a distinct honour to be able, on behalf of the Government in this instance, to introduce this Bill now before the House, namely, a Bill whose short title is—The "Correction" Act.

The main purpose and point of view of the Bill is foreshadowed in the preamble to which I shall make more extensive reference in due course. It suffices to say at this point that I think it is a historic occasion when we can come to the stage in our thinking along the lines of social legislation where we feel it opportune to introduce a Bill of this kind.

This is a Bill concerning persons both juvenile and adult who come before the bar of justice and undergo periods of incarceration because they have offended against the law. The Bill in its larger context and in its more civilized context is a Bill of Rights for the prisoner, for the person who is considered an offender to

society because he has committed an offense against society. The Bill frankly recognizes, Sir, that the prisoner has rights, limited though these may be. These rights are not the same kinds of rights as are enjoyed by normal citizens but they are rights just the same. The Bill, as social legislation, pledges itself to protect these rights and to make the best use of them in every possible way.

The Bill concerns itself with one of the most talked of persons in our society and probably one of the most forgotten too. It happens that he is one and the same person; he is the prisoner at the bar of justice. We make a great ado, we almost make fanfare at the time when he is brought to justice then we seem to be satisfied, or at least the tumult and the shouting dies the moment he is whisked away out of the court room to jail.

We have had nearly one hundred years of Responsible Government. As far as I can learn, Sir, today is the first time in the history of this House that any extensive statement has been made on behalf of this class of person. This is the first instance, I believe, of a Government in this way having had sufficient insight to understand something of the real causes of crime, and having likewise the courage to follow, as Plato said: "where the answer leads." Today, for the first time in our stormy history, the Legislature has been bold enough, and socially responsible enough, to say a word on behalf of the prisoner. What has been said about the prisoner has not been by large in his behalf, at least to date. In doing so, Sir, I realize we are running the risk of being far in advance of some of the kind of thinking that is going on around us;

the kind of person writing to the papers saying "Public Welfare has nothing to do with whether a man spends wisely or dissipates his earnings." Such a person will likely be writing the press and saying it has no right to meddle with prisoner welfare.

That is not the kind of public we look to to support this kind of measure. After all there are various kinds of criminals. On the other hand we know that in introducing legislation of this kind we are only expressing what the wisest and most socially responsible people in our midst would want us to see done.

This kind of legislation, Sir, is legislation of a socially responsible type; it realizes that a crime is not an isolated nor just a personal matter. This legislation reflects the view that a crime is in turn a reflection upon ourselves as a corporate society, for which we are all directly or indirectly responsible. Our responsible society cannot afford to dial the radio to the court news and sit gloating over the number of persons on the sinners' bench. Yet there seems to be a large section of our public, if radio commentary is to be taken as a guide who seem to regard it as part of their daily fare to wait for court news, and if it is not a lengthy dish they seem as badly let down, to judge from the tone of the announcer's voice, as if the codfishery had failed.

The fact is, Sir, that crime is not so much a reflection upon the individual person in himself, by himself as it is essentially, in our view, a sign that society at heart is diseased. Crime far from being an individual matter confined to one class of citizens or one street, is a recurring condemnation of all of us, our homes, our schools, all of us. It is the conditi

of our society we ought to be thinking about when we reflect upon crime. After all, the prisoners in our penitentiaries are by and large victims of our way of life just as our children in our homes are governed by certain ideals. Some of them will be in jail by and by as the tables show. It is the ideals of our community that determine the extent of crime. You cannot have two world wars in one generation and our children go unscathed; you cannot have a generation living and consumed with the idea of getting and spending for nothing and our children go unmolested and unhurt. The society which is out to get all, at all costs, is the society which creates the hotbed where crime thrives and all the unlawful retinue of social diseases. So, I am not annoyed by the person who writes: "Public Welfare has nothing to do with these things," but rather I lament the fact that our social thinking in some quarters goes no higher than what they want to be left alone. "In that very context," I say, Sir, "that every kind of society that condones that kind of ideals is the kind of society that breeds criminals." "Let us have something for nothing"—Sir, we will have other things too, make no stakes about that.

This century is notable for some things, and some of those things are in the social field. In spite of the lamentable picture I just pondered there is a more positive side of it. We are notable because of our social thinking up to and well through the 19th century when it was fashionable for every man to think of himself. Living among men was considered to be much along the same as living amongst the animals which "Tennyson" described as "Natured in tooth and claw." Those

who had remained in their isolation were not too much concerned about those who had not, in fact, rather thought it was ordained by Providence they should have what they had and that each man should be thankful that he had his proper station. Even moral and spiritual leaders gathered comfortably and snugly about them their garments of respectability and thanked Heaven, as the Pharisees of old, that they were not as other men.

Let us recall, Sir—only slightly over a century ago slavery was fashionable in staid old Britain itself. It is a well known and well established fact now that Wilberforce and his company had the fight of their lives on their hands to win freedom from slavery for the dispossessed of the race, and that, against the vested interests of both Church and State; and that even less than a century ago America, in the new world, had to fight the battle all over again.

Mr. Speaker, when we are tempted to boast about our civilization it is a chastening thing for us to remember the story of the prisons. There, is the most ghastly record there is on record of man's inhumanity to man. Not so many generations ago—not so many years ago—we had the same attitude towards the mentally ill. Once a man or woman became mentally ill he or she was regarded as expendable, nothing could be done. If you go far enough back, mental illness was regarded as a curse, a retribution. But the eventually civilized, scientific, approach that we have taken towards the mentally ill is another of the great revolutions that have taken place in this century thus far.

Lest anybody should think: There goes a social worker gone sentimental I should like to refer, Sir, to a state-

ment of Arnold Toynbee who could hardly be accused of being sentimental. He is one of the most exact historians of this age. In October, 1951, he stated, in the New York "Times Magazine," "Can we guess what the outstanding feature of our own century will appear to be in the perspective of three hundred years? My own guess is that our age will be remembered chiefly neither for its horrifying crimes nor for its staggering inventions, but for its having been the first almost since the dawn of civilization some five or six thousand years back in which people dared to think it practical to make the idea of welfare for all a practical objective instead of a mere "Utopian dream."

Now, that is the picture in the large. Coming closer home, in our own way we have already begun to take a different attitude towards our prisoners and this Bill this afternoon which we introduce here does not represent something entirely new, but it will build upon the little we have already undertaken to carry out on a small scale, a limited round of vocational occupations for our men, these are limited but already they are showing results. I hasten to say that the local penitentiary is organized at the present and is doing excellent work within a punitive and custodian scheme rather than a correctional and rehabilitative scheme such as this Bill proposes. They are doing good work, I say. The only criticism I have is that we have not given them the facilities to do better work. That, this Bill seeks to remedy.

The whole penal system, we have felt in Newfoundland, requires overhauling. That work has been undertaken to some extent by the Attorney

General's Department in collaboration with the Department of Public Welfare. To enrich the context of the Bill from a historical point of view yet bring our facts more up-to-date I should like to refer in an extended way as I proceed to the Royal Commission's Report, or to give it its present title—"The Report of the Royal Commission to Investigate the Present Penal System of Canada, 1938." This report is, as far as I can judge, one of the most comprehensive and one of the most stringent surveys carried out anywhere with regard to a penal system on a wide, national, federal basis. The Government of the day that set up the Commission felt that the penal system of Canada required some considerable overhauling. Their findings came, as a result of inquiries over a very extensive field, the commission recommended that there should be a prison commission; appointed with full authority over the management of penitentiaries and power to appoint staffs and to act as a central parolling board. There should be a thorough and complete revision of the penitentiary rule and regulations with special regard to (a) the protection of citizens (b) the safe custody of inmates (c) strict but humane discipline (d) reformatory and rehabilitation of prisoners. The commission also recommended a complete revision of the methods of classification and segregation of prisoners, a complete reorganization of prisoners in all Canadian penal institutions and a complete and immediate revision of the criminal code, a plan for the prevention of crime including special training for police officers, the incorporation of various associations and promotion of community clubs, a system of juvenile and family courts and a probation system modelled upon

British system both for adults and young offenders. I find it necessary to recall again, Sir, that the commission personnel was made up of two chief justices, one of Quebec and one of Ontario, a Queen's Council and a journalist. The Government of Canada has not yet put into effect all the recommendations of that Commission. But in a recent letter from General Gibson, who is the chief commissioner appointed as a result of this commission's report, he indicated that the Government has taken many steps to implement the commission's recommendations and studies are being made with regard to better selection of personnel and better classification and segregation of prisoners and a wider, richer individualized system of vocation and industrial training. In fact; General Gibson's appointment as chief commissioner of penitentiaries is proof of the fact that the Government of the day are implementing the recommendations of the commission, namely the appointment of a prisoner commission.

Little over a year ago the Attorney General of Newfoundland and the Department of Public Welfare jointly sponsored a survey of our own system here. The person who did the work for us was the Director of Correction for the Province of Saskatchewan, which Province with British Columbia and Ontario, in my view, as one of the best systems amongst the Provinces in Canada. He has made a confidential report to the departments immediately concerned. Largely arising out of his report has been the Bill now under consideration. As the House opened today I had circulated some prisoner data which the department concerned sponsored. This data refers to the male inmates of the penitentiary as

of March, 1953. The classification of it, as far as it is there, is plain enough to speak for itself. The House will note, Sir, that as far as age is concerned over half our prison population of men are 24 years of age and under, almost three-fourths of them are 32 years of age and under. The House will note also, with regard to their education; the average grade of education is not above five. The normal occupation of the men is generally labourers, two-thirds being in that category. This indicates that the great bulk of our prison population are by and large unskilled men. If one turned to the category of "employed" at the foot of the paper, he would find that practically half were unemployed at the time of their offense, and that in spite of the fact that our present level of employment was probably never higher.

The home address is more than just postal information. The address indicates that more than three-fourths of them have come from St. John's, Grand Falls and the Corner Brook areas—nearly one-half from St. John's alone. Is it not a reflection upon our society that just a fraction, maybe one-quarter of our population are contributing the great bulk of our prisoners? A man who lives in the St. John's, Grand Falls or Corner Brook areas has probably a five to one chance of going to prison, not because he himself is a worse person because he happens to live in St. John's and these other areas, but because conditions, the morbid conditions, cause the unsocial ideals of which I spoke at some length at the beginning of this address. They register most perniciously, most accurately in these areas. So that, as I say, Sir, the home address is not just merely postal information.

One of the chief pieces of diagnostic information on that paper has to do with the number of commitments: You will notice that those who have been committed once number 48—nearly half of them are there for the first time. I wish to expand that in a moment with regard to all prisoners. There are eight individuals who have been committed four times. There are two individuals who have been committed fourteen times. There are three individuals who have been committed between thirty and thirty-nine times. Now, none of these figures here on the right-hand side of this paper tell the full story. Because they show merely the number of times they have been actually sent to prison. That has nothing to say, definitely, about the number of times they have come before the bar and have been given other kinds of sentences, or have not been apprehended at all. That fact of repeated crimes, is known in the book as recidivism, and simply means that a man comes back and back again and keeps on coming back. That is the supreme test of any penal system. Any penal system which is successful must aim first for the protection of citizens. These are amongst the first words of the preamble of this Bill—to protect citizens one of two things must happen, either an offender never comes back to the courts again or if he does, and by far most of them do, he should be able to look after himself reasonably well. The penal system if it is to protect citizens must do one or both of these things. Now, Sir, this is what that Royal Commission has to say about that troublesome fact of recidivism. "We are of the opinion," they say; "that the chief causes of recidivism are as follows:

(1) The absence in Canada (this is

1938) of an adequate probationary system providing for the release of offenders under supervision.

(2) Contamination of younger prisoners in jails, reformatories and penitentiaries by coming into contact with degenerate and experienced criminals.

(3) The failure of the prison system of Canada to give proper regard to the informative treatment of prisoners.

(4) The appointment of staff without training or capacity to fulfil other than mere custodian duties.

(5) The antagonistic attitude of citizens towards a person who has been convicted of crime and the absence of any well organized scheme of rehabilitation of prisoners in Canada.

The treatment we felt that should be accorded to prisoners should certainly be disciplinary in the best sense of the word, but it should be essentially humane, it should be constructive not restrictive. On this point regarding humane treatment this commission comes back to the point which I sought to make at the beginning, that in this kind of matter we are all of us involved. The commission goes out of the way to draw into the picture at every level the involvement of the public. When I speak of the treatment of the offender that it should be humanized, the commission has this to say: "The public too must be humanized." I is a truism that the best system of rehabilitation is the energetic efforts of an association to aid the reformed or discharge and can be retarded by the treatment meted out to him by the public. The responsibility for recidivism rests as much upon the shoulder



of the public as upon legislation or the failure of the state to furnish aid. Therefore, Sir, I have gone to this wide extent to set up the stage, to set the broad framework into which a Bill of this kind should ordinarily inhere.

Now, we come to that main provision of this Bill: The Bill is introduced by a preamble which, as I said, defines the purpose and spirit of what follows. The first phrase, Sir, of significance is the protection of society and those who might argue that the Bill wavers or errs on the side of sentiment will have to reckon with the fact that the chief purpose of this Bill is nevertheless to help protect society. The Royal Commission's Report on page 353-354 which I have already amply quoted said: "The underlying principle to be followed in the interim to the recommendations is to repeal the penal system with the primary purpose of protection of society." The second thing I wish to say, Sir, with regard to that preamble, and let me say, it is not usual for legislation of this kind to be introduced by a preamble, but the second point is that the Bill undertakes that the cause or causes of crime will be examined, the emphasis in this Bill is upon the offender not necessarily upon the offense, and finally the emphasis will be upon rehabilitation and correction rather than mere custody or detention.

For the purpose of administration the responsibility will fall under this Bill on a director of a Division of Correction as authorized, and in fact such a person has been appointed and will take up his duties officially within the full meaning of this Bill should it become law. He has had considerable experience in the field of

the rehabilitation of prisoners in the Province of British Columbia. I believe he is in the House this afternoon. The real advanced clauses are clauses 3 and 5. The Bill is divided into two parts one having to do with juveniles and the other having to do with adults and I shall have a word to say with regard to that as we proceed to answer the question "What does the Act in fact do?"

Under the juvenile section you will find a large place given to probation officers whose duty it will be to see that every juvenile coming within the purview of the Act will be given not only proper institutional training but after release from institutional care will be followed up and helped as much as possible within the society in which ultimately he must find his place. I think the question of probation has been misunderstood in Newfoundland, or certainly has been too loosely used. The word "probation" comes from the Latin word "to prove" and what we seek to do in probation is not to let a boy nor an adult go, and it is suggested to him he should be a good boy or a good man but he has to prove himself. He does that both with our help and with his own help. He is helped to understand himself and his needs as a man. A man who steals, steals for some purpose, a man who sets fire to a house sets fire to it for some purpose. We have to have him understand his own behaviour. Then we help him externally also by bringing to his aid all of the educational and helpful services. One of these needs might be a useful occupation. He proves himself according as he makes use of all facilities that can be brought to bear to help him.

Now, there is a new guide and authority under the juvenile section

which is self-explanatory and within the purview both of the Department and in some respects of the outside world to bear upon the reconstruction of juveniles who come within the orbit of the Act.

The adult section is patterned very much upon the juvenile section and it is there where the new feature will come into being in a sense, because what we seek to do mainly in this Bill is to apply to adults the same point of view as applies to youth all along. When we apply the concept of probation to adults it is something quite essentially new, and it is to be hoped the courts will make use of this service according as facilities are set up for their use. There is an adult guardian and authority set upon the same basis as in the case of the objects of the Act for youths. There is an advisory board for corrections provided under clause 16 which will bring the point of view of the public to bear on the usefulness and effectiveness of this Bill.

Now, I shall ask my question: What do we hope to achieve by the passing of this legislation?

In the main these are the points: With regard to the juveniles we shall bring the juvenile section within the corrections system as they are now immediately under the jurisdiction of child welfare. These functions of child welfare division we shall transfer to the division of corrections—that is to say the training schools will come immediately under the administration on the correction division. Whilst I see no fundamental change there, because we have been carrying out this point of view with regard to children all along—I shall give you some results in a few moments. What will happen is that there will be a

more thorough-going examination and review of the training whilst they are in the schools and a more complete and thorough-going follow up of the boys and girls as they leave the institution; a more specialized and more thorough-going job than is being done at the present time.

With regard to adults, we shall have to go more slowly. We are not anxious to go faster than our facilities allow us and certainly not faster at any rate than societies. In fact what will happen, I believe, is that the women who are provincial prisoners in our penitentiary will be removed as early as possible from their present surroundings and they will be housed in other quarters, and a scheme of re-education, re-training, re-habilitation will be set up within the Corrections Act under the corrections division. In other words, the penitentiary then as regards to women will be extended in the same way as it has been extended with regard to men. At the present time we have a programme at the penitentiary which applies to men, doing very fine work especially in the field of agriculture and forestry and other subsidiary or related work. Just the same as that arm is definitely a part of the penitentiary work with regard to men, even so we hope to extend the women's side of it by taking the women, as I say, from the penitentiary and making an institution for their more thorough going training outside the present penitentiary walls.

Now, the Attorney General, if he speaks to this Bill, will be able to elaborate on that point, because that is a case where the two departments collaborate with regard to the administrative side of the whole system. That will be a matter for still slower

development. Again we can only go so fast. What we shall do is collaborate there as much as we can and give the present penitentiary staff all the help we can in order to make as full a use as possible of the facilities we have and expand where we think we can afford to do so in various ways.

The fact is that the Federal Legislation with regard to this matter, has not applied to Newfoundland, consequently we are unable to name special institutions as special correctional institutions, so that in the meantime we work with what we have and this Bill, if enforced as law, will enable our present organization to go ahead for the time being and to take steps to develop our penal system along proper lines. It will do all that we need to do for the time being.

The main job, I think, we shall have on our hands in the first years is not necessarily to build buildings. One of the first jobs is to help the public understand what it is all about, because I am a strong believer in the fact that the public are very much concerned, not merely involved but their attitude is one of the most helpful means of expediting the purpose of this Bill. So, I say, for the first years we shall scout the field, we shall examine what we have and certainly try to interpret it to the public and get their reaction as fully as we can into what we are endeavouring to do in this new field. We must remind ourselves that the mere passing of a law does not necessarily constitute a sufficient guarantee that everything will go well, or that it will be understood or become quite effective in practice. That does not quite happen. Social legislation of this kind is frontier work. When we

take a step of this kind we are no longer reposing in the quiet anchorage of old customs, we are rounding the rugged headlands with the wind in our teeth. In introducing legislation of this kind we expect, legitimately, properly, a full measure of public support. In going ahead in this way we are not without the benefit of some very heartening and very convincing experience. I want to say to the House again that we are not starting from scratch, we are building on experience which we believe is valid—I shall point to a few of these before I sit down. I refer in the first instance to the voluntary work which has been going on since 1951 under the organization of the John Howard Society. It was formed two years ago as a result of close collaboration between the Department of Public Welfare and the public. We ventured to presume at that time that the public was ready for a constructive attitude towards prisoners, and we were prepared to test public opinion as to how far we could go in rehabilitating prisoners. A voluntary association was set up whose executive officer is one of our own staff, so that it is a matter, as I say, of collaboration. That organization has been sitting and studying and planning and working for two years both through visiting prisoners and bringing them comforts and interviewing employers interceding in various ways to help develop public opinion in the whole matter of penal reform through getting jobs for men. This was a most heartening reminder to us in Public Welfare that the public are ready to go a long, long way in that matter of taking a humane attitude towards crime. They may, I don't say sentimentally, but they may be our brothers, our relatives, our neighbours—

they are all Newfoundlanders. In the course of these two years, taking into consideration that they had to start with organizing, already the John Howard Society has had one hundred and sixty applications for employment from these men who came out anxious to get along and one hundred and ten jobs have been found. But of course they should not merely wait to come out, the work of rehabilitation should begin from the moment a prisoner goes into prison and even before that. The passing of this legislation will make the need for the John Howard Society not less but greater for the success of this social legislation will depend to a very great extent on the informed and intelligent attitude of society. I know at first hand that this Bill will be of fundamental interest to the John Howard Society of St. John's. I now refer to another organization, the Alcoholics Anonymous, which by the very nature of the work with which it deals keeps its light, so to speak, under a bushel and does its work quietly. But in my view its educational methods are sound. In that way again we are pleased in Public Welfare to say that on behalf of the Government we take more than a kindly interest in the work that they are doing. We know that their individual methods of dealing with persons who are victims of drink constitutes the basic job of rehabilitation amongst a very needy section of our population. Most of us who look on the section of drink as it relates to prison population know that prison life and drinking habits go pretty often together as far as these people are concerned.

I want to refer to another experience we have had along the line that has to do with our training schools.

In 1945 we started a training school at Whitbourne where we sent 22 boys. But they were not there a year before the institution was burned down, and thereby hangs a tale—it was burned down partly by accident and partly deliberately by the first two boys we took in. It was a real set back—we had 22 boys—and in the middle of the winter we had to find them shelter as well as we could. We found them and hospitality in Bell Island. Thinking we might have to put a winter in these barracks the hospitality was good, much better than the equipment and facilities we could provide ourselves, but instead of one winter we spent six there. But even with our limited facilities there we had, I think, Sir, remarkable success. I have not only tables here but a record to show here of every boy who came in to our institution from the very beginning in January, 1945, right up to April 1953, 282 of them—more than numbers—they are persons. I can say that of that 282 only four per cent thus far have gone to the penitentiary and in every one of these cases they had gone a long way before they came under training at all. They were the older boys who had gone too far for an ordinary training school such as we had, for us to be able to do anything reconstructive about them.

In 1949-50 there were 47 boys discharged, four placed in their present homes, two were placed in other institutions and forty-one of them went back to their own homes either to school or were gainfully employed. Last year we had 57 boys discharged, 29 of whom went to work on release or went home, ten of them replacement for the school, four armed services, one into a foster home, one in hospital and one released to the magis-

trate. I emphasize that one of the greatest sources of rehabilitation, profitable and useful employment is where the support of the public comes in. What I said about the Boys' Home applies equally well to the training in the Girls' Home.

I would further refer to the work of the Juvenile, Family Court in St. John's, of that I know something as I have been associated with it from the beginning. It has gone on from a poor beginning to something much better than we ever contemplated in 1949. Let me recite some figures for you, which let me explain I don't necessarily gloat over, but I believe they establish some trend, I say it this way: In 1952—last year—there were 159 boys and girls brought before the Family Court and the Juvenile Court in St. John's. About two years ago there were less than half of that number brought before court and about half the number of boys the year before, 62 as against 153 and only a quarter the number of girls. That does not indicate, Sir, all is well necessarily, but when there are people who seem to become alarmists that we are becoming degenerate, or when from some articles in the paper we find someone has had his palings defaced and such is called a sign of degeneration, I think we have to get a little sense of perspective about all this. For the population of St. John's the social changes that are going on in St. John's, we are not doing too badly. I say that, not as an exponent of Government services only, but because the Government are co-operating too, the RCMP Boys' Clubs, the various services as well as the probationary services of the court with its aim on prevention is part of the heartening experience to which I referred, and it is the kind of heartening experi-

ence that provides the background, necessary background, to this Bill, the purpose of which is prevention. I understand that it takes about twenty-five times as much money to provide accommodations for a man in jail as it does to keep him out of jail.

In conclusion, Sir, I say that this Bill could not be possible without the positive and active co-operation of the Department of the Attorney General, and I am very tempted to say that for many years I have been building up files upon penal reform. I wonder why, long before I became one of the Legislators, long before I thought that it would ever become a matter of the House of Assembly interest, I wondered why I should be keeping all these letters, records, clippings and publications of various times until now they amount to great proportions? I wonder why? Except that the test of any society, and here we might find ourselves in company with the great Churchill who said this long before we did—"The test of any society is in what it does, the attitude it takes toward its dispossessed, the people with their backs to the wall." So it is therefore a great day that we should come to the point where we can venture legislation of this kind. I want to express also the same tribute to the press and the radio, in spite of what I said about the negative feature of radio advertising, I still try to keep my balance and give credit where credit is due. Wherever they have given publicity it has been done intelligently and sensitively and the special writer of the "Evening Telegram" I would single out as taking an unusual forward looking attitude about this matter. Passing of this legislation, I would say, Sir, is not just sentiment. It is sentiment but it is more—it is harder to

reform than condemn. The passing of this legislation will not in itself bring any miracle. I must warn the House now progress in this field as we venture out will necessarily be slow and there will be setbacks. I shall never forget the night our institution at Whitbourne burned down. We had about 15 or 16 boys out there and the very first two on whom we had worked hardest and longest were the two who burned it down. Yet we repaired our own structure in the form of a new building knowing that this will never happen again. I will normally predict in Newfoundland I don't think this can happen again, we have progressed that far. I am not making any wild predictions but I know that we have gone a long way, Sir, and I should hope that the attitude we have cultivated in the juvenile field we can now extend to the adult field. If I were in the mood for making predictions I would say: if given the proper facilities both of staff and structure, adult crime in Newfoundland would not be a significant problem at all. But it will require patience and perseverance. The success of this Bill, Sir, depends not only on the leadership the Government provides both in men and material but, I repeat again in repetition, ad nauseam, the success of this legislation will depend no less upon the active and forward co-operation of the public at every stage.

The men who will be in our penitentiaries ten years from now are presently in our schools, in our homes, asking their dads for pocket money. There is responsibility here, Sir, for homes, for schools, for churches, for all of us. There is involvement in this thing for all the public, it is public welfare.

I have much pleasure in moving the second reading of this Bill, Sir.

MR. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, I feel that there is no question, of course, of the Opposition not supporting this Bill. We definitely support it, and the principle of the Bill.

In speaking to the principle of the Bill I feel that I am in more or less of a unique position, having served just about a quarter of a century as a magistrate and having sent quite a large number of people into the penitentiary during that period, and I believe, having sent in one of the ex-bad boys who happened to burn down the building at Whitbourne. I say, therefore, I am in a unique position in speaking in favour of this Bill, so rarely does it occur, Sir, that we on this side of the House are given an opportunity by the Government to say a word of praise. I think I would be remiss in my duty if I did not at this time offer not only to the Honourable Minister of Public Welfare but to the whole Government hearty congratulations on bringing forward at this time this particular Bill known as the Correction and the Prevention of Delinquency. I am glad to note that it applies not only to juvenile but also to adults. In my opinion, Mr. Speaker, the only way in which any person or any department of government or any church or society can deal with delinquency whether in juniors or seniors is by way of the path, the programme laid down by Christ two thousand years ago. In other words the Honourable Minister has brought in an implement which when properly applied may be termed purely and simply practical Christianity. It is only by this means, Sir, of practical Christianity that any delinquent be he junior or senior can be approached

You cannot, Sir, lead a person by the nose, you cannot force an individual be he junior or senior to adopt a certain course of procedure which may be felt to be the best course, you can only point the way, Mr. Speaker. Until the individual himself has been pointed the way, and in no uncertain terms—mind you, Sir, I do say, sometimes he has to get a good many knocks on the head, a good many kicks in the pants and be injured in a good many ways before he can be made to see the proper path which he must pursue if he is to have any happiness as he goes through this life.

This is an excellent Bill, Sir. I, too, congratulate the Department of Public Welfare and the Government on bringing it in. I was looking at the figures the Honourable Minister presented here this afternoon. By even glancing through it I can see some of the reasons for delinquency on the part of these people who were last month in the penitentiary. We find 76 of them out of the 102 are below the age of 32 years, 19 of them are between 17 and 20 years, 34 of them between 21 years and 24 years of age. In other words we find the large part of those people are the young, those who have not had the opportunity for various reasons to see that path which alone can bring them happiness in this life.

If we look at the matter of education, Sir, we find that 44 of this 102 never went beyond Grade VI, and a good many of them I take it had very little education at all, as a matter of fact, ten of them never reached any grade whatsoever.

Then, again, when looking at the unemployment we find 44 of these people were unemployed at the time they broke the law. So, as we look

at these figures and think of the things that we ourselves have learned as we walked down the path of life we see that the problem is a grave one and that there are many answers. No one set of rules could make a society perfect. All individuals are made up in different ways and we do break the law. I will say, as the Honourable Minister said a moment ago, I myself could not be regarded as a social worker gone sentimental. I am not sentimental about these things but I do believe the Department of Public Welfare is now approaching the problem in the right direction, and I want to congratulate the Department not only on this particular Bill, and I include the Government in that they have all along the road of Public Welfare since they came into office in 1949 made great and rapid strides in that field. I do take this opportunity, Mr. Speaker, to give praise where it is due. I will not always be in this mood but I am very happy at this moment to support this Bill and to congratulate the members on the opposite side.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, after listening to this exposition of the Honourable Minister of Public Welfare, I would not presume to speak at any length on the Bill. I would say this: although I have only been present in this House for a short period, I don't think that I have ever been more inspired by any utterance here than I have been by the speech made by the Honourable Minister for Public Welfare this afternoon in introducing his, and I believe, the Honourable the Attorney General's Bill. Perhaps it is because prior to my connection with political matters in a direct sense my entire life has been taken up, as this House knows, in

one way or another in dealing with people. For some three years I had the privilege and the very great pleasure of attempting to administer some of the welfare matters of Newfoundland under the present Honourable Minister. Prior to that again, as the House well knows, I was connected with the training of children and young men and young women, in fact many thousands of them. Looking back on that now I think often of the periods of frustration, the moods of frustration almost of helplessness that came over me at times, and I think inevitably comes over everybody who has to do directly with the training and education or social welfare of humans whether that person is a magistrate, a judge or a teacher or a social worker, because so many of the problems one comes up against are problems that defy immediate solution. Yet there is a tendency of the public to look to an immediate solution and of course directly concerned, the social worker or the teacher or law enforcement officer. Amongst the public, and when I say public I mean all of us, Mr. Speaker, there is a tendency for us to be fatalistic about things. Somebody breaks the law, a young woman is taken up for prostitution, a man is taken up for stealing or some other crime or misdemeanour, and we have all in the past jumped to the immediate and perhaps natural conclusion—this man or this woman has done something against society. Let us punish him immediately so that (1) he will not do it again and (2) it will be an example to those inclined to do likewise. I will submit, and I think the Honourable Minister brought it out and also the Honourable Leader of the Opposition, that attitude has failed in the past dismally in what

it was supposed to do, namely, to protect the public. We have not protected the public in that way, nor have we done anything in a real sense to rehabilitate, to make over, to regenerate, the person who may well be the unfortunate victim of a set of circumstances.

I dare say that most of the members of this House follow from time to time the various trials that have been held here in St. John's in recent years particularly the more spectacular ones dealing with murder and attempted murder and alleged murder. I am sure that all of us, as the sorry and dismal details unfolded, must have been horrified to realize that such conditions, such habits of life have been going on right under our very noses whilst we have often been oblivious to it. I must confess one of these trials as I followed the life history, as you might call it, in summary of several of the young persons concerned, greatly stirred my feelings as a family man, and many of us here are family men and nobody can predict what will happen to his children under the best of circumstances sometimes. There is no one of us here who has a young boy or young girl today can say definitely that that boy or girl will not end up in a penitentiary or some penal institution. But I could not help feeling as I listened to the story that if I wanted my boy to end up with a one or two years' sentence or perhaps with a heavier sentence that the simple and obvious and natural way to bring that about would be to have my boy or anybody else's boy pass through the same set of circumstances, the same environment that some of these young lads we have heard in the courts not so long ago had passed through. What happened there was the logical out-



come of their way of life, in some cases almost from the very day they were born.

This Bill, Mr. Speaker, I believe marks the end, one might say, or the beginning of the end at any rate, of a fatalistic attitude towards crime and misdemeanours in our society. Like the Honourable Minister, I too would say that we are extremely fortunate here in Newfoundland and in spite of delinquency which takes place every day at the juvenile and adult level which we know nothing about, I say: in spite of that we here in this city and this Province are fortunate in that we are at least spared, both in quantity and quality, some of the misfortunes that affect people of some of the cities in the United States and, in fact, on the Mainland of Canada. Nevertheless a very serious situation faces us here. Those of us who have anything to do with social welfare directly know that. I would challenge any man to spend three or four years working with human beings in the field of social welfare and not feel the time has come for a radical revision of our thinking in that matter of human rehabilitation.

I would take this opportunity, if I may, Mr. Speaker, of expressing my own sense of gratitude and I am sure of the Government that this Government has in the person of the Honourable Minister of Public Welfare one of the outstanding thinkers, not in Newfoundland but in the whole Dominion of Canada. I have done some travelling in the Dominion in the interest of social welfare and public welfare, and I have met with, I think, a majority of the leaders in the field of welfare, and wherever I have gone in the West, the centre of Canada and in the East I have always met that feeling on the part of these

people, that we are amongst the most fortunate of all the Provinces of Canada in that we have here and have had here for some years a man who now holds the portfolio of Public Welfare and who has been able to guide our thinking in so many ways. In fact I think it is not too much to say, and I am sure my honourable friends on the other side realize this is not simple politics for which I have no reason at this time. But I feel that I must say this; Since 1945 every major move in the field of public welfare in Newfoundland has emanated from the thinking and the philosophy of the Honourable Minister of Public Welfare, whether that is in the field of child welfare, in the field of family relations or in the field of city welfare or provincial welfare, or in the field of adult correction or in the field of responsibility for the various private organizations working in the field of public welfare. The action, I feel, of this Province has been set on its course so to speak by the thinking and I must say the social thinking which has characterized the Honourable Minister of Public Welfare.

I would like also to express my appreciation of the remarks made by the Honourable Leader of the Opposition who I know has a great wealth of experience in dealing with human beings. He recognizes that the Government are on the right path, as is in fact any Government as they seek to bring a rational and a scientific and a humanitarian approach to this whole problem.

MR. FOGWILL: Mr. Speaker, I wish to add my support, already expressed by the Honourable Leader of the Opposition, to this Bill. There is not very much I can add to what he has already said, but all of us do

know the committing of offenses or indeed crimes and punishment also have been with us from the time that people began to live on this earth. Now, the committing of offences, Sir, is not perhaps confined or limited. In debating the committing of offences and crimes by people to the extent that they may be put in jail it drives home the thought that, after all, Sir, I think all of us are prone to break the law at times, and this has been so well expressed by the Minister when he more or less expressed, to me at least, the deliberate flaunting of the law by most citizens. Perhaps we may all of us be guilty at times of doing something and getting away with it. It is wonderful to get away with something, sometimes thoughtlessly, sometimes deliberately. For instance, I should not say this I suppose, I broke the law today when I forgot to put the penny in the parking meter. I did not do it deliberately but nevertheless I did it and if I were caught regardless of whether it was deliberate or not I would have to pay the penalty.

There is one thing to which I do wish to make reference, Mr. Speaker, and that is the number of people confined to jail under the heading of drinking. Of the 102 people we have 36% who are listed as heavy drinkers and 29% listed as moderate drinkers, a total of heavy and moderate drinkers of 65% of the total of 102. That is one way, Mr. Speaker, where something might be done to bring about a more temperate attitude on the part of the people. I am not advocating complete temperance, I think it is silly and am not trying to do so. But if the Government did see fit this year in the estimates to devote twenty or twenty-five thousand dollars towards the cause of temperance, I for

one, Mr. Speaker, will support it, not with any idea in mind that it is going to bring about complete temperance or prohibition of drinking of hard liquor, but it might bring about a more sensible and moderate way of using alcohol.

There is one other point, Mr. Speaker: With reference to the occupation of the people concerned there are 63 listed as labourers, manual labourers out of the 102. That is 61.7% of the total listed. Why then should so many labourers be committed in that total of 102 people? Is it because of the conditions in which they live and their being unable to earn sufficient money to maintain surroundings which could bring about a better way of life for them and bring about conditions which would make better citizens? Is it possible, Mr. Speaker, that that could be true? Is there any action on the part of the Government in respect of this Bill being coupled with other actions on the part of the Government to bring up the standard of living, to bring about a higher rate of wages and a means whereby the removal of people living in close conditions, closely living together could possibly be changed to better surroundings at a reasonable rent, etc? I know this is being done somewhat. Perhaps we may find if that were done the number of labourers in the lower wage brackets would be much less when the Honourable Minister makes his next report.

That is about all I have to say, Sir except in respect to breaking the law in the case of many of the youth much of that is brought about by the adult as pointed out by the Honourable Minister when he made reference to the public gossip caused by people appearing before the courts. In fa

it appears sometimes it is the only thing that interests a number of our citizens, it appears to be the three ringed circus. Now, if all of us adults took a different view altogether about the committing of petty offences such as going through the red light, getting half-full sometimes and getting away with it, or not putting the penny in the meter. If we do forget, just forget it, and don't boast of it, don't boast of getting away with small offences. Perhaps we may be able to help bring about a better way of thought amongst the youth towards the law. Not only that, Mr. Speaker, but in nearly every place where I find people working, to a certain extent in my lifetime, and I think all the rest of us also find, there are quite a lot of fellows always trying to get ahead of the other and not caring what methods are used to do so. We find that in every Department, in the spending of government money, patronage is one thing, Mr. Speaker, I know it is hard to get away from that. Wherever you go where men are working you will always find someone trying to get ahead of another, and quite happy to do it, and quite happy to boast about it. Now, all of those things, Mr. Speaker, do tend to bring about a disrespect of the law by the young. If the older ones were more respectful to the law themselves, and if they did happen sometime to forget and break a law or do it deliberately they should keep it to themselves and not boast about it to young people. I don't think there is anything else that has such an effect on young people as the boasting of the old when they boast about the things which they have done which are not right and boasting about getting away with it.

That is about all I have to say, Mr.

Speaker, except that I am wholeheartedly in favour of the Bill and I hope that the good work which the Minister has already done will be enhanced and increased under this legislation.

MR. CASHIN: Mr. Speaker, I wish to say just a word or two in support of this legislation brought in here this afternoon by the Honourable Minister of Public Welfare.

This is a measure which, in my view at any rate, is many years behind the times. However, it is never too late to try to do it and I am sure that when this legislation is effective it will have some restraining influence on those of us, and we have to include ourselves, who may at times be tempted to break the proper laws of the community. I, like the honourable member for St. John's East, have broken the law such as parking laws, as a matter of fact I have a ticket in my pocket now and have to pay the penalty for parking in the wrong place or something like that, unknowingly, but that might lead on to something worse.

I note here, however, that most of the people who are incarcerated in Her Majesty's Penitentiary are there because of drinking. Now, like the honourable member for St. John's East, I am not an advocate for temperance because I know perfectly well that it is useless. The United States of America and Canada and indeed, Newfoundland also had periods of prohibition some years ago and it was futile. Once you prohibit something that is the time that people go after it. However, the laws which are in effect here with respect to the sale and distribution of liquor, at any rate in my mind, are loose. For instance I have seen the sale of liquors and

beer going on on Sunday within a stone's throw of this city. I believe it is legal in some places. I don't think it is right and I am not a preacher in that respect. But if any one of you gentlemen in this House this afternoon wished to drive out Topsail Road at 11:00 o'clock Sunday morning, just try it next Sunday, and there are two or three of the establishments that have licenses from the Board of Liquor Control which are wide open selling wines, beer, and as we used to call it in the old days "straight liquor" wholesale out here on Sunday mornings. Now, I realize also that the actual wiping out of all that is not going to wipe out delinquency and crime, because I think we ought to be congratulating ourselves that we have so little. Some people can drink moderately and leave it alone and others can't. I note from here that there are 37 people at present incarcerated in the penitentiary because of excessive drinking. I also note there are two or three down there in that section who have been there 20 to 39 times and these are old individuals in the community, I can almost name those two right here now, because I have taken them off the street and I don't know what you can do with them, it is a psychiatric job I imagine. But we won't eliminate it, however, we should be able to do something about this drink situation. I believe that the drinking laws of England and the way they sell liquors over there are the best way. In the "Pub" as they call it there are certain hours during the morning, afternoon and night they have certain hours—they are not open from nine o'clock in the morning until ten o'clock at night, if my memory serves me right they are open at ten or eleven o'clock in the morning and

close at 2:00 o'clock and open again at 6:00 o'clock and are open until 9:00 or 10:00 o'clock. They are closed during the afternoon and closed in the early morning. The unfortunate part of our liquor laws is that, in order to get a drink of rum I have to buy a bottle, and when I buy a bottle I get drunk because I am not going to take one drink but am going to finish it. That is what has caused all this drunkenness unfortunately in this community we have plenty of it. I know it is caused by, in fact prohibition caused it in the first place because in the old days here when we had the old bars on Water Street and all over the city the ordinary workingman could go in and buy one drink, today he buys a bottle and that is caused a lot by the Government making two and a half or three million dollars a year revenue. But if they don't make it someone else will illegally and manufacture it. As the Premier pointed out—we should get more revenue out of it, charge more and make it more difficult to get. But if we took that step probably we would have them making moonshine.

However, I want to assure this House and I want to assure the Honourable Minister of Public Welfare who in a very able address here this afternoon introduced this legislation that I support it and think it is a step in the right direction. I realize we are not going to see its effects immediately, but I believe that once this legislation gets working that it will have considerable good effect, a lot more good effect than bad effect, with the result that particularly in the youth of the community—that is what we have to get at today, the young men and women who are growing up in the community. There are more temptations today than there

were forty years ago. Why you are not a man at 19 years of age unless you are able to drink a bottle of rum. The same thing applies to men and women in this community today, they are wonderful people once they take a drink and the next thing you know they are plastered and are getting in trouble. Out of 102 people down there in that dismal spot nearly 80% are there by drinking. Now, as I said at the outset, I am not a temperance advocate. But go back to the day when there was not any temperance system and persons could buy all they liked, back in 1914-15 in the blue book, when the population of Newfoundland was a quarter of a million roughly, there was less liquor consumed than we are consuming today, and then a person could go in and buy all he wanted of it whereas today we are restricted to a couple of bottles a week. I remember, when I was in the Finance Department, looking up the statistics and even at that time twenty-three years ago they were selling more liquor in the Department of Liquor Control under restricted measures than was being sold when we did not have any restriction on it, because once you restrict something it makes an individual want it. It does not matter what it is, if it is poison he will try and get it because he is forbidden to do it.

However, Mr. Speaker, I am not here today to give a lecture on temperance or advocate wiping out the liquor board because it is useless, a waste of time, and would create more crime than we are having at the present time.

But I want to assure the Honourable Minister of Public Welfare I appreciate this legislation particularly for the coming generation. That is where this legislation is going to have

its effect, not on us people who are outward bound, but the people coming up today to take our place in the future to carry on the traditions of Newfoundland in twenty-five or thirty years from now.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I would like to congratulate the Honourable Minister of Public Welfare on his address this afternoon. It has been a pleasure to be associated with him in this piece of legislation. When in the summer of 1951 through his initiative we brought to Newfoundland, Mr. Christie, who in turn examined our penitentiary and our Salmonier Prison Camps, we found there was a definite need for some such legislation as this. I am glad to say that through the persistence of my honourable colleague this Bill has now reached the floor of this House.

We are very fortunate, Mr. Speaker, as a Government, the Legislature is very fortunate and the country is very fortunate in having at the Department of Public Welfare a man of the calibre of the Honourable Minister. I assure him, on behalf of those of my Department, that we appreciate his efforts in the direction indicated by this Bill and that he will always have co-operation and support from us.

I don't know, Mr. Speaker, how many members of the House have visited the penitentiary in recent years, I don't know how many, if any have visited the prison camp. But I do think the inauguration of the prison camp was a step in the right direction. It did to some extent separate the prisoners, it did divide them into two categories, those who could be trusted and those who could not be trusted. I would be only too happy to arrange to have any mem-

ber of this House at any time to visit either of these institutions and see for themselves what we have accomplished. In the prison camp they have their training in methods of agriculture, they have their animals which are being looked after, they have quite a piggery, they keep cows and they produce enough milk for their own institution and to supply some of the others, they supply eggs, they keep poultry and supply eggs for their own institution and other institutions. They are practically self-supporting in a long line of things which can be produced in this country and they are really carrying out at Salmonier a method of keeping these prisoners employed which will serve them when they came out. I feel quite sure those who come out from the Salmonier prison camp will come out better citizens than when they were sent in, and let us hope will not come back again.

The conditions of the penitentiary are not nearly as good as they are at the prison camp, they are not as good as we would like to have them. We have done the best we can to find work for the inmates there, but, Mr. Speaker, because of the smallness of the place and the type of inmates we have there, it is not possible to give them all an opportunity to learn a trade which they should perhaps have. As you know, in the olden days the prisoners down there made brooms and apart from that chopped wood and did a few odds and ends. Nowadays the situation is a little better, they do some block making and some wood cutting and there is still a lot that can be done and could be done if we could get the right type of management and control. Our wardens are not specialized, they do a good job, they do keep prisoners in

custody, which is something in these days. Through good fortune, we have had no breakouts in recent years—I must touch wood—I think the institutions are well run, but they are, as the honourable member stated, purely places of custody, places of detention, of punishment. I know the country will welcome this charter the Honourable Minister has brought down this afternoon, this charter to improve the lot and improve the future of those who are unfortunate enough to have fallen afoul of the law.

It must be realized, Mr. Speaker, that it is even my duty, and the duty of my Department to have those guilty of breaking laws committed to the penitentiary and to other penal institutions of the country. It is our duty to put them out of circulation so that they will not be a threat to citizens in the future. Unfortunately if they are locked up and nothing better happens they eventually come out and when they do come out they still remain a menace to society. Now, thanks to this Bill of rights which is being introduced those who are unfortunate enough to have landed in the jails will have an opportunity to rehabilitate themselves and when they come out will be the makings of good citizens.

I think my honourable friend, the gallant major, is wrong in his interpretations of this item about drinking. The statistics show 37 moderate drinkers, 29 non-drinkers and 35 light drinkers. I think, Mr. Speaker, these figures refer rather to the weakness of the individuals along that line and have nothing whatsoever to do with the reason for their being in the penitentiary. It does not mean that 38 are there because of heavy drinking, nor that there are 35 there

because they are moderate drinkers and I am pretty sure the 29 are not there because they are non-drinkers or only light drinkers. That, I think, is an interesting analysis for us to have. But I would say, Mr. Speaker, and I think it needs to be said and has been needed to be said for a long time, and it is unfortunate that this table prepared by the Honourable Minister does not go a little further and show the types of offences for which the majority of the people were committed. But I have been worried in looking over the reports to see just how many prisoners today, are prisoners because of liquor. All of the major offences since I came into office, all of those who are serving today in the penitentiary because of having committed major offences are there either directly or indirectly as a result of liquor. By far the great majority, I would say 80% there who are light drinkers or non-drinkers are found to be there, Mr. Speaker, for minor offences, but the real hardened core of the offenders are there, I think, purely because of liquor. If it is true we cannot have prohibition (personally I would like to see prohibition though everybody laughs at that, personally I would like to see it) apparently it is impossible. Though I tell you frankly, Mr. Speaker, prohibition never had a chance. Those of us here in St. John's at that time know that the doctors turned out worse than any. However, we can't have prohibition, but we can practice temperance. I think my honourable friend is getting his temperance and prohibition mixed. I think he is a temperance man and a temperance advocate. I do think, however, that we must try to curtail, if possible, the too heavy consumption of liquor be-

cause it is responsible for 80% of those who are in the penitentiary. One of these days, if I can get the information, I am going to try to prepare a statement showing just how many of these in the penitentiary are there directly as a result of liquor.

Now, Mr. Speaker, I think we all owe a tribute to Alcoholics Anonymous and the John Howard Society. Both these organizations are doing great work, they have our support and they have our good wishes, and we hope that they will continue to do the work that they have been doing. I believe that if we had a good John Howard Society there would be very few relapses, very few indeed. I know myself of cases which have come under my own notice where young boys of 21 and 22 years of age were down in the penitentiary simply because when they did get out they had no job to get into. It is hard to expect industry to take these men and give them another chance. One does not like to be once bitten twice shy. Nobody likes to take chances and have ex-convicts in their employ. If we could only get some way of getting employment for them. If they had a job to go to when they got out I think very few of them would return.

Mr. Speaker, again, Sir, I congratulate the Honourable Minister on this Bill, and I trust the operation of it, if it becomes law, will show its wisdom.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, this piece of legislation today is the latest part of our Newfoundland Revolution which began just over four years ago, and which has overspread Newfoundland to such an extent that I suppose no other part of North America, in all the history of North America, ever

saw such thorough-going changes as Newfoundland has seen, and is still seeing since four years ago. We have in those four years brought in here a Labour Relations Act, a Trade Union Act, a Conciliation Act, a Workmen's Compensation Act, and we have created a special department to administer these and a number of other parts of our Newfoundland Revolution in the form of social and labour legislation. We have brought in here in those four years our Dependent Persons' Allowance Act, our Widowed Mothers' Allowance Act, our Old Age and Blind Persons' Pensions Act and lately our Old Age Assistance Act; we have set up a juvenile court, we have built a new boys' training home in Whitbourne, we have set up the far-flung welfare officers system comprising of some 70 or 80, I think, welfare officers all of whom have received a minimum amount of professional training and some few of whom are graduates of universities in that field, we have set up a Department of Welfare to carry out that swelling and expanding part of our Newfoundland Revolution under the brilliant and very sincere leadership of the Honourable Minister of Public Welfare. We have had in those four years challenging developments in public housing, we have had sweeping improvements in education first as to new school buildings and old school buildings reconstructed at a cost of two million dollars to date, and secondly as to more or less doubling the income of our twenty-five or twenty-six hundred school teachers; we have brought in over nine hundred hospital beds in those four years, a truly astonishing accomplishment; we have built four or five new hospitals, entirely new hospitals;

in the mere four years we have averaged more than a hospital a year.

MR. FOGWILL: The Honourable the Premier is wandering a lot from the principle of the Bill.

MR. SMALLWOOD: The Premier knows when he is wandering and when he is not. He is extremely well aware when he is in order and is not. If the honourable member would like to rise to a point of order on that and refer it to His Honour the Speaker, I would challenge him on it and see who is right and who is wrong. The honourable gentleman will have to wake up very early in the morning to catch this speaker out of order.

MR. FOGWILL: I would like to know in the principle of this Bill what the hospitals got to do.

MR. SPEAKER: I don't think it is fair to appeal to the Chair in these circumstances. The Chair is in an impartial position and refuses to rule under such circumstances. I merely say a member speaking to the Bill must confine himself to the principle.

MR. SMALLWOOD: In many other fields in these four years Newfoundland has undergone sweeping progress, sweeping advancement and this piece of legislation today is merely one of many, the latest one of many pieces of legislation reform brought in to this House by this Government. Now, as a Government we are greatly preoccupied with economic development. That is as it should be, that is the principal and prime purpose of a Government, and that at the same time is merely a means to an end. I sometimes think that the primary purpose of this Government and all its Ministers is to find the wherewithal for the Honourable Minister of Public Welfare;



to create in Newfoundland the economic means for the carrying out of a great social programme of the Government in Public Welfare, in Education and in Public Health.

Now, there are two attitudes which people take to the sort of legislation now before us (1) a certain hard-bitten and hard-boiled, cynical attitude that is left stone-cold, that is left only with a sneer on its face about all this talk about a Corrections Act and penal reform thinking it is baby talk, wishy-washy, sentimental, even thinking it is stuff for women to talk about and not practical politicians; not a thing for broadminded men to discuss, not a thing for grown-ups to be concerned with; it is all right for clergymen and women and school teachers but not for hard-headed, practical, grown-up men of the world to be concerning themselves with trashy stuff like that—that is one attitude. That is a very common place attitude and there are many who will not publicly express themselves that way privately they will very frequently; privately they will very unashamedly do so. There is also the attitude of sheer wishy-washy sentiment dogoodism, a sort of spirit of paternalistic benevolence towards people, unrealistic—the sort of attitude that if a man does not come up and kick you in the face you take it for granted he is a saint, that if you don't see him slit somebody's throat you think that probably he is ready to be canonized, that kind of completely, unrealistic and very romantic attitude towards delinquency, towards offenders.

Now, I believe that the Honourable Minister endeavours in this legislation, as in all the measures he brings before the House supported by the Government, to steer a course be-

tween these two attitudes; this perfectly negative, hard-bitten, cynical attitude to which I alluded and this equally offensive attitude of sheer sentimentalism, wishy-washy dogoodism. For myself I can understand what a triumph it must be to the honourable gentleman and to the Honourable Minister of Mines and Resources who until quite recently was second in command in the Department of Public Welfare to live to see the day when as legislators and Ministers of the Crown they would bring in and see brought in to this Chamber the realization of a dream of theirs. I know exactly what that feeling is like, I have had that feeling on a hundred occasions in that last four years and the Honourable Minister of Labour must have had exactly that same feeling on four or five occasions in these four years as he introduced and piloted through the House pieces of the labour and trade union legislation of which he had dreamed in years gone by. I adopt myself in all these matters, I feel myself in all these matters a great sense of accomplishment, I feel great pride indeed in being the Leader of the Government that brings these matters forward. I am delighted that as Leader of the House I have deliberately arranged that not another thing would be discussed here this afternoon, and I am going to keep on now until we adjourn to make quite certain nothing else will be talked about except this Corrections Bill. I am proud of the fact—

MR. HOLLETT: Don't spoil it.

MR. SMALLWOOD: I won't spoil anything. If the honourable gentleman waits long enough for me to spoil anything then he will be over there a long time. Incidentally, the Honourable Minister of Public Wel-

fare made the remark in the course of his speech—Now we have rounded the headlands and the gale is in our teeth. I wondered at the time if he meant the Opposition when he talked of the gale being in our teeth. But from their attention towards this Bill I learned that it is not the Opposition he had in mind, but what gale it is I don't know, but I can guess.

MR. HOLLETT: Maybe the Leader of the Government.

MR. SMALLWOOD: The Leader of the Government is a gale but not in the teeth of the Honourable Minister of Public Welfare but in other teeth on the other side of the House, and he is not a gale but a blizzard, a raging hurricane as the empty seats on that side of the House so eloquently testify.

MR. FOGWILL: A gale blows itself out sometimes.

MR. SMALLWOOD: This one will be a long time blowing out, and the honourable gentleman opposite has good reason to know that.

I say I am very proud of the fact we have this matter so much at heart that we can take an entire afternoon, an entire sitting of the House of Assembly to discuss it. That is the kind of Government we are—now it is NALCO, then it is BRINCO, tomorrow it is AMCO, but this afternoon in between these matters of sheer and somewhat prosaic development we can turn our thoughts for an entire afternoon to the welfare of what after all amounts to a mere 100 or 200 or 300 persons in the whole Province of Newfoundland. Now, their votes are not very numerous, and I would suspect overwhelmingly liberal—I can't get a rise out of the honourable gentleman opposite at all this afternoon.

They are in too good a mood this afternoon. We did not have even one tentative row, Mr. Speaker, for the whole afternoon.

MR. FOGWILL: Will you start one?

MR. SMALLWOOD: Any time the honourable gentleman feels like it, yes. I am all ready to accommodate him.

MR. HOLLETT: Don't bring politics into this very important Bill.

MR. SMALLWOOD: The Government is a political institution. It is the institution of Liberalism and liberal policies. We wish the Opposition never to forget that the people of Newfoundland never do forget that, that we never forget it, that we are the exponents in Newfoundland of liberal policy and we have four years of action to prove it.

Now, Mr. Speaker, seriously this is a red-letter day in the history of social welfare in Newfoundland. A few nights ago I had a deputation call on me, the John Howard Society. I am going to say something which some of my colleagues, my two colleagues on my right and left, probably are not going to like, or not going to like my saying. The deputation from the John Howard Society came into my office the other night and described for me the conditions prevailing in the women's section of the penitentiary. Now, I am as sentimental as the next man and I hope as realistic as the next man, but I was absolutely shocked, I was appalled by the description given me by Mr. Abraham and Mr. Hurley the active, full-time agent of the John Howard Society seconded to them, I believe, by the Department of Public Welfare. I was ashamed to be

a Newfoundlander. I was ashamed to be a member of the Government. I was ashamed to know that kind of thing could exist here in Newfoundland. Now I reported it on the following morning to my colleagues in the Cabinet and discovered that the Honourable Minister of Welfare and the Honourable the Attorney General had already gotten their heads together on it, and had in fact got plans to change that situation so far forward that they merely asked me to drop the matter for a period of some weeks whereupon they could confront the Cabinet with a clear-cut proposal to remedy the situation—not I would say a day or a moment too soon.

I had in my office the night before last a young man who had just been released from the penitentiary after serving a term of some years. He had come out a few days before that. The John Howard Society had assisted him out of its own meagre resources. It was a very small amount they could give him. I wish that along Water Street and off Water Street some of our people of means who count their wealth in the scores of thousands of dollars and some in the hundreds of thousands would take an active and practical interest in the John Howard Society. They meet persons, who come out of the penitentiary in Newfoundland, indeed they don't wait for them to come out, they go down and visit them quite frequently and try in many ways to befriend them. When they come out they assist them out of means that are all too meagre, pitifully small, in a practical way try to get them on their feet. They were not able to get him a job. He was one of many hundreds of people who come in to see me from time to time. He was about the tenth person who has come out of the penitentiary who

has called on me. There he was—he had served a term.

MR. HOLLETT: Was he a liberal?

MR. SMALLWOOD: I really don't know, I never ask anyone who comes to see me. I have an average of probably fifty people a day and I really don't know what a great many of them are and don't worry about it. In here in this House, if I think I can get a rise out of the gentleman opposite I will talk about these matters but ordinarily I am too busy.

Now, I would say he was a young man about 25 or 30 years of age. He looked to me to be an intelligent fellow, quite intelligent in fact. He told me quite frankly where he had come from. If he had not told me he would probably be the last man in Newfoundland I would ever have guessed that he had spent a number of years in the penitentiary. In other words there was nothing about him unusual in appearance. He was rather a clean-cut, intelligent looking young fellow who had gotten into some scrape and went to jail. Now, he had come out. He had no job, he had nothing. The John Howard Society had given him five, ten or twenty dollars and that was all he had. Now, what would the House do with him? What would my honourable friend do with him? He is 25 or 30 years of age, he has no job. I only hope that this Bill will have the effect of helping a man like that, if not it will be a little empty.

I remember another case of a man who had been in jail at first when he was fifteen, I think, then went back there a number of times. He had been in jail in other parts of the world and then back here. He was

up in court again and again and again. Then on the night he came in to see me it was midnight. He came in and told me if he had not a few beers in he would not have the nerve to come in. I asked him if he thought he needed that to come in and talk to me. He told me his story. As I thought he might have a few beers and was making it up I asked him to come in and see me in the morning. He came back the next morning and told me the whole story. At that moment he had a brother serving, I don't know but he said, lifetime in the penitentiary. That is just a few months ago. He himself was in repeatedly and he had other relatives in there, I think. That very night he was in to see me the next morning he was being put out on the street. Now, what could you do with a man like that? I don't know if the Honourable Minister of Welfare has any answer to that. The only thing I could say; I thought there was no hope for him here. I would ordinarily try to get him a job. I have personally telephoned businessmen. I find this, if you ring a business man, a factory owner and say—look John Jones is just out of jail, he was in for such and such an offence, he is just out—are you willing to take a chance on him and give him a job and let him prove if he wants to go straight, let him prove for himself—nine times out of ten they will give him the job. I got a job for this man the other night and he is working now and he is making a good fist of it. Only a few days ago he came to me—but this other chap was hopeless, I don't think anyone would give him a job. I did not know where to turn. The only one thing to do was to get him out of Newfoundland where he was just too well known

and up to some part of the world where he was not well known and where he might strike a job. That was done and he struck a job, and I believe that there is an excellent chance that he will go straight and perhaps become successful. Because although a great many people who get in trouble with the law are morons, a great many others are extremely intelligent people. Perhaps it is intelligence mis-directed or mis-guided. God in Heaven only knows what may happen to any of us here in this House—"There but for the Grace of God . . ." You know the saying. I have seen men in trouble with the law that I felt were better men than myself, more brains, more intelligence. I try to think of myself, if I came out of jail after two, three, four or five years and could not get a job what would I do? Would I start breaking in or just resign myself? What would the Honourable Leader of the Opposition do? How would he use his intelligence if no one would employ it and pay for it.

MR. HOLLETT: What would you do?

MR. SMALLWOOD: I would do the same thing as the honourable gentleman. If he would tell us that I would know.

MR. HOLLETT: Try again.

MR. SMALLWOOD: Well, Mr. Speaker, before this session is over we will be at one another's throats no doubt, fighting. I hope anyway. It would be awfully dull to me if we don't.

MR. HOLLETT: Hear, hear.

MR. SMALLWOOD: But this afternoon, away altogether from the great problems of politics and the

great problems of economics and the great problems of the fisheries and all the rest of it, we take time out and discuss the principle of this Bill. It is for me a very great pleasure. I am very proud indeed that it fell to the lot of this Government, as so many things have fallen to our lot, to bring in such legislation, as I would remind my honourable friends opposite. But I do hail the beginning of their reform—they are beginning to see the light—they are beginning to support the measures of this Government. Now if they would follow that up for the remainder of the session and support everything good that we bring in—

**MR. HOLLETT:** We will.

**MR. SMALLWOOD:** Then they will be voting affirmatively on every Bill that comes before the House.

**MR. FOGWILL:** That is where you are wrong.

**MR. HOLLETT:** They don't all fall to your lot.

**MR. SMALLWOOD:** Every Bill we bring in, if it is our Bill—the Opposition voted for the Seigheim Bill, they too thought it was good, thought so as much as I did. I never thought much of it.

**MR. HOLLETT:** You introduced it.

**MR. SMALLWOOD:** I did, and I said it was too good to be true. It was our duty to bring it in and we brought it in. I am so glad to see the influence of this Corrections Bill is being felt already. Its influence has gone straight across the floor of the House and is beginning to effect correction in the honourable members of the Opposition.

**DR. POTTLE:** Mr. Speaker, I should briefly like to thank the House for the hospitable and high level reaction which the House has accorded the introduction of this Bill. I think it is a mark of the social intelligence of the House that we should devote an afternoon in its entirety to legislation of this kind which helps to round out, as a matter of fact, our social legislation policy up to the present stage. I think it is a happy augury for the success of this Bill that it should have been given the kind of reception it has this afternoon. One of the points we raised earlier in the present debate is that the public is greatly concerned and involved in the success of the Bill as it becomes operative.

Now, as far as personal references are concerned; these I listened to with great pleasure and certainly with no little humiliation. My colleagues on this side of the House and members of the Opposition have voiced their kind sentiments so well. I accept them in this sense that the thing I am most grateful for and appreciate most is the opportunity, along with the rest of the people who serve this Province, this country and our Province, to serve public welfare in such work.

Now, Sir, there are some specific features of this Bill which have not been brought into the general discussion of the principle. These we will be able to take up in Committee of the Whole.

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

**MR. SMALLWOOD:** Mr. Speaker, I move that all remaining orders be deferred and the House at its rising.

do adjourn until tomorrow, Friday, at 3:00 of the clock.

FRIDAY, April 17th, 1953

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. 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 Alcoholics Liquor Act, 1949."

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow, on behalf of the Minister of Health, ask leave to introduce a Bill, "An Act to Amend the Food and Drugs Act, 1950," and on behalf of the Minister of Municipal Affairs and Supply on tomorrow, I will ask leave to introduce a Bill, "An Act Further to Amend the Local Government Act, 1949."

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I have the answers to Question No. 72 on the Order Paper of April 15th. I have the copies here to table for all members.

#### Orders of the Day

Second reading of Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian AMCO Limited."

DR. ROWE: Mr. Speaker, I wish to move the second reading of this Bill entitled, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian AMCO Limited."

Two years ago the American Metals through its subsidiary Canadian AMCO (The AMCO standing for American Metals Company) went into the northern part of Labrador to do some exploratory work which got going in earnest last year, in that area of Labrador which is, I suppose, some hundred miles or so north of Cape Harrison and in what is generally known as Kaipokok Bay, in the hinterland of Kaipokok Bay, which is one of the most inaccessible parts of the Province, yet it was felt that geological samples found there were of sufficient promise to warrant some exploratory work being done. Accordingly, last year, this company spent forty thousand dollars, which is a very considerable amount of money to be spent in exploratory work. I think the House understands that would not include anything such as diamond drilling or anything of that nature. In view of the shortness of the season in which it is possible to operate in that northern area it represents a fairly substantial sum. As a result of their findings there, they felt in fact that further expenditure for prospecting should be carried out. This company applied to the Government early last Fall for a concession area, I believe in the first instance they applied for the whole area on which they had been doing general study of the geological formation, an area consisting of about 3200 square miles, after talking with the Government, they agreed to reduce that area to approximately twelve hundred square miles. The Company undertook to spend as a result of the re-

cept of a concession one hundred and fifty thousand dollars during the next three years, which means an expenditure of not less than fifty thousand dollars in any one year.

I may point out that the cost of operating in an area so far removed from the central aspect of things is far greater than it would be to operate, let us say, in most parts of the Island of Newfoundland. Hence you will find that that fifty thousand dollars in any one year would be on a twelve hundred miles concession area a somewhat higher rate per square mile than is normally set as a minimum in these agreements.

The Agreement which this House is asked to consider is more or less a standard one under the terms of the Crown Lands Mines and Quarries Act which apply in all agreements. What happens is that at the end of the third year period the company will select a certain area, in this case up to, I believe, fifty square miles, on which they will get their mining license in accordance with the Crown Lands Mines and Quarries Act, and of which within two years they will have to bring into production or lose their rights to the area. Some of these early negotiations, Mr. Speaker, were carried on before my coming into the Government and I am sure there are some details of this that the Honourable the Premier who was at the time Acting Minister of Mines and Resources might be able to explain to us. I have given you the basic outline of the Agreement here which this House is asked to consider in second reading. I move the second reading of this Bill.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I can add very little to what the honourable

gentleman has said. This American Metal Company is one of the fifteen or twenty biggest of all mining companies in the United States. I may say that they have very important ramifications throughout the world, they are shareholders in many famous mining companies in Europe, in South America and on the Continent of Africa, and also very important mining companies in Great Britain and are important shareholders in that American Metal Company. They are one of the great international companies engaged in mining all over the world. In Canada they have set up a Canadian Branch, I believe, a wholly owned subsidiary known as Canadian AMCO—Canadian American Metal Company.

Now, they asked the Government two or three years ago for a sole and exclusive prospecting franchise in a huge area of Labrador, consisting of some two to four thousand square miles. It was a part of Labrador about which the Government knew very little as to its mining possibilities. Indeed to this moment we know nothing more about these possibilities than the company have seen fit to tell us up to the present time. We declined to give them that exclusive prospecting right over that or any large area of Labrador at that time because already at that stage we had in mind other plans for the development of Labrador. So they then asked us if we would agree if they went in there on their own at their own expense to conduct a campaign of prospecting, and not to give anyone else an exclusive prospecting right for that year 1951, and the summer of 1952. We said, yes, we would gladly undertake to do that and undertook not to give anyone else an exclusive prospecting concession over that area. So

that if they could not get it neither could anyone else. If they went in they would have at least an equal chance with anyone else that wished to go in. So they went in, and as my honourable colleague, the Minister of Mines and Resources, said, spent something of the order of forty thousand dollars. They made quite interesting and encouraging discoveries or indications of good mineralization in that area. In fact, they found some two hundred places over the area of about thirty-two hundred square miles that were most encouraging, most promising from a mineralogical point of view.

The area in question, I may say, runs roughly north east from the north shore of Lake Melville, it runs rather diagonally from the north shore of Lake Melville north easterly out towards the coast emerging at Kaipokok Bay.

So, having found these very encouraging signs they came down to St. John's from New York and Montreal and Toronto, a group of them, at precisely the moment last Fall when we were in the very midst of our negotiating with Rothschilds and the BRINCO group, asking us to give them a sole and exclusive prospecting right over the thirty-two hundred square miles indicated by them. We declined to do so. We spoke quite frankly. The meeting was held in my office with the representatives of AMCO, the Minister of Mines and Resources, the Deputy Minister of Mines and Resources and myself and I don't know what other cabinet ministers were there. We said, no, we were delighted that they had gone in there and that they had spent their own money and had found encouraging signs spread generally throughout the 3200 square miles, and that for that reason we felt that in equity they

ought to be given a concession, a sole concession, an exclusive franchise to prospect for the period named in this Bill, which, I take it, is a three-year period. But that area would not be nearly as big as the one they desired to have, indeed it could not be and would not be more than twelve hundred square miles. As a matter of fact, I believe they left here quite pleased that they had gotten the twelve hundred square miles, and not too surprised in this modern age that the Government had declined to give them all they had asked for.

So the Bill, if the House passes it, gives this company exclusive rights for three years over this twelve hundred square miles and leaves the other two thousand square miles for other prospecting concerns about whom we will hear in this Chamber in the course of, I suppose, the next week or perhaps less than one week.

I may say that the chief geologist of AMCO who operated in that area of Labrador last year had in the previous year been the chief geologist for Frobisher Limited to whom the Government gave a concession, as the House will remember, two years earlier than that. That geologist is the very man who in the previous year, the year before last, as chief geologist for Frobisher, had made the discovery, the very exciting discovery, of the great deposits of native copper at Seal Lake to the north west of Lake Melville, indeed the north west of Seal Lake is north west of Grand Lake, well beyond Grand Lake which is north west of Lake Melville. (I am speaking from memory as I don't know the area very well). That very exciting discovery of native copper was made by that geologist who was in charge of the AMCO explorations last year, and is a man who had al-



ready spent a very successful year prospecting in that general area of Labrador. I talked with them and I found that they were most hopeful, most optimistic about what they had seen in that thirty-two hundred square miles.

This year they will go in there prospecting again. They are obliged under this Bill to spend a minimum of fifty thousand dollars this year, next year and the year after. But again, as in all cases of these agreements with mining companies, the amount by which they are willing to be bound in any year, the minimum expenditure they are willing to make is really not at all the amount that they will in fact spend. I should be greatly surprised if AMCO in 1953 were to spend very much less than one hundred thousand dollars, and if they find anything to confirm their optimism of last year I should not be a bit surprised in 1954 to see them spend or ready to launch a programme of diamond drilling. The House ought, I think, to bear this in mind, that there are two kinds of activities to be carried on in virgin territory by a mining company, in fact, there are three kinds. The ultimate is the actual mining of ore and shipping; the other is diamond drilling and sinking shafts and, I forget the technical terms, and the first is general reconnaissance, that is straightforward prospecting. Unless a prospecting party are very lucky and run into a great area of exposed rock which is richly and obviously a mine all that they indeed see as they travel over the terrain is muskeg and bog and tree covered land with some rock formation sticking out and exposed from place to place here and there. Unfortunately in this Province far too little of the rock is actually exposed. I am speak-

ing of the bedrock, solid rock and am not speaking of the stones and boulders and rocks scattered about on the surface of the land, but of the actual solid rock formation, very little is actually exposed. So I take it what happens is that geologists and prospectors travelling in parallel lines try to trace the outcrops of rock with any traces of mineralization in them, seeing the general direction in which they lie and keep seeking in that general direction for other traces of the rock to see if the traces are still there, and gradually to trace a mineralization trend for a mile or two or three miles in a general direction. Having done that they do a little tracing at right angles to get some idea of how wide is this band or belt of mineralization. Now that work can take a year. And that is the kind of work they did last year. In that kind of work they discovered no fewer than two hundred outcrops of mineralization, sufficiently marked and distinctive to suggest to them very strongly the presence of important bodies of mineralization. Now this year they will spend much more money than they did last year because they will increase the number of prospecting parties. Where last year they had one geologist with a cook and two or three linesmen and whatever they have in such parties, they will probably have two, three or four separate parties each headed by a geologist and all the parties will be under the general management of the chief geologist, the man who discovered the native copper at Seal Lake two years ago. But even at that in one season they could probably do no more than enrich the knowledge they gathered last year, and at the most, I should think, always barring the great, lucky chance of running into a tremendous concentration of ex-

posed mineralization in a restricted area which is probably a mine right off. Short of that the most, I imagine, they could hope to do in this second year would be to pin-point those spots within their twelve hundred square miles that are worthy of going to greater expense and a diamond drilling programme, that probably would come next year. That is the point at which really they begin to spend money. Because when you have to get diamond drills in there in that very rough and rugged country so difficult to get over, so difficult in which to travel, to get the diamond drilling outfits in there and diamond drilling crews and fuel for these drills, should easily add up to two or three hundred thousand dollars for the season, depending upon the number of diamond drills.

But this much we do know, at least, it is a big company, they have great resources and if they found reason to spend the money on diamond drilling and the sinking of shafts, etc., they have the money to do it and all they need to encourage them to do it is to find sufficient evidence so that the Company would not be throwing money down the drain, but it would be money well spent in the good hope of developing actual mines in their twelve hundred square miles.

I think that the House and the people of Newfoundland will be pleased to know that a mining company of such importance has already been in there, and on the basis of what they have already seen are prepared to go in there this year on a bigger scale with the purpose of backing up with their own money, their own confidence that they are going to find important minerals in that part of Labrador.

MR. HOLLETT: Mr. Speaker, on this side of the House we are very happy to support this Bill. In the first place we realize, as no doubt does the Government, how important it is to get reputable corporations to go into the area where this company has decided to go. It is also a pleasure to us to know that at least one company did spend a few dollars down there before obtaining very large concessions from the Government. As the Bill states, spent some forty thousand dollars and found something and then came back to look for concessions which the Government has, I believe, given to them.

I note too, another good feature about the Bill, it limits the time of exploration to three years and after three years if they have found any minerals it gives them a further exploration right for a period of five years, and at the end of five years, that is to say eight years altogether, it gives them if they so desire a mineral license under the Crown Lands Act.

This Agreement which the Government has made is, in my opinion, one of the best they have made, and I would like to congratulate them on at least getting one company to go in to Labrador under these terms. It gives us better hope for the future of Labrador when a company of these dimensions and their repute will go into the Labrador under these terms without having the whole of the one hundred and twelve thousand square miles thrown at them as has been done in the past on different occasions. They will accept twelve hundred square miles, and, after all, that is quite an area. Now, at any rate they are going in there, and it is the first bright spot that I have seen, apart of course from the iron ore

company of Canada, and the big iron ore deposits down there. This is the first bright spot in exploration work I have seen as far as mineral is concerned.

There is one thing I should like to point out to the Government. They are of course undoubtedly aware of the fact that we are now a Province of Canada and we are limited as to our resources, we are limited as to our revenues. There is a possibility that we may get some increased revenues. The time is coming for the Federal Government to review our financial position, but, in any case, we will be limited as to revenue, but our expenses are going to be unlimited. In that connection there is another point which I wish to raise: The Government in all these Acts, don't seem to be desirous of holding on to the cash they might get in returns from exploratory work which might be done. For instance in this particular area here—they have here a section No. 17 which states: "The Company shall not at any time be liable to pay any taxes of general application." Now, it is too bad that you have to put that in there in order to get these people to go in and explore the territory, because, as we know, the most they can hope to get is a kind of Eldorado down there with millions of tons of ore and we can get absolutely nothing out of it except five per cent on the net profit.

Now, the history of mining, of course, throughout the world is that generally mines of this type do not pay in the first instance as mines. Iron ore mines, I believe, do pay insofar as the steel companies based on them do pay. In any case, even if they do pay, we would only get five per cent of the net profit, which in my

opinion, in all these cases amounts to very little. But in this particular case the Government has in perpetuity eliminated all possible hope of getting any revenue except the five per cent tax, the labour and that sort of thing. I don't know whether some of these corporations going into Labrador might consider that; and that the Government which has to pay its way might collect some revenue from these sources. The big iron ore development going on down there in Labrador—now, in my opinion, this Government, as a Government, as a public treasury, are receiving practically nothing from that great development, which is likely to export some ten million tons of ore per year and this country will get absolutely nothing out of it except labour for perhaps a few of our people.

MR. SMALLWOOD: At ten million tons we will get about half a million dollars into our treasury.

MR. HOLLETT: How do you make that out?

MR. SMALLWOOD: The five per cent tax.

MR. HOLLETT: They have to show a net profit first. I believe the Honourable Premier can mark it right down now in his book of memoirs they will never show a profit on that mineral but the steel companies will show a profit. That is the very point I am making. Even if the Government does collect half a million, what is half a million out of an export of ten million tons of ore. They are going to put up the bad mouth; "We are going in to this ice-bound territory, don't expect us to pay any taxation." But, Sir, I take it that there is such a concentrated effort by all mining companies now

to get new sources of ore bodies that the time has come for this Government to copy the Quebec Government inasmuch as they are getting much more from the concessions which they have granted than any other Province of Canada, as far as I know, except Alberta which is making a bonanza out of its oil.

Incidentally, may I ask the Honourable Minister of Mines and Resources if oil concessions are within the scope of the Crown Lands Act, at least the Mining Act?

DR. ROWE: The definition of minerals is given in the Crown Lands (Mines and Quarries) Act—(quotes) It does not include oil.

MR. HOLLETT: I don't know what happens if in the course of their mining activities down in that area they should find some oil. I do hope we will get the 12½% on gas as well as Alberta.

Mr. Speaker, these are the only points. We have nothing against the principle of the Bill. It is in my opinion a good Bill. I think you have a good company there, and I believe that there is more to be hoped for from this than there is in any other Bill which has been brought in here. We support the Bill with these few remarks relative to taxation, Sir.

MR. CASHIN: Mr. Speaker, just a few words in connection with that. I would also like to add my support. I read an article, in the mining section of the "Financial Post," I think it was, a couple of weeks ago which struck me forcibly. Not only here in the Province of Newfoundland but in practically all Provinces of Canada in recent years the glamour of prospecting is being done away with. In connection with that the article

pointed out that Newfoundland now had adopted a somewhat similar attitude. A man today might go in on some part of the Crown Lands and discover a gold mine and under our law or the laws of Canada, or the other Provinces of Canada, he would not be able to get anywhere with it. Now, if we look at the record of mining throughout the Dominion of Canada; the great mines in Canada were discovered by prospectors. The great gold mine of Hollinger was discovered by Benny Hollinger, the Lake Shore by Harry Cox and so right over the great Dominion of Canada, and in the North West Province away back in the 1890's the Yukon was discovered. But today big mining companies are coming in and getting concessions, whether there is anything on them or not, tying them up and doing prospecting on them, and the poor unfortunate prospector, and there are many of them in the Dominion of Canada, who gamble in summer or in winter and are left out in the cold.

Now, in respect to what we are to get out of this thing; as far as I can see, we get five per cent on the net profit after all depreciation and taxation etc., have been paid. That is applied also to the Labrador Mining and Exploration Company, and I don't think, Mr. Speaker, I would be out of order if I would refer to that Act, because, whilst this is a different Act it is still a Mining Act. Away back when the Labrador Mining and Exploration Company was first incorporated in Newfoundland an Agreement was made with the Government at that time that that Mining Company would pay a royalty or taxation, call it what you like, of ten cents a ton on the ore produced in the Labrador. On up to 1949, for nearly six years that is, that ten cents a ton was

in effect, was the law of the land. At that time the prospect was the same as it is today, the export of ten or twenty million tons of ore from that territory. But in 1949 something happened and that Act was changed. I don't want to go back into history, recent political history as to that eventful year, but a new outfit took over the Labrador Mining and Exploration Company Limited, and immediately went after the Commission of Government to change that Act, whereby ten cents a ton on iron ore was applicable, and the five per cent on the net profits was put in its place. (1) If the five per cent on the net profit which the Company were willing to pay was going to give the Government more the Company would not have gone after them to get it naturally, that would be ordinary business. But they went after them to get it in order that they might get out of paying anything, and they certainly succeeded. The result today, in my view at any rate, for many years to come the Labrador Mining Company, or the Iron Ore Company of Canada, call it what you like, will not pay one dollar into the Treasury of Newfoundland in the form of royalties of any description or in the form of five per cent on their profits. It will be interesting to follow that. To begin with, they have a very large capital expenditure, they have a very large bond deficit, a couple of hundred million dollars and the interest on it alone, at say five per cent, is ten million dollars a year on ten million tons or a dollar a ton, a year on the production, etc., for a very long time. However, that is water under the bridge, we can't change it. That was an agreement entered into and the Labrador Mining Company undertook to raise

the money on that Agreement and it would not look very nice, I think it was brought up in the House before, if my memory serves me right, when the Premier drew to my attention at the time that it would not look very nice for us to change it now due to the fact financial houses and large companies in the United States had invested so much money in that company. However, this gives these people a concession for a limited period to explore, the surveyors have already gone in and spent forty thousand dollars. We don't know whether they have spent forty thousand dollars or not.

DR. ROWE: We have the record.

MR. CASHIN: How much money that was spent came to Newfoundland? How much money out of that forty thousand was paid to the people of Newfoundland? I bet not forty cents.

MR. SMALLWOOD: The cook and labourers and two or three of these.

MR. CASHIN: They probably got their cook and everything else right out of the Province of Quebec and flew them in from Seven Islands. They did not come in here and hire any men as far as we know. However, that is immaterial, but I question if they spent fifty dollars for the people of Newfoundland, there are no vouchers to show, and it is immaterial to me.

Another point I would like to make here is, I think the Honourable Minister would be doing this House a favour if he tabled a map here, or several maps here showing us the area now under control of the various companies in Labrador for various purposes. This Bill concerns AMCO

and there will be mining companies in other places, and with a map we would know where we were and what we were doing. Here we are just talking and today we have not got a map. I know they have them in the Department but I think the members of the House should be furnished with one of these maps so we can know what he is talking about. We have no map, and I think it would be a good thing to see and know what we are talking about. We don't know now.

However, I am glad to see a company coming in prepared to take the risk though it does away with the old prospector. It was pointed out in the "Financial Post" a few weeks ago, and honourable members of the House might have read it, an article criticizing various provincial governments for ceding territory to large corporations and the prospectors being done out of their opportunity to gamble.

MR. SMALLWOOD: The trouble is the prospectors just ignored us altogether.

MR. CASHIN: I know, that is the point, and these people come in here and get twelve hundred square miles to prospect, but a prospector has the whole world, so to speak.

MR. SMALLWOOD: But they don't come to Newfoundland.

MR. CASHIN: But I take it, Mr. Speaker, they did come to discover the mine in Labrador which was originally owned and discovered by a Newfoundlander who could not hold on to it as he had not the necessary funds, it is now probably one of the biggest iron ore mines in North America, and that particular mine was one time in the hands of a New-

foundlander who is now an elderly gentleman, and he did not have the necessary money to carry on. However, that is neither here nor there. I rose to support this Act, and I would like it if the Honourable Minister would not mind getting us a copy of a map showing the various companies and corporations on the Labrador so that we will know what it is all about. They used to print them in the Department years ago, and I suppose they have them up there now, outlined in different colours.

Another thing, whilst I am on this thing, I would like to know also what particular area of Labrador (I might put it in a question form) will the production of iron ore come out from when they begin operations, whether it is coming out of the Newfoundland or the Quebec portion?

DR. ROWE: Mr. Speaker, dealing with these several points that were raised by the Honourable Leader of the Opposition and the honourable member for St. John's West: On the point of taxation we are not dealing with a philanthropic organization, but with hard-headed businessmen, I don't like the phrase, but they are hard-headed business people. I can say, I personally, if I were the president or a director of a corporation would hesitate to invest money entrusted to my care in any enterprise where I did not know what taxations were likely to be imposed on me, specifically. Now, when a company or a corporation says, we will be subject only to taxation of general application, there is a measure of protection there, all other companies being taxed likewise there will be no discrimination. I cannot see how any corporation would be willing to go ahead and invest its shareholders'

money into an enterprise where they might very well be victimized by the whim or caprice of any government in power, on the matter of the money or revenue to be derived from mineral development. I think it would be well to announce at this point, I think it is accepted all over the world that the basic idea behind government encouragement of mineral development is to provide employment so as to enrich the economy of the state or country concerned. The actual revenue that accrues to the government as a result of that development is important, it is true, but of secondary importance and not of primary importance. Incidentally, it may be of interest to this House to know these facts will be given in a report which my department hopes to issue, a full comprehensive report, which we hope to have from the printers in about four or five weeks time, possibly before this session is terminated, and you will see there that our income last year purely from the taxes imposed on three or four companies, Bell Island, Buchans and the two St. Lawrence Companies last year was between five hundred and six hundred thousand dollars. If I remember correctly, it was \$540,000. That may not appear large in comparison with, say the production at Bell Island, but it is considerable, and as more mines come into production in this Province it means that the amounts accruing to the Government in that way will increase proportionately.

On the matter of the prospectors and the way they are vanishing; they are not vanishing in Newfoundland, Mr. Speaker, to any great extent at any rate, as they have never been here. I am sorry I was not invited to the conference to which the honour-

able member referred a few moments ago in Toronto. I was pretty well tied down in recent months, and if asked I would have been unable to attend, but had I been there when these statements were made, as they were, with respect to our policy in Newfoundland in particular, and in general with respect to the policy all over, I would have had to tell those representatives of the prospectors' organization that they are singing out at the wrong time. They had since 1928 when Buchans came into operation and how many of them either Canadian or American prospectors came to Newfoundland and did any exploration work? They just did not do it. Only now when after waiting years and years and years for mineral development now when we have ceased to rely on the prospectors and have gone out and interested these corporations to come in, the prospectors of Canada and America suddenly discover they are being prosecuted. It is just too bad—the concern of this Government is not for prospectors of Canada and the United States but for the people of this Province.

I suppose there is a bit of nostalgia and sentimental regret on the passing of private prospectors in that sense. But I suppose like everything else, the passing of the sail boat and other things in the world, for better or worse, in the name of what we call progress, at any rate in the changing pattern of things. The prospector is bound to disappear because he cannot hope to stand up against the great corporations who are in possession of geologists who spend years and years in their training and who can do, I think it is generally recognized, with the help of modern instruments, work that the ordinary prospector cannot hope to do. They

use such things as magnetometers, air surveys and so on. One geologist with modern equipment can do more than an army of prospectors of fifty years ago. It is regrettable in a way, sentimentally speaking, but I don't think this government is on the wrong track when it decided not to wait until it pleased the prospectors of Canada and the United States to come down here and fiddle around where they pleased, but rather to go out and encourage these great corporations to come in here and spend their money with the expectation at least from some of these enterprises there will be a measure of success.

May I say also, Mr. Speaker, I happened to be in Northern Labrador at the time last year that these corporations were doing their exploration in the area of Kaipokok Bay, and I do know they employed, I don't know the exact number, but a number of Labrador citizens. I don't know how many, but half a dozen or ten. They did have them at any rate.

The honourable gentleman referred a moment ago to the need for a map. I don't know if members of the House have noticed, but on several occasions when trying to describe an area I turned around automatically because my own office is surrounded with these maps and I always refer to them. I don't know if it would be permissible, it would probably be out of place, but I do wish a very large map were here in the House so that in our discussions dealing with geographical areas we could refer to it. But I can undertake to do this, provide every member of the House with a map showing the concessionaires as at the present time. And I am quite sure that when the measure to which the Honourable the Premier has re-

ferred on a number of occasions is introduced here in the near future, namely the Bill dealing with the proposed Agreement with BRINCO, the British and Newfoundland Corporation Limited, I am quite sure these maps will come in very handy in our discussions. I shall be very happy to arrange at the very earliest possible date to get the maps prepared and—

MR. HOLLETT: Will there be any blank spaces on it then?

DR. ROWE: I think the honourable gentleman will be surprised to see how many there are at the present time.

I have a note here passed to me by the Honourable the Premier to the effect that informed opinion in the mining world is that iron ore will go to fifteen dollars a ton within the next three or four years. Those of us who have been following the various mining journals may have observed that trend, and I would estimate the iron ore will mean a half million dollars more to our Treasury.

MR. CASHIN: Is that ore coming out of Newfoundland or Quebec?

DR. ROWE: I am glad the honourable member reminded me of that point. I did not make a note of it. Our advice is, yes. I am sure the House knows, last year we engaged, my department engaged one of the foremost professors of geology in all Canada, Professor A. V. Corlett of Queen's University who spent some three months with us, and one of whose duties was to visit the iron ore company's concession area and bring back a report to us on that area. That report was released to the press, I believe, sometime in October, if I recollect correctly, and that report indicates the terminal of the railway at



least for the foreseeable future will be in Newfoundland Labrador and the indications are that the first productions will take place in our territory, belonging to our Province, the first mining will take place right there.

I think, Mr. Speaker, I have just about covered the points made in this Bill, I should like to say how very pleased we were that the members of the Opposition have given it the generous welcome that they have, and I am sure that they share with us the hope that this isolated and hitherto almost unknown part of our Province may yet yield a rich mine which will give employment to many of our citizens particularly those on Labrador whose opportunities at the present time are so restricted, and which at the same time will bring revenue into the Treasury of the Province. I would move the second reading of this Bill.

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

Committee of the Whole on Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited."

MR. CHAIRMAN: The schedule has been read with the exception of one or two clauses, and I think that clauses 10 and 12 of the schedule were allowed to stand. The Bill was read as far as and including No. 17.

DR. ROWE: Mr. Chairman, in view of the fact that the Bill was postponed, I wonder if I might ask for a going back so that I might give an explanation in regard to clause 3 of the Bill. I would like to give an explanation there. Perhaps I should

say that this Agreement, these negotiations were under discussion for a long, long time and there was, as a matter of fact, some little confusion developed in our own minds on that matter, not due to any hasty legislation but rather to the fact that it had been so long and there had been so many rather complicated discussions about it. The intention of this company is primarily to look for fluorspar and develop fluorspar, but it was pointed out by the company's representatives that naturally they could not be expected to confine themselves wholly and solely to fluorspar for this reason; let us assume they might spend five hundred thousand dollars in diamond drilling and find no fluorspar at any time. It would not be fair for them to be deprived of any right to develop any other mineral. After all a diamond drill when it goes down is no respecter of the minerals it drills whatsoever, and there might well be copper or lead or anything else, and so the word "mineral" rather than "fluorspar" is here in this Bill.

We are fully protected no matter what minerals are discovered, they must develop or get out. It is as simple as that. In the case of this particular company they would either develop themselves or make arrangements with some other company to develop, but our right is guaranteed by the Crown Lands, Mines and Quarries Act.

On Clause 4. I wonder if we might revert to that? The point was raised that the minimum rates set were for expenditure in any one year and were very low. Since the third reading was deferred, I have had opportunity to have further discussion and I have in my possession figures showing their proposed expenditure for this com-

ing summer. Of course, I cannot give these as I don't think it would be fair to the company to state what these figures are at the present time. But I can say they are far in excess this year, their planned expenditure for this year is far in excess of the fifteen thousand dollars minimum.

MR. HOLLETT: What is unfair about it?

DR. ROWE: I am not sure the company itself would want other companies to know.

MR. HOLLETT: They have the concession.

DR. ROWE: Well, I am not going to name the figure, Mr. Chairman. I can say that the figure is far in excess of the minimum stated here in the Bill. They came up and saw us and they are not definite on this point of what their expenditure would be because in the second year their gross expenditure will be based to a great extent on what happens this present summer, but if the present summer's operation should prove promising at all, their estimated expenditure for the second and other years are that they will spend far in excess of anything elsewhere. That is as far as I can go on this, Mr. Chairman. I thought the House would be interested in that information.

MR. HOLLETT: May I raise the point there, Mr. Chairman, in the latter part of that Section 4, the company is to hold the exclusive right to prospect for a period of five years from the said first day of January 1953, is that whether or not they live up to their Agreement?

DR. ROWE: If they don't spend fifteen thousand in any one year all their rights are immediately cancelled.

MR. HOLLETT: This whole thing seems to be complicated. What master mind was behind that section?

DR. ROWE: It simply means that by virtue of spending this money they have the exclusive right and nobody else can go in there.

MR. HOLLETT: That does not quite fit with the first part of the section.

DR. ROWE: Mr. Chairman, I wonder if I could ask for a reconsideration of Clause 8 of the Agreement. As a result of some discussions we have had with the company, we are now able to propose to the committee an amendment to Clause 8. It will be recalled that Clause 8 gives the company the right to check an area of not less than one and not exceeding forty square miles and to hold that development license for two years only and thereafter for the remaining three years they will have the right to twenty square miles. That, I think, answers in part a point raised by the honourable members on the other side of the House.

MR. HOLLETT: What section is that in?

DR. ROWE: Page 6, Clause 8.

MR. HOLLETT: What will the amendment be?

DR. ROWE: I have it written out here, prepared by the Department. In other words, instead of having the forty square miles for five years they are entitled to a maximum of forty square miles for two years and thereafter for the remaining three years to a maximum of twenty square miles. I might say, in view of the conditions laid down in the Crown Lands Mines and Quarries Act, it is most unlikely

any corporation would want to avail themselves of the maximum that gives them of course a better opportunity to check minerally rich areas.

MR. CURTIS: I might say, Mr. Chairman, that is an Agreement made between the Government and this Company, and that we cannot amend the Agreement as an Agreement. But in cases such as this the Amendment is incorporated into the Act and, therefore, to put into legal form what my honourable colleague has moved it is necessary to revert to the original Bill and add after section 2 (a) a new section, section 3. The new section will rewrite clause 8—So if the clerk could read it? If you will revert to the Bill the schedule will pass as is, but the Bill will amend the schedule.

MR. HOLLETT: We have had no opportunity to study this amendment. It is almost a new Act when this amendment is inserted. We need an opportunity to read it at least.

DR. ROWE: That is all right as far as I am concerned. I would move that the committee rise, report progress and ask leave to sit again.

Committee reported, leave granted to sit again tomorrow.

MR. SMALLWOOD: Mr. Speaker, we could go into committee of the Whole again on No. 4, 5, 6 and 7. That perhaps would be all we could manage before adjournment.

Committee of the Whole on Bill, "An Act to Provide for Urban and Rural Planning."

Clauses 1 and 2 carried. Clause 3 read: Clause 8 of the said agreement is amended to read as follows:

"8 (a) Subject to subclause (b) and

(c) of this clause, the Company shall be entitled during the currency of this agreement to select an area or areas of not less than one (1) square mile each but not exceeding or less than forty (40) square miles in the aggregate and the Government shall, subject to the making of the total expenditures provided for in Clause 4 of this agreement, issue to the Company a development license in the form prescribed under The Crown Lands (Mines and Quarries) Act, 1951 over each area or areas so selected and minerals thereon and thereunder. The shape and orientation of such area or areas shall be in conformity with The Crown Lands (Mines and Quarries) Act, 1951, and the areas or area may be located anywhere within the reserved areas and need not be contiguous.

(b) Subject to subclause (c) of this clause the said development license shall be for a term of one year renewable annually to a maximum period of five years and the Company shall pay yearly to the Government the sum of fifty cents (50c.) per acre while the development license is in force and the said development license shall be issued with the benefit of Clauses 10, 12, 13, 14 and 18 of this agreement.

(c) If the said development license covers an area in excess of twenty (20) square miles the area covered by the license shall at the beginning of the third year of the said maximum period of five years be reduced to an area of twenty (20) square miles and for the third, fourth, and fifth years of the said maximum period of five years the said license shall be valid only in respect of the said area of twenty (20) square miles."

MR. HOLLETT: In connection with that clause there I don't know

if it will come in conflict with some of the Acts which we passed in connection with some town councils and community councils: "The powers conferred upon an authorized administrator by this Act shall be in addition to all powers conferred under any other Act; and when any provision of this Act conflicts with any other Act, this Act shall prevail." I think that is going to be your first trouble. The duties they may perform may be contrary.

HON. S. J. HEFFERTON (Minister of Supply): As far as we can find out from study of the Act that does not conflict with any Town Council Act but conflicts with certain provisions under the local authorities Act, but these automatically go out once we bring this Act into force.

Carried.

Clause 4:

MR. HOLLETT: Three representatives of the departments of the Government: Mr. Chairman, what departments are in mind?

MR. HEFFERTON: Any department concerned, are Urban and Rural Councils which are presently under Municipal Affairs and Supply. It may be quite possible Economic Development would be concerned.

MR. HOLLETT: It may consist only of the Directors and a representative of the Departments of Municipal Affairs and Supply?

MR. HEFFERTON: I might say in the development of fishery centres a representative of the Fishery Department might come into it, particularly co-operatively.

MR. HOLLETT: Mr. Chairman, I understand the Lieutenant-Governor

in Council is to nominate a Board consisting of a director and three representatives of the Departments of Government concerned. I would like to know what Departments of Government are at the moment concerned with any aspect of urban and rural development? I take it probably most departments might be, but the Lieutenant Governor is to name them.

MR. HEFFERTON: He names three and if there is only one department they are all from that department.

MR. HOLLETT: There can be three from one department?

MR. HEFFERTON: Yes.

Carried.

Clause 5:

MR. HOLLETT: The Advisory Board shall: (iv) provide control in accordance with this Act over areas which are situated outside of the city of St. John's and outside of municipalities and areas held or administered by the St. John's Municipal Council; I would like some clarification on that. You are giving this Board consisting of a director and three representatives, probably of the Department of Supply, the right to provide control over areas now administered by the St. John's Municipal Council.

MR. HEFFERTON: Where not administered by the St. John's Municipal Council, St. John's is excluded from the Act.

MR. CURTIS: I suppose that would be outside the one mile limit. The St. John's Municipal Council administers the city and has certain rights over the one mile limit.

MR. HOLLETT: But, Mr. Chairman, I cannot quite understand where

you are going to give these advisory boards control over an area already administered by the Municipal Council.

MR. CURTIS: The Council has no power outside the city of St. John's except to regulate building.

MR. HEFFERTON: We have Bowring Park at present outside the city of St. John's but administered by the Municipality.

MR. HOLLETT: There is something wrong there.

MR. CURTIS: We might hold that up and see what the drafters say—they may be looking ahead and thinking of urban development.

Section 5 stand.

Sections 6, 7 and 8 carried.

Section 9:

MR. HOLLETT: I take it that would be subject to the Advisory Board?

MR. HEFFERTON: They would apply to the Minister anyhow.

Clauses 9, 10 and 11 carried.

Clause 12:

HON. DR. H. L. POTTLE (Minister of Public Welfare): Where is the authorized council set up?

MR. HEFFERTON: The authorized council is the elected council.

MR. HOLLETT: Where is it set up?

DR. POTTLE: It is provided for under a different clause.

MR. HOLLETT: I am looking under section 11, giving the authorized councils certain authority and not even setting them up.

DR. POTTLE: That is already provided for in Section 2 (c).

MR. HEFFERTON: The Council, as I see it, is the council for that area which makes application to the Lieutenant Governor in Council and then the Lieutenant Governor in Council orders a two year period under which the elected town council can submit certain plans.

MR. HOLLETT: Where are they set up under Section 11?

MR. HEFFERTON: They are already set up as a town council.

MR. HOLLETT: But where under section 11? You must stick to the definition. I am not being critical, Mr. Chairman, just trying to save the Honourable Minister some trouble in the future that is all. I am quite sure there is no authorized council set up under section 11.

MR. HEFFERTON: The town council makes application, that is approved by the Lieutenant Governor in Council and endorsed. When the Lieutenant Governor in Council endorses that, does it not automatically constitute that council as the authorized council?

MR. HOLLETT: I don't know. It definitely states there are authorized councils, but does that mean a council authorized by the Lieutenant Governor under section 11?

MR. CURTIS: That is the same council as referred to in Section 9. Under Section 9 the council passes a resolution. The same council then becomes the authorized town council.

MR. HOLLETT: Now, you can set up, according to this Act, an authorized council inside—

DR. POTTLE: If we look at clause 2 (c) it defines what an authorized council is as referred to section 11. But when we refer to section 11 that in turn refers back to section 10, which gives the definition of a municipal area. When that is done, then the Lieutenant Governor in Council may make an order known as the interim development order doing certain things, and in that order authorizing the council concerned—there is where the authorized council is set up. It is not a new council, it is a council authorized.

MR. HOLLETT: It will be with the Municipal Council, or separate, or apart?

DR. POTTLE: It is not a new organization, but an organization with a new function.

Carried.

MR. HOLLETT: May I revert back to section "h" there before going on, Mr. Chairman? "Make provision for appeal to the Advisory Board against any decision of the authorized Council made by virtue of any rules made under this subsection." In other words, the authorized council which has been set up by the Lieutenant Governor in Council, their decision may be appealed to the Advisory Board which consists of a director and two or three others. I am trying to get the Lieutenant Governor in Council's set up—their decision may be appealed to the Advisory Board. You tell me, Mr. Chairman, authorized councils are set up under section 11 and 10 by the Lieutenant Governor in Council, yet you tell me their decision may be appealed against to the Advisory Board which is also set up by the Lieutenant Governor in Council. In reality, you have an appeal from the

Lieutenant Governor in Council to the Lieutenant Governor in Council.

MR. HEFFERTON: If you like—a magistrate or a judge or both authorities a judgment may be given by one and appealed to the other.

Clause 13—amended in sub-section (d) by the addition of the word "and" at the end of the paragraph.

Clauses 13 through 23 carried.

MR. HOLLETT: What is the point of allowing an amendment if it has no effect?

MR. HEFFERTON: Something done today may be all right and get approval today, but in a year or five years' time they may want to amend it. and cannot amend it on their own authority without the approval of the Minister. That is purely normal procedure.

MR. HOLLETT: A plan laid down for a particular area, approved by the Minister, here may be amended by the authorized council.

MR. HEFFERTON: The plan is not to be carried out for a period of ten years and within five years it may be necessary to amend it in some particular way.

MR. HOLLETT: Unless the Minister consents they cannot.

MR. HEFFERTON: After all he approves it in the first place, and should have authority to authorize an amendment.

MR. HOLLETT: If he wants to bring along an amendment not in the interest of the public?

MR. CURTIS: For instance some one man may want to build in an area where it is impossible to get water and sewerage.

Clause 25 carried.

MR. HEFFERTON: Might we revert to section 24 for a moment?

The (1) in paragraph 1 there should come out.

Carried.

Clauses 26, 27, 28 carried.

MR. HOLLETT: I think we ought to read Section 29 very carefully. If any person in a community goes ahead and puts up a building or structure, this clause says, go ahead and put it up, but we won't give you any compensation if we have to take it down. I don't see why it should be there at all, because if any building or land has to be taken, I think it should take the proper course for expropriation under the expropriation laws and proper compensation be paid. Here where you have people in a community trying to build up you tell the people in that area it is no use for you to put up a nice building there because if we happen to expropriate you will get no compensation in the next ten years.

MR. HEFFERTON: Here is, Mr. Chairman, the whole force of this clause: If a plan is adopted then everything must be carried out in accordance with that plan and if somebody refuses to conform to what is being done and goes ahead on his own and makes use of land or erects a structure without consulting the plan at all, then, if the council decides to expropriate that, he does not get any compensation for what he has done without authority.

MR. HOLLETT: I don't see that point at all. He is not forbidden to put anything up at all. He may consult the plan and erect a building, but, as we know, this plan may be amend-

ed, and he has no right under this clause for compensation. I see no reason why it should not come under the ordinary rules of expropriation.

HON. E. S. SPENCER (Minister of Public Works): In connection with our work in Public Works, we have many similar cases. But as I read the clause it simply means that after the provision has been made and the plan laid down, if then the owner ignores that specific building line and builds without the proper authority, then he is doing something at his own risk. That is the only case where it says that he would not be compensated.

MR. HOLLETT: That may be what is intended but the Honourable Minister is reading something into the clause that is not there at all—"From the time when any plan of development lines is brought into effect any new use of land or erection of any building or structure on any land within the development lines shall not entitle the owner of the land to compensation for injurious affection if the land is at any time thereafter expropriated under this Act." I am afraid that is going to destroy all incentive, they don't know what you are going to do next.

MR. SPENCER: Don't you think if a comma were placed after the word "effect" in the second line?

MR. HOLLETT: A man may want to put up a store and there is no evidence or sign it is going to interfere with the plan laid down, but later when the planning authority finds this building in the way they go ahead and take it down.

MR. SPENCER: Mr. Chairman, the honourable gentleman thinks I am reading something into the clause.

I am not sufficiently well versed in English to determine that. I shall leave that to the drafters or lawyers as the case may be, but I think the practical application is defined; once the plan is made and the building line has been determined—I admit to be fair to that owner he should know where that building line is. I agree he should not be left in the dark. But my point is that after that period when the line is made clear to him and he still rejects or ignores the building line as laid down and puts a building outside that line, he is creating an expense for which he is not entitled to compensation. I admit we have many similar cases. I was called only yesterday to Botwood to see a case under the Public Works Act, where people are not supposed to build within 33 ft. of the centre of the road, a very industrious young man there, if I might cite the case, Mr. Chairman, without imposing on the House too much—a very industrious young man decided he wanted to put a concrete fence in front of a building and had gone and dug the ditch on a line 27 ft. from the centre of the road, whereas it was made public, time and time again that the distance should be 33 ft. He sent for me, and I was powerless to help him. He had put in considerable work on the forms and had begun to pour concrete within 27 ft. of the line instead of 33 ft. and he knew it. That is exactly what it refers to in this paragraph.

MR. HOLLETT: I can't see it that way at all. I may be stupid. I grant it when a man deliberately breaks a rule or regulation and builds a concrete wall 27 ft. rather than 33 ft. from the centre of the road he is breaking a law anyway. But here is a man who, because he happens to

live in one of these planned areas and wants to build a store—it does not say here that he may go to any authority and get a license to do it. If he could it would be all right. But if he simply puts up a shop or fishing stage, if you like, and later on it is discovered that it is in the way of the plan he can be compelled to get out of it and get no compensation whatsoever. That is as I read it—

MR. HEFFERTON: If the Honourable Leader of the Opposition would refer to section 31 where it is laid down just what the plan is, and how it is done, and all the rest of it, and then read section 29 again.

DR. POTTLE: The phrase "coming into effect" I think is the critical one.

MR. HOLLETT: We are on section 29 and can't be expected to be on 31. If I had been told that in the first place, I would not have gone to all this bother about it.

Clauses 29, 30 carried.

MR. HOLLETT: I may say under section 31 there they are both appointed by the Lieutenant Governor in Council and one can appeal the decision of the other. I don't know what the Attorney General would say on that. I should like to hear him on that point, where the Lieutenant Governor in Council sets up two authorities, in this case the Advisory Planning Board and the Authorized Council, and he allows the one to appeal against the decision of the other. He set up both of them and one makes a decision, this is right, this must be done, and the other one says, no, we can't do that—where are you going to end up?

MR. CURTIS: Is not the position,



Mr. Chairman, that one Board is practically the Supreme Court of the other? The Board that has the power to disallow the other one is apparently the ultimate. That is not unusual—does it not say where there is any conflict between this Act and any other Act, this Act shall take effect. This Act shall prevail.

**MR. HOLLETT:** The Advisory Council and the Board are both under this Act.

**MR. CURTIS:** The Supreme Court Act sets up judges and states which one is to be final. I should think this is the very same. It is normal, somebody has to be final, and this one says which one is to be.

**MR. HOLLETT:** The Minister is final.

Carried. 32 through 38 Carried.

**MR. HOLLETT:** Mr. Chairman, I think I would like to read this Clause into Hansard. In my opinion this Clause symbolizes the whole of this Act in that this Act is so cluttered up with Boards and Advisory Councils with a dozen and one different authorities—so cluttered up that I am afraid the Honourable Minister is going to have a job to administer it. I would like to read Section 39. "When a Joint Planning Area is defined and a Joint Planning Authority for its administration is constituted under Section 36 and Section 37 and all the provisions of those sections have been complied with, the Joint Planning Authority shall thereupon cause to be prepared a Joint Plan; and the provisions of this Act from Section 10 to and including Section 35 shall apply to the Joint Planning Area and the Joint Plan as if the Joint Planning Authority was an authorized Council, the Joint Plan-

ning Area was a Municipal Area and the Joint Plan was a Municipal Plan." Now, Sir, I am afraid there is so much red tape that has to be gone into before you can adopt any particular plan, I am very much afraid that we are not going to get from this Act the benefits we should get to the various communities to which this Act should apply. I do envisage that at the next session of the House of Assembly, the Honourable Minister will be back here with a whole host of amendments to this section.

**MR. HEFFERTON:** Surely that section is one of the simplest of the whole Act.

**MR. HOLLETT:** Yes and cluttered up.

**MR. HEFFERTON:** Just look upon the Joint Planning Authority as if it were a single unit, that is all.

**MR. CURTIS:** Mr. Chairman, I think that section is clear, as clear as clear can be. If the honourable gentleman thinks he can do it better he is perfectly welcome to submit an amendment. It will receive consideration.

Sections 39 to 43 carried.

**MR. HOLLETT:** In section 44, in the last paragraph . . . "The Board of Assessors may in addition to the amount awarded in accordance with sub-section (2) make an award of such sum as they may fix." In other words, they may make two awards?

**MR. CURTIS:** Yes, they may get an allowance for disturbance. It is a common thing, Mr. Chairman in arbitration and in assessing damages to allow parties who are injured not only the actual cash out of pocket, but covering the disturbance in the very fact that they had to lose the pro-

perty. During the recent housing areas appropriations there was an allowance of 10% for disturbance, a sort of overall bonus to persons losing the property.

MR. HOLLETT: That could apply to the man we are talking about in the first part of the Act?

MR. CURTIS: I am sorry I cannot break the law and go back to that clause.

Clauses 44 through 58 carried.

MR. HOLLETT: I wish, Mr. Chairman, someone would explain that to me about the areas administered by the St. John's Municipal Council.

MR. CURTIS: Yes, Mr. Chairman, in clause No. 5 the same thing applies. We will have that fixed up. But first we should deal with No. 59. I think No. 5 should be amended but No. 59 is all right as it is. We might just hold up Nos. 39 and 60 and let the drafters have another look at it.

MR. CHAIRMAN: I think at this time I might remind the Committee it is nearly 6:00 o'clock.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again.

Ordered sit again tomorrow.

MR. CURTIS: Mr. Speaker, I move all 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 then adjourned accordingly.

MONDAY, April 20th, 1953

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

HON. DR. H. L. POTTLE (Minister of Public Welfare): I would like to draw the attention of the House that on April 8th, as far as my best information tells me, a broadcast was made on information supplied by Mr. E. P. Reddy of Marystown, over Station VOCM on the 1.30 bulletin, to the effect that the Welfare Officer of Marystown District had gone to Mera-sheen and that the people there in need of relief had taken his boat and held it until relief was issued.

We took no exception to that statement at the time, and were prepared to allow it to pass, but today we have received a letter from the Manager of the Merasheen Co-operative Society to say that he—P. J. Hann by name—was informed today by the Welfare Officer, Mr. Pike, of the statement made over VOCM on April 8th, that relief recipients took possession of the Welfare Officer's boat, and held it until relief was issued.

I say, Sir, that having heard that announcements over VOCM we checked with the Welfare Officer by telegram and received a reply that the report was unfounded and we let the matter stand. But today, we received Mr. Hann's letter emphatically denying the incident; and his letter goes on to say that it was a deliberate falsehood, that the results of such a statement were injurious to all concerned and that it gave others a poor impression of the community. He suggests that the source of information be checked immediately.

So, on behalf of the people of Mera-sheen and in fairness to the Welfare Officer, I wish to make that statement in the hope that it will be immediately corrected by the Press and Radio.

MR. SPEAKER: Any petitions?

**Presenting Petitions**

**MR. COURAGE:** Mr. Speaker, I have here a petition from the people of Bay D'Espoir, signed by 933 voters of the Community. The petition is signed by people from the head of the Bay, St. Alban's, St. Veronica's, Milltown, Morrisville, St. Joseph's Cove, and Bowater's Camp, asking for a road around Bay D'Espoir connecting the settlements I have just named, and pointing out that such a road would provide some badly needed services and asking further that construction of the road begin this summer if at all possible. The petition goes on to point out that the doctor at St. Alban's is isolated three months of the year and the cost of getting a doctor to the other places is \$30 to \$60. Furthermore, men from Morrisville and St. Alban's working at Bowater's Camp, who visit their homes every three or four weeks, and are often away from work three days due to the fact that there is no available transportation around the Bay.

Mr. Speaker, I have much pleasure in supporting this Petition. It is as I mentioned, signed by 933 residents of Bay D'Espoir community. I do not know how many honourable members have visited Bay D'Espoir recently, but I say it is becoming the Garden of the South Coast. It is a place of many tourist attractions if it had roads to link up the settlements around the Bay. I am one of those who believe that roads are the economic salvation of the South Coast, and the building of such roads would be a great boon to Bay D'Espoir and to the Coast generally in opening up good farm land and the many excellent tourist attractions. I have, therefore, much pleasure in recommending this Petition to the House and ask

that it be laid on the Table and referred to the Department concerned.

Moved and seconded that the Petition be received and referred to the Department concerned.

**Presenting Reports of Standing and Select Committee**

None.

**Giving Notice of Motions and Questions**

**HON. S. J. HEFFERTON** (Minister of Supply): I give notice that I will on tomorrow, ask leave to introduce a Bill, entitled, "An Act to Empower the St. John's Municipal Council to raise a Loan for Municipal Purposes by the Issue of Bonds."

**HON. P. S. FORSEY** (Minister of Public Health): I give notice that I will on tomorrow ask leave to introduce a Bill, entitled, "An Act to Incorporate the Association of Newfoundland Nurses."

**Answers to Questions**

**MR. M. M. HOLLETT** (Leader of the Opposition): On March 23rd. I asked a question—Question No. 42—So far, no reply has been received.

**HON. J. R. SMALLWOOD** (Prime Minister): There are parts of that question we have no intention of answering. There are some parts which perhaps we can answer. "(4) To what party did the Corporation (NALCO) pay (a) Office rent of \$3,749.98; (b) Living Quarters Rent of \$3,494.50 up to December 31, 1952."

The Office rent was paid to the Government of Newfoundland, the landlords. The Living Quarters rent was paid to Mrs. Hattie Cowan, Pawke's Hill, Topsail Road; representing a suite of rooms engaged by

the Corporation, in which to accommodate Mining Company Heads and Officials who visit Newfoundland, and are unable to get accommodation in the Newfoundland Hotel, and whom it would be unthinkable to leave on the street, and for whom accommodation must be found. The Corporation has been renting the suite, and in turn, charging rent to the persons who occupy the suite. That is the gross expenditure, and against it a net return.

The other questions regarding the business affairs of the Corporation, we have no intention of answering.

MR. HOLLET: Why?

MR. SMALLWOOD: The Directors who come to Newfoundland from New York, Halifax and Montreal to attend Board Meetings, have their travelling expenses and board paid while attending Meetings of the Directorate. With regard to mining Engineers, Geologists and others who travel—we have no intention of tabling the routine expenses of the Corporation. In short, we treat this as a Corporation doing business in Newfoundland and we have no intention of having their business affairs bandied about. Whatever chance there might have been of answering those questions before, there is certainly none now when the Corporation is in the midst of negotiations, because it is not in the public interest so to do.

The questions that can be answered with regard to the Atlantic Gypsum will be answered following the return of the Manager from the Mainland where he has gone on business.

MR. FORSEY: I table the answer to Question No. 70.

(70) 1. The Department of Edu-

cation has not engaged the services of Dr. Raymond Miller,

2. The Department of Education does not purchase desks or school equipment for distribution to the schools.

Grants for the erection and equipping of school buildings are allocated each year to the several Religious Denominations.

#### Orders of the Day

MR. SMALLWOOD: No. 12. Second reading of Bill, "An Act Further to Amend the Newfoundland and Labrador Limited Act, 1951."

MR. FOGWILL: In speaking to this amending Act to the NALCO Act, 1951, I might have to refer briefly to the parent Act and also to statements made in the House on March 31st, 1952, in respect to NALCO.

It appears to me that the Government has brought about another piece of legislation whereby it may be intimated by them that we are in the position now again more or less as before—that is, we are now saved again. That has been intimated so often during the past four years when other pieces of legislation were brought in that it would almost appear to one that the Government is living on the headlines in the Daily Press; that they are not keeping themselves in the position of doing things and getting things done, but are more or less keeping themselves in the public eye by startling headlines. That is what they have been doing this past four years with the many different acts and plans brought into this House.

Now, Mr. Speaker, in the Parent

Act—when it was brought in here in the first instance the official Opposition opposed it because in their opinion they did not think it could be operated successfully to bring about that which the Government had envisaged.

When the Act was introduced, it was introduced with much talk of the public domain, public lands that should belong to the people of Newfoundland; it should not be alienated from the Crown; it should always belong to the people; it should never be lost to the people, it should always remain within their grasp and within the Legislative authorities of this House. I think that was one of the points made at that time. And, perhaps, that may be something that could be accepted and would be accepted by the people—that that land should remain with the people, and with the people which we know as NALCO.

Now, this NALCO was not very successful in what they were supposed to do. NALCO was supposed to be the economic arm of the Government. It appears to me in this year, 1953, by the Amending Act brought in here that the economic arm of the Government—NALCO—has now become the withered arm of the Government and the people. This amending Act is brought in here to change the Crown Corporation into private enterprise—denationalization.

I do not know if the Government has lost faith in NALCO. Mr. Speaker, I think that is speculating on the future of the country. If the Newfoundland Government can be satisfied that the shares of NALCO could be purchased in the near future for five dollars the people involved in NALCO, the shareholders, the New-

foundland Government could sell their shares at five or six dollars or ten dollars as the case may be and make a tidy profit, nevertheless, the public domain would be lost.

When the Premier introduced this Bill, Mr. Speaker, he mentioned the fact that it was the intention of the Government to guarantee a bond issue by NALCO to the amount of ten million dollars for the purpose of purchasing three Government owned plants built and paid for by the Government. NALCO could not on the Mainland negotiate a loan for ten million dollars for the purchase of these plants regardless of the fact that Dr. Valdmánis in his report to the Government on the Gypsum and Cement Plant stipulated and said in his report that the Gypsum Plant could make a profit each year of seven hundred thousand dollars and the Cement Plant eight hundred thousand dollars. Regardless of that, Mr. Speaker, the Government could not, or NALCO could not with the Government's guarantee raise a bond issue of ten million dollars. Subsequent to that, Mr. Speaker, the Government needing the money to continue to pay for industrial development, to which they were already committed, called a special session of the House last year, when an Act was passed so as to allow the Government to borrow ten million dollars on the credit of the Province. But, Mr. Speaker, I don't see any reason why, if the Cement Plant and the Gypsum and Birch Plants were successful and between the three companies making a profit of a million five hundred thousand dollars a year, that NALCO could not take over these plants, as the Premier stated in this House on March 31, 1952 when he said it was the intention of the Government, for

the crown corporation which was the creature of the Government, owned by the Government as to 90%, owned by the people of this country as to 90% to do so. Why could they not take over the plants on the same conditions as the Cement Plant has been sold. They could take over the ten million dollar bond issue and return cash into the Treasury. There appears to me, Mr. Speaker, no reason why Nalco could not at that time have done so when the Cement Plant was taken over by another company for free. They had no 'money,' they took over the Plant on conditions that they would service that part of the debt equal to the purchase price of the Cement Plant. NALCO could have taken over these three Plants on the same conditions and thereby the Government would be receiving each year a profit of one million five hundred thousand dollars, quite a tidy profit, Mr. Speaker, on the operation of these three Plants. Or is it possible the Government itself has no faith in these three Plants. I understand, Mr. Speaker, from something said here not so long ago in this session, that the Gypsum Plant last year, lost somewhere around fifty-nine or sixty thousand dollars in its operation. Did that in itself bring around a change of heart on the part of the Government? Why is it, Mr. Speaker, the Government has changed its policy in regard to NALCO?

The NALCO Act was only passed less than two years ago. It was only last year, Mr. Speaker, it got into operation, and now we are faced with the fact that the Government is changing its policy entirely in respect of NALCO. NALCO is now to become a private company, and some of their rights have been taken away from them, particularly the water-

power on the Hamilton River. Perhaps, Mr. Speaker, that is the "joker" of this thing.

I know the Government has, during the past few years, tried to interest people with money to come in to our territory to invest in the development of our resources. Some have, but the big money which the Government expected to come in, which they have been boasting about for the past four years, we have not seen any of it. Most of these companies, Mr. Speaker, with the exception of the company in development in Labrador in respect of the iron mines, all of them, which have come in here, many of them supported by the Opposition, most of them, Mr. Speaker, are just penny pinchers.

It has been stated time and again, Mr. Speaker, that the Government has acquired a lot of data, a lot of information about our natural resources in respect of minerals and timber. That in itself, Mr. Speaker, if the Government has spent a million or two and a half millions or two millions, I believe in exploration, that in itself, if the Government has the data in respect of natural resources, that in itself, Mr. Speaker, should be sufficient for these companies when they come in here to explore and develop mines or timber resources; that in itself should be sufficient for them to put out a greater outlay of money for development purposes than they have done.

There is one thing about the NALCO Act, Mr. Speaker, the amending Act, that part of it which takes away the water-power of the Hamilton River from the Newfoundland and Labrador Corporation—perhaps the Government has a resolution from the Crown Corporation to the effect that

they are satisfied to give it up, but we over here don't know that. We have no information from the Government nor from any one that the people concerned, that the minority shareholders in the Crown Corporation, the minority shareholders which control the development of the water-power of the Hamilton River, we have no knowledge and have not been told by any one, nobody on the Government side has intimated to us in any way whether or not the minority shareholders in NALCO are satisfied to give up that concession in respect to other concessionaires. If it is not true, or not a fact that they are prepared to give up that concession, if this amending legislation is passed without that assurance that they were satisfied to give up that concession, the Government is going to lose face and outside investors will lose faith in the Government.

MR. SMALLWOOD: I thought they had none?

MR. FOGWILL: I don't hear you.

MR. SMALLWOOD: It is convenient not to.

MR. FOGWILL: Now, Mr. Speaker, if the amending Act is passed, I think NALCO will be given approximately twenty-five thousand square miles of timber and mineral land. With the exclusion of diamond drills, they are supposed to spend one million dollars on each five year period. Now, that is not much money, Mr. Speaker, to spend, a very small amount to spend on such a huge area. They have to spend one million dollars in five years in the area which will amount in each year, Mr. Speaker, to two hundred thousand dollars, that is eight dollars per square mile, or a dollar and sixty

cents per square mile per year, hardly more than the cost of one ham sandwich. If these people want this concession, they should be required to spend more money in each year.

There is one other thing, Mr. Speaker, which the Government boasted about on many occasions in this House, in the press and over the air, and that is the fact that we had so many great people as directors of NALCO, one particularly in the person of Sir William Stephenson, I believe. Now, I quote from the record, Mr. Speaker, we have no Hansard, but if I am permitted to quote from the Speech of the Premier on March 31, 1952—"The Government are anxious to have the corporation assume an ever increasing share of the Government's responsibility to bring about economic development in Newfoundland, and I am happy to be able to say that the directors are ready to accept that burden." Now, that is only a year ago. Now, Mr. Speaker, it is apparent to me that the directors are not prepared to accept that burden. Sir William Stephenson is gone. Mr. Thomas is gone, also Mr. Lewin and Mr. Bowring.

Mr. Speaker, NALCO as it will be set up if this Act is passed will have wide rights—they will have the right to assign all or any of the territory under their control, they will have the right to mortgage all or any of these properties, they can increase their share capital and that regardless of the fact, Mr. Speaker, when this Act was brought in here first, NALCO was to be the great protector of Newfoundland, the great protector of the Newfoundland Domain. No longer, Mr. Speaker, would the people of Newfoundland be subject to wild-cat speculative giving away of our property rights in Newfoundland and

Labrador. Now, the very thing that the Government pointed out at that time would never happen anymore, that is the very thing now, Mr. Speaker, the Government is bringing in here. They are becoming part of an enterprise which is purely speculative. This Government along with other shareholders of NALCO from the time this amending Act would be passed, would be in a speculative business.

There is too much involved here in this Act, Mr. Speaker, for us here in the Opposition to agree with; that we should give away our rights, not only for twenty years for exploration purposes, but after that for ninety-nine years.

One other point, Mr. Speaker, is that the new Act will give the NALCO people the right to be exempt from certain parts of the Mines and Quarries Act. They will not be limited by the provisions of this Act.

Mr. Speaker, in conclusion I will say this: Although we were in Opposition to the NALCO Act when it was brought in here first in 1951, although we were opposed to it, in the back of our heads perhaps we had some small hope that the Government had something, that they had something by which the people would benefit. But I think our actions at that time have been substantiated now by the Government itself losing faith in their own creature. The very fact, as I pointed out before, Sir, last year, when NALCO was to buy the Government's plants which were creatures of the Government, built by the Government with public money, they could not raise a loan to buy them. The Government raised the ten million dollar loan on their own guarantee, the guarantee of the people of

this country that the taxpayers would pay it. And after that, Mr. Speaker, to repeat, the Cement Plant was sold without the paying over of a dollar, passed over to another firm without the exchange of a dollar. In fact the Government put up the money to buy it. That in itself, Mr. Speaker—we were told here in a report from Dr. Valdmans, a high official of the Government receiving twenty-five thousand dollars a year for doing his work, in a report to this House he said the Gypsum Plant would and could make a profit of seven hundred thousand dollars a year, and the Cement Plant make a profit of eight hundred thousand dollars a year, that was a million, five hundred thousand dollars a year—Why then, Mr. Speaker, could not the Government have passed these plants over to NALCO and keep NALCO as it was? A Crown Corporation from which they would receive 90% of the profit of one million five hundred thousand dollars a year? If the Government believed or thought that profit would be so, but to me, Mr. Speaker, it appears that the Government has lost faith in them themselves. It was borne out here in other debates, Mr. Speaker, but I don't want to refer to that—The Government should have gone slowly in many of the things they have done. The experience of the Newfoundland people so long with this Government and the experience of the people in this House who are concerned, it has been shown to us since they have been here that they have made so many mistakes, Mr. Speaker, they have done so many things not in the best interest of this land, but perhaps this will be brought out in the future, and their actions will be to our sorrow.

There is very little more I have to say on this, Sir, but I oppose the



amending Act as well as I did two years ago oppose the parent Act, and I don't think, Mr. Speaker, any good can come out of this amendment.

**MR. HOLLETT:** Mr. Speaker, first in opposing any such legislation as we have before us in this amending NALCO Act, it behoves all of us, I submit, to weigh well the possible consequences resulting from the passing of this Act. We have to ask ourselves: "What are we opposing"? This, Sir, in my opinion, is what we are opposing, and I do oppose it, Mr. Speaker. We are opposing the alienation of some twenty or twenty-five thousand square miles of Newfoundland territory to a private corporation so made up and so incorporated that any two directors may dispose of any or all of that twenty-five thousand square miles as and when they please and on what terms they please.

Now, Mr. Speaker, as I see it, this is what is involved in the passing of this Act: If we look at section 17 (2) of the original Act, and I must refer to the original Act, we will find there:

"May from time to time under authority of resolutions of the directors borrow money (it limits the amount borrowed) issue bonds or sell bonds and mortgage or pledge all or any of the real and personal property which they may obtain by virtue of the passing of this Act, and "Such powers of the Corporation may be delegated to such officers or directors of the Corporation to such an extent and in such manner as shall be set out in resolutions of the directors."

At the beginning of this session, Mr. Speaker, we tabled a question with reference to this very section and the answer tabled was that the executive

committee of the Newfoundland and Labrador Corporation, Limited, consisted of the Honourable Joseph R. Smallwood, Mr. Chesley Pippy and Dr. A. Valdmanis. Further on in that particular resolution which the directors passed, it was stated that any two members shall constitute a quorum of the executive committee. I submit, therefore, Mr. Speaker, that these two members conceivably Dr. A. Valdmanis, who is not a Newfoundlander, who has no claim to being a Newfoundlander; and if you wish, the Honourable Joseph R. Smallwood, as is mentioned there, who is very much so a Newfoundlander. This Act envisages the passing over of twenty-five thousand square miles of our hard-earned territory a good bit of it on the Labrador obtained through the skill and ingenuity of Sir Patrick McGrath and others, and passing over to a small committee consisting, conceivably, I say, of Dr. Valdmanis and some other director to do as they like, to mortgage all or any of that property and to dispose of it on what terms they please.

**MR. SMALLWOOD:** If the honourable gentleman will allow me? Would the honourable gentleman read the whole resolution now?

**MR. HOLLETT:** Certainly. "Resolved: That the Honourable Joseph R. Smallwood, Dr. Alfred A. Valdmanis, Mr. Chesley A. Pippy, be hereby appointed an executive committee, November 14, 1952, to hold office until the next meeting of the committee (Read from the Report of the Newfoundland and Labrador Corporation Limited.)

Under this original Act, Section 17 (2) the Corporation may from time to time under the authority of resolution of the directors delegate such powers of the Corporation to such officers

or directors of the Corporation in such circumstances or such manner as may be set out—This is Section (2) of Clause 17. "Such powers of the Corporation may be delegated to such officers or directors of the Corporation to such extent and in such manner as shall be set out in a resolution of the Directors."

"Resolve further that the executive committee report its actions to the Board of Directors." Most of the directors reside in the United States.

MR. SMALLWOOD: The executive committee is not the directors in the United States.

MR. HOLLETT: "Resolve further any two members shall constitute the executive committee."

Now, this, Mr. Speaker, is the resolution which was passed in November, 1952.—

"RESOLVED, That the Honourable Joseph R. Smallwood, Dr. Alfred A. Valdmanis, and Mr. C. A. Pippy be and they are hereby appointed an Executive Committee as of November 14, 1952, to hold office until the next meeting of the Board of Directors.

RESOLVED FURTHER, That the Executive Committee shall have the following powers:

1. To appoint officers and employees of the Corporation and to determine their salaries.

2. At the request of the Executive Officers to assist in the preparation of proposed agreements of major importance.

3. To authorize the transfer of funds of the Corporation from Savings Account to General Account and vice versa.

RESOLVED FURTHER, That the Executive Committee shall have such other power as may lawfully be delegated to it by the Board of Directors, not in conflict with specific powers conferred by the Board of Directors upon any other committee appointed to it.

RESOLVED FURTHER, That the Executive Committee shall report its actions to the Board of Directors.

RESOLVED FURTHER, That the meetings of the Executive Committee shall be called by the Secretary of the Corporation from time to time, at the direction and upon the request of the President or of any member of the Executive Committee; that notice of such meeting shall in each instance be given to each member of the Committee at his last known business address at least 24 hours before the meeting, either orally, or in writing, delivered personally or by mail, or telephone.

RESOLVED FURTHER, That two members shall constitute a quorum of the Executive Committee.

RESOLVED FURTHER, That the Minutes of each meeting of the Executive Committee shall be promptly sent to all members of the Board of Directors, and that the Executive Committee shall report its actions to the Board of Directors at the next meeting."

Conceivably the next meeting of the Board of Directors may pass any other resolutions which they so desire. I submit, therefore, sir, that the destiny of these twenty-five thousand square miles of Newfoundland's territory remains in the hands of the Executive Committee, one of whom is not a Newfoundland.

MR. SMALLWOOD: That is not in that resolution read out.

MR. HOLLETT: I submit that, Mr. Speaker.

MR. SMALLWOOD: Trash.

MR. HOLLETT: And nonsense. Before going any further, Mr. Speaker, let us take a look at the original Act and let us look at the preamble which is itself expedited for the protection of the industrial and economic development of the Province of Newfoundland and for the development of the natural resources and improvement of the standard of living of the people of the Province. Then it goes on to set up a corporation and name its directors. In other words, this corporation was set up for the express purpose of the development of the natural resources and improvements of the standard of living of our people. Mr. Speaker, I would like to refer you to the first annual report of the Newfoundland and Labrador Corporation which was tabled here in reply to a question which we asked, Sir, in order to more fully understand the changes which are being made I would ask leave to read that Annual Report, which I think has a very large bearing upon the various amendments which are submitted to us. This is the first Annual Report made by the Newfoundland and Labrador Corporation and signed by Alfred A. Valdimanis, Chairman of the Board and Chesley A. Pippy the President. The Report is made to the Honourable Joseph R. Smallwood, Premier and Minister of Economic Development, in late 1952. You might be trying to misrepresent it or twist it.

MR. SPEAKER: I do not think it would be pertinent to debate the Report at this time.

MR. HOLLETT: "During the mining session of 1952, inspired by Sir William Stephenson, the following mining companies showed an active interest in the mineral-rich areas of the Corporation: National Lead Co., Newmont Mining Corp., Reynolds Metal Co., and Selection Trust Limited."

If I may reject there—I tabled questions relative to agreements made and I was told it was none of our business. "Why should we be told what this Crown Corporation, NALCO, was doing?" That was the sense of the words used. We were not going to be told. Here is a Corporation in which we had \$900,000 —

MR. SPEAKER: It is not permitted to discuss the Premier's refusal to answer the questions or his reasons for not answering.

MR. HOLLETT: I just mentioned it.

"Mr. Lyttleton B. P. Gould introduced American Zinc, Lead and Smelting Co. and Freeport Sulphur Co.; and Mr. Claude S. Richardson made yet another contact.

I do not know the results of these.

"In addition, the following companies made brief surveys of the areas controlled by our Corporation: The John Fox interests (oil), Kennicott Copper Corp., Oliver Iron Ore Co., Texas Gulf Sulphur Co., Technical Services Ltd.

These contacts are proving very valuable, and, indeed, we expect some kind of association of interests with quite a number of them."

We have signed a contract (sub-concession) with Newmont Mining Corp., and have reached agreements with

American Zinc, Lead and Smelting Co., and the John Fox oil interests."

Again, I submit, we have not been allowed to see these Agreements.

"These Agreements mark a considerable progress in our efforts to secure early development and revenue to our Corporation. A few more contacts, with other mining interests, and one with a syndicate interested in our timber areas, are under negotiation.

During the first year of operation, our Corporation has created a good organization capable of planning and executing responsible work. Our engineers surveyed and studied accessibility and potential of our timber concession in the Lake Melville area; possible development and use of some of the potential hydro-power available (Muskrat Falls, Bay D'Espoir; Some field work was done in areas reputed to be highly mineralized (Burin, Gander, Parsons' Pond, Mealey Mountain): An Airborne magnetometer survey was made over a 1,500 sq. m. area with most gratifying results.

One of the main accomplishments has been the compilation of data, charts, maps, etc., which provide reference to the areas controlled by our Corporation."

Quite an accomplishment, that!

"These have resulted from relevant activities (Government mining companies, private owners, scientists) in earlier years. As a result, our Corporation, for a total (administrative plus operational) cash expenditure of some \$150,000.00, is now in possession of data the value of which is estimated at \$680,000.00. Now for the first time we feel that we have some idea of the economic possibilities spread over a vertiable kingdom of more than 23,000 miles in Newfound-

land and Labrador as vested in our Corporation by the Legislature of Newfoundland, and accordingly a \$300,000.00 mining and exploration programme has been launched for 1953.

"It is with these early accomplishments in mind that we have suggested to our directors and shareholders and obtained their approval that profound changes in structure and capital of our Corporation should be made in order to assure an accelerated exploration and development of mineral resources the existence of which we do not doubt any more; to secure the necessary, and rather large risk capital from sources other than Government; and yet retain for the Government of Newfoundland a relatively high interest, in form of dividend, from any proceeds of the development of any area under the control of the Corporation.

"At the Annual Board of Directors Meeting held on February 16th, 1953 and at the Annual Shareholders' Meeting held on February 17th, 1953, the following were approved:

(1) the activities of our Corporation from its inception until December 31, 1952, and specifically

(a) the Auditor's Report and the financial statements for our first year ending December 31, 1952.

(b) contract with Newmont Mining Corp.,

(c) the principles of our Agreement with the John Fox interests;

(d) the principles of our Agreement with American Zinc, Lead and Smelting Co.

(2) a budget for 1953 prepared on the basis of a \$300,000.00 mining and exploration program.

(3) a resolution to ask the Government of Newfoundland to cause the Legislature to amend the Newfoundland and Labrador Corporation Limited Act, the main features of the proposed amendment being

(a) the exchange of a 1,480 sq. m. mineralized area ("Seigheim concession") against a similar area in South-Western Labrador;

(b) the vesting into our Corporation of an additional 1,500 sq. miles timber area in South-Western Labrador, on both sides of the Quebec North Shore and Labrador Railway;

(c) the granting of a 15 years (as against the present 10 years) exploration period on all (some 13,400 sq. m.) mineralized areas, and a 99 years (as against the present 50 years) development period;

(4) a resolution to issue the second million non par value shares of the Corporation (out of a total of five million N.P.V. shares authorized) on the basis of the valuable work accomplished in 1952 and the extensive mining and forestry exploration program which has been launched for 1953, there is every likelihood that this second million of non par value shares will be issued for \$5,000,000.00.

(5) a resolution to request the Government of Newfoundland to agree to the privatization of our Corporation by refraining from purchasing any voting stock of the proposed second (one million N.P.V.O. shares issue, and, simultaneously, to request the present stockholders of our Corporation other than Government, to give up their special rights in order to make, in the future, the shares of our Corporation freely marketable and transferable; and to direct and

authorize our Executive Committee to execute this resolution."

All that was approved and signed by Alfred A. Valdmanis, Chairman of the Board, and by C. A. Pippy as President.

I wanted to read that Report in order that we may, as a House, fully understand the nature of the amendments and the source from which they emanated and the idea behind the whole scheme or proposal, should I say.

Now, let us look at the changes that have been made. If we look at the original Bill, we find that under that, the Corporation was given some 5,000 square miles, on which they were given timber rights for 99 years. They were given exploration rights for a ten-year period and mining rights for ninety-nine year period of ten thousand square miles surveyed by the Photographic Survey Corp., and 9,000 sq. miles in Newfoundland.

Also they were given some 2,900 square miles in the new Quebec-Labrador boundary; and they were given hydro-electric power rights of the whole of the Hamilton River Watershed for ninety-nine years.

Now that in itself was quite a concession as we have noticed. Let us see wherein they have changed this.

Under this new Agreement, as I read it, they get 25,700 square miles for five years; we give them timber rights on 9,500 square miles for 15 years; another five thousand square miles for exploration and development—and here is one of the things which we on this side object to; on all this area of 25,000 or 26,000 square miles, this NALCO Corporation are now being given to explore and sur-

vey, they may export all timber thereon. In other words, if they have the facilities for doing so, they can cut down every last log and ship it out of the country—for which the Government would hope to get \$1 per cord—16,000 square miles—they will be given the right to export wood for 99 years if they so desire. They are paying a royalty on such wood exported. And for licenses, mineral and otherwise, they will pay \$2.00 per square mile. They are also given mineral exploration rights over most of the 26,000 square miles. They can explore these areas for years, and they will be given a certain area on which they can do as they please for a period of ninety-nine years. One would say there is very little difference in the concessions given in the first place. But we have to remember, in the original Bill it was a Crown Corporation with the Government holding 90% of the shares and having \$900,000 therein. It will be remembered when this Bill was argued in the first instance, the great response was "what difference does it make if we give them rights, the Government owns 90% of it? We control it." The Government today cannot reply when we make this charge that it is risky and dangerous—the Government cannot say "it is 90% Government-controlled." They have decided to denationalize it and allow the Government to be deprived of its control in the old Corporation.

Just how far I can refer to the original Act, is a question I would not be sure about; but I would like to refer to some of the sections, if I may, in the proposed Amendment.

Section 4:

"8 A.—(1) The Corporation has for a period of five years from the first

day of January, 1953, the exclusive rights to explore and survey all the timber in the unalienated portions of the area described as Lot 1 in the Schedule and of the area or areas to be selected by the Corporation."

As I figure it, Lot 1 consists of 9,500 miles in the Lake Melville area; and 1,500 on the Labrador map, somewhere around Goose Bay, I think.

'(2) Upon selection of the area or areas under sub-section (1) the Corporation or its assignees or transferees has from the date of the selection until the 31st day of December, 1972 the exclusive right to explore and survey all the timber in the said area or areas."

Twenty years. We have been reminded of the fact that they were so successful that they surveyed practically all the area given them.

(3) At any time during the period referred to in sub-section (2) the Lieutenant Governor in Council shall, upon application, issue to the Corporation or its assignees or transferees licenses to cut and remove all timber from the area or areas referred to in that sub-section."

Before leaving that point, I would like to make just a few remarks relative thereto. We have in Newfoundland two of the largest Paper Companies in the world. We have employed there many thousands of people—at Grand Falls and at Corner Brook. These two large Companies are the life-blood of this country at the present time and millions and millions of dollars come into our economy as a result of the stands of timber which these two Corporations have in Newfoundland. I do not know if the Government has been properly informed as to the life of

the concession they hold, as to how long the woods will last at the present rate of cutting. I am given to understand that in Grand Falls they can go on forever. I would like to believe that. I am told on good authority that it is so. But I am told that in Corner Brook the concessions, the woods are very quickly being depleted, and consequently, over the period of the next twenty years there is likelihood that this Corporation will not be able to keep on cutting as it is now. If that is so, then the welfare of many thousands of our Newfoundland people is likely to be jeopardized.

We have on the Labrador many millions of cords of wood. Why this Government should, in these prosperous times, be so anxious to sell that wood is beyond my comprehension. I cannot understand it. Under this section this Company is given the right to export the whole business down there. There is no let or hindrance. I do not think our loggers or Labour Organizations will approve of having this raw material shipped out of this country when it can be manufactured in Newfoundland and make a much larger spread to the labour in this country. Why the Government wants to give this Corporation (which was formerly controlled by the Government, but from now on will be a private Corporation)—why they should give them the right to export this wood as and when they please, is beyond the comprehension of this side of the House.

And so the Act goes on. There are many things here which we do not like. For instance:

"to use its best endeavours to ensure that so far as is consistent with efficient and economical development of the concession granted by the said

timber license, the timber shall be used in the first instance for manufacture within the Province of Newfoundland—"

They have to use their best endeavours; but "their best endeavours" are not described.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Why not finish the Clause you were reading?

MR. SMALLWOOD: It might destroy his argument.

MR. SPEAKER: The Clauses can be discussed in Committee.

MR. HOLLETT: "to use their best endeavours—" There is nothing there to prevent them from exporting the wood. They do not have to manufacture it at all. There are other Clauses with regard to surrender, after a period of years, but they will have 10,000 square miles for a period of ninety-nine years. Then "During the period of exploration lease referred to in Section 8 B the Corporation shall have the exclusive prospecting and exploration—"

MR. SPEAKER: I must interrupt the honourable member. I have allowed a wide divergence from the principle of the Bill. The honourable members must remember it is out of order to discuss clauses out of Committee. He may refer to them, but not discuss them.

MR. HOLLETT: Under Section 8 the Corporation has the power to assign transfer or lease any area they may so desire.

I would like to refer back to sections 13 and 25 of the original Act, if I may. It is noted that under section 13 of the original Act, the Corporation is bound, upon issuing shares

(beyond the first one million) to first offer them for subscription to the original shareholders including the Government. Whether that is being left there in error, I do not know. According to the Report of Dr. Valdmanis, that was not supposed to be done. I merely draw that to the attention of the Government. If it is so, I believe they will not be carrying out the express wishes of Dr. Valdmanis.

The same thing would apply in the case of Section 25 where it says that no shares shall be allotted, issued or sold "unless such shares or securities first be offered to the holders of the then outstanding Common Shares of the Corporation . . ."

I do not know whether it is the intention of the Government to take out these sections. If not, they will not be meeting with the strict letter of the Law as laid down by Dr. Valdmanis.

HON. L. R. CURTIS (Attorney General): Is he referring to Section 16 of the original Act?

MR. HOLLETT: I am referring to Section 13 and Section 25. I have already referred to Section 17, so I will not refer to that again. There are certain other sections that might be referred to generally, Sir. I would sum up my remarks by this remark—that I am very much against it. As a matter of fact, it is abhorrent to me to think that the Government would want to dispose of some 25,000 or 26,000 square miles of territory, tie it up for a period of years so that nobody else could come in here, particularly at a time in our history when minerals are at a premium, when people all over the world are looking for concessions. I fail to see

why they want to tie it up or give it to this Corporation over which the Government has very little control. They don't even stop at Labrador, they come into Newfoundland. I put it this way, Sir, if you had a big wide broom with one corner of this broom at Seal Bay in Notre Dame Bay and the other end of it over by the eastern end of Fogo Island, and swept right down through Newfoundland down to Bay D'Espoir and Hermitage Bay, then practically all that area of ten thousand square miles is tied up to this Corporation which may be made to depend upon the whim or the will of two men, one of whom is our friend, Dr. A. Valdmanis—now, I have nothing against the learned doctor—

MR. SMALLWOOD: No—not a thing, nothing—you all love him.

MR. HOLLETT: Not a thing in the world. After all they arranged this wedding and then come a year later and say their efforts are aborted. I have nothing against the honourable doctor. After all, did he not build us a Cement Plant, and is not that Cement Plant to turn in a profit of some eight hundred thousand dollars a year.

MR. SPEAKER: The question now before the House is this Bill and not to discuss any honourable individual. The honourable gentleman is referring to Dr. A. Valdmanis.

MR. HOLLETT: Whose name, Sir, is mentioned in the Bill.

MR. SMALLWOOD: We are not debating the Bill, but the amendment.

MR. HOLLETT: If I may not refer to it, of course I do not want to do so. But if I am allowed to refer to the original Bill, I may say that



under section 2, the following are the people who are the directors.

MR. SMALLWOOD: Mr. Speaker, to a point of order.—Is this honourable gentleman on the motion to give this particular Bill second reading, allowed to take up any matter whatsoever in the original Bill, as for example, the name of one of the directors and proceed to debate the gentleman?

MR. SPEAKER: No. It is definitely out of order. I have allowed both the members of the Opposition to refer extensively to the parent Bill because it is necessary to do so to tie in their argument with the amendment to that Bill. I have already pointed out we are not discussing the principle of that Bill.

MR. HOLLETT: Thank you, Mr. Speaker. I take it it is most important in discussing any amendment or any Bill for that matter that an amount of latitude should be given to persons caring to speak to the Bill in order that the Bill may obtain the necessary publicity which could be expected amongst the people of this country.

MR. SPEAKER: Is the honourable gentleman inferring now that the Chair has not given him extensive latitude in speaking. I have allowed the honourable member to read clauses from the Bill in direct contradiction to standing orders of page 46. If the honourable member wishes to appeal the decision he may do so.

MR. HOLLETT: Mr. Speaker, far be it from me. I in no way whatsoever wish to infringe upon any ruling made by the Chair. I will say now, Sir, if I may, the Chair has been very tolerant, not only with members of the Government, but also with

members of the Opposition, or I put it the other way, not only with members of the Opposition, but various members of the Government. Realizing as I do, Sir, the position in which you are placed I do say that I admire the decisions you have made in the past.

MR. SPEAKER: That the honourable gentleman admires me cannot be of the slightest interest to the House or to the people of Newfoundland. That is not the point under discussion.

MR. HOLLETT: Well — I was referring, I think, to the wide sweep of the broom from Seal Cove on the one hand to the Eastern point of Fogo Island on the other hand, and I can imagine the broom sweeping down across our little country, Newfoundland, right out to Bay D'Espoir and Hermitage Bay and taking all of that land and tying it up with this Corporation—I believe you will find it outlined in Clause No. 2 of this Bill.

MR. SMALLWOOD: I thought the broom would sweep it out to the Grand Banks.

MR. HOLLETT: What are you going to do with it if you don't tie it up? What do you intend to do with it—then they are not content with that, sir, but go around to Burin and take at least four hundred square miles there and then little Merasheen Island is to be taken lock, stock and barrel and handed over to this Corporation.

MR. SMALLWOOD: That is the end of Merasheen Island, it is gone, swept away with that broom.

MR. HOLLETT: I quite agree, Mr. Speaker, the Honourable Premier can do an awful lot of bad, but I sub-

mit, Sir, the Honourable the Premier is unable to sweep Merasheen Island off the map.

MR. SMALLWOOD: The honourable member just did it.

MR. HOLLETT: Sir, I am referring to the concession tied up in the little bundle and passed over to the Newfoundland and Labrador Corporation for ninety-nine years by Dr. Valdmanis, the henchman —

MR. SMALLWOOD: And not the broom?

MR. HOLLETT: Call it a broom if you like. As far as I can see you are sweeping pretty clean. I venture to bet the Government on the opposite side have given away about twenty-five thousand square miles of land more than we possess, much more than we possess, twenty thousand square miles to the Iron Ore Company and are now giving away God knows how much, twenty-eight thousand square miles here, sixty thousand square miles according to "Time" magazine to this new company which is coming up, I believe it is "BRINCO" they call it, that is sixty and twenty-five and twenty, not much more left out of it. I do hope we will be able to hold on to our squatting rights in some places.

Now, Mr. Speaker, there are certain things in this Bill which are definitely outrageous, which should not be voted by us nor by the Government. I can visualize the spirits of these men whose portraits I see on the opposite side of this House looking down today and wondering what is going wrong with the Government. They must say they have gone cracked. There was a wonderful to-do away back when we gave six thousand square miles to the Anglo Newfound-

land Development Company that was terrible, blue murder, but now we give twenty-five thousand square miles to this company set up by the Government to whom the Government gave nine hundred thousand dollars; and say, take it, do what you like with it, give it to whom you please on whatever terms you desire, mortgage it all you want to, we are finished with it. That is exactly what they are saying, Mr. Speaker, and how any member on the opposite side can vote for such a Bill is beyond me completely. Now, I quite agree with the Government's desire to try to get mines developed and the timber resources, but I can't understand for instance in the list of directors we at least had a man from one of the big pulp and paper companies of this country, the Bowater people, Mr. Lewin who has now resigned.

MR. SMALLWOOD: Why?

MR. HOLLETT: I have an idea, but don't wish to express it here.

MR. SMALLWOOD: No don't, spare our feelings.

MR. HOLLETT: I doubt whether you have any feelings.

MR. SMALLWOOD: Take a chance and tell us why—And why Mr. Bowring resigned—tell us that.

MR. HOLLETT: I am almost persuaded, Mr. Speaker—but history will tell that.

MR. SMALLWOOD: You tell it.

MR. HOLLETT: History will tell why Mr. Lewis and Mr. Bowring got off. History will tell why Mr. Thomas slipped off to England and stayed there, and history, Mr. Speaker, will whisper some day why Sir William

Stephenson vanished. Will the Honourable the Premier tell us, Sir, why Sir William Stephenson got off the Board of NALCO?

MR. SMALLWOOD: I have already done so.

MR. HOLLETT: Will he give us his reason? But Sir William wrote to the press and said: "I feel my work is done, therefore, I will go back, and I will be seen no more hence in Newfoundland." That is what I inferred at any rate and he is not going to be seen here any more. A man of Sir William Stephenson's calibre, if I know anything about it, would not be caught on such a Board as that.

MR. SMALLWOOD: Says the honourable gentleman. He said a lot about it here last year, but it was a different tune then. He now defends Sir William Stephenson, now that he is gone.

MR. HOLLETT: If the honourable gentleman is finished, Sir, I will proceed.

MR. SMALLWOOD: You are wasting our breath.

MR. HOLLETT: That is right. And I am wasting mine to try and bring out any points, this Bill is going through, and it is going through, the man said so, which man I shall not say, but it is going through by hook or by crook, and we are going to give away twenty-five or twenty-six thousand square miles to this Corporation to do exactly as they please with, on what terms they desire, that is all there is to it. We gave them last year a ninety-nine year lease on the Hamilton River. I remember when a certain other Bill came up with regard to borrowing some money, I made some remark relative to the

unheard of concession of ninety-nine years to all the water power in the watershed of the Hamilton River. Now they blithely come back into the House and say: "we have taken it away from them and given it to someone else—taken away the Seigheim concession and have given that to somebody else. Incidentally, whilst on the subject of the Hamilton River. I doubt very much whether Seigheim has really lost his interest in this concession given him. I hope he has—I think the man is a fraud anyway, at least the concession was based on a fraud.

Mr. Speaker, the Government of Newfoundland has nine hundred shares in this corporation at the present moment, and then Mr. Harriman Ripley of 63 Wall Street spent forty thousand dollars in buying shares. Wood Gundy & Co., Ltd., spent twenty-eight thousand dollars.

MR. SMALLWOOD: Mr. Speaker, how does the honourable member mean to tie this in with his argument?

MR. HOLLETT: Surely, Mr. Speaker, we would like to know who the shareholders are. If you overrule it, Sir, I shall not name them.

MR. SPEAKER: I did not overrule. It is repetition.

MR. HOLLETT: I have not referred to them before, sir, and the shareholders and directors are referred to in the amendment so I take it, it is quite in order to name them. Mr. Gould eight thousand dollars, Sir William Stephenson has two thousand dollars and Cement and General Development Corporation two thousand dollars. The Government now intends to allow the sale of a further

million shares for which they hope to get five dollars each. I hope they do. But the thing that I am against more than anything else, sir, is a huge area of public domain being handed over to this corporation and the fact that they may dispose of it as and when they please, they may mortgage it, and they may let it out to anybody on whatever terms they please.

I say, sir, that it is too much of the public domain to tie up in any one corporation, particularly when that corporation is made up of a bunch of directors who are satisfied to, and who have allocated their rights and privileges as directors to two members of an executive committee. I have nothing against either of the gentlemen whatsoever, but I do say, in this day and generation to allow any two or any dozen men to control the destiny of twenty-six thousand square miles of our total 110, I think it is, we are going a bit too far. I am, sir, very much against the principle of this Bill. I oppose it and I shall oppose every section and I shall ask the Government to think well of what they are doing. You may bring in the other corporation if you wish but the attitude of the financial world will be formed and framed by what you do in connection with the Newfoundland and Labrador Corporation.

I oppose this Bill, Sir.

MR. CURTIS: Mr. Speaker, when the present Government, or when the first Government of our inspired Premier took office in 1949, the first question that he asked himself and the question that we as a Government asked ourselves was this: What can we best do to promote the interest of Newfoundland? We know, Mr. Speaker, that we had natural resources,

we knew that we had the fisheries, we knew that we had water powers, we knew that we had timber limits, and we knew that we had minerals—we knew all these things.

Our problem, Mr. Speaker, is how best to utilize these natural resources. We knew pretty well, Mr. Speaker, just what we had in the way of fisheries, but still we were not sure that we were making the most of them, so we had the Fisheries Development Committee. Then, Mr. Speaker, we knew that we had water powers but we were not quite sure what we had, and of what they consisted so we had a survey made of our water powers. We knew we had timber lands. We knew that two-thirds of the timber land in Newfoundland had been alienated to the two paper companies and one-third only remained. We knew there were large areas of timber land on the Labrador which had been given away. Given away, Mr. Speaker, by these very men to whom my honourable friend referred, given away ten, fifteen, twenty-five, thirty years ago and held, until we came in, by speculators. We knew that Newfoundland was a country full of minerals. We knew, we had been told, and the older we were, the more often we had been told about the wonderful mineral deposits on the east coast, on the south coast. We knew that there were mineral deposits on the west coast and we knew that there were mineral deposits in the interior. But that is all we knew. We presumed that the whole country is undermined, more or less, with minerals. Now, then, Mr. Speaker, what did we as a country do? The Government is the country. The first thing: We decided to get back those timber limits which were being held by speculators who were looking for money, for profit,

for fancy prices, and who were holding up the development of our timber limits, asking too much money for them. Do you realize, Mr. Speaker, that Bowaters own today, about eighteen million cords of pulpwood and that those eighteen million cords cost them eighteen million dollars and every cent of that eighteen million dollars went to private speculators and none of it went to this country. Do you realize that to a lesser degree every cord of timber owned by the A.N.D. Company was bought and paid for by that corporation and that four or five million dollars of their money went out to buy these limits, and that this money went to speculators and not to the people of this country? Does the country realize, Mr. Speaker, that the huge mineral development at Buchans is owned by the A.N.D. Company; that they got it thrown in when they got the other limits from speculators and that within the past year they made five million dollars of profit out of their interest in Buchans just by owning it, by having gotten it from the people of this country, to whom these very men granted it.

Now, we found all these conditions, Mr. Speaker. What did we do? We found first what we had to get back in our timber limits, and we got them back.

MR. HOLLETT: How much?

MR. CURTIS: We got back huge areas that had been held by speculators holding out for abnormal profits and consequently holding up their development and the development of this country.

MR. HOLLETT: How many square miles?

MR. CURTIS: I don't know, Mr.

Speaker, there are many, many square miles. But I will tell my honourable friend that millions of dollars would have been brought into the Treasury of this Province had the people holding these limits carried out the provisions of these licenses—millions of dollars would have been paid into the Treasury and millions and millions of dollars in labour paid out in this country at basic wages, had the owners of these timber limits ever carried out the provisions undertaken when they got these licenses. What did they do? They held them, held them to get a profit. Why, Mr. Speaker, if I remember correctly the Labrador Development Company paid as high as one hundred thousand dollars for their timber limits which they bought and which were not worth a continental to them, and what is more it was our money, Mr. Speaker, which they used to buy it. Now, then what did the present Government do? We decided to do everything possible, Mr. Speaker, to bring in outside capital, to find out what our timber was, our waterpowers were and what our minerals were and get them developed. Hence our agreement with Falconbridge, Amco and our agreements with all these other companies.

But even fast as things moved, Mr. Speaker, they did not move fast enough to suit our energetic Premier, who was inspired, and I think he was inspired, Mr. Speaker, and one of his inspirations was NALCO. What better plan could be devised for the development of the country than NALCO? We might as well say we gave the Federal Government ten million dollars when we placed it on deposit at Ottawa but the nine hundred thousand dollars we gave to NALCO. Mr. Speaker, we invested

nine hundred thousand dollars in NALCO, and I think time will show that it was a jolly good investment, and I hope, if our dream comes true, the nine hundred thousand dollars we have put in NALCO will bring us back just as much as the entire ten millions we have given to Ottawa, just as much. If this Bill goes through, and if what is prophesied by its leaders comes true, our nine hundred thousand dollars investment will be worth four million and half immediately, and in the future, Mr. Speaker, who knows?

However, NALCO was formed and it was formed with the Government contributing 90% of the capital invested, Mr. Speaker, not given. The Government invested 90% of the capital. Why did the Government invest in 90% of the capital? If a company is ninety per cent owned by the Government that company is free from any income taxation. Now, we dealt with American and Mainland financiers and these American and Canadian Financiers wanted to invest 49% in NALCO and wanted to put up \$490,000 against our investment of \$510,000. But, Mr. Speaker, we decided that we would let it be a Crown Company even though that meant that we, as a Government, should invest more. But obviously the more we invested the more we get, and if we get 90% of the profits of NALCO and NALCO is tax free that 90% is gross profit.

MR. CASHIN: Will you have ninety per cent if they sell this million shares?

MR. CURTIS: Of course not.

MR. CASHIN: That is the point.

MR. CURTIS: Now, then we persuaded the American and the

Mainland financiers to accept ten per cent of the investment which was equivalent to twenty per cent because if one invests ten per cent in a tax free company it is as good as if one invested twenty per cent in a company paying taxation. So NALCO was, as I say, the brain wave of our Premier, it came into existence and did exceedingly well in the first year.

The Government will still be the owner of 45% and any interest having control of 45% of the shares of a Company is a very powerful stockholder indeed.

MR. HOLLETT: How do you make that out?

MR. CURTIS: If the value of the shares has increased from \$1.00 to \$5.00 has not the value of \$900,000.00 increased to four and a half million dollars? We are not getting the cash unless we sell. I do not think we would consider selling. It is true it is only an increase in value.

MR. HOLLETT: It does not give you four and a half million dollars.

MR. CURTIS: If we decided to sell tomorrow, we would come out with four and a half million dollars instead of \$900,000.00.

As I was saying, the stockholder with 45% of the shares, will be a major stockholder, he will be able to call the tune; and unless all the rest gang up, he cannot be out-voted; and when that stockholder is the Government, his position is always stronger and all the less likely to be disputed. In other words, NALCO will still be very largely dominated by the Government, although not the Government as it was virtually under the previous legislation.

Now then, it is obvious, Mr. Speak-

er, that if you are going to change the character of a Company from being a Crown Corporation to being a public or private Company, you must change the nature of the Act creating the Company and you must change the nature of the concessions given.

We were told last year or the year before when we incorporated NALCO that we were giving them huge areas of the public domain; we were just sweeping it with a big broom into a bag—

MR. HOLLETT: That was this year.

MR. CURTIS: We were told we were giving them everything; we were giving NALCO so much—

MR. HOLLETT: You gave them \$900,000.00.

MR. CURTIS: Let me repeat, we did not give NALCO nine dollars or nine hundred thousand dollars. I do ask the honourable members to realize we did not give NALCO anything. We bought shares. We invested \$900,000.00. We did not give them the territories we were accused of giving.

When the Premier and I were in Montreal we went to the office of the President of the Bank of Montreal. It was in the interim between the two sessions of the House last year. When we left the office of the President we were assured the ten million dollars was arranged and we cancelled negotiations then pending in the United States. What happened? They looked at the Bill and found we had given NALCO exactly nothing. It is true we had given them this land, but it was not to be sold, not to be transferred, nothing to be done with it except with the consent of the

Lieutenant Governor in Council. We had tied the hands of NALCO to such an extent that they were hardly able to operate without the consent of the Government. What financial group would lend a Company a huge sum like ten million dollars when their assets were all tied up, held back; given as we gave them with a great heavy string to them so that we could pull them back any time? These are the things we now propose to correct. There are clauses in the original parent Act which must be altered. The incorporation of a Company which is a Crown Company is one thing; the incorporation of a Company which is a private Company is another thing and we must now change the NALCO incorporation Act to fit the changed circumstances. One clause in particular, the clause saying the Lieutenant Governor in Council or the legislature would consider giving a guarantee of ten million dollars.

MR. HOLLETT: Why did you put the Clause in?

MR. CURTIS: The Clause is not worth a thing. We had to call the House together and this House had to pass a guarantee.

There are other clauses which must be changed. One was a Clause whereby we undertook to buy out any shareholder who wanted to sell. We had to do that, because it was a Crown Corporation.

So, Mr. Speaker, there are many changes in this Act which are necessary to make the Act a working Act for a private Company.

Now, what do we give this new Company? One would think to hear the honourable gentleman who just sat down, that we had said "Here is 25,000 square miles of land; it is

yours." There is nothing outrageous, nothing improper, nothing about the concessions given that anyone need to take offence at, or anything anyone can disapprove—

MR. HOLLETT: In your opinion.

MR. CURTIS: In the honourable member's opinion too, if he will listen to the facts and study them. What do we say? "Here is a strip of land—in Notre Dame Bay or in Bay D'Espoir—ten square miles—we will earmark that." Those lands have been there for the last one hundred, two hundred and three hundred years for anyone who liked to go out and explore and develop. How many did it? We say, "You come here, spend a million dollars every five years. When you spend four millions, you can have the exclusive right to explore this particular area. You are justified now in concentrating on this area. When you have done that, what will we do? We will give you a mining lease." No one wanted it before, no one bothered with it. "Here are 25,000 square miles, explore it, spend your million dollars every five years. Spend four million and what have you got then? We hope they will find something big, but all they have is the right to get mineral leases, and mineral licenses are limited to the size they need to develop the mine, in every case. They get the right to start a mine here, another there, another somewhere else.

Giving away the country! Let us hope another Buchans will be discovered. We might get another Bell Island, another St. Lawrence. This is the only way to get the country developed. We have groups working all over the country. Let us hope they discover something. We are

only giving them what we are prepared to give to anyone else who discovered a mine. We will give them a mining license. In the old days, if a Company spent \$60,000 they gave them the land in fee simple. All we are giving them is a ninety-nine year lease. We are giving them the right to go in and spend their money. We tell them that in that area we will allow no one to interfere with them. One party has an area up here; another has an area in another part. I do not think NALCO will be able to develop all of it themselves. They will have to sublet certain sections to other people. But one of the reasons we ask that NALCO be denationalized is because the more money NALCO spends, and the more NALCO proves up an area, the better the terms they will get from anyone who mines it. If NALCO gets an area and can prove it up, then the arrangements made between NALCO and the operating Company might well be of the nature of those made between the A.N.D. Company and Buchans.

We know what the A.N.D. Company gets out of Buchans. When the A.N.D. Company made that deal, it was made in the course of negotiating a timber deal and was thought to be practically valueless.

Any deal made between now and that date would be more advantageous to the Company and less advantageous to NALCO. Let us remember that we, the Government, have in NALCO a 45% interest and will have a corresponding interest in any Company which develops a mine that NALCO has explored and proved.

MR. CASHIN: What about the waterpower?

MR. CURTIS: Obviously NALCO



is not a electric-power development company; it is particularly a Company for the development of timber and minerals. It is not a Company that had in its mind the development of electricity and nothing else. NALCO had that as an adjunct.

MR. HOLLETT: What about the preamble in the original Act?

MR. CURTIS: The development of natural resources would not include power development. The million dollars put into NALCO would hardly survey the Grand Falls. I wish we could afford to do it. I think the time has come when we got to take things in our own hands. We did step on the people holding our timber limits. We did not give these people waterpowers to sit on, but to develop. When water once rolls over the hill and down the falls it is gone and the power that it could generate is gone. If you have a mine, Mr. Speaker, and you don't take out the minerals, the mine is still there, but when water once falls over the water falls, it is gone forever, and nothing can bring it back.

MR. HOLLETT: Is that a new discovery?

MR. CURTIS: It is one we are going to capitalize on, Mr. Speaker, and are going to see that for the next fifty years water won't go down over these falls without giving something in return—we are going to develop them, and in ten years time, please God, we will have a different story to tell.

So, Mr. Speaker, we have decided to amend this Act. We have decided to denationalize NALCO, and I might just say that there are several clauses in the parent Act which we have decided to recommend to the Legislature

should be changed. We have decided to recommend to the Legislature, as the honourable members know, the increase of the capital from three million shares to five million shares. That is not an amendment that is necessary at the moment, but in ten years' time or five years' time or three years' time maybe, it may be necessary to get more capital and so be able to invest more money in the development of Newfoundland and Labrador.

Then we have adopted in connection with NALCO, Mr. Speaker, a system of exchange. In other words we give them this twenty-five thousand square miles for the first five years and at the end of that period, they must surrender eight thousand square miles and after another five years must surrender another five thousand square miles and over the third period, still another area of four thousand square miles, in other words, sixteen thousand square miles reverts to us at the end of fifteen years and at the end of twenty years it all reverts to us.

The Commission of Government, Mr. Speaker, about a month before Responsible Government was restored to Newfoundland, about a month before Confederation, gave Buchans one thousand five hundred square miles for ten years for nothing, no interest, nothing.

MR. CASHIN: They gave away most of the country for nothing too. Gave it to the Americans for 99 years for nothing.

MR. CURTIS: The Premier has asked me, Mr. Speaker—"When does Buchans mine revert to us?" In my opinion, never. I think they own it outright. I think they have the fee simple. The Bell Island mine is owned

outright by the Company in fee simple and the St. Lawrence mines are also owned by the Company in fee simple. They are no longer natural resources of the country.

So, Mr. Speaker, we have introduced the new method of only leasing for ninety-nine years, and please God, if we are not here our great-grandchildren or perhaps our great-great-grandchildren will have them as assets of the country, and they will not be passed to assignees and transferees of private companies.

Now, I don't know, Mr. Speaker, that I need at this juncture go any more into detail on the various clauses of the Bill. Your Honour held it improper to quote from and read them which makes it rather difficult to give an intelligent interpretation of them. It is apparently a rule of the Legislature that it be not done, but it is quite awkward to make an explanation without doing that. We have cancelled the grants of the company under the old parent Act, Mr. Speaker, where we vested them with a ninety-nine year lease of the Lake Melville area. But I might say that was only a fair exchange by agreement between the parties and has no significance, but is merely an exchange. As a matter of fact, as I understand it, neither company cares much which it gets, some of the people want Seigheim's concession and some others are quite willing to exchange. It is not serious the only thing is that one company has mineral rights under the surface of the territory of the other, and they felt it would be more beneficial if the people holding the mineral rights also had the surface rights and this combination of circumstances made the exchange.

Now, you remember, the Govern-

ment under the Parent Act gave the corporation ninety-nine years' timber concessions subject to the approval of the Lieutenant-Governor in Council. Now what do we give them? A period of five years with exclusive rights to explore the Lake Melville area and also fifteen hundred square miles in the general area of the railway. They have to select within these five years certain areas and they have the areas so selected for twenty years in which to use the wood.

MR. HOLLETT: Ninety-nine is it not?

MR. CURTIS: They still have twenty years, Mr. Speaker, in which to explore and survey, and when they have made the explorations and the surveys then they have the right to a ninety-nine years' lease subject to certain terms and conditions. They must pay an annual rental and pay a royalty in respect of wood manufactured in the Province of Newfoundland. I think, Mr. Speaker, that was a wise provision. We want the wood in Labrador developed. If it is going to be developed in the Province let us put no tax on it, and if it is going to be exported they pay a royalty.

MR. CASHIN: Why not have the same export royalty here as you have on the other companies, like the one we passed the other day?

MR. CURTIS: We want a royalty we can collect and we want to encourage people to develop.

Then we give them the exploration licenses calling for the expenditure of four million dollars in twenty years. I hope, Mr. Speaker, that four million dollars will be a flea-bite on what they will actually spend, in fact, I am sure it will be. Then they have the right

to retain certain areas and designate them retained areas and on those retained areas, the Government in turn, gives them leases for ninety-nine years. Mr. Speaker, if I might just refer to clause 18 (4) it will be seen that any license to develop shall in the case of minerals be limited to an area which shall not be greater than is reasonable. Now, there is no such thing as their asking for a mining license for more land than they need. We have to give them, Mr. Speaker, only a mining license for the amount of land that is reasonable and necessary for their purpose. And remember, Mr. Speaker, on everything mined in Newfoundland, we get 5% taxation, but in addition to this 5%, on everything done by or through NALCO, we get forty-five per cent of NALCO's share. So if NALCO develops a mine and operates it we participate handsomely, and if NALCO subleases it to somebody else and receives its portion we participate in that portion.

MR. HOLLETT: Last year it was 90%, now we are satisfied with 45%.

MR. CURTIS: Yes, we were quite satisfied last year, Mr. Speaker, to get 90%, but we found that to continue to get that we would have to invest still more money. And I don't think it is a proper use for us to make of the Province's money to use it in gambling in mining. We have gone as far, Mr. Speaker, as we should go, as we ought to go by putting nine hundred thousand dollars into NALCO. We still may, buy a portion of future issues—I am not saying we can't. There is nothing to say we can't, but nobody would sanction, at least, I do not think anybody would sanction our putting say, three or four or five million dollars more into NALCO.

So, Mr. Speaker, we have these amendments to the NALCO Act. They are not in any case the objectionable features that my honourable friend has suggested.

MR. HOLLETT: In your opinion.

MR. CURTIS: With good reason. I don't know what is going to happen, my honourable friend. I hope he does not lose his job. If he read the article in the "Morning News" I think they are supporting the changes.

MR. HIGGINS: What has the morning "News" got to do with it?

MR. CURTIS: Perhaps my honourable friend is stepping out of line. We like him over here and don't want to see him go yet.

MR. HOLLETT: What has that got to do with the morning "News"?

MR. CURTIS: You would be surprised. Now, then we have been criticized, Mr. Speaker, in connection with giving away the timber on the Labrador. Do you realize much of the timber on the Labrador is getting old and beginning to fall down and if it is not harvested soon will just rot? Forests are like any other crops, they have to be harvested. In many places on the Labrador we have been told that the timber is overdue for cutting and that we gain nothing by waiting. Moreover, Mr. Speaker, remember many companies have tried to cut wood on Labrador and tried to develop Labrador. What happened them? Every one of them, Mr. Speaker, has failed, every one. That is the reason we have said to NALCO: "We will give you five years and then fifteen years on top of that to properly organize your operations in Labrador. We know the pitfalls there are. We

had the Seigheim Deal and we had other deals. We know it is a problem the short season for cutting and for hauling, the black mosquitoes, we know there are a lot of difficulties to be overcome and so we had to say to NALCO, "Take your time, you don't have to decide this year nor next year." And they have in their operation, representatives of both Bowaters and the A.N.D. Company and these people, I think we can safely assume, know more about logging in Newfoundland and can better handle the situation in Labrador than any other people.

Now, there are certain other sections of the Bill, Mr. Speaker, to which reference may more properly be made in committee. I don't think I have begun even to cover all the points, but I think the general effect of the amendments have been made clear to the House. If they have not we will have another opportunity in committee. But there is one point I should like to refer to, that is the reference of my honourable friend the Honourable Leader of the Opposition to these two men in NALCO, the Premier and Mr. Pippy, or Mr. Pippy and a foreigner or any two others. Why, Mr. Speaker, how long do you think the other directors of NALCO would sit down and allow the rights all the profits of NALCO to be alienated by these two individuals—how long do you think the rest of us would stay there? I happen to be a director of NALCO myself, Mr. Speaker, and I can tell the House now that committee was appointed merely as a working committee. We cannot keep the directors of NALCO in permanent session, we must have somebody prepared to act for the company and what's more natural when the directors are separated than that somebody

should carry on with projects already approved by the directors in principle but the details of which are to be worked out? Why, Mr. Speaker, if I went back to NALCO tomorrow and found that during the interval two of the directors of NALCO had alienated one hundred or ten square miles contrary to rules and regulations we have set forth—we have set forth our model agreements and leases with everything set forth and passed by the directors and all this committee has to do is just iron out the details—and I say if I went back or any fellow director went back and found that during our absence they had done things beyond their powers, they certainly would not get us there any more, we would be off that directorate so fast you would not see us for dust.

Now, why did these men resign from the board? The \$64.00 question. Why did Mr. Lewin resign from the Board? Why did Mr. Eric Bowring resign from the Board? Why, Mr. Speaker? Because both these gentlemen will be directors of BRINCO, and they felt that as directors of BRINCO it would be improper for them at the same time to be directors of what they must consider an opposition company. What more reasonable excuse, what better reason could any person give for resigning from a directorate? They could not honestly stay on the Board and these men are honest men and honourable men. These men have something—they have a stake in the country, a reputation to live up to. They refused to stay on the directorate of NALCO whilst at the same time negotiating on behalf of BRINCO.

MR. HOLLETT: That is a very good reason.

MR. SMALLWOOD: Are they not honest men, Mr. Bowring and Mr. Lewin? They are honest men.

MR. CURTIS: I was looking, Mr. Speaker, to see if there are any other points which have been raised by my honourable friends which need reply. Frankly, I cannot see that there is anything in this Bill outrageous but that the terms and conditions in this Bill are reasonable terms and conditions that are in the interest of Newfoundland. The only thing we can hope, Mr. Speaker, is that as a result of this legislation the country will be developed. Because just as surely as it is developed, and just as surely as it is developed through NALCO this country will not only have the benefit of the development, but also participate in the profits.

MR. CASHIN: Mr. Speaker, I think I should have a few words to say in connection with this amendment to the Newfoundland and Labrador Corporation Act. I happened to be a member of the House when the NALCO Act went through here in 1951, and at that time I remember—it is difficult, Mr. Speaker, to debate this Bill without reference to the original Act—whether or not it is out of order I do not know—but I think that I am quite in order to make some reference to the original Act in order to try and bring out a point or two in connection with this particular amendment. It will be remembered that NALCO was to be the economic arm of the Government. We were told at that time that we had every confidence, the House did, in the fact that this corporation NALCO, was going to do wonderful things for the country, and the following year we discovered that NALCO had nothing, that the legislation we had passed in which the Govern-

ment controlled 90% of the issued stock, put it that way, had actually accomplished very little as far as the economic development of Newfoundland and Labrador was concerned.

I am making these few remarks just in case some of my good friends, identified by the Opposition might say as they have been charitable enough to say; I have said nothing recently—I don't propose to say an awful lot at the present time, but they have been uncharitable enough, some of them indirectly, in view of what happened in this House some time ago, that any support I have would go to the Government.

It is my belief that NALCO is finished. We are told in this amendment that another million shares of NALCO are to be issued and that the treasury of that company will be enriched by a further five million dollars, and we are told that by that happening that the nine hundred thousand dollars which the Government has in the company, will also rise proportionately. Now, for once I don't agree with that because shares only reach a price that people will pay for them, and would the Government get five dollars a share if they went on the market and sold their nine hundred shares after the other people had subscribed five million dollars?

MR. SMALLWOOD: Would not the same people buy our shares?

MR. CASHIN: They might and they might not. We do not know. Furthermore, we do not know who is buying them at the present time. There are some people, we are told, interested in securing five million dollars worth of stock and receive a million shares, there is no indications

in the legislation beyond what the Government tells us that any company or group of companies or individuals are going to buy this five million dollars worth of stock, because the company has not put them on the market as far as we know. Furthermore, I am going to point out that the resignation of these other gentlemen from the directorate, to me, looks as though they are doing the proper thing, because the corporation in which they are financially interested are going to form a part of this other corporation for which legislation is to come in here later on, called BRINCO. The Bowaters are one of the companies of that twenty companies with assets of around three billions of dollars. C. D. Bowring of Liverpool and London are also coming in. But if I were to make really good capital out of this, I would point out that the fact that most of this timber is being taken from NALCO, some of the choicest, I say, and transferred to BRINCO does not look particularly nice either because it is going out of the control of NALCO into the control of the other corporation, for which legislation has not been submitted to this House as yet, and these other gentlemen are passing away from NALCO and following that timber out of NALCO and going into BRINCO. That is only human nature on their part, because that is what Bowater's business is, pulp and paper.

I would also like to point out with respect to these waterpowers, and I am not quite satisfied yet that NALCO had any control over the Grand Falls waterpower. I remember distinctly when the National Convention was in session here in 1946, at a meeting we held with the then Commissioner of Natural Resources that

we put it up to him as to whether or not the Grand Falls waterpowers were controlled by the Labrador Mining Company or not. He expressed his view at that time, I remember it well, unless the Labrador Mining Company ceded back the waterpower to the Government that that waterpower was under the control of the Labrador Mining Company for fifteen cents a k.c. to develop horsepower. Now, we are told it is to be passed from NALCO, which in my view, as I was told at that time, NALCO never had any control whatsoever. However, that is a legal technicality and I am not competent to pass an opinion, but am only passing on the opinion of a financial committee of the National Convent in 1949.

MR. CURTIS: It is very interesting too.

MR. CASHIN: I believe the Act was passed in 1937 or 1938, the Labrador Mining and Exploration Company Act, and I remember distinctly that the wording was such that it probably took in all the waterpowers in the areas specified, given to that company to prospect at that time, and they would have the right if they wanted to, to look for that waterpower.

Another matter I should like to point out is that it is very difficult to discuss this thing intelligently without a map. I asked for one here the other day. I notice in this Act there are certain sections of NALCO which are being taken away and I don't know as an individual from where they are going and where they are coming. I think the Honourable Minister of Natural Resources, or Mines and Resources has told us he is having maps prepared so that members of the House will be more

intelligently informed as to the actual holdings of the various companies on the Labrador particularly.

Now, the Honourable Minister of Justice referred to these people over there giving away certain timber areas fifty years ago in Labrador. Newfoundland did not own Labrador fifty years ago, and Newfoundland for about twenty-five years was receiving rentals from people who held license, and the Government accepted the rentals when they did not have a title to the Labrador. It was not until 1927 that Newfoundland received title to the Labrador even though we had been receiving rentals.

MR. SMALLWOOD: If the honourable gentleman will allow me: We have had title since 1863. It is true that Quebec disputed our title; it is true that it was not until 1927 that we were confirmed in our title, but the title was not conferred on us in 1927. It was conferred but we already owned it, that was our contention and we turned out to be right.

MR. CASHIN: I quite understand the Honourable the Premier, but still we were taking money from these people, investors or speculators as the case may be, for leases on property which we could not give them properly, legally.

MR. SMALLWOOD: We thought we could.

MR. CASHIN: However, let that go. Since that time speculators have come trying to dispose of these properties. I will refer to one, the Honourable Minister spoke of the Labrador Development Company paying a hundred thousand dollars for a certain area in Labrador. It was a hundred thousand dollars too much, because the property was no good.

There are many more of them for which the Newfoundland Government received money, and I am not going to say which one now, it would not be right. But I have no hesitation in saying that one hundred thousand dollars paid to the Newfoundland Treasury at the rate of \$3,200 for an indefinite number of years since 1912 or something, and the property is not worth talking about there is no timber on it. It was surveyed in 1927 and there is nothing on it.

Now, I come right home to Newfoundland: What started Grand Falls, Mr. Speaker? I hope I am not too much out of order, but I am trying to reply to the Honourable Minister of Justice—Grand Falls was promoted because certain people had property given them or leased to them by the Government on which they were to build mills and a man called Harry Crow got an option on the property and went across to Northcliffe and sold him the idea of building a pulp and paper company at Grand Falls. The Reids owned the other property which had been given them for going broke in Newfoundland. That is what happened, the Reids came here with five or six million dollars and went out of here bankrupt. But they got this property for building the railway across Newfoundland. The same thing applied to the Canadian Pacific right in the Dominion of Canada they received property on both sides of the track from Vancouver to Montreal, I think certain areas for nothing and they have made millions out of it alone.

MR. SMALLWOOD: In the United States they had the same thing.

MR. CASHIN: We are not the only one that did anything like that. These men followed the example of

other people, supposed to be great men in public affairs, for the development of the country. The same thing applied here and but for the A.N.D. Company we would have had a pulp and paper mill in Corner Brook, ten or fifteen years prior to the time we did. On their property over there the Reids lost 49% of their common stock and got nothing out of it. That corporation today is paying very high taxation into the Federal Treasury, last year, if my memory serves me right, they paid to the Federal Treasury of Canada four millions of dollars in profit, or income or corporation taxation, call it what you like. That is not going into the people's pockets in Newfoundland but is going into the Treasury of the Dominion of Canada.

Now, another point, the difference between the stumpage rates in this Act here, this amendment, in comparison to the stumpage rates in connection with that new timber company which got a concession in Sandwich Bay, a short while ago with a stumpage rate, I think, of \$3.50 a cord—here it is a dollar. Now, a Government in my mind should be consistent, if they are going to charge one company a dollar a cord royalty, the other company should have the same facilities.

MR. SMALLWOOD: If the honourable gentleman will allow me. There could be a difference in the area. Sandwich Bay is on the open coast and Lake Melville is a hundred miles up from the Hamilton Inlet into an inland sea where the shipping season is probably two months shorter than it is out on the open coast.

MR. CASHIN: Yes, and on the Hamilton Inlet there is also much better wood in that area than they

have in the other area. That will be found out later on when surveys are completed. Because the Bowater people surveyed the Lake Melville area about fifteen years ago, and we had a couple of the surveys in this very House during the National Convention which showed many millions of cords of wood in that area. I agree that the navigation season in the area is not more than three and a half months on an average a year and in the other area it is five to six months.

Now, these are just points, but the main principle of the Bill is a confirmation by the Government, an admission by the Government that NALCO has flopped. That is the main thing. Because if NALCO had succeeded this Bill would not be necessary. The original Bill was brought in here merely two years ago. I hope to have something further to say on this NALCO business later in the session when the Budget Speech comes down, when we can discuss various natural resources of the country. But I just want to point out that we are putting NALCO to rest here this evening, and someone is going to recite the De Profundis over NALCO, and I hope I am not going to be the individual who is going to say "Requiescat in Pace."

MR. SPEAKER: Is the House ready for the question?

MR. SMALLWOOD: Mr. Speaker, I don't know whether any honourable gentleman on the other side wishes to participate in the debate. I intend to close the debate. Mr. Speaker, but I certainly have no desire to do it until every member who desires to speak has done so.

MR. FOGWILL: Mr. Speaker, there is one honourable gentleman on



this side of the House who would like to speak to the debate, if we could have the adjournment—or rather if the Government side would move the adjournment.

MR. SMALLWOOD: Well, if I may do so without participating or losing my right to reply.

DR. ROWE: Mr. Speaker, I move the adjournment of the debate.

MR. SMALLWOOD: Mr. Speaker, I move all further Orders of the Day do stand deferred.

I move that the House at its rising do adjourn until tomorrow Tuesday at 3:00 of the clock.

The House then adjourned accordingly.

—

TUESDAY, April 21, 1953.

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

#### Presenting Petitions

MR. DROVER: Mr. Speaker, I beg leave to present a petition from the people of Roddickton requesting a road from Roddickton to connect with the Bowater Road leading to Main Brook a distance of approximately eight miles. If this road were connected it would mean transportation and communication from Roddickton in Canada Bay to St. Genevieve Bay in St. Barbe District. Bowaters have wood operations in that area, also Saunders and Howell and there are hundreds of people travelling from Roddickton into the lumbering camps and coming back on Saturday night.

This petition, Sir, is signed by 157

of the male residents of the area. I think their request is a genuine one and I have much pleasure in supporting it, and I ask that it be tabled in the House and presented to the Department concerned.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I beg leave to present a petition from the people of Herring Neck. This petition is signed by a very representative group and is also signed by Rev. John Butler, Church of England Minister and Rev. Charles Everley, United Church Minister and Corp. C. Boone of the Salvation Army and also the firm of George H. Carter Limited, etc.

The petition sets forth that a committee has been formed of the Society of United Fishermen and organized heads of denominations and business interests at Herring Neck and sets forth a request to the Government to include Herring Neck in the proposed highway for the following reasons —

It is a well known fact, Mr. Speaker, Notre Dame Bay has some of the finest and most beautiful scenery in the Province, and a highway constructed to Herring Neck would therefore open up new scenic and tourist attractions. I ask that this petition be received and referred to the Department to which it relates.

I would also like to say that the only people in Herring Neck who know what roads are, are the people who have been out of the settlement. There are no roads there.

MR. DROVER: Mr. Speaker, I beg to present a petition from the people of Pacquet in White Bay requesting a snowmobile trail from Pacquet to connect with the trail from LaScie to Bay Verte. The petition is signed by the heads of thirty families.

I don't have to tell this House how isolated that section is. But there is one thing I want to say to the Government: we give them credit since 1949 where never a snowmobile trail was, they have built ten or fifteen. I think that this request is a reasonable one, Sir, and I would ask leave of this House to have the petition tabled and passed to the Department of Public Works.

MR. DROVER: Mr. Speaker, I have here a petition signed by fifty people of Quirpon which is a follow up of a petition I presented to this House earlier in this session. They are requesting a cheaper hospital rate for Northern Newfoundland including White Bay and St. Barbe District and an extension of medical services. As I stated at that time the people of the Northern part of Newfoundland pay at the rate of \$5 a day at the hospital in St. Anthony whereas in the cottage hospitals in Newfoundland sponsored by the Government they pay at the rate of \$15 a year. The people whom I represent pay \$15 in three days. I don't think it is fair to the people, and I certainly am opposed to such a policy, because it is a Government policy. If the rest of the country where there is a cottage hospital can have hospitalization for \$15 a year to cover their families under 21 who are not working, for fifteen dollars a year, I see no reason why the people of my district should pay the rate of \$5 a day either to the Grenfell Hospital at St. Anthony or the hospital at Corner Brook.

I have much pleasure in supporting the prayer of this petition which is a follow up of the one I previously submitted, and I would ask that it be tabled in the House and presented to the Department of Health for their sympathetic consideration.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion and Questions

MR. CURTIS: Mr. Speaker, I give notice I will on tomorrow move the following amendments be made to Standing Orders No. 60; (a) when a Bill has been read a third time and passed the third reading, the third reading may be declared null and void and the Bill then be recommitted but if a Bill receives Royal assent it can only be amended by bringing in another Bill for that purpose.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act entitled a Bill to Create a Farm Loan Board and Provide Loans for Farm Development."

MR. CURTIS: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Public Utilities Act."

#### Orders of the Day

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

DR. ROWE: Mr. Speaker, yesterday here in this House we had the opportunity of listening to the almost verbatim debate which took place here a year ago, a debate on NALCO, the principle contained in the parent Act and not the debate on the amendment, at least not at any great extent. I found it a bit edifying because last year I was not a member of the House, and I had to get the

substance of the arguments second hand from the radio and the papers.

MR. CASHIN: That was two years ago.

DR. ROWE: If I remember correctly there was considerable debate on it last year in the second session of the House, at least the principle embodied in the original NALCO Act.

Now, apart from whether or not we should have occupied the time of the House in going back and rehashing all the arguments that were used and which the House, by a majority I must presume, rejected, and if I may say so, which the people of Newfoundland supported in the general elections something over a year and a half ago. Because we have not to forget in this House that this Government was given a mandate by the people of Newfoundland to carry on the programme which over and over against was enunciated by the Honourable the Premier and in part embodied in the NALCO Act. Any amendment there to does not justify a full-dressed debate on the principle, as I see it, nevertheless I say that some of these points which have been disseminated throughout the country need to be dealt with, some of the points raised by our honourable friends on the other side of the House.

Now, as I listened yesterday it seemed to me that a principle was implied in what the honourable member on the other side of the House said—"You went ahead last year and created NALCO so let it alone forever more, never touch or change it, don't do anything to improve it in the light of existing new conditions, don't ever change it because last year you adopted a certain Bill leave it alone." This Government, I take it, Mr. Speaker,

will never reach the time, I hope, when it makes a decision on a certain point or points and refuses ever to reconsider this decision again.

It has been stated here that NALCO is dead or at least that this is the death blow of NALCO. I for one cannot see behind the argument, the reasoning for that statement, what premises or fair consideration would lead to that charge that NALCO is dead. After all if you have an organization and if you enlarge its scope or increase its responsibility or purpose or make it possible for fresh capital to be pumped into that organization I would think that you simply are making it more alive rather than passing a death sentence on it.

As a matter of fact this Government considers NALCO's function is to implement in part some of the things that ordinarily a Government would like to implement itself and perhaps is not in a position to do, consequently there is nothing here new but a change in the original conditions, taking away that and giving this, and changing the composition of the directorate. As a matter of fact, listening here yesterday I had the impression that our friends of the Opposition were trying to show that there is something just a little sinister, some "nigger in the wood pile," something underhand going on, and they pointed to the fact, the inference was left though not directly, Mr. Lewin is not now on the executive, nor Mr. Bowring.—What about Grand Falls and Labrador, etc. Any impression, Mr. Speaker, that there is anything underhand and sinister about this, should be dispelled and dispelled immediately. This is a perfectly natural change which the Government is adopting in the light of a different set of circumstances, different even today from

what they were a year or two years ago.

As far as the Grand Falls on the Labrador are concerned, why could not negotiations be carried on which would lead to the transfer of one asset of the one, we might call Government created organization, to the assets of another, quid-pro-quo. There is nothing wrong with that, it is being done every day of the year somewhere.

The members of the Opposition have used the terms "dangerous", "to be viewed with alarm." The whole thing had to be viewed with alarm. There is this business of the export of timber, for instance in Labrador. I take second place, Mr. Speaker, to none in my concern for Labrador, I expect to be visiting Labrador for a long time yet every summer. I expect to be able to go down there and look the people of Labrador in the face and not be ashamed.

One gentleman, I believe it was the Leader of the Opposition, said "why not leave this timber; we are living in good times, why not leave it there and come back to it when we have a depression."

MR. M. M. HOLLETT (Leader of the Opposition): Do I understand the honourable member is quoting the Leader of the Opposition? If so, I object.

DR. ROWE: I understood the Leader of the Opposition said, in effect, "why not wait a while; when times are good, why go ahead and cut timber on the Labrador for export?"

MR. HOLLETT: You should have listened more carefully.

DR. ROWE: He left that inference.

MR. HOLLETT: With you.

DR. ROWE: With other members also. The amount of wood we have lost, even in our own time, on the Labrador is a staggering amount. We have a report of an expedition from Finland which spent a number of years on Labrador, starting in the thirties and ending in 1945; that Report which is a very comprehensive thing (I should imagine it would be 1000 pages of ordinary printed size) — the Report points out the tremendous loss of timber going on every year on the Labrador. There is no thinning out; there is no attempt given to other factors; most of the wood does not reach the size it should, anyway. We have been spending a long time — as far back as I can remember — talking about the timber resources of Labrador; and apart from the 100,000 or 150,000 cords taken from Labrador, the amount taken out this last thirty years is only a drop in the ocean compared to what could have been taken out without serious damage to the timber resources of that area.

I would like also to draw attention to the other inference left yesterday, to the effect that we may well be using timber which is needed or will be needed in the future by the Corner Brook mill. And the inference was left with us that on some authority or another it was learned that the supply of wood of Bowater's is being depleted at a serious rate.

Mr. Speaker, as Minister of Mines and Resources, I have no information to that effect. As a matter of fact, not later than a few months ago at a conference we had with the heads of both Paper Companies we were given to understand that both Companies have sufficient timber and pulpwood resources to carry on in-

definitely at their present rate of production. I do not know whether it is so or not; I do not suppose there is one person in the Province who really knows. I can only give you the opinion of the people most concerned at any depreciation of the source. They have a tremendous capital expenditure in Bay of Islands; an expenditure of thirty or forty or fifty million dollars capital expenditure and this would be something that ought to concern the operators and surely if they were over-using to any serious extent they, the Directors, ought to have shown more concern than they have this year. We were given to understand by the heads of the two Paper Companies that, in their opinion, they have ample pulpwood sources to carry on indefinitely at the present rate of consumption of that source, or the present rate of paper production. If, of course, as one might normally expect, they want to expand, they would probably look for other sources. In other words, assuming the two Paper Companies continue their present high level of production, there is nothing to indicate that they will have any serious need for the timber sources of Labrador.

What then are we going to do? Wait until someone comes along in fifty or twenty-five years' time and says "We are going to put a Paper Mill in Newfoundland and are going to need Labrador?" Or still more unlikely, "We are going to put a Paper Mill in Labrador." I know no one who would be happier to see a Paper Mill established there than I would be. The wood is down there rotting; some of it is dying from disease; some is being burnt out, it is congested in some areas. This morning I had a Report put on my desk of a certain

area of Labrador, with a map, showing the forest is impenetrable in places. What are we going to do about it?

Yesterday we were bombarded with repetitious phrases such as "giving away." Over and over again we heard "the Government is giving away this or that; tying up this; tying up that; \$900,000 sunk." What are we giving away? We are giving away the right to spend money; to prospect; and if they find anything, the right to develop. We are giving away nothing except the right of that Corporation to spend money in prospecting and exploration, and if anything is found, then the right to develop. Then we are told we are tying it up. Does anyone think a Corporation is going to spend money (and this Organization has to spend money in huge sums) for the sole purpose of tying up something? What on earth good is that? Perhaps if the Corporation owned all the timber resources of the North American Continent and were afraid some competitor might get in there and take out timber in competition with them there might be some justification in saying they wanted to tie up the timber. But there is certainly nothing in the composition of NALCO to warrant our suspecting that. We are sweeping away nothing. We are giving away nothing. We are not taking a huge broom and figuratively speaking, going into the interior of Labrador and Newfoundland and making a great sweep of the assets and burying them under water. We are not giving away anything. We have not sunk \$900,000.00. This Government invested \$900,000 in a proposition which it thinks is a good proposition, just as it invested other amounts which will be beneficial to the people

of the Province. Investing money cannot be termed "sinking" it until it is absolutely proven that the money is irrevocably gone.

There is more interest today in NALCO and its assets than there was a year ago. We were even treated to the spectacle (in imagination), of one of our Islands disappearing, gone somewhere. We were told Merasheen was gone. We should send out a warrant or notice to the Marines that in future they might not find Merasheen in Placentia Bay.

**MR. HOLLETT:** Do you know where it is?

**DR. ROWE:** I have been there, perhaps as often as the honourable gentleman. I happen to know something about the people on that island. I am sure the people of Merasheen would not prefer to have any mineral deposits stay there forever more rather than have some evil thing such as NALCO come in and dig them up and give employment to the people of Merasheen. I know the people of Merasheen are not up in arms at the prospect that there may be a mine operating in Merasheen. Our good friends of Merasheen may rest confident that the future for them is so well presented by the Opposition.

Now, what does all this amount to? It amounts to this: We have resources in Newfoundland and Labrador and very few of these resources have been developed. Have we ever stopped to think how many real developments have taken place in Newfoundland in the last fifty years? Grand Falls, Corner Brook, Buchans and St. Lawrence. Those, over a period of fifty years. Bell Island came into production before that—1890. Including Bell Island, there

were five in sixty years. One development every twelve years. We do not think that rate is fast enough. There have been none since Buchans in 1927. In times when industrial development has been going on all over the Continent, what has been happening in Newfoundland? The answer is "nothing." We are trying to remedy that situation and one of the instruments is NALCO.

I must digress for a moment. I was amused when one honourable gentleman in winding up his tale of woe, looked across the House and wondered what these honourable gentlemen would think. (Referring to photographs of Premiers, etc., of the past). A very fortunate reference. I looked at those honourable gentleman and I thought of Whiteway, Bond and Squires, and I thought of the charges that we are giving away parts of the Province, and of the charges that have been laid against the Leader of this Government in respect of his programme of Economic Development. These were charges laid against those very men, Whiteway, Bond and the others, who in their endeavours to get development, gave concessions that would not be acceptable to the people of this Province today. If we ever tried to give away, in fee simple, what those men gave for railroad development, we would have a revolution.

**MR. HOLLETT:** What did they give away?

**DR. ROWE:** It would take some time to compile a list of what these men gave away; indeed, we are today studying ways and means of getting back some of the things that were given away to get development. We are the first Government that ever had the courage to say, not to one

Company but to everybody concerned, "you have timber rights, you have concessions, you have concessions but only under certain conditions. If you do not fulfil these conditions, we are going to take them away." In every single agreement made, if the parties do not live up to their obligations, we will take them back, just as we took back the timber lots last year, just as we are in the process of taking others back this year.

I could go on for some time on some of these points, but it is just a rehash of what has been stated here over and over again. I must confess that as I listened to the arguments put forth by the honourable members on the other side of the House, my mind went back to that scene of the trial—not while the trial was on, not during the trial—but the attitude of that jury reminds me of the attitude of the Opposition to this Bill and no doubt towards other measures brought in—"Might I have all the world given me, I could not reconcile myself to him. Let us forthwith bring him to death."

**MR. HIGGINS:** In rising to speak in this debate, I can echo quite heartily the sentiments expressed by the last speaker, my good friend the Honourable Minister of Mines and Resources. A lot of this debate must of necessity be a rehash of earlier debates going back, I believe, to 1951; revived again in 1952 and now being continued for the third and probably the last time in this session.

As I said; I have a great deal of respect for the honourable gentleman who has just spoken; but his reference to Pilgrims Progress reminds me that just twelve months ago another member was referring to Alice in Wonderland, and it was said (and it

was mentioned in some of the newspapers) that Newfoundland was going to have the most educated legislature in the history of the country.

There are one or two points which the last speaker made to which I would like to make passing reference. He says from what he could gather, the gist of the Opposition's argument is that the Government having created NALCO should leave NALCO alone. But, he says, the Government does not propose to leave NALCO alone. And I was just looking through the original Act and, I believe, one-third of it has been deleted or is proposed to be deleted in this amending Act. It has been suggested that the members of the Opposition see something sinister in the Government's proposal now to amend the original Act. That, with all due respects, is not quite so. The Opposition has raised certain questions; questions which I may say are not new. They have been asked many times before. But to ascribe to the asking of these questions the idea that there was some sinister motive in the Government's action, smacks of a lack of charity. All the Opposition is trying to do is to find out why it is necessary to change this creature which was launched in 1951.

It was not my privilege at that time to be a member of this Legislature.

It was said that the Newfoundland and Labrador Corporation was to be, not as it was suggested this afternoon, the tool of the Government. It was to be a much more intimate part of Government than that. It was to be the economic arm of the Government. Indeed as late as March of last year we were told that the Government viewed with justifiable pride this Newfoundland and Labrador Corpor-

ation. The statement was made, if I recollect correctly, that the Government intended to continue its policy of economic development but in doing so would turn increasingly to the Newfoundland and Labrador Corporation as the means of accomplishing that development. Great stress was laid on the industrial giants and financial houses being persuaded to join the directorate of the Newfoundland and Labrador Corporation. I understand that some of these names no longer appear on the directorate. It is true that two gentlemen of unquestionable integrity and standing in this community no longer appear on the directorate of NALCO but they have, so we are told, transferred their talents to the as yet unknown corporation, BRINCO. Unknown, I say, simply in the sense we have not as yet had any contact with that Corporation in this House. But there is, Mr. Speaker, something rather peculiar that this organization which was created with such genuine enthusiasm and beating of drums is now referred to in a much more minor key. The suggestion was made in effect yesterday; look at what the Government is doing as perfectly reasonable and take a sensible attitude in dealing with this outfit, the key being that we are to treat them now only as an ordinary company in which the Government itself, true, will have 45% of the stakes, but it is no longer that big octopus that was going to control industrial development.

Now, a statement was made here yesterday by one honourable gentleman who I think has the record of sitting in this House longer than any one else and he did say: "We are in effect now attending at the wake of NALCO." I am inclined to agree with that statement.

As I said, Mr. Speaker, when I rose, I entirely agree with the principle submitted by the Honourable Minister of Mines and Resources when he said the debate on this Bill must of necessity consist in the hashing and rehashing of arguments which seemingly represent the opposite opinions which do exist in this House.

The points made by the Honourable Leader of the Opposition and by my colleague from St. John's East I support entirely, and I rise today, Sir, merely for the purpose of affirming my belief that their position in this matter is sound and I intend to support them when the vote is taken.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, if no one else wishes to occupy the time of the House I propose to close the debate with a few remarks. I will pay the Opposition this compliment, that in this debate they have been true to the "Tory Party," they have been true to "Tory Principles," they have been true to the Tory's past. The Tory Party is always very quick to oppose every move made to develop Newfoundland. They may not have reason but they never lack excuse to oppose any move for the development of Newfoundland. The Tories opposed the building of the railway across the Island. The Tories opposed the building of the great Grand Falls Industry. The Tories opposed the creation of the great Humber Industry. The Tories opposed the Act creating NALCO and now they oppose the Act amending NALCO and bringing certain changes into NALCO's constitution. The Tories have a perfect record for opposition and obstruction to any move made to develop the natural resources of Newfoundland. They have been true to their own record. Indeed they are the prisoners



of the Tory way of looking at things, they cannot rise above their own Toryism in this House or out of it. There is something about Toryism which seems to strip a Tory Party of the fine, generous instincts for which Liberalism is so noted throughout the world.

MR. HOLLETT: Mr. Speaker, may I rise to a point of privilege. I think we are on the principle of NALCO and not on the principle of Toryism. I wonder if I might point that out?

MR. SMALLWOOD: Mr. Speaker, on that same point of order: The honourable gentleman from the moment when he began the debate to the last moment when he occupied the time of the House was completely away from the debate and the nature of the debate, they debated the NALCO Bill and did not debate the amendment. Now, I am before the House and I have exactly the same rights as they have, no more no less.

MR. HOLLETT: Thank you, Mr. Speaker.

MR. SPEAKER: I must have a word here: One primary rule of all parliamentary meetings has been broken on at least three occasions—the chair must never be embarrassed—it has occurred again now. That is all I have to say.

MR. SMALLWOOD: Mr. Speaker, the history of mineral development in North America has been chiefly a history of individual prospectors going out with their grub, with a few cooking utensils and a hammer, nosing around over the ground looking for evidence of mineralization. I would say that perhaps as many as millions of prospectors have scoured North America. I would say that in the en-

tire history of Newfoundland not one hundred prospectors have ever prospected for minerals on this Island. In the last four years I know of only one prospector in Newfoundland. He happened to be a Newfoundlander who had lived in Ontario for most of his life. He was born on the Southern Shore, and three years ago the man in question who for many years had been grub staking, decided to take a look at some spot in from the coast on the Southern Shore. I forget his name. However, he was the only prospector we have seen on this Island in the last four years.

MR. CASHIN: I think the name is Tobin.

MR. SMALLWOOD: I believe it was. I met him—one prospector in four years; in this same four years I would say that there was at least ten thousand prospectors in the Province of Quebec and at least ten thousand more in the Province of Ontario and altogether across Canada, although today it is no longer the age of the individual sourdough, there are still at least fifty thousand men in the other Provinces of Canada who go out looking for minerals. What they do is this: They go to the Mines Department of various Governments. They get the geological maps, they pour over them, study them and look for hunches, something inside them which tells them; here is the place worth looking at. They then go to some man and persuade him to grub-stake them and being grub-staked they go out in the bush.

We will never find nor develop minerals in this Province by that method, never, never. If we are to find minerals in Newfoundland we must find another way to do it, we have no choice. No choice is open

to us in the matter, we cannot pick and chose between a number of ways. There is only one way open to us, one, and that is to bring great and wealthy companies with know-how, based on experience, with an ample number of men trained in geology and mineralogy and with the latest and most expensive type of equipment including aircraft, and there is no other way—there is no other way—Newfoundland is quite unlike virtually all other Provinces of Canada topographically. We have not got the navigable rivers that will enable prospectors or geologists or mining engineers to traverse the island easily, economically. Although as against that we have innumerable ponds and lakes which small aircraft equipped with floats can land on and from which they can take off. Our Island although so rocky is nevertheless covered as few parts of North America are covered by a thick overburden of turf and bog and earth, with the result that few of the basic rock actually protrude above the surface. It is only in those parts of the basic rock, the bed rock, the solid rock protruding above the surface that can possibly reveal to the naked eye any trace of mineralization, there are none in the bog, none in the muskeg, none in the marshes, only the outcrops and these are relatively rare in Newfoundland and difficult to reach, difficult to get at, difficult to take food and supplies into and out from. Whether we like it or not we are driven to bringing in large and wealthy companies to do that prospecting, because prospecting in Newfoundland is incomparably more expensive than on the Mainland of North America, and in the Labrador Peninsula even more expensive than on the Island of Newfoundland.

NALCO is such a body, created by this Legislature for the purpose of promoting interest in our mining possibilities. It was created by us as a promotional body to promote the development, not necessarily to conduct the development, but to promote others to do it, to interest others in doing it. It was not created as an economic arm of the Government. The Opposition have said that repeatedly, and it is not so. That is simply an after thought. There was never a word spoken when the Bill was introduced here two years ago about NALCO being an economic arm of the Government. That was an after thought of last year, an after thought that was dropped. We spoke of it in those terms for a few weeks and then dropped the idea. Now, let that point be made clear. It is all very fine to talk and take advantage of the short memory of the public, that is smart debating practice, but it does not add much to the public's understanding, it only befoggles and confuses the public mind. It does not help the people to understand NALCO's case nor the Government's case or the reason for making these changes in the structure of NALCO, but only befoggles and confuses.

Now, as I said in introducing these amendments, the whole purpose of the amendments is to uncrown the crown corporation, to denationalize NALCO, to turn it from a company virtually owned almost entirely or as to 90% by the Government into a company owned, mostly by private enterprise, because the people who put up most of the capital, who buy most of the shares of any company are the people who will ordinarily control that company. Up to now the Government has put up most of the capital. We have invested in NALCO nine hundred

thousand dollars and the other hundred thousand dollars is split up between four or five private interests. If we wished to spend the money we could now issue another million shares of NALCO, issue another million shares and the Government buy nine hundred thousand of them at a dollar or five dollars or anything in between and the result would be that NALCO would still be a crown corporation. But we would have put up out of the Treasury ninety per cent still of all the capital invested in NALCO. Later on NALCO could issue a third million shares and the Government by buying 90% of the third million would still have an overall 90% shares in the Corporation and NALCO would still be a crown corporation but the Treasury of Newfoundland in the meantime, the taxpayers' money would have been pumped into NALCO and risked and speculated on the finding of minerals. That is what we said we will not do. That is the whole purpose of this amendment, all the rest is entirely incidental. The main purpose of these amendments is to allow NALCO to sell additional shares to private interests so that private speculators, private interests can buy these shares and their money, not the public's money, not the Government's money, moneys from the Treasury of this Province, can be poured into this highly speculative business of searching and prospecting for minerals, a simple course to take, a practical course to take. But have our honourable friends in the Opposition dealt with that? No, not a word, not a word about what the amendment dealt with. They preferred to debate all over again whether there should have been a NALCO. They are not prepared to debate the soundness of these changes in the structure and

purpose of NALCO, they have not debated this, they have refrained carefully, they have gone all over the grounds of two years ago as to whether there should be a NALCO, and Your Honour has allowed it, in Your Honour's anxiety, I have no doubt, to refrain from any suggestion of limiting the rights of what is, after all, a small, in numbers, a small Opposition. But the result is that they have not debated these amendments, they have not discussed them.

The honourable member for St. John's, the honourable non-professional member said a remarkable thing here in his speech yesterday or the day before, a very remarkable thing. He said: "We thought"; (that is the Opposition) "in the back of our minds we had the hope that the Government had something in NALCO." I will repeat that: The honourable the senior member for St. John's East remarked in his speech when talking about NALCO, he said: "We, in the back of our minds, had the hope that the Government had something in NALCO." But let me remind the honourable gentleman that though the Opposition in the back of their minds had the hope that maybe the Government had something in NALCO, in the front of their minds they spoke against it and voted against it. Now, that prompts this question: How many other times may there have been in this Chamber when the Honourable the Opposition had in the back of their minds the hope or the thought that perhaps the Government in advocating something was right but they spoke against it and they voted against it? How many times may that have happened? If it happened once might it not have happened other times. Now, I would take it to be the duty of a member of this Legislature to

speak his mind and to vote accordingly, not to oppose a thing merely for the sake of opposing, not to take the attitude; "because I am in the Opposition I must therefore if I am to be consistent oppose whatever the Government proposes even if I think in the back of my mind what they are proposing may be a good thing. I must nevertheless vote against it and in the meantime argue about it." I have not often heard in this House such an admission as that.

Now, there is another point with which I want to deal: The Honourable Leader of the Opposition said on a number of occasions in this present debate, he also said it in the earlier debate, but in this present debate, that any two or more directors of NALCO can dispose of the Corporation's land, their twenty-five thousand square miles, can sell, assign or mortgage any part of it, two directors of NALCO. Now, the House will remember that the honourable gentleman said that repeatedly here in this Chamber at least three times yesterday during his speech; and I asked him to read the resolution of NALCO's Board of Directors passed in November 1952. The resolution of NALCO's Board of Directors consisting at that time of two directors who are no longer directors, Mr. Eric Bowring and Mr. H. M. S. Lewin, and the representatives of Wood Gundy and Harriman Ripley and Company, the three representatives of the Government, indeed of the whole board as it was from the beginning with the exception of Sir William Stephenson. That Board on November 14th passed a resolution creating the executive committee of three, Mr. Chesley Pippy, one of the most successful businessmen in Newfoundland, Dr. Valdmanis and myself, three of us and any two of which

could constitute a quorum. That is where the honourable gentleman gets the two he mentioned who could transfer or assign all or any part of NALCO's twenty-five thousand square miles. Then he went to great pains to point out that one of these three men, Dr. Valdmanis, is not even a Newfoundlander. Now, what did that mean? That could mean only one thing. It inferred that it meant that this foreigner with no stake in Newfoundland, the inference was very, very clear to me—that any two of NALCO's Directors—and he named them for example, Dr. Valdmanis who is a foreigner, and not a Newfoundlander; and the Premier—these two can sell, transfer and assign any or all of NALCO's twenty-five thousand square miles. Now, he said that. He said it at least three times. He was the very honourable gentleman who had tabled the question asking for the names of the heads of NALCO and for copies of the Resolution of the Board of Directors; the very Resolution that created that Executive Committee and he had that Resolution. Not only had he had it, but he had it on his desk, as proven by that fact that when I asked him to read it, he dug it out and read it. He knew exactly what he was doing. As I have stated before, the honourable gentleman has the ability to read. I heard him read it and I followed it. I know therefore he knows how to read. He can read.

MR. HOLLETT: And you can follow.

MR. SMALLWOOD: And as I have observed more than once, although the honourable gentleman can read, he does not know how to understand. Repeatedly I shudder to think of the poor wretches he sent to jail over the period of twenty-five years . . .

MR. SPEAKER: Personal reflections are out of order.

MR. SMALLWOOD: Very well, I withdraw it. What does the Resolution say?

MR. HOLLETT: Read the section.

MR. SMALLWOOD: "RESOLVED, that the Honourable Joseph R. Smallwood, Dr. Alfred A. Valdmanis and Mr. C. A. Pippy be and they are hereby appointed an Executive Committee as of November 14, 1952, to hold office until the next meeting of the Board of Directors." Which, I believe, was the next month.

"RESOLVED FURTHER, That the Executive Committee shall have the following powers:

1. To appoint officers and employees or the Corporation and to determine their salaries.

2. At the request of the Executive Officers to assist in the preparation of proposed agreements of major importance."

"Proposed agreements"—because the fact is there was no agreements of NALCO of major importance made except upon the consent of the Board.

3. To authorize the transfer of funds of the Corporation from Savings Account to General Account and vice versa.

RESOLVED FURTHER, That the Executive Committee shall have such power as may lawfully be delegated to it by the Board of Directors, not in conflict with specific powers conferred by the Board of Directors upon any other committee appointed by it.

RESOLVED FURTHER, That the Executive Council shall report its actions to the Board of Directors.

RESOLVED FURTHER, That the meetings of the Executive Committee shall be called by the Secretary of the Corporation from time to time, at the direction and upon the request of the President or of any member of the Executive Committee; that notice of such meeting shall in each instance be given to each member of the Committee at his last known business address at least 24 hours before the meeting either orally, or in writing, delivered personally or by mail, or telephone.

RESOLVED FURTHER, That two members shall constitute a quorum of the Executive Committee.

RESOLVED FURTHER, That the Minutes of each meeting of the Executive Committee shall be promptly sent to all members of the Board of Directors, and that the Executive Council shall report its actions to the Board of Directors at the next meeting."

This is the Resolution which enables Dr. Valdmanis and me to betray NALCO, to betray Newfoundland, to betray the people of Newfoundland and to give, sell, transfer or assign any or all of NALCO's twenty-five thousand square miles.

What are we to think of that kind of reasoning? What are we to think of that quality of reasoning? Are the people of Newfoundland going to be impressed by that kind of reasoning?

MR. HOLLETT: Were the Directors given powers beyond those given under Section 17 of the Act?

MR. SMALLWOOD: The Directors may at any time perform such things as are lawful under the Act. All Directors of all the Companies in the world are authorized to do that

in the Memorandum and Articles of Association of every Company in the world and I ask the honourable gentleman's colleague if that is not so. And I know of no exception. Every Company in the world defines the powers of its Directors. It would be so easy to get up in some small community in Newfoundland where there is no one person who is a shareholder or director of a company and read this out and make it sound sinister.

MR. HOLLETT: Which it is.

MR. SMALLWOOD: It is sinister, he says. Sinister also we are to infer from the tone of voice in which the Honourable Leader referred to the disappearance of Messrs. Lewin and Bowring from the Board of NALCO. Anyway we have the fact that the honourable gentleman knows how to read. We have evidence of that. We know he can read. Notwithstanding the fact he can read, the public press—the two daily newspapers—each contained the letters of both these reputable gentlemen, Messrs. Bowring and Lewin —

MR. HOLLETT: Both written by the same hand.

MR. SMALLWOOD: The two letters of resignation were written by the same hand? He suggests that Mr. Bowring cannot write his own letter or Mr. Lewin cannot write his own letter.

MR. HOLLETT: The Leader of the Opposition did not suggest that either of these gentlemen could not write his own name or his own letter. He suggested the letters were written by the same hand.

MR. SMALLWOOD: "They were written by the same hand." I hope that is duly noted. Which means, and

can only mean this (a) that Mr. Lewin wrote both letters; or (b) Mr. Bowring wrote both letters or (c) that some other party wrote both letters. But it is not the case. Both Mr. Bowring and Mr. Lewin each wrote his own letter. I released them, and I say now the letters were received two days apart, from the two gentlemen. The one from Mr. Lewin came one day and the other came two days later. I released them both.

MR. HOLLETT: Why did they resign?

MR. SMALLWOOD: Is there anything sinister in it? Anything ominous? Anything improper? Anything illegal? Anything suggestive? Is there anything wrong whatsoever with their resignations? We are left with the inference that there is—the very tone of voice! Now he has added that they were written by the same hand—the one hand. What is this mysterious hand? The voice of Jacob? The hand of Isaiah?

MR. HOLLETT: Table the letters!

MR. SMALLWOOD: I have a great respect for some gentlemen in this House; I respect their intention; their intelligence; their intellect; their brains; their character. But we have come to something when the character of gentlemen like Mr. Bowring and Mr. Lewin are to be debated.

MR. HOLLETT: It is you who are doing it.

MR. SMALLWOOD: No, I am not doing it. These honourable citizens of Newfoundland resigned from the Board as they were in duty and honour bound to do. They were honourable men and they had to resign. They could not be in two camps at the one

time. They could not serve the Government of Newfoundland whose appointees they were on the Board of NALCO. Could they serve the Government through NALCO while negotiating with the Government for certain other concessions, could they? I ask this question—I will make it simple—does the honourable gentleman —

MR. HOLLETT: I understand this is a debate on the principle of the Bill.

MR. SMALLWOOD: I am speaking of the lack of principle with which it was treated.

MR. HOLLETT: Am I accused of having said anything about lack of principle?

MR. SPEAKER: I understood the Honourable the Premier was referring to the principle of the Bill. I have allowed some latitude on both sides as the Chair held it was impossible to discuss the Bill without reference to the parent Act. However, I would again remind members that the Chair must not be embarrassed.

MR. SMALLWOOD: The question I wanted to direct to my honourable friend is, was it the honourable thing to do—for Mr. Bowring and Mr. Lewin to resign from NALCO in view of the fact that the Government had appointed them? They had now begun to negotiate with the Government for certain concessions through BRINCO of the natural resources of Newfoundland; they could not be in both camps, representing the Government on the one hand on the Board, and negotiating for concessions on the other hand through BRINCO. And so I ask the honourable gentleman was it not the honourable thing to do?

MR. SPEAKER: The honourable

gentleman does not have to reply to that question unless he wishes to do so.

MR. HOLLETT: We made no inference against the honour of these gentlemen. As to whether they were honourable in resigning from NALCO, I say now it is a matter for history to decide, not for the Leader of the Opposition. We have nothing against the honour of these two gentlemen.

MR. SMALLWOOD: He has nothing against their honour; he prefers to leave it to history. What do I make of that? He will not believe it from the honourable gentlemen. Was there anything fishy about it? Anything crooked? Anything suggestive? Anything except the clean, decent and honourable actions as we would expect from two such honourable gentlemen? The people of Newfoundland will not be fooled by that kind of equivocation. I have not been sending them to jail; trying them or their families; but I know them; I have lived among them.

I have only one other point. It has already been covered here yesterday in a masterly speech by the Attorney General. Unfortunately, on the two radio stations I happened to hear, there was only a skimpy passing reference. Trash and tripe and childish nonsense was played up throughout the programme and only a passing reference to the masterly speech of the Attorney General, dealt with with half a minute's reference. The morning paper dealt with it in cursory fashion but the evening paper gave it satisfactory coverage. One radio station gave it scanty coverage and one radio station did not report it at all; its reporter having been called out just about the time the Attorney General rose to speak. I am going to deal with it today in the hope that what

the Premier says may be worthy of publication. Small as the Opposition is, to make up for their lack of numbers the press and radio have tried to make sense out of what they said.

The fact still remains that we are the Government; be it for good or ill, we are still responsible for Government policy. I say this in the hope that some attention will be paid to the statement I shall make. Again and again my honourable friends in the Opposition said, ad nauseam, that the Corporation has given away twenty-five thousand square miles of our Province; twenty-five thousand square miles are tied up; that twenty-five thousand square miles of our Province are gone. Again and again they said that. It was the burden of their song and it was the burden of the song of the radio and Daily News. Twenty-five thousand square miles gone—given away—a big hole left in the centre of the Island—twenty-five thousand square miles gone; that was their song for hours. And that was duly described on the press and radio. Is not the answer to that misstatement not worthy of publicity? If it is proper to give publicity to the Opposition's argument, is not the Government's answer worthy of publicity? In my judgment—and I had a radio programme from 1920 to 1933; and years ago I was on the Evening Telegram; and in my experience with newspaper business up to six or seven years ago) I think I know what is newsworthy. There were people prepared to pay good hard cash for news that was worth publishing and broadcasting; and when you have the skill and ability people are prepared to pay you for news worth publishing, and from my experience, I think I know what is newsworthy.

The answer I am now going to give

is worthy of being given publicity; it is the Government's formal and official answer. The answer is this: This Legislature, not the Government—this House of Assembly, the people's representatives have given to NALCO, to CAMCO, to Falconbridge, to Frobisher, and to the American Smelting and Refining Company—in each and every case—they gave them the right only to prospect for minerals. That is all NALCO has. When the Opposition says they have the right to sell, transfer and assign everything they have, that is true. But what have they got? It cannot sell, transfer or assign anything it has not got. What it has is the sole right to prospect for minerals; that is all. They spend money to do that. They must spend millions to do that. If they find them, they have the right to develop them; the right to open up mines and pay wages. That is exactly what we are trying to bring about. It is a Bill to denationalize NALCO, to enable them to sell more shares and bring more cash capital into the Newfoundland Treasury; so they can spend money on twenty-five thousand square miles and discover minerals; and they are also given the right to develop the minerals. Do they get them for nothing? No! To start with, they have to pay taxes of general application. What will that mean? The tax falls on everyone alike and if the cap fits, he pays. They must pay all taxes of general application. On top of that, the Companies which NALCO may bring to Newfoundland as sub-concessionaires will have to pay taxes of general application. On top of that, 45% of all profits they make will come to the Government because the Government will own 45% of the shares of NALCO.



Now, that I think, deserves to be told to the Newfoundland people.

Mr. Speaker, I have one final point only—a point about which the Opposition never said a word; that is, why NALCO are authorized to have five million rather than three million non-par value shares. Why? It was never mentioned by the Opposition. I would have thought it was their duty to discuss that matter. It is important.

MR. HOLLETT: We asked why.

MR. SMALLWOOD: The reason is this—I have already told it. I told it in introducing the Bill a few days ago—the reason is this: Let me illustrate—around 1905 or 1906—when the Harmsworth people came to Newfoundland—these were the people under whom the paper mill was built—years before that the Government of Newfoundland had given huge tracts of land to Harry S. Crow and other persons; and when Harmsworths came to Newfoundland they bought back from Crow large tracts of timberland which Crow had gotten for nothing.

Up to a few years ago, anyone in the world—they did not have to be Newfoundlanders (half of them were Newfoundlanders and half of them were not); anyone in the world who had the strength, energy or ambition to go to the Government and ask them for a thousand square miles, or five or ten thousand square miles, they got it. All they needed was the energy to ask.

MR. HOLLETT: That is all he needs now.

MR. SMALLWOOD: Yes—and if you take a map of Newfoundland and a map of Labrador, a timber map, a geological map, and then a water-

power map what will you find? You will find as we found in the National Convention. I made a point here in the National Convention when arguing about Confederation: "Sell Newfoundland! There was nothing left to sell. It had been all given away, and these maps showed it." One of our waterpower potentialities had been given away by a Newfoundland Government. For what? For one pepper corn. Now, we have been looking for that pepper corn, and we cannot find it. We have not even the pepper corn, but that company has the one hundred thousand h.p. My honourable friend, the Attorney General, reminded us yesterday that Muskrat Falls had been given away for 99 years for \$30 a year. Now, let me tell you about Muskrat Falls. We had it surveyed and there is one million horsepower available. Do you know what it would cost? Four mills, less than one half of one tenth of a cent a kilowatt hour to harness it. Not even a quarter of a cent—a million h.p. which earlier Governments gave to some one, I forget who it was. The Royal Bank of Canada took it over afterwards and they have it today.

MR. CASHIN: The Dickey estate.

MR. SMALLWOOD: And the Royal Bank of Canada has one cool million h.p. probably the cheapest hydro-electric potentiality in all North America today.

MR. CASHIN: Dickey was so fed up he committed suicide.

MR. SMALLWOOD: I tell you who should have committed suicide—that Government, the whole lot of them—the Government that gave away a million horsepower for 99 years at \$30 a year—they should have hanged themselves.

Why anybody, in the past, could come and ask the Government for 10, 20, 30, 40 thousand square miles and would be told—"Sure you are welcome, are you sure that is enough, can we press a little more on you?"

Now, the A.N.D. Company acquired the Humber Area most of which they bought from Harry S. Crow. He was a speculator and he made a good speculation. I don't know what the A.N.D. Company paid him, but I do know that thrown into the kitty was Buchans mine. The vice-president of American Smelting and Refining Company told me the story himself.

In 1920 the vice-president of American Smelting and Refining Company, one of the greatest mining companies in the world, when thumbing through a hand-book of mineral resources around the world, all the countries of the world stopped when he came to Newfoundland and saw a little paragraph there "Buchans — owned by Anglo-Newfoundland Development Company—copper, lead, zinc and traces of silver and gold." He told me himself that he sat down and wrote a letter to the Anglo-Newfoundland Development Company at Grand Falls and asked them to send a few tons as he would like to have a look at them. They wrote back and said they would be glad to do so, and sent him some tons of minerals. They sent it to their metallurgical laboratory and found they could not separate the different ores. They did not know how to separate them as there was no process on the earth to separate the minerals, one from the other. By 1926, six years later, after tremendous work they invented or devised a method of separation known as separation by floatation. If you want an explanation of the method I can give it to you: If you go along

a dusty road on a hot, dry, summer day and the road is very dusty and you spit on the dust, the spittle forms a sort of ball on which you can see the dust settle. That is what it does exactly. The mineral is crushed all up into dust and is run through a machine with a lot of water and agitated and stirred up and forms thousands of little bubbles on top and the rock is carried off and the mineral floats when put through other machines forms a dry powder containing so much zinc, so much lead, so much copper etc.

In 1927 they went to the A.N.D. Company and said; "We would like to develop this mine which is very rich." The A.N.D. Company said; "Sure—give us fifty per cent of the profits and you can go in and spend all the money you like." They did this and in 1927 opened up the mine and AS & R put up every cent of the capital and the A.N.D. Company did not put up one cent, and I think the first outlay of the Buchans Mining Company was seven millions of dollars. I think that was the first amount they spent to open up that mine. The first profit had to go to pay off the actual capital outlay not a cent of which was paid by A.N.D. Company and as the capital was paid off fifty cents of every dollars that Buchans made from that day to this has gone into the pocket of the A.N.D. Company because they were the owners. Where did they get it? They bought it from whom? From someone who got it for nothing, someone who had energy enough to ask the Government for it, and the Government said; "Sure take it. Is there any more you want with it? Are you sure you have enough now." Harry Crow, I suppose he was a millionaire or pretty close to it. He got that money out

of the pockets of the Newfoundland people. That mine which the Government of Newfoundland gave him belonged to the people and the trustees of the people, the Government never got anything out of it. We got the industry and the employment, but we should also have had something for the natural resources.

That is why we are raising this to five million shares. That is the reason NALCO now will sell a million shares for five million dollars. I hope that five millions will be spent on exploration and drilling and enriching their knowledge of the mineral deposits they now think they have.

Suppose then the spending of this five million dollars does not do it? So they sell another million, a third million for another five or eight or another ten million dollars—now all their shares are gone, all sold and they now bring in a rich mine—if the A.N.D. Company instead of saying to the A S & R: "Okay, you can develop it but we want half the profit, you put up all the capital, we will put up none, you take half and we will take half." If the A.N.D. Company had said to the AS & R; "Look it will cost seven million dollars to develop, you put up half and we will take three-quarters of the profit." AS & R would have done it. That is what NALCO should do. If NALCO finds these minerals they should by the sale of additional shares be able to raise the additional millions to enable them to participate in the actual development by the purchase of shares in the actual development. Now, that is why we are amending this now, today, so they won't have to come in every year and have this debate all over again. Raise the authorized number of shares now in this session to five millions and by

the time they have five million shares sold, Newfoundland may be a far richer country than she is today.

Now, in conclusion, Mr. Speaker, I am sorry that my honourable friends did not give me more to answer, they never do—they occupy a lot of time.

MR. HOLLETT: You don't?

MR. SMALLWOOD: Well I do—I do indeed. You know what Mark Twain said about that: "A lie can get half way around the world whilst truth is putting on its boots to chase it." You know a child can ask more questions in a day than a grown-up can answer in months.

Now, finally, Mr. Speaker, I have only this to say; we are reconciled on this side of the House, we are fully reconciled to having every single piece of legislation which we bring in here for the development of Newfoundland and its resources opposed by the Opposition—we are resigned to that, fully reconciled, we expect nothing else. The only thing about it is that it puts us to the necessity of rectifying, correcting the false impressions which are likely to grow up in the public mind as a result of the kind of opposition they usually dish out to our legislation.

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

Second reading of a Bill, "An Act Respecting the Grading of Live Stock and Meat."

DR. ROWE: Mr. Speaker, I don't think that I need take very long to move second reading of this Bill. I suppose I should not say this, but it is my opinion that the content of the Bill is not a very controversial one.

MR. SPEAKER: Has the Bill been distributed? I don't seem to have a copy.

MR. SMALLWOOD: Yes, Mr. Speaker.

DR. ROWE: This Bill's primary purpose is to bring some order into the chaos that exists in the live stock and meat industry in Newfoundland. From time to time the public clamours about the practice going on. We do know that there is a great difference in the inherent intrinsic value of beef which we buy today and buy tomorrow, although we pay the same price for it. Apart from the serious objections on this account alone there is another in that it is virtually impossible to exercise or enforce any price control regulations as long as we have no grading. The purpose of this Bill, Mr. Speaker, is to provide standards and methods of procedure, the grading of live stock and meats to regulate the marketing and shipping and advertising and packing of meat in the Province of Newfoundland.

It will be noticed that the Bill empowers the Lieutenant-Governor in Council to make regulations. This Bill does not go into any detail on the matter of regulations. These are to be made from time to time by the Lieutenant Governor in Council and will have to be changed from time to time. I can say this, however, that it is the intention of our department, which will administer this Bill if it becomes an Act of the Legislature, to conform in so far as possible with the grading standards which presently exist in other parts of the Mainland, and also with any grading standards which may be in force with respect to the Government of Canada, under the Canadian Live Stock Act.

I think, Mr. Speaker, that is sufficient background for this legislation long recognized as necessary. This is an enabling Bill to give us the power to make regulations to bring some order out of the disorder presently obtaining in the shipping, grading, selling of meat and live stock in the Province. I move the second reading of this Bill.

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

First Readings:

A Bill, "An Act Further to Amend the Crown Lands Act, 1930."

Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Amend the Shop Hours (St. John's Barbers) Act, 1938."

Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Slum Clearance Act."

Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Amend the Alcoholic Liquors Act, 1949."

Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Food and Drugs Act, 1950."

Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Amend the Local Government Act, 1949."

Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Empower the St.

John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

Read a first time, ordered read a second time on tomorrow.

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

Read a first time, ordered read a second time on tomorrow.

Committee of the Whole :

Bill, "An Act to Provide for Urban and Rural Planning."

MR. CHAIRMAN: Clause 5 was allowed to stand.

MR. CURTIS: And fifty-nine, Mr. Chairman. I think I am now prepared, Mr. Chairman, to indicate the necessary amendments to clauses fifty-nine and sixty. The amendment would consist of this: Clause fifty-nine would read as follows: "The Lieutenant Governor in Council may by order designate any highway, road or way which is situated outside the city of St. John's, outside of Municipalities and outside of areas held or administered—just put the word "outside of" before "municipalities" and again before "areas" to make absolutely clear what is meant by the Act.

Clause as amended carried.

MR. CURTIS: We have the same amendment, Mr. Chairman, to No. 60—insert the word "outside of" before the word "municipalities" and before the word "areas."

MR. HIGGINS: Are there any particular areas in mind?

MR. CURTIS: It probably includes the City Dump.

MR. HIGGINS: The dump is not the worst place in St. John's today,

Carried.

Clauses 61 through 64 carried.

MR. CHAIRMAN: There was another clause allowed to stand. Clause 5 of sub-clause 4, I believe.

MR. CURTIS: Yes, the same amendment is made there—"outside of" in front of areas, and outside of municipalities. Take out the "and" in the second line and insert "outside of."

Bill passed with some amendments. Ordered read a third time on tomorrow.

MR. CURTIS: Nos. 5 and 7 on the Order Paper. Committee of the Whole on Bill, "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies.'"

Bill passed without amendment.

Committee of the Whole on Bill, "An Act Further to Amend the Workmen's Compensation Act, 1950."

Bill passed without amendment.

Chairman of Committees reported that both Bills passed without amendment, and were ordered read a third time on tomorrow.

MR. CURTIS: I move that the remaining Orders of the Day be deferred and the House at its rising do adjourn until tomorrow Wednesday at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 22, 1953.

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

### Presenting Petitions

HON. E. S. SPENCER (Minister of Public Works): I have here a petition from the people of the Town of Buchans. This matter has been referred to by me on several occasions, and as the House is aware, we have for two sessions been endeavouring to get this road and we know the great need.

I would merely add a word to this—this Petition is signed by practically 100% of the people in this inland mining town—the people of Buchans, Millertown, Millertown Junction and Camp 5. The need, I say, is well known and I need not stress it further.

I give it my heartiest support and sincerely trust that in the not too distant future, funds will be found to complete this addition to the road.

MR. M. M. HOLLETT (Leader of the Opposition): I rise to support that Petition with all that I have—and the Honourable the Premier will admit that that is quite a lot). I do not do it for political purposes, but I lived in the area for seven years and I know the people of Buchans and I know the isolation there is, and which has been theirs since the discovery of the ore there.

They are a hard-working people, but they are more isolated than any where else in Newfoundland. They have by their energies contributed in no small measure to what measure of prosperity we have had in this community over a period of a good many years. They now contribute to the revenue of the Federal Government. They have valuable ore there which is utilized for defence and other purposes. They are, I believe, in dire need of this road. "Isolation" is not exactly the word—they have not only

isolation, but people are not allowed to go in there without permission of the President of the Company there; and you have to be careful when you come out about your arrangements for your return. These people have no means of getting back and forth at a moment's notice.

It is one of the most prosperous settlements in the country and if I were the Minister of Public Works and such a Petition came to me, I would use every means at my disposal to see that this Petition was adhered to over and above another Petition put before the House.

I know the condition of the people with regard to isolation; and we know how essential and necessary the road is to them.

We on the Opposition side of the House strongly support the Petition.

I do think the Petition of the people of Buchans should come above a good many other Petitions which have been made at this Session of the House.

Petition 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): I give notice that I will, when the Orders of the Day have been entered into, ask leave to introduce a Bill, "An Act to Authorize the Government to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons."

I would ask the unanimous consent of the House to ask at this time that a Bill, "An Act to Authorize the Government to enter into an agreement with British Newfoundland Corporation Limited and H. M. Rothschild and Sons" be introduced and read a first time. The reason I make this motion at this time is because tomorrow is a whole holiday and it means we lose a day in the House. If this Bill could be read a first time today and the second reading ordered, it could then be moved on Friday, which would give the honourable members opposite a full week-end to have an opportunity to peruse the text.

I think I can make some copies available forthwith to some members.

Bill read a first time, ordered read a second time on tomorrow.

#### Orders of the Day

MR. SPEAKER: Which Order of the Day do you propose to call?

MR. CURTIS: No. 11. Committee of the Whole on Bill, "An Act Further to Amend the Newfoundland and Labrador Corporation Limited Act, 1951."

Clause 1 read and carried.

Clause 2 read and carried.

MR. HOLLETT: Mr. Chairman, I wonder—I feel that we are not in a position to say anything about this particular section. We have no knowledge whatsoever of any agreement or the terms of any agreement or terms granted to the Newmont Mining Company or American Zinc, Lead and Smelting—I wonder if we could have something from the Government as to just what that means there—What are the rights that have been granted by NALCO to these two companies?

HON. J. R. SMALLWOOD (Prime Minister): Rights to exclusive prospecting privileges over limited areas of the NALCO concessions for a limited period of time and on condition that the Newmont Mining Company will spend a certain amount on exploration, and the right, if they find any minerals and wish to develop them, to develop any hydro-electric energy for their own immediate mining purposes. For all of that they will pay, apart from taxes of general application to the Government of Newfoundland, a percentage of their profits to NALCO of which of course a share would come eventually to the Treasury of Newfoundland.

There are two such agreements which have been made by NALCO with sub-concessionaires, one with Newmont Mining Company of New York, the other American Zinc, Lead and Smelting Company of St. Louis, Missouri. They are both the same kind of contract, except of course, that they affect different areas within the NALCO concession. Each of these companies is given by NALCO sole and exclusive prospecting and development rights over, in one I think it is a thousand square miles and in another fifteen hundred, I am speaking from memory, it may be fifteen hundred and two thousand, but I think it is something of the order of one thousand and fifteen hundred. These are, I think, for a period of three years during which the companies concerned undertake to spend a minimum of, I think, fifty thousand dollars a year, one hundred and fifty thousand dollars, guaranteed minimum expenditure. NALCO would receive therefrom on any actual development carried out by the sub-concessionaires, a share of the net profits of I believe, between five and

ten per cent after taxation. I may say that the only reason for not tabling the agreements between NALCO and its sub-concessionaires is the fact that with such companies really we are dealing at second hand. No company likes to have its affairs bandied about in public and the fear is that it would discourage others from dealing with NALCO if their dealings with a purely private company as NALCO became public. They are published if they are dealing with a Government, then their affairs have to be debated in the people's house and their affairs are thereby made public to their competitors and to the world in general. Moreover it is a distasteful thing for private mining companies to have their affairs debated and discussed. Now, if NALCO were to continue to be a Crown Corporation I am afraid there would be no alternative but to have all the affairs debated freely and openly, but as the intention is to denationalize NALCO and this Bill provides for that we are merely anticipating by a few days or weeks as the case may be the fact that NALCO is a private corporation entitled to do its business not out in the pitiless glare of publicity which would frustrate and perhaps defeat their very purpose, but rather to treat it as though it were a private company entitled to make its own agreements and conditions on an equal with various companies—these are forerunners and they hope to have very many others.

MR. HOLLETT: That is why I asked because NALCO at this moment is a Crown Corporation, still these things are kept from us. The actual agreements were really made with NALCO and NALCO is a Crown Corporation and we asked to have these things tabled and the Government

took the attitude, Mr. Chairman, that it is none of the House's business at all. That is the reason why I raised the point here now. If it is a Crown Corporation, according to anything I have ever heard or read about, the House of Assembly has the right to ask certain questions and has the right to have these questions answered. These answers were refused.

MR. CHAIRMAN: If the honourable member will excuse me; a Minister can refuse to answer any question at any time, and it is not debatable whether they should or should not be answered. It is entirely up to the Minister.

MR. HOLLETT: I understand they must be answered one way or the other.

MR. CHAIRMAN: No.

MR. HOLLETT: One other question. I notice under paragraph (c) the Government writes another term—they get waterpower in any area granted to NALCO which is not re-assigned to Newmont or any other company, I take it the Government has the right to develop waterpowers as they need—this is protected in some other section, is that right?

MR. SMALLWOOD: In answer to my honourable friend—the first point; this Government has innumerable precedents to follow in the matter of tabling information concerning crown corporations. In Canada there are many crown corporations, as the Committee knows, there is the Canadian National Railway, for example, Trans-Canada Air Lines and many others, many corporations, and the Government of Canada has long adopted the practice of being most careful in what questions affect-



ing those Crown Corporation they will answer, and most of them they decline to answer at all. They treat these Crown Corporations as business concerns in competition with purely private concerns and to have such competitive advantages as are practice, for which reason most members of the House of Commons refrain from asking certain types of questions concerning these Crown Corporations and most of those that are nevertheless asked are not answered. We have excellent precedent for that. Furthermore whoever a Government are they are the Government and from that moment they must govern, and they must take responsibility for decisions. We have decided that in the public interest, it may be unpopular with the Opposition may be unpopular with the public, but we must, we are elected and must protect the public interest. And if we conceive it as a Government not to be in the public interest, in the interest of the public of Newfoundland to reveal certain information we must decline to reveal it and take full responsibility for it. Now, the public may condemn us for it but we must run that risk. It is one of the ordinary risks that any Government must run in governing.

As to the other point raised; the answer is, no. We have not elsewhere in this Act taken or made provisions for the thing for which we made provisions in the original Act. The reason for that will appear when the BRINCO Act is brought down. I don't wish, Mr. Chairman, to anticipate what I shall say on introducing the BRINCO Act on Friday, except to say this now; in the BRINCO Act we make very special provisions whereby the development of the waterpowers, the undeveloped water-

powers, unalienated waterpowers of this Province shall be carried out by BRINCO and not by the Newfoundland and Labrador Corporation, nor by any other companies but by BRINCO. That is what I will deal with when I introduce the BRINCO Bill.

MR. HOLLETT: Mr. Chairman, on that point I take it this company, Newmont and the other will have certain rights to waterpower, and I believe according to what the Premier said, when the BRINCO Act comes in they are going to have all other waterpowers on the Labrador, in other words, if I may anticipate, from that statement of the Honourable the Premier, all waterpowers on the Labrador which have not been alienated from the Crown to some other company. I believe that is the sense of the remark which the Honourable the Premier has made.

With regard to the tabling of information on crown corporations, the Honourable the Premier cited, I believe, the Canadian National Railway and one or two other corporations. But these were not corporations, as I see it, dealing essentially with the public domain. Surely goodness, the public domain is something which is the business of the public and if any Government sees fit to make agreements with corporations relative to fifteen and twenty thousand square miles, as they have done, surely the people of this country have a right to know what these agreements are, or at least have a rough outline of them. I know there is nothing we can do about it at the moment. But I do raise that point that it is altogether and entirely different from a corporation such as the CNR or any other corporation that I can think of at the moment. I don't believe the

whole of Canada has any such corporation as NALCO which has control of twenty-five thousand miles of territory. I don't think the Canadian Government would dare alienate any public domain to any corporation whether it be Crown or whether it be private without allowing the people to have some idea or some knowledge of the agreements which might have been made.

My colleague draws to my attention that men on the Railway Committee, members of the House of Commons have access to and deal with certain railway matters. In that case they certainly have knowledge of that committee which, as my colleague states, is composed of members of the Opposition, and they are given full facts and figures with regard to any dealings the Canadian National Railway might have. Here, I say again, it is entirely different, the public domain, thousands and thousands of square miles—do you mean to tell me, Mr. Chairman, the Government can make all sorts of deals for the disposal of that land for 99 years and not table the answers to questions? If the Government takes that attitude I am afraid it is not a popular one to take. I raise that point because I take exception to that and I again want to remind the Honourable Premier we are not taking that attitude from any political motive. There is a principle at stake and I don't think any Government can take unto itself such, what I might term, dictatorial powers relative to the public domain. It may not be the intention of the Government to do so but it looks that way when we are refused certain information relative to agreements made with NALCO with regard to the Newmont Mining Company and

American Zinc, Lead and Smelting Company.

MR. SMALLWOOD: Mr. Chairman, the House and the public have been given all conceivable information about the concessions given NALCO. It is all stated in the original Act, I am not talking about the companies but NALCO, to land which the honourable gentleman says is alienated. The public is entitled to that information and the public have it. It is all in the Act. Now, that same Act gave NALCO the right to make sub-leases and they have done so. That is the information we have not tabled.

MR. HOLLETT: Why not?

MR. SMALLWOOD: Because, in our opinion, it is not in the public interest. We have to make that decision and are responsible for it. We are prepared to do it and any Government must be prepared from time to time in the public interest. Generally speaking, 99 times out of a hundred what the Government does or what it has access to in connection with regard to the public interest, it is right and proper to table, 99 times out of a hundred. But there may come that one time out of a hundred when in the very interest of the public itself the information cannot be laid on the Table of the House, and cannot be revealed—this is one of them.

Now, with regard to my remarks about the Crown Corporations of Canada. It is no answer at all to that point to say there is a railway committee of the House of Commons, that the railway committee meets and that it meets the management of the CNR and has free and frank discussions with the management including

even the President and General Manager, Mr. Gordon. That is perfectly true, all that does happen. That is one situation, it is quite another situation for a man to stand up publicly in the House of Commons as a member, not as a railway committee of the House, but as a member of the House and table questions effecting the commercial transactions of the CNR and expect an answer—that is quite another matter. I am quite familiar with the railway committee. I am also aware of the fact that many questions directed to the Government with regard to the CNR are not answered, some are answered but also I am aware a great many are not, not only the CNR but at least a dozen other Crown Corporations. The Government must make the decision, the Canadian Government in the case of Federal Crown Corporations and the Provincial Government in the case of Provincial Crown Corporations. It is the duty of the Opposition, if it is a good Opposition, to try and leave upon the public mind an impression the Government has something to hide, and because it is hidden must be something disreputable. That is what I would do if I were in the Opposition. A fighting and effective Opposition has a political duty to do, to bring the Government into disrepute, to lodge in the public mind doubts about the integrity or honour or efficiency of the Government. That is what the Opposition tries to do, and the Government takes that risk deliberately with its eyes open. We must protect the public interest more than it protects its own good name. We run that risk of a bad name by refusing to table certain information, we gladly run it because the public interest must come ahead of the Government's good name.

And here is a case where we protect the public interest. We don't want to close the door to fifty nor twenty nor ten more big American and Canadian Mainland mining concerns coming in to deal with NALCO. Companies don't want their name dragged into the House, they don't want to be the subject of discussion still less do they want any business deals they may have with NALCO to be a subject of political discussion in a people's House. They don't want it and if we don't want to close the doors to more American and Canadian Mainland firms we decided in the public interest it is better there should not be such a thing. Now, that is all the more the case because shortly NALCO will be a private company in which, it is true, the Government of Newfoundland will have some shares, forty-five per cent of all the shares, but it will be a private company. The moment it is a private company there is no reason in the world why the Opposition should have the right to question anything affecting this company here in this House. Now, we are only anticipating by a matter of a few days a situation where this will be a private company, and from that moment on the Opposition will just waste its time completely asking any questions affecting NALCO—the quicker that comes the better for Newfoundland, not for the Government but for Newfoundland. Take NALCO completely out of politics, let them be able to do business without running the risk of all their business transactions being trailed through the mire of party politics—the quicker the better for the Government? No, for the people of Newfoundland. That is who we are trying to protect, that is what I

mean by saying it is not in the public interest.

MR. HOLLETT: The Honourable the Premier can make that statement as many times as he likes, I am still not convinced that is the correct procedure. I look back over the years to the Anglo-Newfoundland Development Company, they were given certain concessions and an Act was passed plainly printed there and tabled in the House was discussed and debated. Today everybody knows how much territory is owned and operated by the A.N.D. Company. We had the same thing with the people in Corner Brook, and, as far as I know, had the same conditions in nearly every corporation which was given a grant or lease or title or right to explore or mine or cut timber. The people have a right to know, but they do not know exactly what these two sections are here in this Act. The Government has given 26,000 square miles to NALCO. Very well, so they say what difference we own 90%, and now the Honourable Premier says only 45% and in six months or one month as the case may be it will be less and they won't have to answer any questions because it is a private corporation. I say, Sir, that land is still the public domain of this little country and no Government, no man, nobody, has any right to alienate it to such an extent that the people of this country cannot get the necessary information relative to its disposal. I say the principle is wrong—we are not discussing the principle, we opposed it yesterday or the day prior—but we do and will take every opportunity to fight against any such principle which hides from the general public, hides from the Opposition, if you like from the back benches of the Government, hides

from everybody except the Cabinet or a few members of the Cabinet the information which is absolutely essential to the people of this country relative to the disposal of our public domain. I say the principle is wrong, Sir, absolutely wrong and I do criticize strongly the Government for that attitude, giving away twenty-five thousand miles to NALCO, imagine a Crown Corporation and then making it a private corporation and saying we are not going to tell you what they are going to do with the land, they can dispose of it as they please and you won't get the information. That is what they tell us. More than that, in a day or two another Bill disposes of the rest of our public domain and we are not going to be told anything about that. Certainly if this principle is right there is something wrong with my thinking and something wrong with the thinking of all the western world. I object very strongly to the attitude taken here this afternoon.

MR. SMALLWOOD: I am rather glad the honourable gentleman saw fit to refer to the A.N.D. Company. He says the A.N.D. Company were given a lot of public land by the Government of Newfoundland, that is was debated here in this House—that is true, that is perfectly true. NALCO, in the same sense, was given also a lot of public domain not in the sense that the A.N.D. was given it, who hold today thousands of square miles in fee simple.

MR. HOLLETT: These people knew about it.

MR. SMALLWOOD: It was debated here in this House. NALCO has been given nothing in fee simple and never will. They have merely the right to explore and develop

natural resources. Both cases were debated in this House. Now, subsequently the A.N.D. Company made a deal with a big mining company. Was that debated in this House? It was not. The rights that the A.N.D. Company got were debated in this House, that is true. Subsequently the A.N.D. Company made a private arrangement with a sub-concessionaire—was that debated in this House? It was not.

MR. HOLLETT: They were given the rights in the Act.

MR. SMALLWOOD: And in this NALCO Act they were given the right to sub-lease. Just as the Buchans Concession was given to them by the A.N.D. Company under their parent Act which agreement was not debated in this House so by the same token the concessions given by NALCO are not debatable.

MR. HOLLETT: NALCO is a Crown Corporation.

MR. SMALLWOOD: To this day and will remain so for some days or weeks. We have already dealt with that point in anticipation of the fact that shortly it will not be.

Clause carried.

Clause 4:

MR. SMALLWOOD: Mr. Chairman, it seems this is too long a clause to read through in its entirety and we might read it sub-clause by sub-clause.

MR. HOLLETT: In that case I would like to make some comment relative to sub-clause 1: There in addition to Lot No. 1 which is nine thousand five hundred square miles we are giving to NALCO an area of fifteen hundred square miles in the

general area of Quebec, North Shore, and the Labrador Railway. There is no stipulation as to whether it is generally in the area of the Quebec, Labrador Railway. Fifteen hundred square miles—I take it that NALCO can go in there and select their fifteen hundred square miles.

MR. SMALLWOOD: That is approximately correct.

MR. HOLLETT: In other words the Government at the moment does know just what land they are giving away.

MR. SMALLWOOD: Yes, the Government knows.

MR. HOLLETT: The Government knows nothing about it—I am not sure they know if there is any land there. The railway is being built, there must be land, but they are going to give fifteen thousand square miles of territory and don't know where it is or is likely to be located.

MR. CURTIS: Mr. Chairman, if you look at the second line it says; they get exclusive right to explore and survey. That is not giving them any land.

MR. HOLLETT: Call it what you like.

MR. SMALLWOOD: It is not what you like but what it in fact is.

Clause 4. (2):

MR. HOLLETT: On that point, why give them twenty years to explore? Why give them twenty years to explore five thousand miles out of 9,500 plus 1,500 contained in Lot 1. You give them twenty years to explore what timber is in five thousand square miles. They have the exclusive right;

nobody else is allowed to go in there. Why are twenty years necessary?

MR. SMALLWOOD: That is in conformity with a similar provision in the BRINCO Act.

MR. HOLLETT: That is no explanation. Why twenty years? Is there any definite concrete reason why twenty years—and not five or fifty?

MR. SMALLWOOD: It is to give them ample time to do it.

Sub-clause (3):

MR. HOLLETT: I am afraid I am going to be up quite often. That is one section also that I am greatly adverse to. "At any time during the period referred to in sub-section (2) the Lieutenant Governor in Council shall, upon application, issue to the Corporation or its assignees or transferees licenses to cut and remove all timber from the area or areas referred to in that sub-section." I want it to be clearly understood that this Corporation or its transferees can go down there and if they discover say, ten million cords of wood, the Lieutenant Governor in Council shall give them a license to cut and remove all timber—and it does not say where they may export it to—it may be to France, Italy, Germany or Hong Kong. I want it understood that the Government is giving this Corporation the right, over a twenty year period (as a matter of fact, it is for a longer period—99 years)—for the next ninety-nine years then, this Company will have the right to export all the timber which they may so desire from that particular area. There is nothing we on the Opposition side can do to put the brakes on this policy; but I do maintain it is a very dangerous policy, because if

you and I are alive, any time within the next ninety-nine years we are going to find the demand for wood is so great that even the wood on the Labrador will be at a premium. Therefore, giving anyone who so desires it, the right to cut and export for ninety-nine years every last stick in that particular area. I want the people to know it; I want the people of Corner Brook in particular to know it and to know we object to it.

Sub-clause carried.

Sub-clause (4) carried.

Sub-clause (5) (a):

MR. CURTIS: I think the word Government should be in quotation marks. (Hereinafter called "the Government").

Carried.

Sub-clause (6) carried.

Sub-clause (7) (a):

MR. HOLLETT: I wonder if the Government could give us some idea of what they understand by "the Corporation and its assignees and transferees shall (a) use its best endeavours to ensure that so far as is consistent with efficient and economical development of the concession granted by the timber license the timber shall be used in the first instance for manufacture within the Province of Newfoundland and not to export timber outside the said Province without prior consultation with the Government." In the first place, what are "the best endeavours"? Have the Government any idea as to what is meant—that the Corporation will use the best endeavours to manufacture within the Province? Can they define what they mean? In the second place, what do they mean by "not to export wood without prior consultation"? Does it mean the

Government may put a stop to any export of timber?

MR. SMALLWOOD: This clause is a very good clause. I wonder if the Committee would follow it carefully. Up to here, in the preceding clauses, the picture is painted of timber licenses and rights to cut timber at certain rates of royalty and rental. All that picture is set forth and then it goes on in (7) "In the exercise of the rights under a timber license issued under sub-section (3), the Corporation and its assignees and transferees shall,"—they shall do three things: (1) "use their best endeavours—manufacture within the Province of Newfoundland." Now, to insure that, a tax is put on the timber of \$1.00 a cord if it is exported by the Corporation; and \$1.50 a cord if it is exported by a transferee or assignee of NALCO. That is a sort of penalty against the export of wood. They are to use their best endeavours to see they carry on the thing economically, efficiently and to use the timber within the Province of Newfoundland. There is a penalty of \$1.00 or \$1.50 a cord—and then they are not to export the timber at all without prior consultation with the Government.

Secondly (b) they must at all times carry out cutting operations in accordance with good logging practice. You will not find that in the Bowater's Agreement or in the A.N.D. Agreement—to carry out cutting operations in accordance with good logging practice, in such manner as will best conserve the forest areas so as to ensure the supply of timber for mills within the Province.

Thirdly, (c) at all times to prevent unnecessary destruction of growing timber and to exercise strict supervision to prevent fires and to preserve

the growth of all young timber and (d) to observe all such regulations as shall from time to time be in force and of general application in Labrador in regard to timber cutting."

They are all so crystal-clear that I do not need to add a word of comment.

MR. HOLLETT: He has not answered the question, although it is clear to the Government. I asked what was meant by "use their best endeavours"? Have they any way to ensure they will take reasonable measures regarding the export of woods, to carry out good logging practices and to carry out all the regulations? The Premier has contented himself with quoting the sections, and there is the bold statement that they are bound down to this terrible thing, bound to carry out this awful thing, bound to use their best endeavours regarding the export of wood. What in the name of goodness that is going to mean, I do not know. The whole clause is redundant. Naturally they have to carry out the rules and regulations laid down. I hope the Minister of Mines and Resources will see to that.

One other point—will there be regulations different on Labrador than in Newfoundland? If not, why state here: "to observe all such regulations as from time to time be in force and of general application in Labrador in regard to timber cutting."

MR. SMALLWOOD: The honourable gentleman is overlooking one vital factor, the unwritten part of the clause—the part unwritten in every clause is the sovereign power of the Legislature. And when it says here "and not to export the timber outside the said Province without prior con-

sultation with the Government,"—what is not written is that the Legislature is sovereign in property and civil rights in this Province. This is not an agreement made with a couple of individuals, but an agreement between the Legislature of Newfoundland and a Company and in the carrying out of the agreement, one unwritten law is that the Legislature are the party of the first part—that is the binding aspect of this Clause and every clause in it.

MR. HOLLETT: In answer to that, I would say the Lieutenant Governor in Council is the sovereign power.

MR. SMALLWOOD: That is not the sovereign power—only this House has that.

MR. HOLLETT: They have twelve men in the Cabinet, a majority of their own Party. I suspect they are the sovereign power—"the Lieutenant Governor in Council shall, upon application, issue to the Corporation or its assignees or transferees licenses to cut and remove all timber from the area or areas referred to in that sub-section." How are you going to get over that? Having given them the right for ninety-nine years, they come back and say "but they must or shall consult with the Government" before they export it. The talk of sovereign power is invalidated.

MR. SMALLWOOD: I am grateful for the lesson in Constitutional Law. Then this Act can never be changed, presumably because the Government is doing it? I say the sovereign power lies in this House in all matters of property and civil rights; it is the unwritten and unspoken part of the contract. The Company dealing with this Govern-

ment knows that the sovereign power lies in the Legislature—it is the unwritten part of the Agreement, ratified by the House. Let any Company try to put anything over on the Government and see how quickly they will be called together.

MR. HOLLETT: Will you tell me whether the Government under this Act, Section 4 (3), have they the power to refuse the export of timber by NALCO or any of its subsidiaries or transferees? Have they the right to refuse to allow them to export it?

MR. SMALLWOOD: I will not answer that—for a very good reason.

HON. DR. F. W. ROWE (Minister of Mines and Resources): There are one or two points which the honourable gentleman is forgetting. In any agreement, particularly between a party and Government, one of the things is the spirit of the Agreement. What does the honourable gentleman think would be the attitude of any Government in power if, say, in twenty years' time NALCO or any other Corporation with whom the Government has made an Agreement; and if NALCO or some other Corporation were exporting one million cords of wood a year, and if it was found that through some Act of God that Corner Brook or Grand Falls was on the verge of closing down because of insufficient timber in Newfoundland to keep the mills going? There is such a thing as the "spirit" of the Agreement. The House has a remedy at any time.

MR. HOLLETT: What is the remedy? I maintain that once this Agreement is signed the Government have not the right nor the ability to prevent the export of timber—and they can talk about the "spirit" of



the Agreement or anything else they like. The spirit has nothing to do with the Law. When you make an Agreement you have to live up to it or suffer the consequences. Therefore we should be careful not to alienate the timber for ninety-nine years and give them the right to export willy nilly where they like.

MR. SMALLWOOD: If a Bill were introduced in this House—given first reading, second reading and passed third reading whereby the honourable gentleman's name was changed to "Malcolm Trueblock;" from then on would he be stuck with that name? If the Act were passed and given Royal Assent, he ought not to have that name changed, is that so? I say the Legislature is sovereign—it can do anything but make a man out of a woman and a woman out of a man. That is the unwritten part of this Bill. More than that, I will say nothing.

MR. HOLLETT: And that was nothing.

MR. SMALLWOOD: I could explain it, but only the almighty God can give him the brains to understand it.

MR. HOLLETT: How many times have you said that?

MR. SMALLWOOD: Twice before.

MR. HOLLETT: Mr. Chairman, my copy of the Act does not read at all like that. Mr. Chairman, would it be too much to ask that that be left over for a little while.

MR. CHAIRMAN: Section 8 (b) stand.

Section 8 E-1 through 8 E-8 read.

8 E. (1) The Corporation is entitled at any time and from time to

time to give notice to the Government that it wishes to develop certain parts of the areas described in the Schedule or so much as shall not already have been surrendered, which parts are hereinafter referred to as the "Retained Areas."

(2) On such notice or notices being given, the Corporation shall surrender to the Government the unexpired terms of the exploration leases referred to in Section 8 B granted to it in respect of Retained Areas and the Government shall grant to the Corporation an exclusive mining lease for a period of ninety-nine years or such longer period as the Corporation may require to enable it fully to exercise its rights under that lease together with all necessary rights and licenses of user over the surface of the Retained Areas to permit or facilitate the proper exercise of the rights of the Corporation under that lease.

(3) If the Corporation shall give any such notice it shall thereupon become obliged to proceed forthwith with the development accordingly, provided that if it shall at any time thereafter elect not to proceed with or to discontinue development of any part of the Retained Areas it shall give notice thereof to the Government and the lease which shall have been granted to it in respect of that part of the Retained Areas shall thereupon be surrendered and cancelled.

(4) Any notice of intention to develop any part of the said areas given pursuant to this section shall in the case of minerals be limited to an area which shall not be greater than is reasonably necessary for the proper exercise of the right to produce and remove such minerals as mentioned in Section 8 F.

(5) Notwithstanding anything contained in sub-sections (1), (2), (3), and (4), mining leases of any parts of the reserved areas described in the Schedule to the Agreement dated the 20th day of February, 1953, made between the Corporation and Newmont Mining Corporation of Canada, Limited, shall conform, with respect to the extent of the areas leased to the period within which development is to commence, to the provisions of the said Agreement and the form of lease scheduled thereto.

(6) Where a mine has gone into production in the area covered by a mining lease referred to in sub-section (2), the area covered by the lease shall revert to the Government if the mine has ceased to operate for ten consecutive years.

(7) The Corporation shall submit to the Government on or before the thirty-first of May in each year following the date of issue of any mining lease referred to in sub-section (2) an account of the expenditure and gross revenues during the preceding calendar year.

(8) Except as provided in any mining lease referred to in sub-section (2), the Corporation and its assignees and transferees are subject to the general laws of the Province of Newfoundland and in particular to any laws from time to time in force relating to safety in mines or mining operations or to the employment, protection and care of workmen engaged therein or in connection therewith.

MR. HOLLETT: Mr. Chairman, there is one point there—I would like to make a few remarks with regard to sub-clause 2 (E) "On such notice or notices being given the Corporation shall surrender to the Government the unexpired terms of the explor-

ation leases referred to in Section 8 (B) and the Government shall grant to the Corporation an exclusive mining lease for a period of ninety-nine years or such longer period as the Corporation may require to enable it fully to exercise its right . . ."

Now, the thought just struck me—you must give them a mining license. I would like to ask the question; on what terms? Would it not be wiser for the Government to put in there: On such terms and conditions as the Lieutenant Governor in Council may decide. I could imagine a gold mine there or some other rich minerals upon which you might be able to make a reasonable agreement in order to bring some funds at that time into the Treasury of the Government. The Government's chest is usually empty. I do think we ought to have some protection there. All it says here is the Government shall grant to the Corporation an exclusive mining lease for a period of ninety-nine years. You will have the same condition existing as you had with the Crow property and Buchans where they are turning out all kinds of mineral wealth there and the Government receiving absolutely nothing whatsoever. I wonder if the Government would consider that.

DR. ROWE: Mr. Chairman, there is one point—the Honourable Leader of the Opposition said the Government receives absolutely nothing.

MR. HOLLETT: Directly I mean.

MR. SMALLWOOD: Five per cent of the profit.

DR. ROWE: Our income last year from Bell Island, St. Lawrence and Buchans was between five hundred and six hundred thousand dollars.

MR. HOLLETT: What is that?

MR. CURTIS: Of course, Mr. Chairman, we have to look at this thing realistically. Anybody could stake a claim in the old days and if he spent six thousand dollars on his claim thereupon he was entitled not only to the right to mine but to fee simple. We had hundreds and hundreds of claims in this country on which the present owners have the fee simple, and they have the right to mine it. We do now collect in nearly every case five per cent of the net income, which is looked upon as being as much as we should, and that is the amount provided by this Act. The Government is entitled to five per cent of the net profit of any company. Now, I don't think anybody is going to go and spend money on developing a mine if the Government says you must pass us ten or fifteen or thirty per cent. I don't think anybody would do it. Or worse, leave it to the Lieutenant Governor in Council in the future and then my honourable friend might be in power and then God help them, they might have to pay it all to the Government. I think the five per cent is as much as we can charge. I don't know if my honourable friend has any reasonable suggestion to make to the Government. We would be glad to consider it, but I don't think there is any suggestion that can be made. We don't know what is there. We are giving them an area and saying, go in and look it over, spend a million dollars every five years, spend four million dollars, go and search for minerals. If they spend all that money surely they are entitled to harvest anything they get and we undertake to give them under this section a mining lease for ninety-nine years. But remember that they

have to mine and continue to mine and when they cease to mine for ten consecutive years back it comes to us. There is no question of fee simple. Under the NALCO Act passed here two years ago we gave NALCO certain rights, and they had the right to sub-lease and any sub-lease had to be subject to their own right and responsibilities. And my honourable friend should remember NALCO cannot give what it has not got. Therefore NALCO in subletting, is limited to what it has and therefore I can feel quite happy nothing is given to Newmont which is not within the pages of this Act.

MR. HOLLETT: Mr. Chairman, that is some assurance, and I accept it.

MR. SMALLWOOD: You are very easily satisfied.

MR. HOLLETT: Certified by you.

MR. SMALLWOOD: I would not certify the honourable gentleman. I would not think of it.

MR. COURAGE: Order—It is all very well to have honour —

MR. HOLLETT: I don't believe the Honourable Minister has the right nor the ability to certify me.

What I was referring to was the exclusive mining rights for ninety-nine years, etc. Why would not the Government insert a clause there—"on such terms and conditions so as not to prejudice the said company in the markets of the world," that would give us something in case some wonderful mine turned up. I see nothing wrong—But it is not usual to give them a mining right for ninety-nine years without any further right to the Government except five per cent. That is the very thing complained about in Buchans and the very thing you blame

all the people on the other wall for giving away the public domain and getting nothing back. Now, you have an opportunity to protect yourself and won't take the opportunity.

MR. SMALLWOOD: Mr. Chairman, I cannot imagine in all the world one important and reputable mining company that would be willing to enter into an agreement either with NALCO or the Government to go in upon an area, spend its own money prospecting and have the right to develop what they found on conditions unnamed and unstated, that might be laid down at some future time by the Lieutenant Governor in Council or by the Directors of NALCO as the case might be. I say, I cannot imagine the existence, and I don't think there is in the world today any important or reputable mining company that would be willing to spend a single dollar of their money prospecting and surveying and developing on the understanding that if, as and when they found anything worth developing the conditions would at that time in the future be made by the holder whether it be the Government or NALCO, and that in the meantime they were to take a pig in the poke not knowing what might be the conditions to be imposed upon them at some future time. In other words if a company goes in and they have to spend their own money and they do their own prospecting and submit reports of what they find to the Government and they provide the Government with a new mine and the Government gets avaricious and begins to impose onerous conditions upon the exploitation or development of the mine concerned, of the mineral deposits concerned, then the company that has made the effort, spent its own money, can be held up—I cannot

believe there is a company in the world that would do that.

MR. HOLLETT: Except NALCO—We took the water powers from NALCO.

MR. SMALLWOOD: Now, in fact, when a company goes in today as a result of a direct deal with the Government it knows before it goes in exactly the conditions it will have to meet, that the period of exploration is so long, the area they go into is so large, that they can reduce the area to the amount they want, that when they have that limited area reduced for actual development, that they shall pay taxes of general application.

Now, in the case of a company making a deal with NALCO they have all the same things except that in addition to the taxation they have to pay to the Government of general application they also have to pay to NALCO the amount agreed upon in advance in their sub-lease as to the share of their profits they would pay over to NALCO. In other words today in Newfoundland anyone from any part of the world that wishes to engage in mining in this Province either in Newfoundland or on the Peninsula of Labrador knows, and can know without any difficulty, exactly the conditions that will be imposed upon them if, as and when they get into production. In their deals made with the Government they know it is five per cent of their profit to be paid to the Treasury of Newfoundland. If it is with NALCO it is this five per cent or whatever is the rate of taxation of general application, there will be no discriminatory taxes levied on them, they must pay taxation only of general application, they will not be higher nor lower than the normal taxation of general application. On the other hand

in the deal made with NALCO in addition to that taxation direct to the Government they will pay to the NALCO Corporation the agreed proportion whatever that agreed proportion may be. As I have said it ranges from five to ten per cent. Now, let us not forget also that these companies coming into Newfoundland or Labrador to explore with a hope of finding minerals and the intention of developing these minerals can also go into Quebec, they can go into Nova Scotia, New Brunswick or into any other Province of Canada and they will know exactly before they go in at all, they will know precisely the conditions under which they will be required to operate. These conditions are roughly similar right across Canada, five per cent of the net profits. That is a standard thing, not so much a ton. My honourable friend across is a keen believer in fixing the taxation to be paid to the Government in the form of a specific amount per ton. That is not done anywhere in Canada. It is not regarded as good mining practice in relation to collecting revenue from mining companies. What is regarded as good practice is that we take a share of their profits and the share usually is set at five per cent. Now the amount of profit will depend upon the value of the minerals they mine, less of course the cost of mining. That is a fairer way of taxing. How are you going to determine a fixed and unchanging rate that gives the company any certainty. If you fix a specific amount—say it is copper and you say the rate shall be one cent a pound. Copper presently sells, I think, around 30c. or somewhere in that neighbourhood. It is away up high now probably as high as ever it has been. Copper has been known to be ten cents a pound. It has been

known I think to be as low as even eight cents. Now what are you going to set? If you set a figure today, at a high world market price, of a cent as a reasonable figure, what will a cent be in taxation if copper becomes ten cents a pound on the world market. Now, take zinc which has taken a dip in the last few months, it has taken several since the British Government decontrolled zinc prices. Zinc is down, I think (I speak from memory as I have not looked at it for two or three weeks) eleven or twelve cents a pound. Now, set a specific rate on zinc and copper and the figure you set today may be altogether unrealistic a year from now. But whether the company mines gold, aluminum, zinc, copper, lead, titanium or anything else the fair way to tax them is, so the Government believes right across Canada and so mining companies also believe, to tax them on their profit and the profit will be determined by the market prices of the particular mineral they happen to mine and sell in the world market from month to month and year to year. As Doug Abbott said to me one day—"I never heard of a company going broke or bankrupt by paying income taxes." It is the same way with mining companies, they know that five per cent of their profits go to the Government—That is fair—Now perhaps it should be six per cent, perhaps seven, perhaps ten but whatever the rate the principle is there that it should be a proportion of their profits. That is what every company in North America today knows they have to pay. When they come into Newfoundland it is still the same when they deal with the Government but when they deal with NALCO in addition to the five per cent straight taxation on their profits levied by the Government of

the Province they have to pay to NALCO another five or eight or ten per cent, whatever NALCO is smart enough to get in the same way exactly as the A.N.D. Company said to the American Mining Company which was financed only by American Smelting and Refining Company look, we own this mine. "We are the owners of the mine in fact the fee simple owners." (Whether they were the fee simple or the owners merely of the exploration and development rights would be immaterial from this particular standpoint as to the effective owner of the mine). The Company said to A.S. & R.: "Look we own this mine. There will be taxation to be paid to the Newfoundland Government or if ever we become a Province of Canada to the Government of Canada, but apart from that taxation you shall pay us as the owner of this property fifty cents out of every dollar you make out of it after the taxation is paid."

MR. HOLLETT: Would NALCO say that?

MR. SMALLWOOD: They will be in a position to say fifty per cent or more if NALCO by the spending of its own money sells its shares and gets in five million dollars and goes out and spends it and finds another Buchans then they could just run an ad in the paper and say: "The line forms on the left, American, British and Mainland of Canada Companies, the line forms on the left, take it in turn and no crowding please or we won't talk to you at all"—That is if they find something like Buchans. Now, if they have not found something and can make a deal with some companies and say: "Now, look, we own this thousand square miles. Frankly we are not too sure what is in it or if there is anything in it. We

know there is land but we don't own the land but have the right to any minerals that may be down under the earth. Do you want to go and look and spend your own money and if you find anything we want five or ten or eight per cent of the profits." That is one situation. But if they find something after spending their own money; sell this million shares, get five million dollars and really do a job searching for minerals and really find something they certainly won't be satisfied with any ten or eight or nine per cent on the profits made by concessionnaires, like the A.N.D. Company they will want fifty per cent. So it is simple good business, sound, solid, sensible.

MR. HOLLETT: Mr. Chairman, that is the very thing I have been waiting for somebody on the opposite side to say—In other words the public domain of Newfoundland is to be played as a game on a checker board. NALCO can hold up the development of any area in the twenty-six thousand square miles which it owns. As the Honourable the Premier said: "We own it and you will have to pay us fifty per cent or more as the case may be." In other words, the line forms on the right, line up, come in your turn—How much are you prepared to give us for Merasheen if you like. One fellow says so much and another fellow so much and it goes to the highest bidder. In other words the public domain of Newfoundland is to be auctioned off by NALCO to the highest bidder. Then NALCO is a Crown Corporation. Very well but now that NALCO is being made a private corporation that is the very thing we object to. They are holding twenty-five or twenty-six thousand square miles of public domain in this country with all its wealth be it

much or little, be it wood or minerals, but it is put into the hands of NALCO to sell out, dish out, transfer to the highest bidder, and they may hold it to dish out when and exactly as they please. What we maintain is that the public domain should be held by the Government and the Government in its own wisdom decide just exactly how many square miles to give to Newmont or anybody else. That is the very thing I object to. The Honourable Premier answered a question yesterday, NALCO has the perfect right, they will own it and will be able to say as they come down the line from the left—How much are you prepared to give us for two thousand square miles around by the railway in Labrador? Ten cents per ton? Fifty cents a cord? Or what? Now they can talk to the others and finally the highest bidder has it, we presume, and they take the profit and a few shareholders with interest in NALCO makes a bonanza. I hope they do make some money. But I do think the Government is doing wrong in giving up their control. The Government will own forty-five per cent of NALCO but for how long?

MR. SMALLWOOD: The honourable gentleman laughs. He has had far greater experience in these affairs and he can smile at us poor amateurs. He knows what he would do. He would spend the public money prospecting. The honourable gentleman would have to do it if he does not accept NALCO. It is either private money or it is public money—one or the other. Or we have the third situation, as in the past we would wait for an accident. It was an accident that Bell Island was discovered. It was an accident that Buchans was discovered. We have had no new mine since 1930, twenty-

three years ago. Are we going to wait another 23 years in the hope that a mine will be accidentally discovered? Will we get private money or public money? If the honourable gentleman disagrees with NALCO he is stuck with the other two. "Let them sell shares, let them raise capital, but do not let them have the fruits of their enterprise."

MR. HOLLETT: Who said that?

MR. SMALLWOOD: "It is giving away public domain; tying up resources." His whole argument is we are giving away this and that—a big hole in Placentia Bay swept away. "Do not have any private capital." "Do not let them develop—that is tying up our resources." That is the honourable gentleman's argument. What was the word he used?

MR. HOLLETT: There is no reason to get excited. The idea of the Premier not being able to find the right word is ridiculous.

MR. SMALLWOOD: "Sinister"—that was it.

MR. HOLLETT: There is nothing sinister in a smile or a laugh. The original intention of NALCO was that it was to encourage development—the economic development of the country by bringing in such people as Newmont Mining and American Zinc. That was the job of NALCO. They were to make a few surveys. Last year they spent \$150,000.00 and they entertained a few Directors in the West end. Their job was to encourage people to come in here and take out mining leases and explore. NALCO was never meant to be a private Corporation and given control of 25,000 square miles of territory. That was not the intention and it should not be done with the public domain of

any country in the world. I know they do it in Iran.

MR. SMALLWOOD: Sure, we are all Dr. Mossadegh's—taking lands.

MR. HOLLETT: That is what you have been doing; regardless of what you may have to do in a few years hence.

MR. SMALLWOOD: If these Companies do not live up to their Agreements, they will be cancelled remorselessly; so remorselessly that you will not see us for dust. If they do not live up to it, it will be cancelled.

MR. HOLLETT: You have given it away.

MR. CHAIRMAN: The use of the pronoun "you" is out of order. You should refer to "the Government."

MR. HOLLETT: I apologise for the lapse of etiquette in debate. I want to repeat that we object strongly to this giving away of territory. The Government has given it away on terms they do not intend to tell the House. That is another thing we object to strongly. When we attempt to ask to have some amendment made, they laugh at us; they say we are off the track; we are Tories—"how ridiculous for Tories to want to do anything for the people."

MR. SMALLWOOD: They do it for some people; but not "the people."

MR. HOLLETT: If the Premier wants me to specify some people which this Government has taken care of. I can name them individually; I can name them along Water Street, where with all their wealth, they have been given concessions by this great Liberal Government.

MR. CHAIRMAN: Order!

MR. HOLLETT: I hope we made

our point clear to the Government. Our great objection is that this Government should lose control over the public domain, as this Bill is doing.

Clauses 8F, 8G, 8H, 8I, 8J, 8K read and carried.

Clause 8L:

"The Corporation and its assignees and transferees shall not at any time be liable to pay any taxes other than taxes of general application."

MR. HOLLETT: Assuming they may discover some mine and a town-site is built up around it, would that Clause prevent any Town Council from collecting any taxes from the Corporation?

MR. SMALLWOOD: We considered that matter carefully and in connection with BRINCO our whole inclination was to provide for municipal taxation; but we came to the conclusion that it was prudent not to do it. If they find a mine and begin to develop it, they will have to have employees; they will have to build a town at their own expense, as Buchians, Grand Falls and Corner Brook did, and they, subsequently, by mutual arrangement between the residents of the town and the Company agreed to be liable for municipal taxation.

MR. HOLLETT: It is possible here to have a closed town. Suppose we have a town on Merasheen Island; another on Labrador, and the companies are not taxed for the maintenance of services then who looks after it? The Government went to great pains to slate people who made closed towns possible. Here it is possible to have a closed town and there ought to be a saving clause. "The Corporation and its assignees and transferees shall not at any time be liable to pay



any taxes other than taxes of general application."

I am afraid the Government is making trouble for future Governments if not for themselves. The Honourable the Premier has stated that they considered it carefully. I cannot conceive of any Government allowing a closed town to grow up around mining areas. These Companies will have all sorts of property if they develop a townsite; they will have houses, offices, mills and if a Town Council is set up they will not be able to tax the Company and the Government will have to look after the townsite.

Clause carried.

Clause 8 M read and carried.

MR. HOLLETT: Mr. Chairman, am I allowed to say just one word on that section? I might point out, Sir, summing up in "toto" all the Acts we have made gives the company the right to sell, dispose of, at any time when they so desire.

MR. SMALLWOOD: If the honourable gentleman wishes to refer to the clause we would be happy to move back, but after it is passed he ought not to discuss it.

Sections 6 through 11 carried.

Schedule:

MR. CHAIRMAN: I wonder if it is the wish of the Committee to have this Schedule read—moved and seconded the Schedule be taken as read.

Schedule carried.

MR. SMALLWOOD: I move, Mr. Chairman, the Committee rise, report progress and ask leave to sit again tomorrow.

Committee ordered sit again tomorrow.

Committee of the Whole on Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited."

MR. SPEAKER: Leave was given yesterday for this Committee to sit again.

MR. CHAIRMAN: Two clauses were allowed to stand: Clause 10 on page 8 and clauses 12 on page 8. The other clauses were read and passed.

DR. ROWE: Mr. Chairman, I move an amendment to Clause 8—the Honourable Leader of the Opposition asked to have it deferred for consideration. The amendment, Mr. Chairman, instead of the company being given an area of forty square miles for five years the company has agreed to a change whereby they would have forty square miles for two years and then for the remaining three years some twenty square miles. It is a concession, if you want to regard it as that, in favour of the Department.

Clause as amended carried.

MR. CHAIRMAN: Is there any change in Clause 10?

DR. ROWE: I move that Clause 10 do carry as read—carried.

I don't think there is an amendment to Clause 12 indicated.

Carried.

Preamble carried.

MR. CURTIS: I ask, Mr. Chairman, the Committee report progress and ask leave to sit again.

Committee ordered sit again on tomorrow.

First reading of Bill, "An Act to Create a Farm Loan Board and to

Provide Loans for Farm Development." Read a first time, ordered read a second time on tomorrow.

Bill, "An Act entitled an Act Further to Amend the Public Utilities Act, 1949."

Read a first time, ordered read a second time on tomorrow.

Committee of the Whole on Bill, "An Act Further to Amend the St. John's Municipal Act, 1921, and for other purposes."

Clauses I through 19 carried. Bill passed without amendment.

Ordered read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move that all further Orders of the Day do stand deferred.

Carried.

MR. SMALLWOOD: In moving the adjournment of the House until tomorrow, Friday, I should like to say that it is my hope that the House would care to meet on Saturday to make up for the holiday tomorrow, St. George's Day, as it is customary in this House to observe the national holidays, and the two principal national holidays namely St. George's Day and St. Patrick's Day. There is no reason, it appears to me, that we should not observe the holiday tomorrow, but in doing so we do lose a day and as the season is advancing and we must somehow conclude our business in time to enable those Ministers who intend to attend the Coronation to do so, I suggest that we ought to meet on Saturday. I mention it today really to give the House due notice of it. I may say that if any, or if the Leader of the Opposition for instance, finds it inconvenient to be here on Saturday, I assure

him no business of any importance will be concluded in his absence. There is no desire whatsoever to rush any of the business of the House. We may be terribly bored sometimes by the honourable gentlemen but we will grin and bear it and give all the time that may be necessary.

House adjourned until tomorrow Friday at 3:00 of the clock.

FRIDAY, April 24, 1953.

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

MR. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, I rise to a point of privilege. I draw the attention of the House to a statement made in one of the daily papers, I think, the "Evening Telegram" of the day before yesterday relative to the NALCO Bill. It was stated there that although the Opposition had opposed the Bill throughout, they had, nevertheless, voted for the said Bill. That must have been an error or a misstatement of some kind, because we certainly on the Opposition side, Mr. Speaker, did not vote for the Bill, and I would like to have that correction made.

MR. SPEAKER: Has the honourable member a copy of the paper?

MR. HOLLETT: I have not a copy here.

MR. SPEAKER: The honourable member knows he should table a full copy of the paper.

MR. HOLLETT: In that case I shall have the copy tomorrow.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, is it not a

fact the honourable members did not vote against it. I know they spoke against it. When the honourable the Speaker said; "those contra say "Nay," I heard no "Nays."

**MR. HOLLETT:** The point at issue is that the paper in question stated we voted for the Bill even though we had opposed it. That is the thing I wish to have corrected. We did not vote for the Bill. The paper stated that we did.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

None.

#### Orders of the Day

Second reading of Bill, "An Act to Authorize the Government to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons."

**HON. J. R. SMALLWOOD** (Prime Minister): Mr. Speaker, I have the honour to introduce the greatest exploration project ever to come to Newfoundland or any other part of Canada, if not any part of North America.

This is a British-Newfoundland Corporation, which has come to be known popularly as BRINCO, representing the biggest combination of industrial and financial interests ever brought together in the world's history for prospecting and developing natural resources. They constitute the greatest association of exploration, mining, timber and waterpower developing experience and know how

and skill ever brought together in one company. The directors of BRINCO are Messrs. B. C. Gardner as President. Mr. Gardner is Chairman of the Board of the Bank of Montreal, Executive Vice-President Mr. H. M. S. Lewin. Mr. Lewin is President and General Manager of Bowaters Newfoundland Pulp and Paper Mills; Mr. Eric Bowring of the great Newfoundland firm of Bowring Brothers Limited; Mr. Philip Grouchy, until recently Vice-President and General Manager of the Anglo-Newfoundland Development Company; Senator C. C. Pratt, one of the best known and one of the most successful of all Newfoundland businessmen; the Right Honourable Viscount Rothermere, the greatest publisher in the world and principal shareholder in the A.N.D. Company, the Anglo-Canadian Pulp and Paper Company and other companies; Sir Eric Bowater, principal shareholder in the world-wide Bowater organization; Mr. R. C. W. Hobbs, a director of the Rothschild Bank; Mr. J. N. V. Duncan, a director of the famous Rio Tinto Mining Company, and on the mainland of Canada, Col. Harold Hemming of the famous Frobisher Limited Company of Canada.

The shareholders of BRINCO are twenty companies each of them very large, very wealthy, very experienced and very important. These companies are headed by N. M. Rothschild and Sons of London, and include the Rio Tinto Company Limited, The British Metal Corporation, Frobisher Limited, The Prudential Assurance Company, Imperial Chemical Industries, The English Electric Company Limited, Anglo-American Corporation of South Africa Limited, Anglo - Newfoundland Development Company, Hambros Bank Limited, J.

Henry Schroder and Company, Sogemines Limited, The Bowater Paper Corporation, Morgan Grenfell and Company Limited, M. Samuel and Company Limited, The British South Africa Company, Kleinwort Sons and Company Limited, Robert Benson Lonsdale and Company Limited, C. T. Bowring and Company Limited, W. C. Pitfield and Company Limited, Powell Duffryn Limited, William Baird and Company Limited, B. I. S. C. (Ore) Limited.

Now, Mr. Speaker, a word or two about some of these companies. They are headed as I say by Rothschilds and the very name of Rothschild is known clear around the world. They have banks run by them and at least one very notable motion picture story starring George Arlyss was made about that famous bank. They run back for some hundreds of years. They have overspread the continent of Europe and they have been in Britain I think, for a hundred and fifty years or so. It was in the central office of that bank at 11:00 o'clock every day of the week that the price of gold was set for the whole world. Some of my colleagues and I had the great pleasure of paying a number of visits to Rothschild's office in St. Swithin's Lane. There they have offices, which except for the installation of telephones and electric lights, are scarcely different today from what they were a hundred years ago. The same layout exactly of the offices, the same furniture. The desks around which we sat and the chairs in which we sat, those that were there when Disraeli visited that same office as Prime Minister of England to discuss with Rothschilds the great opportunity about which he had just learned, whereby the British Government could acquire a control-

ling share in the Suez Canal. The story is of course extremely well known. The Parliament of Britain had not voted any money to the Government with which to buy those shares and if the Leader of the Opposition in that Parliament of Britain in that day had been anything like our present Leader of the Opposition in this House of Assembly of Newfoundland, I am quite sure that Lord Baconsfield who had a pretty hot time of it when he reported, as he was bound to do, that he had gone off to Rothschild's Bank and without the authority of parliament had borrowed money from that bank with which to buy shares of the Suez Canal. It was one of the most daring and imaginative acts of any Prime Minister in British History, because control over the Suez Canal, which was enabled to be gotten through Rothschild, virtually controlled the colonial destiny of Britain and in the far east from that moment forward.

It was in that same office, and at that same desk, and in one of those chairs that Cecil Rhodes sat, when he too visted that bank to secure the money with which to finance his great imperial dream of South Africa.

Rothschilds have been bankers to half the monarchs of Europe, they have lent money to half the Governments of Europe, and they have indeed been one of the most potent influences in the financial world for many decades indeed.

When I went to Britain last year, I made certain statements quite publicly to the newspapers whose representatives called to see me, and to a meeting of some four or five hundred members of the Federation of British Industries, who had been called together for the purpose of hearing what I had to say about Newfoundland, and

on other public occasions, I made this same statement; that the people of Newfoundland are intensely pro-British; that we take second place not even to the people of Britain herself in our loyalty and intense pro-British sentiment. But so far from taking second place to any British Colony or Dominion, we claimed first place in the intensity and depth and width of our loyalty to everything British; and that because we are so intensely British, both Government and people in Newfoundland, the Government, and I am sure the people were most anxious that British capital, but more important, British skill, British experience, British know-how might be brought here and be applied in the development, the exploration first and then the development of the natural resources of this Province. I made that statement repeatedly. It appeared in every paper in Great Britain, was broadcast on the B.B.C. I was invited to one luncheon or dinner after another, and I continued to make the statement. Indeed for a while, it was almost like one of those things of which my colleague, the honourable Minister for Public Welfare, spoke of just a few days ago, a box-top contest on the radio. Because having made that general statement of our great anxiety to have British capital and know-how brought here to Newfoundland and Labrador, I went on to say that so far as the Government of Newfoundland was concerned we were willing that the British people should have almost any amount of Newfoundland and Labrador they felt they were able to handle. Indeed, I said again and again publicly; "the sky is the limit," 30, 40, 50, 60, 70, 80, 90 thousand square miles, I said, are here in Newfoundland awaiting the touch of

British genius and British capital. I said in that willingness, I was quite certain the Government would have the unhesitating support of the Newfoundland people. It was my contention then, it is my contention today; I pointed out to them and reminded them that in the City of London, there existed the headquarters and head offices for more natural resources companies than in any other country or city of the whole world; that there existed in London the head offices of companies with more far-flung experience in the far and remote parts of the globe in exploring and developing natural resources than could be found in all other countries of the world combined.

But, I said, if the old pioneer spirit of Britain is still alive, here is an opportunity to build a new industrial empire.

Mr. Speaker, my colleagues and I were indescribably impressed by the response, first, from the public of Great Britain, because letters in many hundreds poured in upon me—armfuls of them from all over the British Isles, expressing great delight that Britain was to have the first opportunity to develop these natural resources. And, secondly, men offering to join in any expedition that might be gotten up. Some of these offers were terribly elusive. I remember in the midst of one rather important meeting that went on in our hotel, the telephone rang and I answered, and a highly cultured voice spoke and she said she was greatly interested in all this talk of exploration and development, and did I think a nursery would be needed as part of the development? I repeated the question aloud, and asked if she meant a tree nursery or a baby nursery. My friends were less able to control their laugh-

ter than I was. I thought a tree nursery would be useful, but a baby nursery would come as and when the development got under way.

From parts of Britain we received money orders from people pointing out that this would doubtless cost money and they wanted to have shares in a great British drive for new wealth within the Commonwealth and under the British flag. These, I need hardly say, I returned, explaining that the time was not yet ripe, but it might come when they might be able to subscribe in shares.

They telephoned from all over Britain, Scotland, Ireland, and even South Africa. It was quite extraordinary the interest aroused in the British public by the statement I made and the offers I held out to British enterprise in this Province. I was careful to point out from the start that the thing was so big that not one company even in Britain would be big enough or experienced enough to handle this great project, that it would take fifteen or twenty of the biggest companies in Britain, with men who could command all the capital conceivably needed and would combine all possible kinds of experience, successful experience, which was going to be needed to go into remote places and develop natural resources. In the meantime, the great need of all were men or companies to spearhead the whole movement—companies that could be gotten together to approach the thing and take a lead in it.

Newspaper representatives called asking if I had found the men or the Company. Overtures were made to us by firms and individuals offering their services in that regard and other approaches made indirectly.

I am glad to pay tribute to Sir

Eric Bowater who said, "I know the Company to do the job, if only we can get them." He told me its name—Rothschilds—they had the connections, they had the standard, they had the reputation. They were precisely the people to organize this great move and he asked me would I care to have lunch with them at the bank. The Attorney General and I went to the Bank and were received in the Central Office where we had some conversation with them and then went on to the Board Room where we had lunch. Rothschilds were very cautious indeed. They committed themselves to exactly nothing. They said they would let me know in due course. We were leaving for the Continent shortly and some two weeks later, they forwarded by cable to me their decision, which was favourably to our idea. We agreed on a statement to be issued by Rothschilds announcing to the public and the press the fact that they would undertake to organize this project in Newfoundland and Labrador.

From that moment forward, it became a matter of close study, sometimes so difficult that on our side, more than once we despaired of ever getting an Agreement, least of all the Agreement we have at the present time. More than once the Rothschilds rather despaired of getting any Agreement at all.

Some of these companies that they have brought together are household names. Who has not heard of the famous Prudential Life, undoubtedly the biggest Insurance Company on the face of the earth whose resources run close to three thousand million dollars? Who has not heard of the Imperial Bank? Who has not heard of the Guardian Trust founded by Sir Alfred Monde—a vast empire in it-

self? Rio Tinto is a name well known to most of us for many years; headed by Lord Besborough, former Governor-General of Canada, who married one of the Rothschilds girls of the French branch of the family. They have a copper refinery in South Wales; they have a copper smelter with five blast furnaces. The British Metal Corporation is perhaps the biggest of all British Mining Companies. They are owners of the British Metal Corporation of South Africa, Limited, British Metal Corporation of India Limited; British Metal Corporation of Pakistan Limited; British Metal Corporation of Canada Limited, British Metal Corporation of Central Africa—and I do not know how many others. There is also the Anglo-American Company of South Africa, a vast Company which operates in various parts of Africa in gold and in copper.

Incidentally, there are here, in addition to the Prudential Assurance & Alliance, a number of merchant bankers. Rothschilds are the most famous of merchant bankers; there is also Schroeder Bank; Morgan-Stanley & Co., M. Samuel & Co. (who are virtually Shell Oil), which is one of the great companies in the world today.

I need not speak of the Anglo-Newfoundland Development Company or Bowaters; these are great concerns doing business here in Newfoundland and are familiar to all of us. For these Companies we have the profoundest respect for their ability, integrity, experience and know-how connected with timber or paper in every shape or form.

There is C. T. Bowring—not so well known to us as our Bowring Brothers, but Bowrings in England have great Insurance Companies, they are connected with the Bank of Eng-

land, and have a great Shipping Company of their own.

The English Electric Company has a name known throughout the world. They employ 55,000 people in Britain. 55,000 in that one Company.

Now, Sir, having spoken of these matters, may I describe the Bill whose second reading I have the pleasure to move. This Bill contains the actual terms of the Agreement which the Government has negotiated with the firm of Rothschilds.

First of all, if this Bill becomes law, it means that until March 31st, 1954, all uncommitted mineral areas of Newfoundland and Labrador are reserved by the Government. This, obviously, excludes all A.N.D. Company property, all Bowaters, Buchans, Falconbridge Nickel, Frobisher Limited, John Fox (Oil), Labrador Mining and Exploration Company, Independent Mining Company, Camco, Newfoundland Fluorspar (Anco), Nalco, Reid Newfoundland Company and many other areas that are committed. But all uncommitted mineral areas of Newfoundland Labrador are reserved for one year, ending March 31st, 1954.

Now, until March 31st, 1954, British Newfoundland Corporation (BRINCO) can demand from the Government sole and exclusive exploration mineral leases on 50,000 square miles in Labrador, 10,000 square miles in Newfoundland.

These exploration leases are good until March 31st, 1958, provided they spend at least \$1,250,000.00 on exploration (exclusive of deep drilling) in that period. If they fail to spend this minimum amount, or fail to give a guarantee to spend at least another \$1,250,000.00 in the next five years,

all their mineral rights in this Province expire and revert to the Crown.

In the meantime, on March 31st, 1955, they must give up 10,000 square miles of their Labrador concessions and 2,000 square miles of their Newfoundland concessions.

If they perform these things in the first five years their Agreement is good for another five years, but on March 31st, 1958 they must give up another 5,000 square miles of their Labrador concessions and 1,000 square miles of their Newfoundland concessions.

Thus, at the end of their first five years, from the signing of this Agreement, Brinco's concessions will be down to 35,000 square miles in Labrador and 7,000 square miles in Newfoundland.

3. At the end of the second five year period (namely March 31st, 1963) BRINCO must have spent at least \$2,500,000 on mineral exploration, exclusive of deep drilling, and at the same time give a guarantee to spend another minimum of \$1,250,000 in the third five year period.

At the end of the second five year period, they must give up another 8,000 square miles in Labrador and 1,600 square miles in Newfoundland, reducing their total holdings in this Province on that date to 27,000 square miles in Labrador and 5,400 square miles in Newfoundland.

4. At the end of the third five year period they must have spent in this Province at least \$3,750,000 on mineral exploration, exclusive of deep drilling, and at the same time give a guarantee to spend in the next five year period another minimum amount of \$1,250,000.00.

At the same time they must give

up another 8,000 square miles in Newfoundland, reducing their total holdings in this Province to 19,000 square miles in Labrador and 3,800 square miles in Newfoundland.

5. At the end of the fourth year period all their mineral exploration rights expire and revert to the Crown. By that time they must have spent at least \$5,000,000.00 on mineral exploration exclusive of deep drilling.

6. At any time within the 20 years BRINCO can take out ninety-nine year development leases on so much of the whole area as may be reasonably necessary to enable them to develop any minerals they may have discovered. Upon taking out any such development leases they must proceed forthwith with continuous development, on penalty of having their leases cancelled.

7. **TIMBER.** They are to receive a 20 year option on the Seigheim concessions in Labrador (1,480 square miles).

Within that period they can at any time get a ninety-nine year lease to cut timber according to good logging practice. This is the only timber they get in this Province.

8. **WATER POWERS.** A 20-year option on all waterpowers not already granted or committed to be granted, is to be given the Company. Any waterpowers that revert to the Crown within the 20-year period are to be open to BRINCO for inclusion in their 20-year option.

If they exercise this option on all or any part of their waterpowers they are obliged to develop without development leases renewable for another ninety-nine years.

If anyone else wants electric power



during their development leases, it must be provided by BRINCO at rates to be agreed between the parties. On the failure of BRINCO to undertake to develop their power, the party wanting same can, with the Government's approval, develop its own.

In case of dispute as to the terms and charges upon which BRINCO will supply the electricity, arbitration will settle the matter.

No electricity is to be exported out of the Province except with consent of the Government.

9. (1) REVENUE. BRINCO will pay to the Government forever eight per cent of all its net profits before Federal or Provincial taxation. This is equal to about sixteen per cent after taxation. This eight per cent before taxation is on their entire net profits regardless of the sources of same.

(2) BRINCO will pay to the Government the usual tax of five per cent of their net profits on minerals developed. This is in addition to the eight per cent above.

(3) BRINCO will pay to the Government twelve and a half per cent of the gross value of any oil or natural gas they may develop. This is in addition to the eight per cent above.

(4) BRINCO will pay to the Government \$2.00 a square mile on development licenses they may take out on the Seigheim timber area.

(5) BRINCO will pay to the Government royalties on any wood they themselves cut and export from this Province. \$1.00 a cord; and \$1.50 a cord on any cut and exported by a sub-concessionaire of theirs.

(6) BRINCO will pay to the Government 50c. a horsepower on any electricity they may develop.

These, Mr. Speaker, are the broad features of this Agreement. In Committee of the Whole where the Agreement will be considered clause by clause and line by line we can, and of course, we will debate the matter and indeed examine the matter in minute detail. Broadly the picture is that these great British Companies in return for their undertaking to spend these minimum amounts on mere exploration and not including diamond drilling except just on the surface and just below the surface which they have agreed to do just on exploration and they have agreed also to pay this eight per cent on all their net profits before taxation which is equal to about sixteen per cent with taxation; the Government has agreed to give this great British Company, British Newfoundland Company, for one year ending the 31st of March next the sole right to select from all unclaimed Crown, mineral lands, a grand total of fifty thousand square miles in Labrador and ten thousand in Newfoundland, and thereafter those areas to diminish by what we have called a shedding principle, that is to say, they shed so many of their total holdings from time to time and by the end of the 20 years all their rights, their exclusive rights, their sole rights, to explore, expire and revert to the Crown. But at the end of that 20 years, or at any time within the 20 years where they find any minerals or deposits of minerals that they consider to be capable of profitable development they may demand and they will get development licenses actually to develop. That, of course, is the thing for which we hope. It is a great thing for this Province that

a great programme of exploration is to be carried on—that is a great thing, and in that respect, may I remind the House that the figures given are minimum figures. They average a quarter of a million dollars a year, no trifling sum, which efficiently spent, as British Companies usually spend money is, I repeat, in itself no meagre amount, yet that average of a quarter of a million a year is nothing more than the minimum, it must be at least that amount. We may infer something of what they are likely to spend on exploration in the future from the fact that in this year when just organized, when their offices of their own have not yet been opened, with all of their staff not yet assembled, with this Bill not yet passed, with the Agreement, therefore, not yet binding they have already this year, spent four hundred thousand dollars on mere exploration in this Province. That figure, I believe, is an excellent indication of what BRINCO are likely to spend in the years ahead.

Mr. Speaker, in 1938 the Government of that day gave a concession of twenty thousand square miles in Labrador to the Labrador Mining and Exploration Company; that is the Jules Timmins group. In their Agreement that Company were obliged to spend a minimum of fifty thousand dollars a year on exploration, they lived up to their obligations, they spent the minimum required of them, and in addition many millions of dollars besides, because, to the end of last year that Company had spent over eight million dollars on exploration as against a necessary minimum of fifty thousand dollars a year from 1938 to the end of 1951, ten years at fifty thousand dollars a year is \$750,000 they were bound to spend and they spent eight millions.

Little more than two years ago the present Government made an Agreement with Falconbridge Nickel, a three years' Agreement with sole and exclusive prospecting rights over twenty-three hundred square miles in Notre Dame Bay. In that Agreement they were required to spend a minimum of fifty thousand dollars a year, a total of one hundred and fifty thousand dollars for three years. They have already spent fifty thousand a year, one hundred and fifty thousand in the two years and will in fact, have spent before the three years expire, considerably more than one million dollars. So it goes with every Company of substance, of importance, of integrity, the amount to which they bind themselves as a minimum expenditure for exploration, I suggest, is little more than a mere token, a mere token. I do hope that point will be borne in mind in our considerations of this project, that the amount there they are obliged to spend as a minimum a little more than a token of what they will in fact spend.

Now, Mr. Speaker, let us examine that for a moment and see if that is realistic: Can anyone in this House or outside of it suggest a reasonable and a realistic reason why these twenty great companies should bother at all to form this British-Newfoundland Corporation? Why should they bother at all if their intention is merely to fiddle around with the concessions for which they have asked, or which we now ask the House to give them—would the famous Prudential, would Imperial Chemicals Industries, would British Metals, would the other great companies bother to spend this bare minimum or are they deeply interested? Are they determined to do something with their concession? Let us remember that they can do nothing

ing, absolutely nothing of a great consequence without the approval of the British Government and the British Treasury and the Bank of England. They cannot spend one dollar of currency out of the United Kingdom without the approval of the British Treasury. The fact that they have gone ahead at all, the fact that some hundreds of thousands of dollars have just within recent hours been transferred to Newfoundland from London, does as I think, suffice as evidence of the interest of the British Government and of their intentions to release all dollars reasonably necessary to enable that great British-Newfoundland Company, British Canadian Company to carry out the job they are undertaking.

Now, I could add a little more, a little better evidence than that fact, and that is a statement made to me by the Prime Minister of England, Mr. Churchill, or if we are to believe the news today, Sir Winston Churchill. The radio said today that the Queen conferred on him and he had accepted a knighthood. In conversation with Mr. Churchill on three separate occasions in London and one in Jamaica, Mr. Churchill expressed without reservation, without hesitation his great and profound interest in this whole proposition. As I have said before publicly, he told me that he felt it was a great imperial concept. Sir, since that time, the House must have noticed what has happened in Britain. My own impression of it is this: Britain has now recovered sufficiently from the ravages of the war and has recovered sufficiently from the weariness induced by that war and the depression and discouragement induced by that war and the terrible difficulties of the post war period; Britain has recovered

from all of that sufficiently to have gotten back some of that famous old vitality that made her the greatest empire on this earth, that made her virtually the master of mankind for centuries; Britain has gotten back some of that old ambition, old John Bull ambition which has come back into Britain. I sensed it, it is unmistakable, and indeed this scheme which I present today is merely the first of quite a series of things that have happened since.

When I was in Ottawa last, I met there, the Speaker of the House of Commons, the Chancellor of the Exchequer of Great Britain, Mr. Butler. The first remark of Mr. Butler's was on BRINCO. He was thoroughly familiar with it. He knew to within two days exactly what the standing of the programme was, thoroughly familiar—he went on to tell me that BRINCO is the first of a series of British expansion into North America particularly into Canada, and as we have seen, several new enterprises have been established and the British Government has released a rather surprising number of dollars for investment in Canada. British banking houses have recently acquired banking firms in Canada. One of the banks making up the BRINCO group recently joined with J. P. Morgan and Co., New York, to acquire control of an old mercantile banking house on the Mainland of Canada. What we may in fact be witnessing in this BRINCO deal, (and that is a matter not for shame but for great pride here in Newfoundland—it is rather symbolic that it should be Newfoundland, Britain's most ancient and loyal colony, that it should happen in Newfoundland) a new birth of imperial greatness in the Mother Country. It is to me of notable significance that the first notable move

made by Britain since the war by way of moving across the Atlantic into the developing and exploration into resources should have been made in Newfoundland and Labrador. That was merely the first and it has in fact been followed by others in the past three or four months. Without vanity I ask myself: did Newfoundland start something in England? Was it a mere coincidence that the British Government, the British Press, the British financiers suddenly took us up on our offer? Was that merely coincidence that we were the first? Or did some of our activity in Britain conceive this great push not into making the British people great, but merely to remind them of their greatness? Did this offer we made, this passing over to Britain a potential empire in Newfoundland and Labrador, did it stir again the greatness that has planted the British flag so far around the world that the sun, as we know, never has a chance to set on it? Did Newfoundland, little, old and ancient, old-fashioned Newfoundland stir the blood of those British people who count on making Britain great again? I can only hope that we have played some little part in it for Britain's sake, for Newfoundland's sake. I am very happy and very proud indeed to have gotten so great a combination of British skill, experience and capital as will be all of Newfoundland, I prophesy here this afternoon. We will debate the Bill, clearly we will debate it as long as the Opposition care to debate it in second reading and in Committee of the Whole, we will thrash it out, ventilate it, and if the House wants to stay here until the day before Christmas in this Bill alone, I am quite happy to do it, and all of us here are happy to do it. It will be criticized

and holes will be picked in it, but when all the criticisms have been made and all the flaws have been picked out this great fact remains, that British-Newfoundland is now linked as she has never been linked in all her history. I remind you of that—just think of it—as she has never been linked with the Mother Country before, with the tightest bond that has ever existed, in a most spectacular fashion, with the full blessing of the British people, the British Treasury, the British Government, of Winston Churchill himself, and headed by a banking house whose name is a symbol for honour and integrity and initiative throughout the world.

MR. SPEAKER: The motion is that this Bill be now read a second time.

MR. HOLLETT: Mr. Speaker, I am sure, Sir, that you must consider that the thin line of Opposition on this side of the House (I say the thin line not in the sense of the thin red line of Opposition) must be in somewhat of a daring mood to get up and try to raise opposition to this Bill. The moving of the second reading by the Honourable the Premier undoubtedly has been made in a masterly style. As a matter of fact it is not unlike the second reading motion which I have heard the Honourable the Premier make before. It is, however, in a new role that the Honourable the Premier has risen to move second reading of this motion. He gets up as what I shall call, the sparkplug of the rebirth of British Imperialism. As a matter of fact, Mr. Speaker, I am not so sure that the Honourable the Premier does not somehow fancy himself as the very spark, not the sparkplug, but as the very spark that would engender into the minds of men on both sides of the

Atlantic the rebirth of British Imperialism both in the wilds of Labrador and on the few square miles left in Newfoundland for exploration.

I am compelled, sir, to remind myself of a few years back when this land which we now call the Tenth Province came on the auction block, one hundred and fifty-two thousand square miles were, as it were, for sale to the highest bidder after four hundred and fifty years, Mr. Speaker, under the sovereignty of that great British Empire when the Country of Newfoundland, now the Tenth Province owed Great Britain some hundred millions of dollars, we were in reality up for sale. I ask, Mr. Speaker, did any of these great Britishers across the Atlantic come then to our rescue? Need I ask you, sir, did any of these great financiers who own, according to the Premier, some three thousand millions of pounds or dollars or what not as the case may be—did they come across and say: "You have a valuable Labrador, you have mineralized areas, we will put up the money, we will pay Great Britain the national debt and you will pay us back some time or other.—Give us a concession in Labrador or Newfoundland?" Did they do that? Without reminding this House as to what happened, Mr. Speaker, the Great Winston Churchill, now Sir Winston Churchill, sold us out as it were.

MR. SMALLWOOD: Shame! Shame!

MR. SPEAKER: Order.

MR. SMALLWOOD: To a point of order, Mr. Speaker.

MR. HOLLETT: Sit down.

MR. SMALLWOOD: My point of order is this—Is it in order for any honourable gentleman in this House

to attack Her Majesty's Prime Minister of England, the Head of Her Majesty's Government in England—Is that in order, Mr. Speaker?

MR. SPEAKER: Such points are left to the good taste of the honourable members. The Chair only recognizes the Royal Family, members of this House or certain other persons in the Province of Newfoundland. The Chair can make no comment without joining in the debate.

MR. HOLLETT: Mr. Speaker, I was referring to the part played by the now Sir Winston Churchill in the transfer of all the assets both mineral and timber to the Dominion of Canada some few years back and for which the Great British Empire had our debt wiped out by the Dominion of Canada. I asked the question, Mr. Speaker, was there any attempt by Sir Winston Churchill, or Winston Churchill in those days, or any attempt by these great monied men on the other side of the Atlantic to come across to assist us to retain that independence for which our ancestors and our people here had been noted, sir, from time immemorial. I answer my own question, Mr. Speaker. There was no effort whatsoever, and I know Sir Winston Churchill championed those people who perpetrated a plot which never should have happened.

MR. SPEAKER: I must remind the honourable member we are not discussing—I don't know exactly what he refers to—This is an Act to Authorize the Lieutenant-Governor to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons.

MR. HOLLETT: Mr. Speaker, if I wander completely afield from the Act I would ask that you will remind me.

MR. SPEAKER: The honourable gentleman has not even referred to the Act yet and has been speaking for ten minutes.

MR. HOLLETT: Although I defer to your statement, I must remind the House, Sir, that I did congratulate the Honourable the Premier on his presentation of the second reading of this BRINCO Bill, and I must remind the House that the Honourable the Premier also wanders somewhat afield from the principle outlined in the Act—I do not—

MR. SPEAKER: Statements like that are obviously reflections on the Chair itself. I might remind the honourable member we are not here to discuss the Premier either. The motion is that this Bill be read a second time. We may discuss the Bill. No greater latitude has been allowed the Premier, certainly not nearly as much as allowed the honourable member himself. The House will bear witness to that. Why not accept the ruling of the Chair without criticizing or casting innuendos at the Chair. Resume your speech.

MR. HOLLETT: I say, Sir, that the Opposition today must oppose this Bill. The very idea of this little Province of one hundred and fifty or two hundred thousand square miles giving in one fell swoop sixty thousand square miles.

I say giving to this newly-formed, recently incorporated Corporation sole control over some 60,000 square miles of our territory in this Province is a principle which most fair-minded Newfoundlanders ought to oppose on the face of it.

We have heard in the past criticisms of concessions, which have been given here, there and everywhere in

the Province of Newfoundland, and merely to introduce this Bill and to state that there are some twenty British Companies behind it who have some three thousand million dollars, that to me, Sir, guarantees nothing whatsoever.

I am reminded of the enthusiasm on the opposite side of the House when other things were introduced—Rockefeller, for instance, I may not be in order to refer to that or to NALCO, so I will not make further reference.

In a cursory study of this Bill, we find that for a year at least, some 60,000 square miles are alienated to the will of this Corporation. They have the right during that period to ask the Government for exploration rights and I believe at the end of the first five years or thereabouts, they give back to the Crown some 10,000 square miles; within the next five years 5,000 square miles; next 8,000 square miles; next 8,000 square miles—some 31,000 square miles on the Labrador will be returned to the public domain, leaving some 19,000 in the hands of the Corporation. In Newfoundland they will give back 6,200 square miles and retain some 3,800 square miles. In all, at the end of the 20-year period, they will have control over some 22,000 or 23,000 square miles in Labrador and in Newfoundland. In that territory they may be given rights to minerals in these areas and in addition given the right to cut down and export all the timber which exists in that historic Seigheim concession. I say they can cut it down and use it as they wish and they may export it. There is a principle which we of the Opposition must oppose, and I think every right-thinking Newfoundlander should oppose the export of any timber from

Newfoundland. I wish to point out that we have two of the largest pulp and paper mills in the world and they are operating successfully to the great good of many thousands of our people here in Newfoundland—and I refer to the A.N.D. Co and to Bowaters. As I have already pointed out, the concessions these two Companies have at the moment are being operated to such an extent that I fear any great increase in the cutting on their concessions will eventually lessen the timber which they may have. We also have to think that these Companies are growing year by year. If we go back over the record we will find that the A.N.D. and Bowaters, they are expanding their plants, they are engaging in work many more people than they did heretofore. I say if the timber on the Labrador is to be taken away from Labrador, then it ought to be brought to Newfoundland and not be carried to Germany, Great Britain, the U.S.A. or elsewhere, but brought to this country and turned into newsprint or other things as the case may be in order that many more thousands of Newfoundlanders may get employment therefrom.

Waterpower: As far as I can see, BRINCO will be given the rights on every river or lake not already being utilized in the whole of the Province. We did not like the idea of giving the watershed of the Hamilton River to NALCO. We now find that all the water in this whole Province may be utilized by this BRINCO—nobody else, as far as I can see, has any right to it. The Premier referred to the fact that if anyone wanted electric power they could go to BRINCO: If BRINCO did not undertake to develop their power, the Government had the right to give them power to develop their own. I think when the

Premier reads the section in reference to that, he will see that it will not be quite so easy for any Corporation to obtain any rights in regard to water-powers in the whole of Newfoundland.

To me, Sir, the principle of this Bill is a vicious one. It is all very well to talk about the Directors—some of these Directors have been Directors of NALCO—Mr. Grouchy is a prominent official of the A.N.D. Co., Mr. Lewin is a prominent official of Bowaters, Mr. Gardiner is a President of a Bank and I suspect strongly that Mr. Grouchy and Mr. Lewin are quite friendly with Mr. Gardiner—Lord Rothermere—Sir Eric Bowater—although I see those names, I would not be so unkind as to say it is a tie-up of the various timber areas of the Labrador—some people may put it down to that—here we have Sir E. Bowater, Lord Rothermere, Mr. Grouchy, Mr. Lewin and a Bank Manager and various others; naturally they would have something to say about any woods left in Labrador.

I say again, it is a vicious principle to tie up the whole of the natural resources existing—60,000 square miles of a small Province—to tie them up for a period is a vicious practice. If this great Company wants concessions on a smaller area, sure, grant it to them; but in our opinion it is not right that other Corporations, other prospectors should be prevented from going in there to look for minerals or timber or any other resources it might find therein.

As I say, the Premier orated in a marvellous manner. We realize he has the ability to portray a picture which of itself appeals to the ordinary man— and we are quite ordinary on this side of the House—and I was

impressed by the way he painted that beautiful picture of himself and the Attorney General going over to England and putting a light to the kettle of British Imperialism and bringing it to boil and saying that Newfoundland has renewed hopes of imperialism. Does the Premier tell us that these philanthropists are coming to Newfoundland to save us and to save the Empire? I would not like to be a sucker for this BRINCO or any such Company. I do hope these dreams will be realized; but even so, I must object to a principle which ties up every natural resource in that huge area for so many years.

I would like to go into sections of the Act, but I realize I cannot do it at the moment.

In my opinion they are tying up nearly half this area—60,000 square miles—23,000 square miles they may tie up for a period of 99 years; they may, under the Act, give a lease for a further 99 years. And the one and one quarter million to be spent by this Corporation is just a flea bite—the wood at Seigheim would pay for that ten times over. They can export wood from Labrador. They are not doing this for love of us or Great Britain; they are doing it to make dollars for themselves. I do not blame them. It is a frightening thing for any Government to adopt the principle of dishing up, tying up every square inch of territory in this little Province of ours. I do say thank God there will be no more headlines about concessions as there will be no more land to tie up. I am wondering just what they will have to excite the people's minds next year? One would think to hear the Premier that all our worries are over. I wonder what the fishermen think of this

Bill? I wonder do they agree with its principles?

The Premier has referred to the fact that Great Britain, in the past, developed the natural resources of the whole world. I would like to remind the Premier—and I submit we take second place to none when it comes to loyalty to Britain or to the Throne—I would like to point out that in the past there was no development by Great Britain of many natural resources all over the world. They had slave labour to dig them out of the soil; they had slave labour grow the grain; they had slave labour go down into the mines and the sea and bring back raw materials to Great Britain where it was manufactured to the good and benefit of the British worker. I do not think there is any question of that. Therefore, when the Premier states that Great Britain developed natural resources all over the world, I think he is astray.

I did hope to find some provision where these Companies will not be allowed to take it to Great Britain to the detriment of the people in this country. That is what this Bill gives permission to do—every last stick of wood may be exported to Great Britain, or Germany or U.S.A. or Hong Kong. They control all waterpowers. I say now, this Corporation can tie up every last drop of water in the Province; and they can give it to whom they please; and the Government has alienated from itself the right to dispose any more of any of these Crown Lands by this Bill.

Without taking up any further time, I say we oppose the principle of the Bill. It may be our duty to do so; then we have done our duty; but it is more than duty, because as I have already remarked, the prin-



ciple is, in my opinion, at any rate, a vicious one. I have said that on two or three occasions. No Government, no Cabinet, no Premier has the right to alienate from the Crown and from themselves such a huge area of land for any period of years, be it one or ninety-nine years.

We oppose the Bill.

MR. HIGGINS: I do not think there is very much point in wasting too much time on this Bill.

It is impossible for me to discuss this Bill with the fervor with which it was introduced, or the honest antagonism to it as given by the Leader of the Opposition.

We are told it is a great Bill. The best thing that ever happened. To me, there is one good point, we will not have to have any more wrangling about alienation of lands. We will all have our homes unless these people decide they want them. As far as I can see, if they decide they want any land in any particular area, and if anyone is unfortunate enough to have built on it, these people can go and take over. That is a principle that is comparatively new in this country. It has been established in earlier Agreements; it is a principle which says that land is only a pig to be bought or sold. It is a principle alien to this country only a few years ago. If this Company wants to take any land in these areas, and if anyone is unfortunate enough to have built on it, this Corporation can move in, take over and give them any award they see fit under the Crown Lands Act.

The only bright spot in the Bill was the joker inserted in section 22—"Nothing in this Agreement shall be construed as interfering with the

traditional right of the citizens of Newfoundland to acquire wood for fuel, fencing, flakes and all other domestic and fishing needs." The Government shows a very touching concern for the traditional rights of the citizens of Newfoundland to cut wood for fuel; and the same Government is prepared to subscribe to the principle that if the Corporation wants the land, they can dispossess a person. The thing is inconsistent.

You have the same position with respect to the development of waterpower. This Corporation will have the sole right to develop waterpower, with the proviso that if a customer wants to purchase waterpower and is prepared to pay the price the Corporation will charge and the Corporation decides not to give it, the Government can allow a third party to supply that power. Even then the position holds good that if the Company says; "that is going to interfere with some development we have in mind," the third party will not be able to develop it. It is a thing that is going to call for a considerable amount of explanation.

It may be that we on this side of the House are addle-pated; we cannot understand the meaning of the ordinary English words. But on cursory examination even, we see there are things that do not seem to be entirely in the best interests of this country.

I do not know the Rothschild Bank—the only Banks I have had dealings with are the local ones where we sometimes honour a note; but it is not unfair to say that Rothschilds are not in the game for the sake of the development of Newfoundland or the Empire—they are in it for dollars and cents. That is understandable. More power to them, if they can find

some area of the Empire willing to let them come in and exploit it.

The principle is repugnant to this side of the House. We oppose it; but we know we are charting against the wind.

We do hope to get more than a prospectus and sales talk such as we had this afternoon.

MR. CURTIS: I move the adjournment of the debate.

MR. SMALLWOOD: I wonder if the House will bear with me for a moment before we resume the order of business. All honourable members will by this time have read the Report and Recommendations of the Fisheries Development Committee, and will have some idea of the magnitude of the task which the Committee has set both the Government of Canada and this Government in developing our fisheries. The Committee's Report has stressed the need for immediate steps being taken to modernize the salt-cod-fishery. As a result of discussions held between the representatives of the two Governments it has been agreed in principle that the Government of Canada will transfer to the Government of Newfoundland the bait services to be administered in future by this Government. It is a well known fact that the bait services have in the past been operated both by the Commission of Government and by the Government of Canada at a considerable annual loss. Since the date of union the Government of Canada has made a number of improvements in the bait depots and services and have built a number of bait freezing and holding depots. There are bait depots located strategically all around the Island mostly in or near communities that depend almost completely upon a salt

cod fishery industry. The Committee has recommended that where practical concentration of fishing efforts should be stimulated by providing the facilities for cold storage, fish driers and in the handling of fish from the knife for both salting and freezing. In requesting the Government of Canada to consider the transfer of the bait services to this Government we have had in mind the immediate availability of the bait freezing facilities around which to develop a more effective use of all fish and to aim at keeping the fishermen in their boats as long as the season permits and to earn the maximum reward for their efforts in their natural occupation.

The Government of Canada has agreed in principle to the transfer of the bait services to this Government. Further discussions will take place in the next few days leading to approval of the final Agreement by both Governments. It has also been agreed that the Government of Canada will pay to the Government of Newfoundland a substantial sum in consideration of this Government assuming the responsibility of operating the bait services along essentially the same lines as heretofore. These matters will be concluded in the immediate future.

But the concern of this Government is two-fold (1) maintain an adequate bait service to Newfoundland fishermen for their own use and (2) if not more important, putting the bait depots to work as part of the commercial development particularly, in a manner that will provide immediate assistance to the fishermen, extending the areas where these bait depots are located where they are today one hundred per cent dependent on the salt cod fishery. It is clear this Govern-

ment cannot engage in commercial operations, nor have we any intention of doing so. We have been assisting the fishing industry very handsomely for several years past by way of loans both directly and through bond guarantees for the purpose of draggers and the building of fishing plants. We are prepared to continue this policy subject to the overall recommendations of the fisheries development committee. We have been fortunate in being able to enter into an agreement made with a Newfoundland Company to assume the responsibility under a lease of the bait services which are being transferred to this Government. The purpose is not alone to assure adequate services in the supplying of bait to our fisheries but to develop in each of fourteen of the communities where these bait depots are located a commercial fishing operation. These operations will be progressively expanded to attain the concept which the fishery development committee visualized in its recommendations in respect of these areas in particular where they are at present limited to the production of salt codfish.

Some weeks ago I announced that Newfoundland had agreed on an arrangement with Mr. A. H. Monroe in respect of Fishery Products Limited which would be later submitted to the House. The necessary legislation is in course of preparation for submission to the House and I am happy to announce an agreement has already been reached in principle with the firm of Fishery Products, Limited, to assume the responsibility of operating the bait services on behalf of the Government under a lease for twenty years, which will include the expansion of these premises and facilities to permit their maximum use in commercial production.

Committee of the Whole on Bill, "An Act Respecting the Grading of Live Stock and Meat."

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Chairman, in connection with clause 4 it might be of interest to the House to know that it is the hope of the department when we shall be able to implement this Act or the regulations, it is only an enabling provision which we may not have to avail ourselves of for some years, but we thought it was necessary there in the event anything should arise. No increased staff for this particular purpose is anticipated at the present time nor in the foreseeable future.

MR. HOLLETT: In that clause (c) is that supposed to be the counterpart of the powers given police to examine liquor to make sure it is properly labeled?

DR. ROWE: Mr. Chairman, I presume that power is vested in the enforcing officers. I take it it would only occur in cases where there is a very strong suspicion that there was a need for investigation.

MR. HIGGINS: With reference to clause 7, on that point would the Minister tell us, is it proposed to have any regular stores where it can go for examination. Let us say that meat belonging to a man outside, in Grand Galls for instance, it is at his expense all right, but are you to have a proper place to keep it where it won't spoil?

DR. ROWE: That is important of course. This is simply, as my honourable friend realizes, an enabling clause, and the regulations will issue from this Act—The regulations will be based upon the situation and it would not be in the interest of the Government which is striving by all

means to promote agriculture to penalize any farmer unnecessarily. We hope in the course of time to have a number of proper slaughter houses in the different parts of the Province and perhaps even cold storage facilities as well. In summarizing I would say that any recommendation under this Act will take into consideration the facilities available and an attempt will be made to see that a farmer is not penalized if he is innocent nor his property unduly damaged.

MR. HIGGINS: If you have bait depots you might as well have meat depots.

With reference to clause 10, I wonder if the Honourable Minister would advise us if that Act contemplates inspection of cattle being moved into the Province or within the Province? I don't see any power to deal with inspection there.

DR. ROWE: I believe, Mr. Chairman, some power will be exercised there through an arrangement between the Provincial and Federal Departments of Agriculture. It is our hope to tie in our programme with the Federal Department's programme in such a way, I think, the thing the honourable gentleman has in mind will be attended to.

MR. HIGGINS: I understand that we can control the importation of meat into the Province at least that it is properly graded.

DR. ROWE: Insofar as meat is concerned, live stock itself is controlled to the extent that it has to be disease free when it comes in. I was going to make that point later that the Department of Health has certain powers in that respect—I was not speaking so much of the disease as the grad-

ing of the stock coming into the country as controlling the grade.

MR. HIGGINS: The reason I mentioned it is that we have at the moment a considerable local stock on hand which has to be sold in competition with imported stock and some of that stock is of very inferior grade.

DR. ROWE: I can say this, we hope, that is one of the measures we have here. When the beef arrives in the Province whether it arrives alive or dead once it gets in here and is put up for sale as meat, we can then control it. I think this is what the honourable gentleman has in mind. There is a possibility that some of the meat which is inferior is sold in the stores in competition with our local products. We can apply to that imported meat the same rules and regulations which apply to our own local meat as well.

The Committee sat and reports having passed the Bill without amendments. Ordered read a third time on tomorrow.

MR. CURTIS: Mr. Speaker, I beg to move the following amendment as an additional Standing Order: "When a Bill has been read a third time and passed the third reading and passed it may be rescinded by a majority vote and the Bill then recommitted; but if a Bill has received Royal Assent, it can only be amended by bringing in another Bill for that purpose.

I submit this House should take the position that a Bill is still a property of this House and that it continues as the property of this House until assented to by His Excellency the Governor. I therefore, suggest that this House, Mr. Speaker, should take the position that at any time whilst this House is in session any Bill which

has passed may have that passage rescinded, that it may have its third reading rescinded and that it may be able to be referred to a Committee of the Whole House by a majority vote and then passed through the remaining stages. Your Honour will remember that some years ago this House had to come back for a special session of one afternoon just because one honourable member refused to give the motion before the House his assent, therefore, every member of the Legislature had to come back next day and the motion was put and went through without discussion.

Now then it is not fair, Mr. Speaker, to the members of the House, the majority of the House, not fair to you and not fair to the public that one or perhaps two members by opposing a motion should make it necessary for this House to inconvenience itself and to go through the procedure of bringing the Governor over to assent to a Bill and putting through an amendment through all stages just to make a nominal correction in the wording of the new Bill.

For that reason, Mr. Speaker, I make this motion, that it be made a motion and that this be made an additional standing order.

MR. HOLLETT: Mr. Speaker, I feel quite in sympathy with the motion put, but I think we should remember these rules are the result of many, many generations of experience and I take it this rule when it was made had the background of some experience. I can very well see what I think might be a reason for making that rule as it is at the moment. I can conceive of a matter coming before this House and passing third reading by a very slim majority, not saying who are going to be in the

majority, when that happens, sir, I take it probably we may be, but I can conceive of a Bill coming before this House and passing by a very slim majority and an hour later members who composed the minority may not be all present and it would be possible to rescind the Bill and make other amendments to that Bill without the minority having a prior notice. Whilst I personally have no great objection to that amendment, I do think we ought to put in the words there: "Prior notice of it being given"——

MR. SPEAKER: Notice would have to be given, that is covered elsewhere.

MR. FOGWILL: Mr. Speaker, perhaps I may be the cause of all this. At any rate, Mr. Speaker, rules and procedure have been laid down mostly through the years with one particular purpose in mind. Most rules and procedures probably are for the protection of the minority even if the minority is one. And if rules were laid down through all the years for that and other reasons and an objection to anything is being brought forward is the cause of bringing in that amendment, the result, Mr. Speaker, would be that it is possible after a Bill gets third reading it may be brought back for a nominal amendment, and the nominal amendment could have a great effect sometimes on the matter. For instance, we have an Act brought in here last year, the Rent Restrictions Act, and an amendment to that Act was brought in here and the contents of that Bill at that time provided that the amendment would be retroactive to 1943 and at the same time, Mr. Speaker, that this Bill went through the House it did happen that there was a case pending in the Supreme Court.

If the Act had been given consent to and it had become law, it could have had an effect on that case.

These are one or two reasons why I want to quote the procedure as laid down on Page 45. It says, "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." But on page 47 it says "When a Bill comes up for third reading it may be referred back to the Committee of the Whole for amendment, but it cannot be recommitted when the question has been proposed that the Bill do pass." I object to the resolution insofar as it would allow it to be brought back by a majority. I suggest it should be brought back by a two-third vote. That would satisfy the Opposition and satisfy the whole House.

MR. HOLLETT: I would suggest to the Attorney General that he would have to repeal the other two Orders.

MR. CURTIS: I have already spoken once on the subject.

Moved and seconded that the Resolution be adopted.

No. 9. Committee of the Whole on Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian AMCO Limited."

DR. ROWE: In view of the fact that a number of these clauses are very standard, I wonder if they could be called by number; and if any member wishes anyone read in detail he can so indicate it. If that is acceptable to my honourable friends of the Opposition, it would save time.

MR. HOLLETT: We have no objection if we can refer back in case anything turns up.

1 carried. 2 carried. Schedule carried.

MR. HOLLETT: Could the Honourable Minister give us some idea of who the "AMCO" people are?

DR. ROWE: The Canadian AMCO is a subsidiary of American Metals, The American Metal Company is the largest mining Company in the United States. They have a subsidiary of the Company "AMCO" in Canada where they carry on extensive operations.

2, 3, 4, 5, 6, 7, 8, carried.

9. DR. ROWE: I would prefer to let clause 9 stand.

MR. HOLLETT: May I refer to it now? I may not have the opportunity when it comes up again. (9) "The Government hereby undertakes and agrees to grant to the Company the right to develop such water powers as may be reasonably necessary for the mining operations . . ." I am compelled to ask permission (I may not receive it) to refer to a section relative to waterpower in another Bill, the second reading of which was given today.

DR. ROWE: I am able to explain that. At the time of the BRINCO discussions, it was clearly understood where there were any commitments made with respect to waterpower that waterpower would be outside the ambit of the Agreement. We have the map in our Department; this is excluded from the BRINCO Area. This moral commitment was made with AMCO before the BRINCO negotiations started.

MR. HOLLETT: I have to refer to section (9) again. I am trying to get the attention of the Chairman—I want to know if I can refer to another Act.

MR. CHAIRMAN: That Act was in a previous debate.

MR. HOLLETT: I am merely trying to refer to it, not to mix it up.

MR. CHAIRMAN: The Chairman cannot relax the Rules.

MR. HOLLETT: Speaking from memory, I would say, under other legislation the right over all waterpower or any waterpower in the Province is not definitely committed.

MR. SMALLWOOD: Or promised to be committed.

MR. HOLLETT: I believe it goes like this—"the Government will grant for a 20-year period an option on all waterpowers not already granted or committed to be granted. Any waterpowers that revert to the Crown within the 20-year period are to be open to the Company for inclusion in their 20-year option." I say only when they come back to the Government can they be granted.

DR. ROWE: There is no conflict between this and BRINCO.

10 through 19 carried.

Moved the Committee rise and report progress.

Committee of the Whole reported they had considered the matter referred to them, made some progress and asked leave to sit again tomorrow.

MR. SMALLWOOD: I move that the remaining Orders of the Day be deferred.

Carried.

MR. SMALLWOOD: I ask leave to move the following Resolution:

RESOLVED that the Legislature of the Province of Newfoundland mindful of our people's proud past as Britain's oldest Colony, having heard of the honour of Knighthood bestowed by Her Majesty the Queen on Britain's Prime Minister, places on record its great satisfaction that an outstanding career of great public service is being duly honoured; together with the hope that the Right Honourable Sir Winston Churchill will for many years live to enjoy the continued respect and admiration of his Sovereign and the peoples of the Commonwealth.

Seconded by the Honourable Minister of Municipal Affairs and Supply.

Carried.

MR. SMALLWOOD: I move the House at its rising do adjourn until Monday at three of the clock.

Carried.

MR. SPEAKER: I have a short announcement to make. Two Newfoundland soldiers have recently won medals for valor in the field and are to be duly honoured. I have here the itinerary for Wednesday, April 29th., at 3:10 p.m. a formal reception will be staged on the steps of this House when the two Corporals Kelly and LeMoine will be received by the Premier and the Legislature. In the case of rain, the reception will take place inside.

A guard of honour from the Royal Newfoundland Regiment, the 166th and the R.C.A.F. will be in attendance.

It was thought to be a nice gesture to have the boys come inside afterwards and sign the Official Book.

I mention this so that as many as possible will be in the background behind the Premier and members of the Opposition. Since our Sergeant-at-Arms is the proud owner of medal and bar, it would be nice if he were conspicuous in the group on the front steps.

MR. SMALLWOOD: If it is 3:10 in the afternoon all members will be here and we could meet at 3:30 or 4:00 p.m.

MR. SPEAKER: I thought I would take the Chair after the official reception which will be as long as the Premier decides to speak.

MR. SMALLWOOD: They are heroes and won medals—they can take it.

MR. SPEAKER: The Chair is strongly tempted to retort.

The House then adjourned accordingly.

MONDAY, April 27, 1953.

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

#### Presenting Petitions

MR. COURAGE: Mr. Speaker, I have here a petition from the people engaged in the profession of architecture asking that they be allowed to incorporate themselves by an Act of this Legislature. The petition speaks for itself and I ask permission of the House to have the petition laid on the Table of the House and referred to the select Committee on private petitions.

MR. SPEAKER: This petition is to be referred to a Committee on Stand-

ing Orders to see if the rules of the House are complied with.

#### 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 on tomorrow move the House into Committee of the Whole to consider supply and ways and means.

#### Orders of the Day

Second reading of a Bill, "An Act to Authorize the Government to enter into an agreement between the Government and British Newfoundland Corporation Limited and N. M. Rothschild and Sons."

HON. L. R. CURTIS (Attorney General): Mr. Speaker, this is a Bill to authorize the Lieutenant Governor in Council to enter into an agreement set forth in the Schedule of the Bill. It will be noticed that the agreement has not yet been signed. Mr. Hobbs who is here representing the group left Newfoundland last Thursday and his intention was, Mr. Speaker, that the agreement be signed today. Just as soon as it has been signed the Premier will be notified and copies of the agreement as signed will be laid on the Table of the House, if indeed this Bill has then been passed. If this Bill has not been passed it might be advisable to change the wording of the Bill so that it will be an Act to ratify the agreement rather than an Act to authorize the Governor in Council to enter into that agreement.

Now, Mr. Speaker, my friends on



the opposite side of the House have talked so much of what we are alienating that I think it might be wise at the outset of this debate to remind the House of the situation as it existed in Newfoundland with respect to land. It is well known, Mr. Speaker, that all property, all real estate, vested in the Crown and the Crown has disposed of this real estate in several manners. In the first place there are what are known as Crown Grants—Those are grants by the Crown to individuals and to corporations of pieces of land, the complete ownership of which passes with the grant. A grant of land entitles the holder to everything that is on the surface, to the trees, to the surface of the land for building, farming, or any other purpose. In some cases the free holder may be entitled also to the minerals but generally that is not the case. In the case of the land deeded to the Reids under the Reid Contract it conveyed to the Reids, grants in fee simple, i.e. in addition to the grant of the land the grant includes the minerals under the surface. In most cases, however, Mr. Speaker, these grants excluded gold, silver and all metals. Some of these grants were freehold which by the way, Mr. Speaker, belonged to the grantee forever, he could sell, rent assign and when he died it passed on to his estate and his estate owned this just to the same extent as he himself owned it.

Then, Mr. Speaker, large tracts of Newfoundland were given by various Governments to various people in the form of timber licenses. These timber licenses are only what their name says; i.e. licenses to cut timber on the surface. They do not own the land, they do not own the surface of the land; all they have the right to do is to cut timber and recut it during

the time of their license, notwithstanding the fact that the timber license is in existence the Crown has the right to grant the freehold of these same timber agreements, subject to the timber license, to any person, and after the wood has been cut the Crown has the right to grant the freehold to any person for agriculture or any purpose.

In addition to the freehold and in addition to the timber rights there are what is called the mineral rights. The mineral rights, Mr. Speaker, again have nothing whatsoever to do with the freehold, they exist by themselves. A man may have mineral rights under the house, Sir, in which you live and which you think you own and which you think you have the freehold of, and whilst you are sitting down on your lawn on a holiday afternoon reading the "Sunday Herald" some mining company, one hundred and fifty or two hundred and fifty feet below the surface may be taking out minerals. There is nothing in mining rights that effect the surface of the land.

Last year it was my privilege to accompany our Premier to London where he negotiated with groups. We had an interesting time. The Premier is an ex-newspaperman, knows his way around and it was not long before our mission became known. That mission, Mr. Speaker, was received wonderfully well by the British press and by the British people. Our Premier, Mr. Speaker, threw out the gauntlet to the British Industrialists. He told them of the immense reserves we had, of the natural resources he felt we had in the Labrador and in Newfoundland, of the timber we had in Labrador, of the minerals we had in Newfoundland and Labrador and of the fabulous waterpowers we had,

especially in Labrador. The enthusiasm with which we were received shows, Mr. Speaker, the high respect in which he is held and how well he had planned our programme. We saw, as he has told the House, Mr. Churchill, we saw Lord Leathers, we saw Sir Eric Bowater and we saw the Rothschilds. We were well received everywhere, Mr. Speaker, and the enthusiasm with which Mr. Churchill himself listened to his proposals showed from the start that we could look for results.

Well, Mr. Speaker, I think the deal that was consummated has exceeded even the wildest expectations of our Premier, they certainly exceeded my wildest hopes.

We said to BRINCO, when we found that group were willing to get together and to become associated under that name—we said to BRINCO “We have a number of mines in Newfoundland—we have a number of companies prospecting but very few of them are British, very few if any are British—we want British to share in the exploration of Newfoundland.” Hence the deal.

Under this deal, Mr. Speaker, what do we give BRINCO? We do not alienate to BRINCO one mile of land. We have said to BRINCO—“We have on the Labrador fourteen to fifteen hundred miles of timber.” We did not tell them, but we knew, that no firm has as yet been able to carry on a successful timber operation on the Labrador. We know that since 1927 the title to our timber on the Labrador has been undisputed. We know that during the past four years nobody except Dr. Seigheim had come to us with a proposal to develop the Lake Melville area. There it has been for the last hundred years, the

last fifty years, the last twenty-five years, confirmed in its title and nobody, Mr. Speaker, nobody has successfully ascertained how best to utilize that huge strand of timber which we know is there, the Premier has seen it, I have seen it with him and others have seen it.

It will cost, Mr. Speaker, millions of dollars to develop that area, millions of dollars, and it is not a job for a little fly-by-night organization. It is for a firm with the capital of BRINCO, with the know-how of Bowaters and A.N.D.—if it were not for that combination I doubt, Mr. Speaker, if for the next twenty-five years we would ever see any real development in Labrador, Lake Melville area. It has been there for the past twenty-five years and not worth anything to the people of this country. We have had people looking for work all over the place. There are lots of opportunity for work there but nobody to take the initiative and to bring things to a head.

So we have decided to ask the Legislature to give BRINCO (we are not giving them the land) to give them an option for twenty years in which to apply for a license to cut timber on that area—we are not even giving them a license, Mr. Speaker, but a mere option to go in, spend thousands and thousands of dollars to find out if and how this area can be developed—then say to them, satisfy yourself you can develop it and we will give you a license to do it.

Now, then, Mr. Speaker, we have mineral areas in Newfoundland and Labrador. But remember, Mr. Speaker, that a large part of Newfoundland's mineral areas are already being developed by many companies; remember that under the Reid Contract

of 1898 and 1899 huge mineral areas were given to the Reids and they had their pick, Frobishers had their pick; the Fluorspar Company had their pick; the Bell Island Company had their pick then, Mr. Speaker. Then Mr. Speaker, Buchans had their pick, Frobishers had their pick; the Fluorspar Company had their pick; the Bell Island Company had their pick, everybody had their pick out of the Newfoundland mineral resources until there is about thirteen thousand square miles left. So, we said to BRINCO: "You come in and spend five million dollars on the territory in Newfoundland and the remaining areas in Labrador not alienated, and we will give you the right to develop. If you find any rich minerals we will give you mining grants." They only have, Mr. Speaker, what everybody else refused. Let us hope that out of the bottom of the barrel they will get the best apple.

The same thing, Mr. Speaker, may be said of the Labrador; the Labrador Mining Company had its pick, Frobishers had their pick; NALCO had its pick both in Newfoundland and in Labrador, CAMCO had its pick, all the little prospectors who wanted to had their pick both in Newfoundland and Labrador. But we have this area left, let us be systematic about it. So we said to BRINCO: "Go in to Labrador and select the areas which you want to develop and when you have explored it come to us and we will give you the mining license for any area that you will undertake to bring into production."

Then, Mr. Speaker, we had water-powers in Labrador of fabulous wealth, water-power in Bay D'Espoir of fabulous wealth. Mr. Speaker, it would cost thirty to forty million dol-

lars, I understand, to develop the waterpower in Bay D'Espoir and hundreds of millions to develop the water-power on the Hamilton River. These things, Mr. Speaker, are beyond our reach. If we could afford it, if we were a prosperous Province I would recommend to my colleagues, and I am sure the Premier would have done it the day before that, that we form a commission and have that commission develop that water-power. But I think, Mr. Speaker, a project costing between a hundred and a hundred and fifty million dollars is a bit rich for our blood, but it is also too rich, Mr. Speaker, to be left to the haphazard action of people who may come in looking for grants.

Unfortunately large water-powers have already been given away by our predecessors, given away for nothing. But we agreed to give to BRINCO first shot, first chance, first refusal on our remaining water-powers. Now, Mr. Speaker, we did that deliberately. We knew that BRINCO had as one of its shareholders English Electric one of the world's greatest electric companies. We knew that company was anxious to start work here. We knew that BRINCO by its very name and by its associations would command any capital that was necessary and we looked forward as a result of conceding that water-power or conceding an option on them to seeing them developed, developed, Mr. Speaker, not in a haphazard manner, but by some big overall plan such as our own public utilities would follow if we had one. With the money at the disposal of these people, Mr. Speaker, and with the know-how we are sure of a successful development.

Now, Mr. Speaker, we have been criticized, we have been told that this is a vicious deal. For the first time,

Mr. Speaker, in this country's history every mile of our territory is being explored. There is not an inch left that is not being explored, and my friends on the opposite side of the House, at least one section of it, sees something vicious in the principle. What would they do with these areas, Mr. Speaker? What would they do with these areas? Would they sit on them? These areas are there for one purpose only one purpose—

HON. J. R. SMALLWOOD (Prime Minister): They would have to spread themselves an awful lot.

MR. CURTIS: These areas are there for one purpose to give employment, to give industries to our people. The only way to give employment, the only way to give industries to our people is by having them developed. It is true, Mr. Speaker, that after the first year ten thousand square miles come back or twelve thousand over three years. We don't want them back, Mr. Speaker, as long as they are developed. Then years ago the Labrador Mining Company surrendered a huge area to the Province—what happened to it? It just sat there, undeveloped. We want development, Mr. Speaker, and the only way to get development is to develop.

So, now, Mr. Speaker, we have now for the first time in this country's history private companies, private individuals interested in every square mile of our country. We all know, we all hope and pray that the development may be successful.

Now, Mr. Speaker, about the returns from BRINCO: The arrangement we have made with BRINCO, we got our mining taxation, we got our royalties, but that is nothing new; we are entitled to those from any company. But in addition to that

what do we get? In addition to getting employment for our people, in addition to industries what do we get? We get our cut on the profits of BRINCO, all profits of BRINCO, Mr. Speaker, made out of the timber, out of the minerals, out of the water-powers, and Mr. Speaker, out of the water-powers we get fifty cents a h.p. before they start. In addition to all that we get a cut of 8% of their earnings before taxation. Here we have, Mr. Speaker, a group of companies of fabulous wealth willing to come in and gamble their time and money in other directions and still willing to pay us this cut, and we are told the deal is "vicious." My honourable friends cannot be serious, they surely are not representing anyone when they take that position.

Mr. Speaker, this is a wonderful day in Newfoundland's history and when the Lieutenant Governor gives his assent to this Bill, I feel quite sure it will be accepted by the House. Newfoundland will have written a new page in her history, a page which I think will live in the memory of all of us for many years to come.

I have pleasure, Mr. Speaker, in supporting this Bill and commending it to the House.

MR. FOGWILL: Mr. Speaker, I think the debate on this Bill and the Opposition's remarks in connection with the principle of the Bill have been well put by the Leader of the Opposition and also by my colleague of St. John's East.

In the first instance, Mr. Speaker, the Premier himself while introducing this Bill, I must admit, put it in a very good light, he explained at length all about his talks with the people concerned in England, I think it was the BRINCO people, approxi-

mately twenty companies, rich companies having many, many millions of dollars at their disposal and all of those rich companies put together the twenty of them all of them controlling thousands of millions of dollars, are prepared to come here into Newfoundland and accept these concessions from this Government of from fifty to sixty thousand square miles, fifty thousand in Labrador and ten thousand in Newfoundland. Well this is a large area, Mr. Speaker, almost thirty-eight million acres, that is a lot of land and in fact the area concerned is roughly nine thousand miles larger than the other three Maritime Provinces put together, Nova Scotia, New Brunswick and Prince Edward Island. That is quite a lot of land, quite a lot of territory, Mr. Speaker, to give concessions on to one company no matter how rich or how much they may be interested in themselves coming to Newfoundland and investing money on, I may say, various speculative ventures. Even at the end of the period of the concessions, just prior to the end of it they still would control a concession area of almost twenty-three thousand square miles and besides also control at that time the concessions in respect of the water-power. I would like to point out, Sir, that this whole area of land is larger in size than twenty-nine of the states of the American Union. In fact, Mr. Speaker, there are only nineteen states larger in area than that sixty thousand square miles and, in fact, Mr. Speaker, only two states in the American Union larger than Newfoundland and Labrador. Sixty thousand square miles is almost half of what we have. In fact it appears to me and other members of the Opposition that it will almost seem they will have to enter into private pro-

perty almost to accumulate or control that sixty thousand square miles.

Another peculiar thing, Mr. Speaker, there are eight states in the United States of America of which the combined total area is smaller than that area. I say that the concessions given to these people is too large. When we realize the surveys that have been made during the past four years and prior to that when the Commission of Government made some survey on Labrador in respect of water-power, and they made some surveys, I think on the Island of Newfoundland in respect to water-power, and this Government has boasted about the fact that they have spent quite considerable money, in the vicinity of a million or more since they came into office on mineral and water-power surveys etc. I would say, Sir, that the Government has sufficient data today to show the people who may be interested in coming here and exploring. I would say, Sir, that they have sufficient data that these people could, if they wanted to, select areas much less than the amount set forth. I think that would be a sensible thing to do. Why should we give concessions of sixty thousand square miles to them, practically all we have left. It is true that some of it will revert to the Crown after a short period of three years and then after another period of five years and subsequently to that another period, so that in 1968 they would still control roughly twenty-three thousand square miles, up to the time the concessions terminate and revert to the Crown. The concession, Mr. Speaker, is too great an amount, too great in the aggregate in the area concerned and the time of the concession, 20 years, is too long and the amount of money those people are prepared to put into is too

small. They are required by this Act to put in one million and a quarter dollars for each five years, I believe it is; this of course is only the minimum. If twenty companies are involved, of course some companies purchase more shares than others, but that would only mean to the twenty companies concerned that they will have to spend five hundred dollars a year for each of the twenty years, that is very little when we come to realize the cash amount of assets of these people. They should be required in the first instance to spend more money each year, in fact, Mr. Speaker, if the money was spent on these areas by this Government, the money spent on the IBEC Report and the money they spent on other surveys, if that money were well spent they should have sufficient knowledge to pass on to the people concerned so that they could select the area now and they would not have to go out and do any great amount of exploration in this sixty thousand square miles. They should be able to select an area of five or ten thousand square miles as the case may be.

As far as the timber area is concerned on Labrador, Mr. Speaker, it has been said in this House by the Government members on some occasions when speaking about Labrador, that the timber in many parts of Labrador has been surveyed, the quantities estimated and values placed on the same and these figures have been given. Now, as far as timber is concerned it has been said here by Government members on some occasions that they could see in the foreseeable future, in the life of the present Government, they could see a paper mill on the Labrador. They were very optimistic people, Mr. Speaker, the members on the Government side. I don't

see a paper mill on Labrador for a long, long while. It may be possible they put a sulphite mill there, that may be possible and perhaps may not be possible. With respect to the water-power, Sir, all the available waterpower which is left at all in Labrador is that which is left under the control of the Government and this is going to be put in the hands of this new concern for a period of twenty years, and they don't have to do anything about it, Mr. Speaker, don't have to develop it, don't have to spend one cent. There are certain requirements in the Bill which require them to do certain things in respect to surveys if they are asked by the Government on the request of another party, which is called the customer, they are required to make surveys and after the survey is made they are not required to put the service into effect in so far as they got to build a hydro-electric plant, if it is not feasible or if the plant interferes in any way with projects they have on hand or in mind, they do not have to lay down any hydro-electric power. Of course, then the Government has certain rights which they can give over to another party for the development of the hydro-electric power, but not even then can they give the rights to anybody else if it would interfere with any major project of this BRINCO Corporation. I don't know what the hydro-electric power could be used for in Labrador except for the milling of ores down there or for other purposes. In any case it has been pointed out by the Honourable the Attorney General just a few minutes ago that the cost of hydro-electric power today is enormous even in a most favourable place, it, I believe, runs somewhere over two hundred dollars per installed horse-power,

so that to install one million hydro-electric h.p. on Labrador would cost them around about two hundred million dollars. I know this Government has not got this money, and I doubt if BRINCO is going to the trouble, in the foreseeable future, Sir, to lay out that amount of money for development of hydro-electricity in Labrador whilst at the present time there is no foreseeable way to see how they could use that power.

I have not much more to say, Mr. Speaker, except that I concur, Sir, with the words of the Honourable Leader of the Opposition and the honourable member, my colleague for St. John's East. I oppose this Bill on the grounds which I have stated; the area is too large, 38 million acres, and the time of the concession is too long. With the information the Government has this BRINCO Corporation should not be allowed to take out any more than what would be reasonable as an area in which they could explore and develop. The money which they are required to spend, that only amounts, Mr. Speaker, as I said to twelve thousand, five hundred dollars for each of these companies for the twenty year period. That is all I have to say on this Bill, Sir. I am opposed to the Bill in principle; and in respect to the tax clause and the rental clause in respect of hydro-electric power these things may be worked out in Committee.

Thank you.

MR. CASHIN: Mr. Speaker, in supporting the principle of this Bill I do so for various reasons principally with emphasis on the development of timber resources on the Labrador, because for the past twenty years I have been identified with an effort to have certain timber areas in Labrador de-

veloped and got nowhere with it, but got to a stage where one party in 1939 was given a concession by the Commission of Government to that timber. They flew to Labrador and were lost and their bodies were recovered later. And some other organizations one would run into from time to time, fly by night organizations such as Dr. Seigheim who came to the Government to give them a good sales talk and offered a large royalty on timber which any sensible individual knew could not be lived up too. Nevertheless the Government were placed in a position, I realize, where it was kind of hard not to accept and give them a chance. But any individual with any experience whatsoever in producing timber for commercial purposes knew that no organization could afford to develop that area known as the Seigheim Area and spend many millions of dollars in its development and end up by paying the Government a royalty of five dollars a cord.

MR. SMALLWOOD: It was too good to be true.

MR. CASHIN: I think I stated in this House at the time the legislation was enacted or about to be that the thing to me looked too good to be true. Therefore anyone coming along today like this BRINCO outfit having within its organization two outstanding operating companies in Newfoundland and who are prepared to be sensible, as this Act says, with regard to royalties on timber of a dollar and a dollar and a half a cord, and have the necessary funds behind them, I am prepared to support particularly that section of any legislation which is brought in here to develop the timber areas in the Hamilton, Lake Melville Area of Labrador or

any other part of Labrador for that matter.

Now, when the Premier was introducing this Act (I can't let him get away with it) he did it in a very able manner, describing how he and his colleagues visited the historic house of Rothschilds on a recent visit to Great Britain, and how Disraeli went there probably eighty years ago to get Rothschilds to raise the money for him to buy the controlling interest in the Suez Canal—one thing the Premier omitted to tell us at that time was that Disraeli was a Tory. He was probably one of the greatest Tories England ever produced and one of the ablest Prime Ministers.

MR. SMALLWOOD: In spite of his being a Tory.

MR. CASHIN: Yes—and with reference to my own supporting of that Act I am in a position to say I voted Liberal in Canada, mind you, before any member in this House had a vote, away back in 1911. So personally it is immaterial to me whether he was Liberal or Tory, whatever it is I am going to support any measure that I think is for the good, or take a chance on it, for the good of the development of this country and the natural resources.

Mr. Speaker, it all comes back to me again, away back in 1923, the first time I came into this House as a young man in politics, we were discussing in the Opposition, and we had a real Opposition, I am telling you, at that time, some twelve members, and we were discussing the guarantee of the Bowaters two million pounds which at that time represented ten million dollars. I remember down stairs here opposing our Government's guaranteeing ten million dollars and I was supported then in my stand by

one of the late Speakers of this House, then a member for the district of St. John's East, and my father then Leader of the Opposition got fed up and said we did not know what we were talking about; we were guaranteeing ten million dollars and even if we were stuck for it they could not lift the mill out of Corner Brook and take it away, we had the mill and all the timber as security for that ten million dollars. That investment turned out very good for Newfoundland. I noticed in the Auditor General's Report, now after nearly thirty years, thirty years this month this legislation was passed, that the Government has never been called upon to meet any of the interest coming due on Bowater bonds, at that time the Newfoundland Pulp and Paper Company, now Bowaters—as a matter of fact it has been reduced ten per cent because of the pound sterling coming down as it is at the present time. Our contingent liability in that respect is less than three million dollars. The same applies here, if these people find nothing in these areas to develop, they can't take the land with them, and even if they do find the mineral they have to develop it and what are we as members in here for? I have been a hard Opposition man, have done my share of fighting Governments in opposition, but I have yet to oppose anything of a constructive character, because it is the poorest kind of politics and a man is only a fool who opposes it.

I think the Premier referred also, in his remarks, to Tories opposing the development of Grand Falls. As a matter of fact when Grand Falls was developed or the legislation empowered them to go ahead the Anglo-Newfoundland Development Company at Grand Falls, the Opposition was



composed of four members out of thirty-six, it hardly existed, and the Government had been stressing how timber lands etc. were given away in the past and it was generally attributed to what they called a "Tory Government." That water-power in Labrador was given away by a Liberal Government in 1920, and the other water-power there has been no reference made to, the greatest one in North America, or is supposed to be, it might not be, Grand Falls in Labrador. If my memory serves me right, I have not seen the Act lately, this is not under the control of the Government at the present time, it is controlled by the Labrador Mining and Exploration Company, Limited who have the right to develop it. The Honourable the Attorney General is probably more familiar with the clause in the Act, but I do remember the royalty they were to pay the Government if they developed that or any portion of it was 15c. a h.p. The other one, Muskrat Falls, is under the control of the Royal Bank of Canada. Now, the Royal Bank of Canada did not take out that lease—that lease was taken out by an individual named "Dickey" away back in 1900 before we had any title to Labrador. Dickey exported timber from that area away back in the early part of this century and went broke doing it, and the Royal Bank of Canada were financing him when he went broke and his rights there were taken over by the bank. That is the reason they have continued to pay the rentals on that area for the past fifty years, unless recently the area has been handed back to the Crown under the legislation which was enacted here a year or so ago. Now, the original grant was for three hundred square miles, and in my opinion, the Royal Bank

of Canada lost money—they sold a hundred square miles to the Canadian Government to establish Goose Bay and no doubt got a nice amount of money for it, which probably repaid them for any funds Dickey had stuck them for through operations he tried to inaugurate away back in 1900. There are three hundred square miles remaining on that area which has considerable timber on it. I remember also, Mr. Speaker, the other day asking the Honourable Minister of Mines and Resources to let us have a map showing us where all these areas are, because we are here discussing something now outlined in this Act of which we know nothing and have no means of checking—however, I just want to look at this thing probably for future reference to see what little is left now with respect of timber lands. I made a close study of the timber resources of Newfoundland and what are they? Forty million cords of wood commercial timber in Newfoundland, thirty-two or thirty-three of which are tied up by two companies and the balance held by some small people and by the Crown. Now, the two companies today are cutting a million cords of wood a year—that is what their total cut is annually, roughly a million cords a year, I think. No doubt they have it in their minds that if they become identified with BRINCO they might start an operation down in Labrador in order to save some of our timber areas in Newfoundland, because they will eventually, in my opinion, if they continue cutting at that rate they will have to get further resources to continue to manufacture newsprint and sulphite in Newfoundland.

MR. SMALLWOOD: Especially if they extend.

MR. CASHIN: With regard to ex-

pansion that will depend entirely on the law of supply and demand. Now, a few years ago the demand was greater than the supply but it is not as good as that today although they can sell all they can manufacture, but the price today because of the American Exchange has come down a little during the past couple of years, and that in itself is an indication that the demand is not so great as we thought it might be.

Now, I was one of those presently in the House who advocated and wrote a chapter in the economic report of the National Convention trying to stimulate the idea of the development of another pulp and paper mill in Newfoundland, because I felt personally, even though some people did not see eye to eye with me, the development of a pulp and paper mill in company in Labrador particularly the Hamilton River area was not feasible because in that area there is only two and a half or three months navigation. But you could take a lot of raw wood out in that period which could be used in Corner Brook particularly and in other areas also, and ultimately they will have to go there.

Now, then with regard to the rate we are getting for royalties on this timber, a dollar and a dollar and a half a cord. That means that BRINCO if it sells that wood to outside interests or their rights then these people will pay to BRINCO or the Government a dollar and a half a cord. That can be gone into undoubtedly in Committee.

Again in connection with these water-power rights. In the Province of Quebec, I take it, the royalty on the various developments there is roughly two dollars, here we are going to get a dollar. Well that is

quite a lot in view of the fact that the Commission of Government gave it away for fifteen cents. It is an improvement anyhow. But, I believe if they develop at all we should get at least a dollar for that water-power, it is not much to ask for and if they don't develop they don't have to pay it, if they do develop the Treasury is entitled to at least a dollar in royalty from this organization. I agree with the principle of a dollar or a dollar and a half a cord on wood but I feel I am justified in making this suggestion that if they ultimately develop that water-power that they should be in a position to pay the Newfoundland Treasury one dollar at least for it in view of the fact that the Province of Quebec gets \$2.00 a h.p. I don't know if you have checked on that but my information is that the Province of Quebec gets \$2.00.

MR. SMALLWOOD: If the honourable gentleman will allow me: As to that rate in the Province of Quebec, I think that is not so. I think that a dollar is the maximum and it is not even a dollar on the great bulk of the water-power. I would just remind the honourable gentleman that the agreement provides that they may export power out of the Province only with the consent of the Government. Now, it is quite likely that as much as fifty million horse-power could be developed on the Hamilton River. If a smelter were ever started in Labrador it would mean a lot of power, using a million horse-power in a smelter; and in an aluminum plant using a couple of million, which would be a huge development. That might still leave as much as three million horse-power available for which there is no demand within Newfoundland, within this Province. In that case why not allow two or three or four

million horse-power to be exported and then charge a much bigger royalty?

MR. CASHIN: Mr. Speaker—

MR. SMALLWOOD: Finally it is only four hundred miles from Grand Falls to Saguenay at which point power could be linked in and delivered to any point around Canada.

MR. CASHIN: I have yet to be told definitely that the Government have control of the Grand Falls water-power at the present time, because if that commissioner who had charge of that department in 1946-47 gave us proper information, and looking into the clauses of that Act, it would appear to me and certainly to him that the Labrador Mining Company controls that water-power for an indefinite period. If the Labrador Mining Company controls that water-power they only have to pay the Newfoundland Government fifteen cents a horse-power. True I don't know how we come out now under Union with Canada. True the Government might be in a position where they could prohibit the export of that power out of the Province of Newfoundland into Quebec or any other parts of Canada. I don't know whether they could or not. I do know that under the sections of the Act enacted by the Commission of Government in 1938, the Labrador Mining Company had only to pay fifteen cents a horse-power.

Now, there is a lot we can say—"We are giving the country away." Some people here the other day criticized Churchill as being a part of giving it away. I wonder what we would have done if we were in Churchill's place?

Churchill is a great Englishman. Churchill is the individual who expressed himself something like this

during the course of the war when Russia was coming in to join the Allies, when Britain was up against it—Churchill had no use for Russia—he said: "I am prepared to sleep with the devil himself to lick Hitler." That includes Stalin too. So Stalin and Churchill became friends—so also when Great Britain got up against it in 1940-41 for destroyers, Churchill was then Prime Minister of England and did not give two hoots for Newfoundland, he was thinking about Great Britain. Our job was to look after Newfoundland and we did not do it. True he gave us away but he was looking after the old country. You have to admire him for that. He would do anything for England, that was demonstrated time and time again. Our job was to look after Newfoundland and we did not do it because we had people within our ranks who were prepared to sell her out and allowed Churchill to do it. We cannot blame him, we have to blame ourselves—and some of them are in the ranks of the Progressive Conservative Party—so much for that.

I have nothing personal against Churchill, and even though they knighted him and he now carries the title of "Sir Winston Churchill" he will never be known other than as "Winston Churchill." Make him a duke or anything else he will go down in history as "Winston Churchill." As far as Newfoundland is concerned, he sacrificed Newfoundland, yes, and would have sacrificed Canada and the whole works to save England. That is what he was doing in 1940-41 when our bases were leased to the Americans for nothing. Why we had Newfoundlanders who went in there at that time and signed that agreement in London at the point of a bayonet practically. These are the people

responsible for us losing Newfoundland and not Churchill. Churchill would have admired us more had we fought for our country at that time and gotten something out of it.

I realize I am out of order, Mr. Speaker, on that matter. The thing came up here the other day. Some day the history of the whole thing will be written and then we will see who was responsible for selling us out.

However, as I said at the outset of my remarks, and I have made very few in this House this year, I am leaving my particular remarks until the budget comes down. But, as I said a moment ago, I agree with the principle of this Bill because there is money behind it, not like some other Acts brought in here a few weeks ago by the Government regarding a timber area in the Labrador and I don't think there is a dollar behind it, it is one of the other Seigheim deals where they are proposing to give us three dollars and a half a cord royalty on wood. They are either crazy or they don't know what they are talking about. But, as the Premier said at that time, we could not turn it down—however we will find out in due course whether these individuals are prepared to carry out that contract as outlined in that particular Act regarding cutting rights in certain sections of Labrador. Yes, Labrador was operated somewhat for timber some years ago but the difficulty was that they lacked capital and the gentleman who came here from Wales did not have sufficient money behind him—then some of our people talk about giving away these concessions for 99 years. We would not have a Grand Falls nor a Corner Brook without these leases given away in the early part of the century to the Reids and

to others. I am not here to apologize for the Reids nor for past Governments but I am not going to see them belied. The Reids got certain concessions in this country for building a railway. So did the Canadian Pacific Railway and so did the Canadian National Railway, or what is since the Canadian National Railway—they went bankrupt at the outset of the first world war. So Mr. Speaker, we are not the only offenders in that respect, the Canadian Pacific Railway, the Hudson Bay Company—the land they owned in the west, homesteaded in Alberta, and British Columbia taken over from the Canadian Pacific about forty-five and fifty years ago to be developed by immigrants from England and Europe who could get a homestead of 160 acres of land in any part of the Western Provinces of Canada—ten dollars for 160 acres provided they went in for six months of a year and broke ten acres of land—I started it myself and it broke me, in 1911.

MR. SMALLWOOD: What Province?

MR. CASHIN: In the Province of Saskatchewan—I never worked so hard in my life—so we can't blame the Bond Government nor the Tory Governments nor the Liberal Governments when they gave concessions to these people. They created, indirectly Grand Falls. How in the name of Heaven, Mr. Speaker, would Northcliffe ever come in here and pay a lot of money to get these areas out around Grand Falls if it were not because of the fact that Harry Crow had the know-how to sell the idea. Options on these leases were given to some individuals some of which he owned and he sold Northcliffe the idea of a pulp and paper mill in Newfoundland. I have no brief for

them either because at that time they tried also to deprive the Treasury of the Newfoundland Government but I had the pleasure of taking one hundred thousand dollars off them myself. The same applies to Buchans mine. The real man who found that was a director of Grand Falls and he was the individual who interested the American Smelters in coming in there on a fifty-fifty basis. The American Smelting Company operated the mine, repaid themselves the amount of capital that they had spent and after that was done shared the profits on a fifty-fifty basis. Bell Island started in the latter part of the last century, 1899, I think. Surely Bell Island has paid its way and today it is producing upwards of two million tons a year or more and has increased its population from two or three thousand people in 1904 to somewhere upwards of ten thousand people today. The same applies to Buchans—then we come to Corner Brook—if the Reids had not been given the land concessions in 1898—if we go back in the history of Newfoundland, they fired Morine out of the Government because he was Reid's Solicitor and at the same time a Minister of the Crown—but Reids got these lands for building that railway across Newfoundland and Reids worked on the development of that area for many, many years before 1923 but they were blocked by the A.N.D. Company who were showing a loss on their investment in Newfoundland but showing huge profits on investments in England, buying newspaper for themselves at cheap prices and showing a loss on the operation in Grand Falls. You know when a company shows a loss and someone goes selling the same kind of proposition in the same areas the bankers just laugh at you. But

when the income tax became exorbitant in Great Britain in 1920 and the A.N.D. Company conceived the idea, we have hardly any income tax in Newfoundland at the present time, and they showed huge profits all of a sudden, and then the Reids were able to go across to Europe and were able to negotiate with the British who even then did not have the necessary money themselves and had to go to the British Government and in turn they came to us and between us we found twenty million dollars to create Corner Brook. At that time, as I said, it was an awful thing, I thought, the Opposition in the House thought it was its duty to vote for it and drew to the attention of the Government any clauses in the Act which might be too good for the company or too bad for the Government and vice-versa and amendments were made accordingly. But every man in the House on both sides voted for it. As a matter of fact the election was fought on the Humber deal and both parties went to the country pledged to put the Humber deal through if elected whether Tory or Liberal—I don't know what you call them—I am fed up with this Tory—Liberal business, it is a joke. By some individuals a Tory is held up as an awful individual but he is human just the same as the Liberal. Winston Churchill, the man we were praising all day long, is the greatest Tory in England and he turned his coat half a dozen times broke and burst away from more parties than I have.

However, I am voting for this Bill—I don't care who knows it, that is the principle of the Bill. I realize that the Bill was drafted by some of those corporation lawyers in Great Britain because there are sections in this Bill I would have been just as

well able to read as if Seigheim had introduced his Act here in German. But I look at the principle of the thing—that is what I am after—if they find a mine they will develop it, and if they don't find it and do nothing they are not going to lift that land out of here and take it away. It is not vicious—if I have to say so myself, it is the only decent agreement of any kind at all the Government has brought in since April 1949; the rest were a joke, most of them at any rate. But this one is good, there is a good foundation there, money behind it, twenty corporations worth two or three billion dollars—the Rockefeller business was a flop. The IBEC Report we have never seen. I don't know what is in it. Let us see what Rothschild will do, and he has not the money Rockefeller has, nor does not control the money Rockefeller does, but they are a highly acceptable association and have huge assets also but they have been considerably depleted since the first war particularly since the second world war in Austria and in France and elsewhere, but their name is good yet and they have the organization and ability, and undoubtedly the men with them know their business—there are twenty great companies with a couple of banks included, the Prudential Life and the Electric outfit of Great Britain and C. D. Bowring of Liverpool, the largest private corporation in the world founded here about one hundred and forty years ago, right here in Newfoundland—and whilst at some times I don't agree with some of the things Bowrings have done they have built up a great organization. They had nineteen oil tankers at the beginning of the second world war and I guess lost most of them and they built up a wonderful organization

and have the money. After all what does it mean, ten or fifteen thousand dollars a company to go in here and like the Labrador Mining Company as pointed out by the Premier the other day, when that was started they agreed to spend fifty thousand dollars a year. The first year they were only a little short of eighty and each year after that they spent a million and finally in 1941-43 after they had been spending eight millions of dollars, the Hollinger Gold Mine put money into the development of that area in the Labrador. The only wrong thing about it, and I caught the Premier off guard when he admitted that the Canadian Government is going to get five million dollars out of it and the Provincial Government in Newfoundland only half a million. The same applies here to these places, if and when they are developed. All right, Mr. Speaker, this is a huge territory to give to one organization but supposing I went to the Government tomorrow and I wanted the rights on a thousand square miles to cut timber and they gave it to me—what have I got for it? I have to go out and peddle it out all over the world—I have not the capital behind me to be in a position to develop it. We have not got it in Newfoundland nor on the Mainland of Canada—after all, Mr. Speaker, Canada as a country did not develop herself, it was developed by British and American capital, not Canadian capital—I hope that we treat BRINCO better than the Canadians treated the shareholders of the Grand Trunk Railway, the British shareholders, when they fleeced millions of dollars off them in the taking over the Grand Trunk by the Canadian Government in the latter part of the first war.

Mr. Speaker, it is not my intention to make any extensive remarks on this—my attitude in this respect is known, and as I said at the outset, I have done it at the risk of being called a Smallwood man or a Liberal man whatever you want to call it—but I have been here long enough to know that, without having a hammer hit me on the head and tell me what I got to do or not do. I am not going to permit any one up there to beckon a finger and say come, and I jump—I have my own convictions about public matters in Newfoundland and I defy anyone in Ottawa or anyone sent to Ottawa from here to tell me or people here in this House what we should or should not do, people who don't know what they are talking about with regard to the development of this country and who tried to stop development in Newfoundland for many years, and people who profited by development in Newfoundland. So, Mr. Speaker, at this juncture I will close my remarks by merely saying that this is the only piece of legislation, practically the only one, that has been introduced into this Legislature since the present administration took over in 1949 of any consequence whatsoever, and I am placed in the position as a Newfoundlander, because you can never make anything else out of me even though I lived in Canada for fifteen years, voted Liberal three times, even though I did all that, I was always and always will be for the balance of my short period in this world a Newfoundlander—I got to vote for it whether I like it or not, and I like it, therefore I give it what support I have, big or small.

MR. SMALLWOOD: Hear, Hear!

MR. JACKMAN: Mr. Speaker, I had no intention of making any re-

marks on this Bill, but I do want to say that, in so far as the economic development of Newfoundland is concerned I am greatly concerned about it. I have very good reason to be concerned about the development of Newfoundland, I happen to be a working man coming from the working classes. At the present time I happen to be the representative of the working classes. The economic development programme for Newfoundland is certainly needed, there is no doubt about that. But there is, in my opinion, a big difference between economic development and exploitation.

Possibly I would not speak at all, but now because of previous remarks made a little while ago I have to vote against this Bill which is, as I say, economic exploitation—in so far as the projects that are already in production it is economic exploitation.

I am going to refer now to an example in my own particular district: We have economic development on Bell Island but I can assure this House that it is not economic exploitation because, we, the workers over there, would not stand for it. We have economic development on Bell Island. The lowest paid man on Bell Island today gets \$1.28 an hour and the lowest paid man on Bell Island when the new contract comes up will be paid \$1.45 an hour—I call that economic development.

In the lower end of my district, in Holyrood we have an economic development programme—

MR. SPEAKER: May I ask what the honourable member is speaking to?

MR. JACKMAN: To the Bill, Sir.

MR. SPEAKER: The honourable member has made no reference whatsoever to the Bill.

MR. JACKMAN: Am I out of order, Mr. Speaker?

MR. SPEAKER: I was waiting for the honourable member to get away from the Bill.

MR. JACKMAN: I was saying that in Holyrood we have at present the Rubber Plant and the basic rate being paid is 80c, an hour whilst on Bell Island it is \$1.28 both in the same district—I call one economic justice and the other economic injustice or exploitation. With regard to the Bill itself there is very little I am going to say on it. I am probably not too well qualified to discuss certain aspects of the Bill—but I do say this, I hope that the Government will find a way to have BRINCO pay at least wages that are in comparison to what are already being paid in organized areas in Newfoundland. That is all I have to say except that I oppose this Bill and I shall vote against it.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I have one or two remarks to make about this Bill for a threefold reason (1) as a member of the Government I have an actual interest and of course the responsibility that all members of the Government must share in introducing this Bill to the House and recommending it to the people of Newfoundland which, in effect, we are doing, (2) as holding the portfolio of Minister of Mines and Resources I am in the department which is, I suppose, in the narrow sense chiefly concerned with the implications contained in this piece of legislation and (3) the areas and the development schemes envisaged concern that part

of Newfoundland which I represent in this House. For these reasons and particularly for the last reason I feel that I should express my views so that the House and the public, particularly the people of my district would know where I stand in this in certain specific ways.

Before I do take up some of the points I may say the points I had in mind deal specifically with some of the statements made by the Honourable Leader of the Opposition. I regret the honourable gentleman is not here to hear what I have to say. But I trust the House will understand that if he were here I would say exactly what I am going to say. Before going into that, however, there are one or two minor points which have been raised by the honourable the senior member for St. John's West which I think worth noting on the matter of maps. If I am not out of order on this, I think the question of maps is directly concerned with this Bill. My department has been working on these maps for more than a week. Unfortunately because of the imminent discussion of this Bill for the last couple of weeks I had to direct the energies of our technicians in the Crown lands and mining division towards the preparation of certain maps and documents concerned with this Bill and the NALCO Bill and so could not get these other maps prepared as early as I had hoped. I have here with me this afternoon four maps of Newfoundland showing the mineral areas which have been disposed of prior to the BRINCO negotiations. I believe the official Opposition already has one of these maps, and the honourable member for St. John's West who was the first to ask for them. I also have here and would be happy to have passed out this afternoon or



at tomorrow's session four mineral maps of Labrador. I should point out that it is very difficult without great confusion to show on one map minerals and timber and water-power concessions areas. There are so many overlaps consequently it would be much better for us to have different maps each showing the various concession areas. Now, I hope to be able to provide the House with timber maps within the next two or three days.

The honourable and gallant member for St. John's West brought up the question of water-power rates and what we shall be charging if this Bill is enacted. There is just one point which the honourable member omitted, I am certain not deliberately. The rates set in other Provinces are basic rates and take no account of anything else whereas, our rate in BRINCO is not all inclusive. We also get eight per cent of any profits which might accrue to BRINCO as a result of the development of water-powers. The water-power developments usually do bring about a profit, I think that is pretty well guaranteed before people invest fifty million dollars in water-power development. Consequently, I should like to point out, whilst we cannot say at this point what the profit will be, it is very likely, I should say, when we include the 50c. for development per horsepower and the profit on any development that actual returns to BRINCO may well be as high as \$2.00 a h.p., certainly I should think it would be more than \$1.00 a h.p.

There is another point with regard to the honourable gentleman's remarks, I would like to tell him I do not share his pessimism with regard to the proposed Sandwich Bay development, and I believe the other members of the Government who are fam-

iliar with the negotiations are very optimistic about the possibility of the Sandwich Bay development. I had a meeting this morning—however that is something coming up later when we will have an opportunity to elaborate on this point, however, at this stage, I can say we are most optimistic.

Now, with reference to the few points made by the Honourable Leader of the Opposition: I must express my regret, Mr. Speaker, that the honourable member had to drag into this debate, two, in my opinion, completely irrelevant matters which he raised indirectly. The honourable gentleman is not so anxious to make direct statements as to make indirect ones, but at least indirectly he brought in the sceptre of British Imperialism and exploitation. Now, I would like to point out that "Imperialism" has two computations; the imperialism that Russia so frequently accuses us of and then the imperialism in the Churchillian concept. They are two entirely different things. For the honourable gentleman to bring up here in this House, possibly with a view to, I don't know, but certainly not to do any good to the public relations of BRINCO with the public of Newfoundland, bring up the sceptre of British Imperialism and Exploitation—I believe he used the term "slave labour," is irrelevant. To bring up that at this stage in the world's history, I submit, is completely irrelevant and indeed is a red herring designed to take our minds off the great concept that is behind this Bill. British Imperialism in the old and derogatory sense of the term and exploitation and slave labour, if it ever did exist, is a thing of the past and it has been a thing of the past insofar as British industry and British Government is concerned for many, many years.

Who does the honourable gentleman think he fools when he talks at this day and age about British exploitation and slave labour. We have two very good examples in this Province of Newfoundland, we have the corporation in Corner Brook which is a British Corporation and has been right from the start. Have you seen any evidence there of exploitation or slave labour in the old sense of the words? We have Grand Falls where we have a British Corporation, I believe almost wholly British, which has been operating here for almost fifty years. I wonder if the people of Labrador, the people on the South Coast or in White Bay, I wonder if their hearts are bleeding at the hardships imposed on the poor helpless citizens in Corner Brook and Grand Falls as a result of British greed and exploitation and slave labour? That is the only inference I can draw from what the honourable gentleman said when he referred to imperialism, obviously in the derogatory sense of the word and not with the same computation the Honourable the Leader of the Opposition attaches to it and Mr. Churchill attaches to it—I believe the term Mr. Churchill used was: "A great imperial concept." I would suggest to the honourable gentleman, if he were here, to have recourse to his dictionary and look up the word "imperial." There is also another word which I would recommend that our honourable friends in the Opposition look up later.

Then the Honourable Leader of the Opposition saw fit to drag into this debate another completely irrelevant matter—the words were used in the House I believe—"A nefarious deal"—but certainly the deal whereby Newfoundland gave up certain engendered rights on part of her territory

during the world war two. Now, Mr. Speaker, whatever our people's feelings on that matter were, and certainly I was one who at that time expressed myself in public on that, that it was a pity the people of Newfoundland were not given a chance to give with a free will which they would have done obviously, but at a time when the fate of hundreds of millions of the free world rested on the shoulders of one man who had to make decisions overnight, decisions which might conceivably have led to our annihilation as a free people, and when I say "our" I include us here in Newfoundland. Don't let us forget Churchill was not fighting for England in the narrow sense of the word nor for British Imperialism, but the fate of all the free world. And when our fate depended on that decision, for us at this day and age to, as it were, smear that great statesman, to bring his name in a derogatory way into a debate concerning the economic development of Newfoundland is, I think, something which we should deplore in this day and age. Let us never forget that the very freedoms that I enjoy right here now, the right to speak my own mind on this or any other matter and the freedom enjoyed by the Honourable Leader of the Opposition and every one of us in this House is the result of the decisions made in 1941-42-43 by one man and one man only. Let us not be quibbling about that at this day and age. That freedom is more important than Pepperrell and Harmon Field. I do hope that reference made here to Churchill, the derogatory reference made to that great leader that man who, don't let us forget, who is not merely the greatest man in England, but the greatest man in the world, one of the greatest

men since the dawn of history and history will record that, I do hope that reference will not reach by way of the press nor radio—not that Churchill is so small as to take note of it, but I do hope that such a small and cutting thing as that does not reach the eyes nor ears of that great statesman, that great humanitarian to whom every one of us here is indebted for the very liberty which we enjoy today.

Well, the Honourable Leader of the Opposition mentioned in the course of his remarks and cast some doubt on the fact that Bowaters and the A.N.D. Company are in the group comprising BRINCO. He said (I don't pretend to quote him) or the inference to me was he asked whether or not they might not be interested in tying up the reserves of timber in the Labrador. Now, a few days ago, if I am permitted to refer back, the Honourable Leader of the Opposition made the very same point when I brought in a Bill here, at least the argument has been made in this House with respect to certain proposed legislation affecting timber on the Labrador—

MR. SPEAKER: If it was not made in the course of this debate the honourable gentleman is out of order.

DR. ROWE: All right, Mr. Speaker, I accept that ruling. I would like to make this observation; consistency is a virtue even in the ranks of Opposition or it ought to be. I am glad that the Honourable the Attorney General attempted to set the members of the Opposition right in their thinking on the matter of land and timber rights in Newfoundland because one thing that irritated me in the course of this debate as in others

was the use of the words "giving away, alienating." This Government does not alienate lands in the real sense of the word—the land which was given to Reids was alienated. When we give somebody the right for twenty years to go in and explore and develop certain areas of land on certain conditions, and if those conditions are not fulfilled and the land reverts to the Government even within one year. How on earth can anybody talk about alienating such land? The same thing applies to the words "giving away"—as if we were giving away twenty or thirty thousand square miles, somebody were going to take it up and put it on his back and walk off with it. By the same token we had to give away the iron ore deposits in Conception Bay to get Bell Island—the only way to get it was to give away, but on condition they work it. And I would like to ask this question—is there anybody on this earth, supposing there might be deposits in the heart of Labrador, says they are any good unless somebody works them, goes in and develops them. People will not go in, even the most humanitarian, philanthropic group would not go into the territory on the Labrador or anywhere else unless given certain potential rights and privileges. They must have these—it is just not done, in the whole economy of mankind it is not done. For the Opposition to talk of our giving away or alienating this and that is, I submit, Mr. Speaker, pure rot—it has no bearing whatsoever on the real issue involved that we give these people, that group or organization certain rights, certain protection, certain privileges in return for which they have to do certain things and if they don't do them they don't get the concessions. It is as simple as that.

There is one other aspect, Mr. Speaker, that I don't think has been stressed here very much and I would like to make reference to it right now: We up here in Newfoundland (I mean Newfoundland in the narrow sense) have a regrettable tendency to talk about Labrador as if we here in Newfoundland, in the Island of Newfoundland own it. I would like to remind this House, Mr. Speaker, that there are eight thousand people who belong and who live on Labrador and who have some rights in the land and I would hesitate to think of their reactions if they were told that, the people along the coast of Labrador—it is true you have some resources in back there, it is true you have some minerals in there but we are not going to do anything about it—we feel that Newfoundland might need these resources in 25 years' time. That is almost, by implication, what has been brought into this House and frequently used. We on the Island of Newfoundland do not own Labrador. Let us get this into our heads, we do not own Labrador any more than the people of Labrador own Conception Bay. But we in the Government have always remembered that fact in our planning, that the people of Labrador have some inherent rights in that matter, and they have the right to develop these resources. I don't have to remind this House of the precarious livelihood enjoyed by the majority of our citizens down on Labrador, I don't need to remind them that for two or three months of the year and less they have a chance to catch a few salmon and a few fish and when that is over they have very little if anything to look forward to until the next spring breaks. Part of the idea behind this Bill and other Bills to develop Lab-

rador is that we are endeavouring to give our citizens down there an opportunity to earn a decent living which is something many of them never had before.

There are several other points but time is getting on and I believe it is hoped to have the debate concluded this sitting, but I will close with just one other point, which has not been referred to or at least only briefly. Several of the speakers referred to the excellent manner in which the Honourable Premier presented the case of BRINCO. I agree, Mr. Speaker, that the Honourable the Premier made a very excellent presentation, one of the finest it has ever been my privilege to hear in Newfoundland or anywhere else. But I think if our honourable friends on the opposite side were just a little more broad-minded on this matter they would have made reference to something else and that if the fact that here in Newfoundland we produced a man who can go to England and can stimulate the imagination of the greatest Corporation in England and can attract and hold the interest of the greatest statesman in the world today—and let us not forget that when we talk as if we in Newfoundland were suckers, that here we have a bunch of greedy money grabbers and land grabbers, mineral grabbers coming in and we are giving them this and that and everything else for fifty years and two hundred years only one or two of the world's great capitalists ever did land on our shores and ever did anything, and here within the space of four years, I suppose if I were to list down the world's greatest corporations with assets in the millions and tens of billions of dollars, I would estimate that fifty per cent of the world's greatest corporations have now some in-

terest here in this Island Province of ours. That is a result, don't let us forget, of the Premier's effort. It is all very nice perhaps to congratulate the Honourable the Premier on his presentation of the Bill, but let us go the whole hog and admit the truth. We are now almost the centre of attention on the part of the entire financial world in the United States and Canada and in the Old Country. I happen to know, Mr. Speaker, I happened to see two documents sent out privately by two different Governments within recent months. They indicated one thing the prodigious effort and successful effort made by the Premier of Newfoundland who has aroused the hopes and expectations of people in other Provinces and in other states and communities who are saying: "Why can't our Government's do likewise." They are beginning to copy us. It is as simple as that. It sounds almost like presumption but it is the simple truth—they are beginning to copy us. So that when we talk about this matter although we may disagree about this clause or that amount let us not forget the overriding fact that we are now the centre of the world's attention and that is because we have in the person of the Premier a man with energy, ability and courage. Mr. Speaker, let us not forget that some of our so-called statesmen and politicians of the past did not have the courage to go out and compel the attention of the rest of the world—I support the Bill.

MR. JANES: Mr. Speaker, there is probably not very much left for me to say in this debate as the ground has been pretty well covered. What was not covered by the Premier and the Opposition in the debate has cer-

tainly been covered by the Honourable Minister of Mines and Resources.

The amazing thing about this debate, Mr. Speaker, and about this piece of legislation is that it came in here around 3:00 p.m. in the afternoon, was introduced and had second reading by the Premier; the Bill was distributed and by 4:30 the Honourable the Premier had finished speaking, and the Honourable Leader of the Opposition, in his usual style, was able to stand up and say: "This is a most vicious piece of legislation."

MR. FOGWILL: That is not correct. The Honourable Leader of the Opposition had the Bill two hours prior.

MR. JANES: Be that as it may, Mr. Speaker, he certainly could not have read or he would not have said in this House that it was a most vicious piece of legislation. No honourable member on the opposite side could have read it or they would not have said what they have said. They did in this piece of legislation what they have done in the past, opposed it simply for the purpose of opposing. There was a little poem circulated the, other day, if I may repeat it which I think very well illustrates what goes on in the minds of certain members of the Opposition—it went something like this:

"There was a young fellow named  
Blank  
Who said that the BRINCO Bill  
stank,  
He would not say "BRINCO"  
But in good P.C. lingo  
He named it BINGO  
And he chuckled to think it was  
Frank."

MR. SPEAKER: Out of order. The honourable member must not

bring in outside opinions on any remarks by honourable members of the House.

MR. JANES: That is not an outside opinion, Sir.

MR. SMALLWOOD: This is an inside opinion, Mr. Speaker.

MR. SPEAKER: Order—it is wrong to say in quotations what would be improper to say directly.

MR. JANES: The point about it, Mr. Speaker—

MR. SPEAKER: Order.

MR. JANES: The honourable member for St. John's East named this Bill as Bingo and certainly chuckled at his prank. The people of Newfoundland must be all chuckling at his pranks before even this Bill was studied.

Any person who reads the Bill was confronted with several things, Sir—as one of the writers of the "Evening Telegram" wrote the other day: "We get certain things and we give "BRINCO" certain things—

MR. SPEAKER: The honourable member must not quote a newspaper. The "Evening Telegram" has no right to speak inside this bar, nor can it be quoted.

MR. FOGWILL: He does not know what he is saying.

MR. JANES: Cull up the boats, he said—

MR. SPEAKER: The honourable member is out of order.

MR. JANES: If the honourable member wants a debate he will get it. He does not have to call a bingo to get it either.

"BRINCO" gets a twenty year lease on the water-powers of Newfoundland and other powers which the Government might take back, rights which might revert to the Crown after the next twenty years—BRINCO gets an option on the timber that has been given in the former Seigheim Concession—BRINCO also gets an option on the mineral land which has not so far been given to other corporations in this Province. We have been here for a long, long time, lived in this country, we have had several big corporations come in here like Bowaters and A.N.D. but still vast tracts of this Province remain unexplored and, as some other members suggested here this afternoon—is the Opposition content to sit on these, and for what purpose? The only excuse they gave for sitting on these concessions owned by the Crown was that they did not want to export wood out of the Province of Newfoundland. The unemployed in this Province are not one bit concerned whether BRINCO exports wood out of this Province or not, they have families to feed, children to rear and send to school and it will do us good to remember that when we start talking about whether they are going to export wood or not, This is the generation which has to be fed, why think of other generations, let science do it. We need to remember to reserve our resources but not to the extent where we ourselves starve. That does not make sense, I think it is necessary to export wood from the Province of Newfoundland that our people might be fed. Then let us do it, let us do it—they might be making paper out of silk worms in fifty years—how do I know—how does any member of the House know? Why be concerned about it too much? Our job is to

see we are well looked after ourselves. This is one way—this BRINCO deal which the Government has arranged with the great financial corporation of Great Britain, one way to see our people fed in return for granting these concessions. We are not giving away anything as already stated but certain options have been given to people and as a result money is spent in the Province on these concessions more than has been spent in the whole history of the country. What are we going to wait for? For someone to come in and say; give me that concession in that corner where there is a gold mine—who knows there is a gold mine there? Before he determines there is a mine, a gold mine or any other type of mine, before we develop water-power and timber they must go and explore and investigate and that is what this Bill does, enter into an agreement with the people concerned, give them options to explore and to develop if there is anything there—if there is nothing there we have lost nothing. If it is there we hope that they will go in and develop it. But, as it has been said before, this Bill brings together some of the greatest financial corporations of the world, some of the greatest development companies of the world, and it is to be hoped, Sir, that they will do in Newfoundland, promote in Newfoundland, developments as they have promoted elsewhere in the world. No one is foolish enough to think they are coming here for the good of their health. They are coming here for exactly the reason given by the honourable member for St. John's East, to make money. Is not that the usual thing, to make money; and in making money it is to be hoped they will also put money back into the pockets of the people of

Newfoundland. There is no one in Fogo, Sir, very interested in the timber in Lake Melville rotting away. I have visions though of thousands of people in Newfoundland looking for a job in 1953, as they always look for work in the spring and they would like to have somewhere to go instead of writing their members asking—can you get me a job, Sir? Can you get me a job? This is what this Government is looking for in its own programme of economic development.

For people to call this a vicious thing because a financial corporation with great drive and energy, great technique behind them to be given an option to develop Newfoundland—that is vicious. The people of Newfoundland do not think it is vicious, the people walking around the streets of St. John's would not think it is vicious, it is work they are looking for and in the whole programme of economic development that is what the Government are working for, to bring a little more security into the lives of our people. I think the whole Province, Sir, will support the Government in this great endeavour to bring in, together with the other phases of economic development already brought in, a greater phase and may that be one of them.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker—I regard it as a very considerable privilege to take part in the debate on a bill of such proportions and imagination as this one, not that I can add anything of substance to what has already been said either in the principle which was announced in the first instance by the Premier in such liberalistic and such large terms as one would rarely expect to find in any Government in any part of the world. It is a great tribute, Sir,

to the genius of Newfoundland that it can produce statesmen who can in turn develop a context for a Bill which is at least as great as the Bill itself. This House is not in any small way indebted to him and the people of this Island are not in a small way indebted to him for the proper setting which he has given to the unusually ambitious undertaking represented in this Bill, nor can I add anything of substance, I would say, Sir, to the specifics of the Bill which has already been amply outlined by the various members who have spoken from this side of the House. My only apology or defence for standing at all is that I do not wish this opportunity to pass without having had it said that I also spoke. Nevertheless, Sir, the debate which has emerged, or that part which has emerged from the other side of the House has revealed again the lack of depth of thinking on the part of the Opposition which ought in a debate of this kind be at least responsible.

I should like to aim a few darts, if I may, at the policy of the Opposition in this regard because I believe they have revealed themselves in their true light this time. As I recall they have always been against development. I have recalled it not once or twice, I shall do so now again. But they have not been able to keep to that line consistently having once said they were against development they soon found a rising irresistible wall of public opinion against that point of view so they recalled and changed their tactics and now at a later stage say they are for development, but they don't like the methods by which the development is brought about. Now, Sir, in our tortuous history that is the kind of argument which met

us on more than one occasion. If it were in order, Sir, I could produce instances within the last three years which will illustrate the point I am making—great things have been scorned in this way because the Opposition said the method was wrong. They did not like the Europeans—they did not like the foreigners—no epithet was severe nor acid enough for them to find and hurl against the industries—but, no, they were not against development! One would imply that if these industries were sponsored by other capital than German things would be well, or at least there would be less criticism from the other side.

Now, we are introducing a Bill, Sir, sponsored by British industry, know-how, technique and capital—They are still against it.—The Leader of the Opposition went ungraciously out of his way—I would have to say it if he were in his seat—went ungraciously out of his way to bring this House down to a level of debate which I had hoped would never be reached especially on a Bill of this kind, especially on that very day. He made such references to the Prime Minister of England on that particular day when he was to be singularly honoured by his sovereign. The coincidence of these two events makes us shudder on this side of the House. To what purpose he should have brought into the debate what my colleague in Mines and Resources and member for Labrador has said was irrelevant. Why he should have brought in these debasing remarks on an occasion such as this and in a situation such as this is beyond my imagining. No, it was not his finest hour—And the Leader of the Opposition has not had many shining hours in this House. He has done great damage, Sir, to the good name of this



Assembly. Probably he regrets it today as much as we do. I hope he does.

Now, Sir, I shall try to say, if I may, I shall not be too presumptuous—But I shall try to get the matter right. When he, the Leader of the Opposition, brings in the British Government as having sold us, first of all beguiled us and then sold us down the stream or up the stream—I am not sure in what direction. At the time, Sir, of that great constitutional event I happened to be a member of the Commission of Government. I had reason to know something of the inside working of that constitutional event. I was not partisan to Commission of Government, but as much as this matter has been raised now in this debate let me say there was nothing in so far as the role of Britain and Canada were concerned in that struggle impressed me more than the fairness and impartiality and great-heartedness with which Britain devised when device was necessary. At that time what we were party to, as far as I could determine as a member of the Government was beyond reproach. Now, Sir, I say this not to refute anything that has been said because the Opposition will not take it as proof, and when you refute you abolish evidence. There is no record here of the abolition of evidence. But what I say is that I shall deny it even if I cannot refute it.—They will not take anything I say on this point as evidence.

Now, Sir, the Opposition said: "It is too huge"—"It is too much to entrust to any one company concerned." What would they do? Would they have Newfoundland parcelled out from one little company, or relative little company to another? My honourable friend the Attorney General has already drawn attention to the

disadvantages which lie in that direction. Here we have what will in history very likely be called the BRINCO deal where we have many corporations in one. We seem here to have met, on paper at any rate, the objections of the Opposition because they would want many. We have here the advantage of both, yet they are decrying the fact that we are giving too much to one company. Now—the term of the concession is too long—Now the amount to be spent is too small. The last speaker for the official Opposition said something which to me was incoherent about economic exploitation. What it all amounts to, Sir, is difficult to say excepting this: the fact seems to be irrevocably established in so far as my hearing on this side of the House and my understanding of what emulated from the other side of the House, that the Opposition are set against developments. If they rise in protest, I say they are against the principle of this Bill as they have already declared themselves to be. But this Bill is for development as no other Bill in a sense has been or at least as fully as any other Bill has been for development and on a more extensive and ambitious scale. Not development at any price but development which will resound to the sound of exploitation of the natural resources of Newfoundland. That is announced in the very first words of the preamble, and the specifics which follow in the clauses of the Bill but reasserts and exemplifies the main principle which is contained in the preamble.

I have only this to say, Sir, at this present moment: The Bill seems to be too big for the small minds of the Opposition. I do not say that with any degree of condescension. I wish the Opposition could rise to a great

occasion, not to support the Government, not to say good things for this side of the House, not for the sentimental business of being unanimous on some occasion, not for just the sake of sweet reasonableness but I wish the Opposition could rise to a great occasion so that even if they discussed a principle as they must, they would help point the way as the way we should be going. If we seem to be going in the wrong direction I do not regard it as sufficient for the Opposition to stand in their places and decry what is being done. I am not a constitutional lawyer, not a lawyer at all, but in the name of what I think is statesmanlike I believe it is the legislatively necessary function of the Opposition in the role of responsible representation of the people to help point the way and not to confuse it. I know the major responsibilities are the Government's, but to reiterate I think the Opposition has a responsible part to play in this too. I know our people well enough—I have seen them sit, many of them, in this House as strangers. I know that they come here just as much to hear a great debate on great principles, just as much to hear that we are noble people in Newfoundland, just as much to know that we can rise to a Bill of this dimension as they come here to hear somebody ridiculing and degrading somebody else. They are here, as the representatives of the people at large, to know that we can be big, far oftener than they are here to gloat over the fact that we are small.

Now, Sir, this Bill reveals, I think, the spirit and point of view of the Government in a noble mould. Herein we find possibly the logical consummation, I don't say it is the last thing of its kind, but I think we find a logical consummation of the Premier's

efforts to set the affairs of Newfoundland properly in order. In this Bill, I think, the Government rises to full stature.—It does not preen itself before people and say: "What a good boy am I." But at any rate this Bill gives an excellent opportunity to the people to indicate to what heights their Government can rise when man and circumstances are coincident, when man and circumstances happen together.—In this, Sir, we have, I believe, and I believe my colleagues and the Premier will not mind my saying so; he will not regard it as mere adulation when I say, I think we should recognize greatness in people as in art when we see them. Here we have a historic incident where a man and circumstances combined to produce a great idea and I would not want a second reading of this Bill to pass, for my part, without giving it a simple blessing in what here symbolises the faith of the Government in the people and in the potentialities of Newfoundland. The Premier and his colleagues go out to tell the world what Newfoundland is like and what they believe and we believe it ought to be like and they do it, we do it, he does it with such boldness and with such liveliness because he knows he is being backed up by the people of this Province.

The truth is, Sir, there is great competition amongst Provinces and States, as my honourable colleague from Labrador has already said, for proper exploitation of their natural resources. Newfoundland, as he has already reminded the House, has probably jumped first in introducing industries into Newfoundland on what looked like, at the time, an unorthodox scale but which today is becoming more and more the pattern for other Governments to follow. The fact is that

crude resources, that natural resources, that basic materials whether forests or of minerals are being used up at an alarming rate, and the fact that great companies have pledged to exploit the remaining or most of the remaining resources of Newfoundland is a quite legitimate exercise. They are not here to grab up the public domain of Newfoundland. They are in this contract, as I say, for the great and honourable enterprise, because of the fact, as I have said, that the natural resources of the world are being used up at a frightening tempo. I want to say this before I close, Sir because it has to do with the main tenor of what I want to say—Any Government which sets out to use up or develop a great or too great a selection of its natural resources has one or two or three excuses as far as procedure goes.—It may undertake the whole thing as a totalitarian enterprise. When you do that you frighten away private enterprise and that is not a good thing in our language. I say this as simply as I can. You may leave it all to private enterprise and that likewise is, as private enterprise itself is the first to admit, not a wholly good thing, or you may take a third position, that is to link up public control with private enterprise and let them work together as a team. As far as I understand public policy in various parts of the world today, I believe, that is a solution to a great many of their economic ills. It will not be in governments taking over nor in private enterprise taking over but rather in each one doing which it best can do.

Now, Sir, we have talked rather fluently as other members of this House have reminded us of the great natural resources of Newfoundland, but it is but a poetic phrase. Here

in this Bill we are seeking to do one thing in the main, we are seeking to find an answer, not necessarily once and for all, but we are trying to find an answer which will be adequate for the purpose to which it is harnessed, the answer once and for all as to what resources we really have, and to answer that question requires imagination and skill and planning on a vast scale. It is a happy event from the point of view of a broad public welfare that this Bill is applied not only to the Island of Newfoundland but more especially or at least equally to the Labrador.

So, Sir, this Bill, which has been launched before this House in a great concept by the Leader of the Government comes to us as a full-blooded attempt to bring substance to this phase of "natural resources" to make it meaningful whereas hitherto and up until now it has probably been a little more than a matter of literary shadows.

I have great pleasure, Sir, in supporting the principle of the Bill.

**MR. SMALLWOOD:** Mr. Speaker, the intention is to meet tonight at 8:00 o'clock, and as I intend to close the present debate and as it is now five minutes to 6:00 o'clock I can do no more than make a beginning of the remarks I intend to make in closing the debate.

I have, I think, principally four points to make by way of rebutting some at any rate of the arguments used by my honourable friends of the official Opposition and not to ignore my honourable and gallant friend the Independent member perhaps one or two of the points made by him. If I may say so without incurring the danger of encouraging the belief

which some selfish people are trying to promote, i.e., that the honourable and gallant member is somehow now a supporter of this Government and this Government somehow now a supporter of his. I think in duty bound I ought to take one or two slaps at him when the House resumes at 8:00 o'clock. It will not be the first time that the honourable and gallant member and I have locked horns, indeed we are both battle-scarred in wars fought between us in the past few years. I think the honourable and gallant member likes a fight but not more, I assure you, Mr. Speaker, than the person who is speaking at this moment. So that when two men who each dearly love a fight lock horns the scene is likely to be cloudy but quite interesting to say the least. As I am really only talking now for the purpose of angling your honour to call it six o'clock at any moment so that I may resume at 8:00 o'clock. I propose not to aim my ammunition at this awkward hour of the day but to reserve my formal remarks by way of rebuttal to the hour of 8:00 o'clock later in the present sitting of this House of Assembly. That took a certain number of seconds to say and with great impatience I am waiting for Your Honour to call it 6:00 o'clock and leave the Chair so that we may resume at 8:00 o'clock tonight.

There are principally four points that I shall make in rebuttal. It has been one of the best debates we have had in this session short though it has been, yet the quality of the debate, I believe, has been higher than that of any other debate since the present session. Your Honour's heart is hardened against me, I can see that. Your Honour is determined to abide by the strict letter of the law and in

that I feel nothing but admiration for Your Honour because from the day that Your Honour took the Chair, Your Honour has carried out the rules with the strictest possible impartiality showing neither fear nor favour to Your Honour's left nor Your Honour's right but have preserved —

MR. SPEAKER: 6:00 o'clock.

House recessed until 8:00 of the clock.

#### NIGHT SESSION

The House resumed at 8:00 of the clock.

MR. SPEAKER: I can assure the honourable members that Standing Order (c) will be carried out.

MR. SMALLWOOD: Mr. Speaker, I don't intend to delay the House very much in closing this debate on the BRINCO Bill. There are, however, one or two points made by the honourable gentlemen who constitute the Opposition to which some reply ought to be made.

First, however, I feel that I must make some comment on the very unfortunate remarks made here the other day by the Honourable Leader of the Opposition. Newfoundland, Sir, is not a place in which you would expect any expression of anti-British sentiment. Ordinarily, Newfoundland is about the last place under the British flag in which you would expect any anti-British talk. This House known as the "Peoples' House" is about the last place in the world where you would normally expect to hear any expressions of anti-British sentiment. Yet we heard the Leader of the Opposition say in his

speech opposing the BRINCO Bill that Great Britain's greatness has been built upon slave labour around the world. The Leader of the Opposition described for us here the way in which, he said, some British enterprises had gone about the Empire exploiting the people, introducing slave labour and by means of that slave labour building up Britain's greatness. Now, I don't know why he said that. I have been trying since then to fathom what reason the Leader of the Opposition may have had for making such an outrageously false, outrageously untrue statement as that. I could very easily understand the Opposition feeling great chargin over the Government's success in bringing these vast British Companies into this Province. I can understand the honourable gentleman's feelings that here once again the Government had had a great triumph. I could without any difficulty imagine the honourable gentleman feeling that here again the Government had struck a vital blow, perhaps the death blow, to any possible future hope the Tory Party might have in Newfoundland to impress the Newfoundland people. That would not be a very welcome thought to a gentleman so recently appointed Leader of that party, an honourable gentleman so very recently been appointed to be his party's white hope. In this disappointment over that death blow struck at his party's prospects I would understand his being very annoyed, in his losing his temper and therefore attacking the Government and attacking me with vehemence. But I do not understand how any citizen of old Newfoundland could stand in the people's House and give utterance to such an utterly vicious statement as that about the

Mother Country. It passes my comprehension completely. That Britain's greatness had been built on slave labour and exploitation of colonial peoples. Does it not sound exactly the kind of thing the Communists get off. It is indeed the kind of thing the Communists have always gotten off in relation to India, in relation to Africa, in relation to Egypt and in relation to every part of our colonial empire and Commonwealth. Is it not a standing accusation of Moscow that Britain's greatness has been built on slave labour. But I never thought I would live to see that day when the Honourable Leader of Her Majesty's Loyal Opposition would stand in this House and make such an attack as that upon the greatest and the freest land this world has ever known or ever will know, the very cradle of our civilization, the very nursery of parliamentary government, the home of political freedom—"A country built upon slave labour." I am very sorry that these remarks were made. I am sure that the House is very sorry they were made. I know that the people of Newfoundland would blush with shame to hear such statements made anywhere in Newfoundland and most of all in the House of Assembly.

This Government are very proud of the BRINCO deal which helps to re-establish British industry and financial might in the world. Four and a half centuries ago it was to the new world that Britain turned to found her Empire and in the new world it was here in Newfoundland in particular that she did so. Now, shattered and weakened by the terrible strain she imposed on herself in the most terrible of all wars even in the world's history, to combat and to beat down the might of Hitler, and now she turns once again to the new world

and in particular to Newfoundland, her first child, in an attempt to rebuild a new and great economic Empire. We in this Province will be very happy if in serving us Britain also serves herself. If Newfoundland which stands eternally as the corner stone of the British Empire becomes now in turn the cornerstone of a new and revived British Industrial Empire. I will not say anything about the honourable gentleman's unfortunate attack upon Winston Churchill. I listened this afternoon with great pride to the remarks of my honourable colleague, the Minister of Mines and Resources when he referred to that attack upon Winston Churchill, because the Minister was stirred, because his emotions were moved, because he was genuinely hurt by that attack he gave this House an example of oratory which we do not often hear. I congratulate him for it. I am proud of him. I am proud of my honourable colleague the Honourable Minister of Public Welfare who never fails to uplift us here, to raise higher the tone of the debate. He too excelled himself this afternoon. I congratulate the Attorney General for the down to earth, hard, practical conciseness of his address to this House. I congratulate the honourable member for Fogo district, a young but a coming parliamentarian in Newfoundland.

Now, Mr. Speaker, having said so much I wish to deal specifically with one or two points: The first is this: In connection with water-power the House will have noted just what it is BRINCO gets in connection with water-power. As my honourable friend, the Attorney General explained, they get an option for twenty years on all the unalienated or uncommitted water-power in this Province, an option to develop. That is to say they

get first chance at development of the water-power. Now, there is a reason for that. The reason is that one of the major shareholders of BRINCO is the great English Electric Co., one of the really great industrial concerns of the world, operating all round the world including our own Canada, because they operate in Canada both in their own name and in Toronto in the name of the Joint English Company (English Electric Company of Canada, Limited) which they own. The English Electric Company are the concern, incidentally, about whom members of the House have perhaps read in, I think, "Time Magazine" in its last issue in connection with the huge development in the United States. The tender of the English Electric Company was the lowest in the United States, millions of dollars lower than the next lowest tender which came from an American firm, and considerably embarrassed many companies in the United States and may help America to follow the slogan—Trade not Aid—to the Europeans particularly the United Kingdom. They are a huge concern, they manufacture everything electric, almost anything that you can mention, generators, switch boards, electric panels, electric cable and needless to say all kinds of electrical instruments, radios, vacuum cleaners and a whole host of other articles. Newfoundland and Labrador are here with perhaps as much as ten million h.p. of undeveloped unharnessed electricity. Surely it will take a concern of almost monumental size to harness such gigantic h.p. That is why, without a doubt, that Rothschilds in lining up these twenty companies to form BRINCO were so eager to go first of all to English Electric needing, as they did, to have in that great

development group, at least one huge concern to handle large scale hydro-electric development.

BRINCO will get no hydro-electric power on the Avalon Peninsula—BRINCO will get no hydro-electric power on the Bonavista Peninsula, they will get no hydro-electric power on the Burin Peninsula because all of these three peninsulas have been alienated or committed and therefore are exempt in practice though not named in the Bill from the options that is given BRINCO. They will not get the huge hydro-electric power possessed by Bowaters nor that other huge hydro-electric development operated by the A.N.D. Company or controlled by the A.N.D. Company nor that modest hydro-electric power possessed by the Buchans Mining Company nor any hydro-electric power possessed on the West Coast by the United Towns Electric Company. Indeed they get no power anywhere in Newfoundland nor Labrador which is already alienated or committed to be alienated.

Now, what is left? I will tell you what is left; on the Island of Newfoundland itself there is the Bay D'Espoir hydro-electric potential or two hundred and eighty thousand horse-power. They will get the seventy-five thousand horse-power inside of Grand La Pierre, they will get the hydro-electric potentialities on the South West Coast, the Grey River, I think it is called, with a possible (we don't know the amount) hydro-electric power of fifty or sixty or seventy thousand horse-power. They have the option to develop the hundreds, literally hundreds if not thousands of tiny little hydro-electric resources scattered all about the Island of Newfoundland. Whether they will avail themselves of the opportunity of

taking over these hundreds or even thousands of small hydro-electric sites I rather doubt, I would hope they did because if they did it would be only for the purpose of developing that power and what better thing could happen to Newfoundland than that these hundreds of small streams running into hundreds of harbours and coves along our long coast were developed and electricity made available for the people who live in them. That is almost too much to hope for. I hope and pray that English Electric will turn out to be interested in these hundreds of small hydro-electric potentialities. My own personal ambition is that the English Electric Company will come here to the Island of Newfoundland and will develop hydro-electric power and will establish a great transmission network to bring electric light to the homes of tens of thousands and hundreds of thousands of those of our people scattered about the Island. My hope is that English Electric through BRINCO or the electrical people in BRINCO will establish here in Newfoundland what has been done in many other Provinces of Canada. They have their various hydro-electric commissions, in Nova Scotia, in New Brunswick, in Quebec, Ontario and other Provinces of Canada and in place of a Newfoundland Hydro-Electric Commission providing rural electrification to our remote farm areas and to our fishing settlements and our logging settlements we will benefit by the coming of English Electric Company to this Province. That is my hope—that of course I cannot guarantee, I can only hope. Certainly it will be clear to the House that is one way in which BRINCO can be of enormous assistance to the Mother Country the de-

velopment of hydro-electric power in Newfoundland and Labrador. The company's name is so great because of the shareholders, because of the fame and the greatness of the companies who constitute their shareholders. The name of BRINCO will stand high in the world of finance that there will be no, not even the slightest difficulty in BRINCO's floating a bond if they have any need so to do, running into the dozens, the scores and even the hundreds of millions of dollars. I emphasize the word dollars—these dollars floated by their bond on this side of the Atlantic could be spent in Britain to pay for the hydro-electric generators, turbines, cables and all the rest of the equipment required in this Province and made by English Electric in Britain. Suppose for the sake of argument they were to develop five or six million horsepower in Labrador, that could run as high, with a four hundred mile turbine from, say, Grand Falls to the Saguenay on the North Side of Quebec and there connect with that huge project. In addition to providing employment for literally thousands of Newfoundlanders in the construction of the work and permanent employment subsequently for literally hundreds of Newfoundlanders especially those with skill in the hydro-electric field, could provide for the Treasury of this Province as much as a million or two million dollars a year from hydro-electric royalties and could provide for the Mother Country orders for the manufacture of the material on so gigantic a scale as to run into many hundreds of millions of dollars. Our hope is that it will take a thousand million dollars, a billion dollars cash capital to develop all that BRINCO may find. The prayer of every Newfoundlander will be, and must be,

that BRINCO will find so much minerals in Newfoundland and Labrador and so much hydro-electric potentialities and so much timber to be developed at a profit as to require not less than a thousand million dollars to capitalize, to finance and to put these things into actual operation. That will be the hope, that will be the prayer. How much minerals they will find who knows? When the Labrador proves economically sound to develop, the timber resources of Labrador who knows? We can only hope. But we can rest satisfied in the knowledge that at last we have brought in to this Province a huge, a titanic combination of British Industries, skill and financial strength necessary to conduct the necessary surveys without which all is mere guess work, without which nothing is possible.

Now, we have heard the Opposition say, again, and again and again and again repeatedly, ad nauseum, one thing—my honourable friend, the Minister of Public Welfare summed up the situation this afternoon when he said that this is too big a Bill, too big a deal, too big a project for small minds of the Opposition to grasp. Certainly if they failed to grasp the magnitude of this project and the magnitude of the significance of this project they were not too small to coin a phrase of scorn in connection with this Bill. They have repeated and repeated and repeated each of them without exception, not once but four or five times each like a refrain over, and over, so much so that I asked myself; is this a cleverly concocted, a cleverly organized plan, a clever tactic of the Opposition—to the last of them who spoke today we had the same refrain, giving away, alienating, giving away, alienating—this



Government are giving away sixty thousand square miles. Mr. Speaker, this Government from the moment it took office has given away none of the land of Newfoundland nor Labrador, not a square mile, not a square yard, not a square inch except to churches on which to build churches or manses or rectories; to schools on which to build schools, to cemeteries where people's dead may be buried and to farmers to cultivate the land. That is the only land we have given away since we took office. In this Bill the only land we agreed to give away to BRINCO is the land they will need on which to build towns if they find mines, on which to erect mills for treating any ores; on which they would need to erect transmission lines; the land on which they will need to erect power houses; the land on which to erect wharves and piers for shipping purposes—these are all spelled out in the Bill, they are named—these are the only pieces of land—I can't imagine that they could possibly run to more than a hundred square miles altogether in both Newfoundland and Labrador. Surely it will not be suggested that there is anything wrong in a Government giving public land to a great corporation for the purpose of development if that corporation spends millions of its own money, British money released by the British Government, by the Bank of England, by the British Treasury earmarked for the very purpose—having spent millions of their own money and having found minerals surely it will not be suggested that there is anything wrong in this Government, in this House, giving to such a corporation enough land upon which to erect the necessary works to enable them to conduct their mining, their forestry or their hydro-electric

production. That is the only land they get in this BRINCO Bill. We don't give BRINCO sixty thousand square miles any more than you give a man your house when you rent it to him. If you sell a man your house and the land it stands on is his, it is not yours any more, it is sold for a dollar or a million dollars or anything in between, it is gone—then indeed the words of the Opposition could be used truthfully, accurately—"Gone, finished, that is the end of it, tied up, alienated, given away, little Merasheen gone—there she were now where are she? Gone, Merasheen, gone." The broom swept it away, this big broom that started at Seal Point and ended at Fogo and swept right down diagonally across the Island swept away and took in little Merasheen as it went. That would be true if we had sold that land or given this land. We have given nothing. We have given only the right to them to spend their money exploring and we have given them the first right to be the only ones to spend their own money on the area concerned. We have given them the right, if they find anything, to develop what they find with their own money. We have given them the right to pay us taxation and royalties on anything they produce—that is how we have given away Newfoundland.

But the same honourable gentlemen of the House who talked most of this, the same honourable gentlemen who now tell the people that the Government have given away sixty thousand square miles to BRINCO are the same honourable gentlemen who described the Union of Newfoundland with Canada as selling Newfoundland by the same people, traitors who sold Newfoundland to Canada. Where now is the sale of Labrador to Canada? Can

we sell it twice, can we sell it to Canada and give it to BRINCO? We can't do anything with Labrador because the Tories told us we were selling Newfoundland to Canada and in this very Chamber, in this very building when we had a National Convention here, were told by the same honourable gentleman who is now Leader of the Opposition, Leader of the Tory Opposition, that we were selling Newfoundland, selling Labrador and all that Canada wanted us for was to get Labrador. Now that same honourable gentleman stands up in this same building in this same room and tells us—You are giving it away.—Giving it away to whom? According to him, to a country that has grown rich by exploiting the peoples of the colonies of the Empire, by reducing them to slavery and bringing the wealth back to England for England to live on the fat of the land.

Mr. Speaker, Newfoundland for about four and a half centuries was a colony. We are Britain's most ancient colony. We are proud today, as an act of sentiment, an act of emotion, to call ourselves, still, Britain's most ancient, loyal colony. Now that we have become a Province of Canada we take great pride in being known by that title, just as the Sovereign Commonwealth of Massachusetts, one of the 48 States of the American Union calls itself, I think, today "The Old Colony" and some of their commercial enterprises are known as "The Old Colony Trust Company" and the "Old Colony" this and that, because once Massachusetts was a colony of the Government of Britain, and today the Commonwealth of Massachusetts, one of the American States. So we here, also, notwithstanding the honourable gentleman, who is the Leader of the Opposition, and his at-

tack upon the Mother Country yesterday, I believe we always in Newfoundland will be what we have always been entirely loyal and devoted, loyal, proudly loyal to Britain and all those great and glorious things for which Britain has ever stood and stands today. But, Sir, when we became a Province of Canada we ceased to be a colony. And we have no desire ever again to be a colony except in that great historic sense of being Britain's most ancient and loyal colony just as Massachusetts still is the "Old Colony." In that sense alone, but otherwise we have no desire ever again to become a colony.

Now, Sir, cast your mind back over the past few years and reflect upon the number of concerns that have come into Newfoundland brought in by this Government most of them; reflect upon the number of American Companies that have been brought in to this Province since Confederation—Newmont Mining, American Zinc, Lead and Smelting, New Jersey Zinc, Cameo, John Fox.—These are great and wealthy concerns. But let us be very frank about it, Sir, and face this fact that in our modern, post-war world, the great new imperial power is the United States of America, and I who was born British, and, as a great Canadian statesman said: hope to die British, I, for one wish never to see Newfoundland become a colony least of all a colony of the United States of America. We were a colony for England long enough, we have grown up, we are part of the great Nation of Canada, from the Atlantic to the Pacific, the third largest land mass in the world, exceeded only in size by Russia and China, the third greatest land mass of the globe.—We want never again to be a colony.

Sir, we have here in this Province

representatives of the great powers of the world. They have been here since shortly after the outbreak of the late war, they have been made very welcome by all of us, and we are all of us very glad that they are here. They are good neighbours and I hope they find us good neighbours. We are very glad that they are here, we are very glad indeed that these great American Companies are here exploring our natural resources with a view to developing.—We hope for and we will work for more American companies to come into this Province for the same purpose. But, Sir, a wise attitude to take is this for Newfoundland, that Newfoundland's natural resources shall not be possessed or controlled by companies, no matter how wealthy or of what integrity, from one country. Newfoundland is too small in population and wealth, developed wealth, to be able to afford to take any chances on becoming dominated by any one country, be it the Mainland of Canada, be it the United States of America, or be it, and even less objectionable of all, the Old Mother Country. Here is the part of wisdom for us to play—to invite them here from the Mainland of Canada, from the United States and so that it will be well balanced especially from the United Kingdom.

We have here a very great Canadian Company operated at Bell Island and at Aguathuna, we have a great American company operating at St. Lawrence, we have other Canadian and American companies operating here and we have a couple of fine British companies operating. Let us see to it in Newfoundland that a balance is preserved, that all of our resources do not come under the control of nationalities of any one country, but that the matter be balanced out and that balance carefully preserved.

That is still another reason, among many other reasons, why I am so glad that this great combination of British skill and enterprise known as BRINCO has now been brought here. Mr. Speaker, I end as I began by saying: I am sure that in this I express the feelings of every member on this side, and perhaps for all I know, every member on the other side—they have not said anything to indicate their feelings one way or the other. I express great regret that the Leader of the Opposition saw fit to indulge in those vicious and obnoxious words he implied in connection with this Bill, these vicious and obnoxious sentiments towards the Mother Country. "It is a dirty bird that fouls its own nest." We in the world today are confronted by two titanic powers—Britain and the great democratic United States of America; and the great totalitarian State of Russia. The tendency is to divide the world between them. Let us who are British, who glory in our British blood, who are so proud of the great traditions of the land of Shakespeare, Cromwell, John Hampden and John Bull, of Gladstone and Churchill, let us stamp out from our midst any disloyal utterances any suggestions that the greatness and glory of Britain has been built merely by slave labour throughout the Commonwealth and Empire. I regret that it should be necessary, not to defend Britain against such challenges, but that such challenges should have been made, and that there should be any need to give expression to the feelings of this House that these statements and accusations were wrong and foul.

Now, before I close, Mr. Speaker, may I say just this one more thing: We have now as a Government virtually brought to a close the programme of industrial development that we

launched more than two years ago, we have now by means of CAMCO, Falconbridge, American Zinc, Lead and Smelting, Frobisher, New Jersey Zinc, Newmont Mines, John Fox, NALCO and BRINCO set in motion the most gigantic effort made in all our history to explore for natural wealth. What we have left still to do is to develop our fisheries so that hundreds of thousands of Newfoundland people can earn a decent living out of the sea. We have, Sir, been paving the way.—Surely now we can forget about minerals, forests and water-power knowing that they are all in good hands, the hands of great British, Canadian and American concerns, and devote ourselves, our minds, our time, our hearts to this great remaining task of this Government, to make our fisheries as modern as our mines and our paper mills, to make our fisheries so rich and so lucrative that they will lead the world.

So we commend BRINCO to the attention of the House. We challenge the Opposition to vote for it. We dare them to vote for it.

Motion carried on division.

For: Hon. the Premier, Hon. the Attorney General; Hon. the Minister of Fisheries and Co-operatives; Hon. Mr. Lewis; Hon. Minister of Education Hon. Minister of Finance; Hon. Minister of Public Works; Hon. Minister of Mines and Resources; Mr. Courage; Mr. Canning; Mr. Janes; Mr. Brown; Mr. Norman; Mr. Cashin.

Opposing the Motion: Mr. Fogwill, Mr. Jackman.

Motion carried—14 to 2.

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

Committee of the Whole on Bill. "An Act Further to Amend the Newfoundland and Labrador Corporation, Limited, 1951."

MR. CHAIRMAN: This Bill has been read but two clauses were permitted to stand, clauses 7 and 8.

Clauses 7 and 8 carried.

MR. CURTIS: I move, Mr. Chairman, that the Committee rise and report having passed the Bill without amendments.

Ordered read a third time on tomorrow.

Second reading of Bill, "An Act to Create a Farm Loan Board and to Provide Loans for Farm Development."

DR. ROWE: Mr. Speaker, in moving second reading of this Bill I would like to refer briefly to the Speech from the Throne where it was indicated that now that the programme of industrial and economic development, that is the Government's part in that programme of activity and motivation could be expected to taper off and in consequence increasing attention would be devoted to some of the other phases of our particular economy particularly, as the Honourable the Premier has already indicated tonight, the fisheries. But it mentions as well that the Government would be in a position, and was desirous, of giving increased attention to other factors of our general economy, the timber resources particularly the utilization of the timber on Crown Lands.

MR. SPEAKER: The Honourable Minister must not discuss the Speech from the Throne. The Bill is on farm loans.

DR. ROWE: Thank you, Mr. Speaker—I would then direct the attention of the House to the fact that it has been indicated here that agriculture would receive increased attention from the Government. This Bill is evidence of the Government's sincerity in that matter.

It has been claimed by some farmers in Newfoundland, and possibly with some justification, I suppose, that through the years they have been for some years the "Cinderella." They have to work under very great natural obstacles and handicaps. I recall one rather disgusted farmer having decided to give up altogether his attempts to carry on farming in Newfoundland. He was a man of some substance. In fact he had decided to go to the mainland. I questioned him about it and he expressed his disgust and the sense of frustration and said: he would not mind if the climate were against him and that was all, but he had more than that to contend with; the labour factor was against him, the soil was against him, and from past experience he sometimes felt that God Almighty Himself was against him. He decided he would give it up. That illustrated what some of our farmers in Newfoundland have experienced in trying to develop agriculture, trying to make a living out of agriculture.

Now, we as a Government recognize, as I am sure the whole House does, that the development of agriculture in Newfoundland is not an easy proposition. In fact it is one of the most difficult that any person could engage in. So in a number of ways it is our hope that we can at least make it easier, because we do have, speaking about it from the standpoint of the department which I represent and from the standpoint of the Govern-

ment, we do have some faith in agricultural potentialities in this Province. We do think it is possible to develop certain phases of agriculture to a point where people may derive a good living from their industry and their investment. But we do recognize that one of the most serious problems facing the farmer, both the man who is just beginning and the man who has been carrying on on a small scale is that he is totally unable to find the wherewithal to provide the equipment to make the necessary installations or to get the materials of one kind and another. In short he is unable to finance his enterprise to the extent where it can really become productive. So that one of the ways we hope as a Government to help the farmer to overcome some of his handicaps at any rate is by the creation of a Farm Loan Board which will have the power to make loans on certain conditions to farmers in Newfoundland, either to farmers who wish to begin an enterprise but particularly to farmers who are already in the industry and who have had years of experience in it, whether root crops or live stock or poultry or any one of various types of agriculture to assist him so that he can get the wherewithal to improve his standards, to make his farm more productive and of course ultimately to derive a better and more satisfying living from his occupation.

This is an enabling Bill. It does not of course set out the various regulations which will guide the board in according loans, in making loans and conditions that will be attached to loans. I think that I can say that the Board will in all probability consist of civil servants, senior civil servants, men who have been connected with the Department of Mines and Resources and the Division of Agricul-

ture and who understand something of the problems involved. I think, Mr. Speaker, I have covered the basic idea behind this Bill. In essence it is an indication that the Government far from having lost faith in the potentialities of agriculture is determined to push ahead in a variety of ways of which this is one which we hope will be a very substantial contribution to the welfare of agriculture in this Province. I move the second reading of this Bill, Mr. Speaker.

MR. FOGWILL: Mr. Speaker, I rise to support this Bill, Sir, because the farming industry is one of the most important ones. It is a food producing industry and it has been pointed out by the Honourable Minister who introduced the Bill that the farmer is working under a very great handicap. Anything that can be done to assist him or help him out in improving his farm or stock, helping to get proper implements and feeds and fertilizer, etc., is worthwhile, because it is a well known fact, Sir, that we in Newfoundland import most of our foodstuffs. I do not know what the figure runs to today with the present cost of these commodities but I believe it would run well over seven or eight million dollars a year.

I would like to make some reference, Mr. Speaker, to a committee I worked on some years ago during the National Convention. At that time we looked back over the records and we got quite a lot of information out of the Custom's Blue Book. We went back for twenty years and found out that during the period we surveyed there was somewhere around 390,000 lbs. of pork and beef imported and the yearly importation of vegetables, particularly potatoes, ran into a huge figure sometimes as high as ninety and a hundred thousand barrels.

One particular thing, I think, Mr. Speaker, that the farmer is concerned with is the cost of feed, if the farmer had some relief from the high cost of feed for feeding animals and poultry I think that would be a great help to them. If they do get some assistance under this Farm Loan Act to modernize their farms, I am sure that would be welcome to them and they would receive this in a very kindly way.

There is one thing, Mr. Speaker, which I think should go along with this—if it is the intention of the Government and the farmers to try and increase the amount of production of products grown in Newfoundland, I think the Government should, as well as those engaged in the farming industry, consider the question of storage for farm products in the fall of the year instead of having them dumped on the market in a period of perhaps two or three months. If they had sufficient storage space in different parts of the Island whether they were large or small farms operating; if something really could be done about the high cost of feed, Mr. Speaker, and with the assistance which could be brought about by lending farmers some amounts of money each year, as the case may be, to modernize their equipment and farms, I believe, Sir, that this legislation could be a great help to that number of our people who are engaged in the agricultural industries.

MR. SMALLWOOD: Mr. Speaker, if you look over the field of agriculture across the whole Canadian Nation and across the whole of the United States you will be, I dare say, surprised to see the almost infinite number and variety of ways in which the Governments assist agriculture. There is not in the other nine Provinces of Canada a Government nor a Provin-

cial house that has failed to pass legislation giving special assistance to agriculture. The same thing applies in all but a few states of America, ones where farming is not important. The same thing applies to the Federal Governments of both countries. I don't think I can imagine what agriculture would be like in Canada and in the United States today but for the tremendous, almost monumental assistance including financial assistance given to farmers. Try to picture the Prairie Provinces for example without the Prairie Farm Rehabilitation Act and the scores of millions of dollars of Federal money poured into farms of the Prairie Provinces under this Act. Try to think of the farmers of Canada as a whole without farm loans, loans provided by the Federal and also by the Provincial Governments and Farm Loan Boards, it would be almost impossible to imagine.

I sometimes think that our Newfoundland farmers are failing to take advantage sufficiently of the Federal aid offered by Ottawa. There is, for example, a Cold Storage Act on the statute books of Canada under which the Government of Canada can give very considerable financial assistance in the form of outright grants in the erection of cold storage plants for farm purposes. There are also the farmers' loan guarantees under which a farmer can go to a bank, any chartered bank, and get a loan from the Government from that bank up to three thousand dollars by paying in at the outset one quarter of that amount, or any amount up to three thousand dollars, the bank then advancing the rest on a guarantee of the Canadian Government. Very few farmers in Newfoundland have yet taken advantage of that opportunity.

I think the number is some twenty, thirty or forty farmers in Newfoundland who have gotten loans under that Federal guarantee scheme. A few weeks ago the Parliament of Canada increased the amount from three to four thousand dollars so that today by paying in a thousand dollars at the bank on the purchase of something a farmer needs he can get the bank to put up the other three thousand dollars and it is a loan for a period, I think, of from some two or three, four and even five years. Now, that scheme is for the purpose of assisting farmers to acquire live stock or to erect a building, poultry building or cattle housing and the like or in order to buy seed to buy agricultural implements or machinery. I would like to see our farmers made more aware and more conscious of what they can actually get in the way of help from the Government of Canada. Of course, Sir, as my honourable colleague has pointed out, this Government could not depend entirely upon the aid that the Government of Canada offers to our farmers. We too have our responsibility and I am certainly glad to see my honourable colleague bring this Bill before the House today to create our own Newfoundland Farm Loan Board out of which our farmers will be enabled to get a loan to assist them in enlarging and improving their farms. Personally, I call myself a farmer. I believe I could be a good farmer. I believe that if I were not so busy at my present work I would be an excellent farmer. I don't use that word at all in the sense in which I lived out at Gander and when I used to play billiards and some amateur or poor player would come up to the table and make bad shots—we called him a farmer—meaning he was no

good, so amateurish and unskilled that the best we could call him was a "farmer" I don't mean in that sense, but I mean seriously. I think I am a good farmer but especially in pigs. I think I perhaps was the biggest pig farmer ever to operate in Newfoundland, and I guarantee you, Mr. Speaker, any man who has any nonsense about him, any conceit, any swell-headedness will very quickly have it removed if he kept seven hundred pigs because although a pig is reputed to be a dirty animal he is, in fact an extremely clean one if you give him a chance. And the way to give a pig (I am speaking now, of course, of four legged pigs) a chance to be the clean animal he is so anxious to be is to clean out his pound and I assure you, by the time you have cleaned out the pound of seven hundred pigs any nonsense, swell-headedness or conceit you have in you somehow goes out with the cleanings of the pound and seems to be in a class with what is cleaned out of the pound—the conceit and what is cleaned out are really one and the same thing. Then a man gets down to earth and begins to realize the things that are real and the things that are vital. So I congratulate the Minister upon bringing this Bill before the House and I do hope that our Newfoundland farmers will be made to know about this Bill and about the Farm Loan Board when it is set up and about the fact that he can go to that board and get financial assistance to improve their farms and increase their facilities including machinery, implements, live stock and buildings, because if you had in Newfoundland a thousand additional farmers each with a good farm, each making a good living, that would not be as good as a thousand additional

men employed in a new factory or half a dozen new factories but it would be far better because the more people you have in this Island on the land, living prosperously on the land, the sounder the more normal and more wholesome is the society of that land, that country, state or province as the case may be.

I do hope that this Bill will be given considerable publicity, and I hope that the Minister himself will see to it that if there is any farmers in Newfoundland who do not get to know about this Farm Loan Bill it will not be the fault of the Minister nor his staff nor his heads in the agricultural section of his Department. Let it be known that this Government, although we are too busy personally to go farming while we are at this job, nevertheless we have a deep interest in our farmers and are anxious to assist farming in Newfoundland.

HON. P. J. LEWIS (Minister without Portfolio): Mr. Speaker, as one of the representatives of a district which possibly has more farmers than any other district in the country it gives me great pleasure indeed to associate myself with the previous speakers in endorsing the principle of this Bill.

I also wish to join in commendation of the Honourable Minister of Mines and Resources who has had the foresight to introduce such legislation. What the Premier has said relative to legislation covering farmers assistance is definitely true and it is also true that our local farmers are not well schooled as they might be upon the assistance that they could get in various forms if they were to take advantage of that legislation. I have particularly in mind, Sir, a point raised by the honourable member for



St. John's East in reference to the costs of feed here—there is a Federal Statute which is known as the "Federal Grains Assistance Act," and that Act deals specifically with the freight rates as they apply to the transportation of feeds and grain products across Canada. For example; under that setup the transportation of cattle feeds and so forth in Newfoundland compares, I won't say favourably, but it is equal to laid down costs in the Maritime regions. I question very much, Sir, if the local farmer has been, I won't say given the advantage, but has been made aware of the advantages that are his by evoking the provisions of this Act. I have not had occasion to compare the laid down costs but I know they are very high here and I think considerably higher than Nova Scotia and New Brunswick. There is no reason why that should be so. I would commend, therefore, in conjunction with the principle of this Bill that the Honourable Minister harness the skill of his sub-departmental heads with a view to examining the legislative picture as it presently exists pertaining to farming and farmer assistance, to see that full advantage is taken of that legislation by our local farmers.

At the risk of being a little off the beam, Sir, there is another point I should like to raise in relation to farming and farm products in Newfoundland which indirectly may have some bearing on the principle of this Bill; i.e., the present position in relation to the production of local cattle. In our own district of Harbour Main-Bell Island we have at the moment upwards of two hundred heads of butcher cattle that have been causing some concern to the local farmer in so far as they are finding it difficult to market that

meat in competition with what is coming in from the Mainland Provinces. That is due to a certain extent if not entirely to a lack of supervision in regard to some of the stock that is coming into the Province on foot. Now by introducing legislation of this kind which will enable the farmer to obtain financial assistance for the extension of facilities and the production of more efficient equipment a very definite, progressive step is being taken by the Government and it is a happy sight, Mr. Speaker, to see that both sides of the House are unanimous for once on the principle of the legislation before the Chair. I think that in that respect the Honourable Minister of Mines and Resources who has sponsored this legislation is entitled to a word of commendation if for no other reason. I bespeak, Sir, for this legislation an enthusiastic reception from our farmers and our potential farmers and I trust that when the respective boards have been set up that regulations will be formulated for the purpose of bringing into practice the principle of this Bill and will not be such as to make the requirements for getting the loan so onerous that our local farmers cannot comply with them.

I have had occasion to look at the regulations in relation to farm loan assistance presently on the statute books of the Federal House and there the great difficulty which would concern our farmers, I think, is that their acreage is not sufficiently large nor their farming projects diversified enough to allow them to qualify under the regulations. I would, therefore, Sir, respectfully submit and suggest that any such regulations as are framed that those responsible bear in mind the circumscribed conditions under which our farmers have

to operate, the difficulties under which they have to develop their farms, the smallness of their acreage and the limited size of their prospective plans. Taken as man to man I think that our people, and I speak with direct knowledge of those on the Cape Shore of Placentia Bay, I think that they would qualify from the standpoint of industry and initiative and compare favourably with their brothers on the Mainland. As someone has said before, I think it was the Honourable Minister, the difficulties under which they labour are great. Therefore, in setting up the machinery for their assistance which this Bill contemplates the framers of the legislation and those responsible for its administration should lean over backwards to make it easy for our local farmers to get that financial assistance of which they are so much in need and without which it would be impossible to overcome the difficulties of nature that local farmers have to fight against.

I have very much pleasure, Mr. Speaker, in endorsing the principle of this legislation, and I wish the Honourable Minister unqualified success in bringing about the ideas it germinates.

DR. ROWE: Mr. Speaker, there are several points which have been brought out by the honourable gentlemen who have just spoken to this Bill. I shall try as quickly as I can to deal with all of them. May I first of all, Sir, express my personal thanks for the gratifying way in which this Bill has been received by the House and for the kind remarks made by the Honourable Premier and the other honourable gentlemen who spoke.

As to the question of storage space

affecting our farmers I don't think it is irrelevant in any sense—the question of cold storage space is one of the problems facing the Department and the Government, and I am glad to be able to say that this Bill is only part of an overall agricultural programme which the Department especially and the Government in general has under study and is now going to implement. We had an example of it, if I may refer to a day or two ago when I had the honour of introducing here a Bill "An Act Respecting the Grading of Livestock and Meat" which was aimed in part at protecting some of our live stock farmers along the lines suggested by the honourable member for Harbour Main-Bell Island. The question of storage space is another one which we have studied in conjunction with this Bill and other Bills, and I am glad to be able to say that I hope that before this session of the House is finished I shall be able to make some comment on that matter.

That fact that this Bill has been warmly received in this House is no surprise to me, Mr. Speaker, because in recent weeks, in recent months, it has become increasingly apparent to me that this Bill will fill a very real need. Hardly a day passes that I or some one of my departmental heads receives a request, a legitimate request in most cases coming from all points of the Province. For example this winter I personally received a letter from a settlement in Notre Dame Bay, a settlement on the West Coast north of Bonne Bay and from a settlement in Lake Melville on Labrador pointing out that need for assistance, and in fact, requesting assistance in a perfectly legitimate matter, for example, if I may take a moment on it, the letter from the West Coast dealt with

this farmer's need for a tractor and pointed out that he himself had a certain amount of money he was prepared to put into a tractor, unfortunately he could not finance the entire cost. The letter from Notre Dame Bay pointed out the farmer's need for, in fact he is a professional man and not a farmer, but pointed out his need to increase the buildings where he now keeps his poultry. Again it was pointed out that he had a certain amount of money that he could put into that, but not enough. The one from Lake Melville pointed out a perfectly obvious fact that this particular person had experimented for the past two or three years with poultry raising amongst other things and had been successful in a small way. But here is the crux of the matter—very near to where he was working is the great Airport of Goose Bay and every day, I am given to understand, great airplanes have to fly from a distant point on the Mainland of Canada and bring in eggs and vegetables and meats, chicken, etc. This writer is anxious to go ahead and take advantage of that tremendous market there in Goose Bay, where, I am not revealing any defence secrets, it is well known we have thousands of people. The market is there so it is no surprise to me, Mr. Speaker, that this Bill has been warmly received by the House.

I would say with regard to another point raised by the honourable member for Harbour Main-Bell Island that it is our hope, our expectation that when this Bill is in effect in the years to come, and I would like to point out that when introducing a new measure and a new Bill like this the Department concerned and the Government would want to go very slowly indeed and certainly would

not want to create too great an expectation in the minds of our farming people—as I say at this time, we have to go slowly, we have to be very careful with it, but some of the problems that the honourable member for Harbour Main-Bell Island has in mind, and I believe the honourable member for St. John's East as well, can be solved if our farmers are in a position to modernize and made their farms more efficient. The day is gone when a man can keep two or three cows and cultivate two or three acres of potatoes and expect to make a decent living. My grandfather did that. It was possible in the settlement of Lewisporte when he came from Fogo Island and settled in the settlement of Lewisporte, now the fastest growing town in the Province, he got a grant or lease for twenty-five acres of land seven acres of which he cleared by hand, he and his wife, as did other people in the place as well—they were able to make, with the help of the other things they had, to make a living out of two or three acres of land and a few head of cattle. That day is gone completely. The solution to combatting the ills of our farmers today lies in modernizing, in introducing more efficient ways of production and making every expansion, it is conceivable then that a man may drive himself bankrupt trying to make a living out of two or three hundred head of poultry but there are people in Newfoundland with a thousand head of poultry making a very good living today. That same may be applied to the keeping of live stock, hogs and cattle, etc. It is our hope that this bill along with our other measures will make agriculture in Newfoundland a little more efficient and thereby help to solve some of the problems which have

been described particularly by the honourable member for Harbour Main-Bell Island.

I should like also to say one or two words on the matter of publicity which the Honourable the Premier has raised. I am very glad he has brought that again to the attention of the House. It was something which concerned me first when I stepped into the portfolio—one of the first questions which I asked was—what measures are being taken to tell the farmers of Newfoundland just what means of assistance are available to them from time to time? I am glad to be able to report to the House we have now evolved a journal whereby we hope to be able to send to every legitimate farmer in Newfoundland some sort of monthly bulletin wherein he will get the news going on, and know the ways and means of assistance available to him. We outline them in that monthly letter. On the matter of the possibility that the regulations may be too onerous—we do think very strongly that it is no good for us as a Government to set up a loan board if we make the regulations so stringent and so rigid that not one per cent out of twenty farmers, perhaps, can take advantage of that. I am myself altogether too familiar with the hardships of the farmers in Newfoundland. I have lived in farming communities and my people have a background of farming, and I know, as do I am sure all the members of the Government of Newfoundland what the problems are and it will be our endeavour to draw up regulations which, whilst they will be devised in such a way as to minimize the possibility of abuse, a possibility which is always present, Mr. Speaker, in the case of any Government assistance, they will be de-

signed to minimize that and at the same time be liberal enough and understanding enough to assist the great mass of farmers who legitimately may need assistance financially.

Mr. Speaker, I would like to express my appreciation at this time for the assistance I have been able to derive from conversation and conferences with the Honourable the Premier. I had felt that I was very familiar with the Premier, I had known him for many years and have had many intimate conversations with him but one of the things, after I went into the Department of Mines and Resources, which struck me most of all was the profound knowledge of agriculture, every phase of it, which is possessed by the Leader of the Government. I want to express my sense of gratitude to the Honourable Premier for the assistance he has been able to give me in my attempt to study and understand the variety of problems confronting agriculture in Newfoundland today.

I move the second reading of this Bill, Mr. Speaker.

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

Second reading of a Bill, "An Act Further to Amend the Public Utilities Act, 1949."

MR. CURTIS: Mr. Speaker, I beg to move the second reading of this Bill. It is a Bill to clarify and tighten up the Act which was passed in 1949 creating a Department of Public Utilities. The main objects of the Bill are to include in companies that come under the jurisdiction of the Public Utilities companies that supply water through mains directly or indirectly to or for the public for com-

pensation. These suppliers were omitted from the classification in the original Act.

Another object of the Bill so to exclude town councils and municipalities and other local commissions or boards constituted under an Act of the legislation from having to pay any assessment to the Board of Public Utilities with respect to water or electricity supplied by them. The House will know that in a town for instance such as Lewisporte the town itself supplies the electricity and other towns supply water. It would be unfair, Mr. Speaker, to include towns and public commissions not in business for profit under the purview of this Bill and so have to pay an annual assessment.

The Bill also provides, Mr. Speaker, that whereas a public utility cannot sell without permission from the board a public utility may nevertheless mortgage its assets and the Bill makes provision that such mortgage is valid.

The Bill further provides that when once a board of public utilities has given permission to a company to issue shares and the company has not immediately issued all these shares but has issued some only, it will not have to come back to the board and seek a second time to get permission to sell the balance of its shares.

The last matter dealt with in the amendment, Mr. Speaker, is to correct an error that was made in an amending Act in 1953. In that Act it was provided that where application was made to the board for approval of a bond issue a fee should be charged based on the rate of one half of one per cent. That obviously is a mistake because it is a ridiculously high charge

and the amendment makes it one-twentieth of one per cent. I move second reading of the Bill.

MR. FOGWILL: Mr. Speaker, the Opposition has no objection whatsoever to this amending Bill. If there are any questions in respect to the clauses in the Act they can be dealt with in Committee.

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

Second reading of a Bill "An Act to Incorporate the Association of Newfoundland Nurses.

MR. SMALLWOOD: Mr. Speaker, in 1935 there was incorporated here under the Companies Act an association known as "The Newfoundland Graduate Nurses' Association." The present Bill is for the purpose of creating another organization to take the place of the one incorporated under the Companies' Act, in 1925. The new nurses association is to be known as "The Association of Registered Nurses of Newfoundland," and that nurses' association which is to be incorporated or created so to speak by this Bill is to take the place of the present organization. The Bill provides that it does so with all rights, powers and privileges granted by law to corporations. The House has seen in the past three or four years legislation authorizing the creation of various professional bodies, and the purpose of the present Bill is to incorporate still another such body. The association will have its own officers, of course and will have its executive and will have its purposes. The purposes are stated as those that dignify the profession by maintaining and improving the ethical and professional standards of nursing education service, to

encourage its members to participate in affairs promoting the public welfare, to promote the best interests of nurses of the Province and to maintain unity among them to encourage an attitude of mutual understanding with the nurses of other countries and such other lawful acts and things as are incidental or conducive to the attainment of the foregoing objects. Then in addition to all the foregoing there is a very special purpose, to license all registered nurses, to conduct examinations of nurses for the purpose of registering them and then to recommend only those who are registered in this Association. Now, obviously, that raises at once a question of other types of nurses other than registered nurses. We have in this Province and we have always had a number of mid-wives. These are not registered nurses, they cannot be known as registered nurses but they are permitted to carry on, indeed they are not affected by the present Bill. Then again we have nurses' aides and nurses with qualifications other than those of registered nurses. They also are not affected by this present legislation.

It is provided also that the association shall recognize nursing schools, meeting certain requirements stated in the Bill.

The Bill generally has the intention of raising the general standard of the nursing profession and raising the general status of registered nurses in Newfoundland, to give them even more of a professional standing than they have at the present time, although I suppose that their standing at the present time is an excellent one, earning the respect of the general public, however, the request comes from the nurses themselves and we can see no objection whatsoever to

introducing the Bill and asking the Legislature to pass it. Indeed so far from being objectionable we see nothing but good to be accomplished by enabling the nurses to come together in this professional fashion.

There has been, Mr. Speaker, an increasing trend in Newfoundland in late years, the last ten or fifteen years or twenty years perhaps and in some aspects even longer than that, in others not so long, a tendency to raise the standards of professional services in Newfoundland. That applies to the profession of law, dentistry, medicine, opticians, nursing services and the like. That is a highly desirable thing. Newfoundland when she was much poorer than she is today and had less population and in some regards at least less advantages, less in the stream of North American life, tended to make perhaps undue allowances for her people, some of her people on the grounds that they were Newfoundlanders, and it was pretty good, pretty good for a Newfoundlander. Today, in a faster age, not perhaps a more attractive age, a much quicker tempo and the old time isolation of Newfoundland has been very largely removed and we are now brought more than ever in contact with the rest of North America, I think it is a desirable thing that all such bodies serving the public should themselves voluntarily endeavour to raise their own standing, their own status and to improve the standards of their own professional qualifications. Therefore, I have no hesitation whatsoever, in behalf of the Minister of Health who is absent from the House, in moving the second reading of this Bill.

**MR. HIGGINS:** Mr. Speaker, just one thing occurs to me—I agree entirely with the sentiments expressed

by the Honourable the Premier. But I would like to ask if there is any provision made in this legislation for that class known as practical nurses.

MR. SMALLWOOD: They are not affected by it.

MR. HIGGINS: That being so, Mr. Speaker— I may say there are certain groups, not very many who perform a certain valuable function— with the spirit of this I must say I for one am in complete accord.

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 Slum Clearance Act.'

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, this Bill was placed upon the Order Paper of the House by the Honourable Minister of Municipal Affairs and Supply, but since he has not been able to be present this evening I want to propose the second reading.

I may say that whilst the Minister of Municipal Affairs and Supply placed the Bill upon the Order Paper of the House and properly so as he is the Minister in the Government responsible for all housing, nevertheless the legislation originated in my department because it is concerned with co-operative housing so that I may be presumed to know something about it, and I hope I do, but it is a long time since I saw the Bill last.

Co-operative housing got its start in Newfoundland in Corner Brook in the late forties or rather in the early forties by the association known as the Humber Housing and Co-operative Society. They were assisted by the

Commission of Government by being enabled to borrow so much per unit on each house they constructed and by the provision of their own labour and further moneys they have been able to construct some twenty houses to the total value of, according to the last assessments, over eighteen to twenty thousand dollars per unit. They met their payments to the Government regularly, as a matter of fact they are ahead in payments due, and altogether they have been a very considerable success. The type of housing corporation site they set up was what is called the "continuing type" which is one in which the dwellings or houses constructed remain in the perpetual ownership of the society and if a member happens to be leaving the territory or wishes to get out of the society he simply cannot sell the house but must sell it back to the society. There is another type of housing corporation which has become common in Newfoundland and is the most popular one called the "Construction Co-operative Organization." This is the scheme presently organized in Gander spearheaded by a man named Raymond, I think, who subsequently came within my department and is now on the Mainland. He did a very admirable job with the result that there is today fourteen construction co-operatives registered, all of which hope to build with assistance, from the financial standpoint, of the Government. They are presently eligible under the Slum Clearance Act for assistance which shall not exceed seventy-five per cent of the estimated costs of the joint housing project. That enables housing co-operative groups at the present to borrow up to seventy-five hundred dollars per unit from the Government and that together with the usual investment by

each member of the housing corporation of from five hundred to a thousand dollars gives each member of the group—there has to be at least nine within the group in order to become a registered society and it is the usual pattern to have twelve or fourteen members—seventy-five hundred dollars which is sufficient to finance the house, with the exception of the land, the materials to go into the house and to pay for such skilled labour as is necessary. The membership of the group provides any unskilled labour and very often they have skilled craftsmen in their group—for whatever balance of labour is necessary. That investment in dollars with their investment in labour has been found can give each member of the group a modern home of these dimensions; three bedrooms, a bathroom upstairs and a dining room, living room and kitchen downstairs, fully concrete basement, hardwood floors down stairs and hot air furnace. Presently such construction groups are able to borrow seventy-five hundred dollars per year from the Government for one year and the pattern has been worked out so that on completion of the units the Central Mortgage and Housing take individual mortgages. The society is devolved so that Central Mortgage and Housing may be able to take individual mortgages and pay the full amount of the borrowed sum into the society which is paid back to the Government and then the individual members discharge their mortgage to the Central Mortgage and Housing over a period of twenty to twenty-five years.

Now, this amendment to the Slum Clearance Act is to facilitate and make available assistance in this fashion. At the present time the Slum Clearance Act provides only for

making available assistance to the continuing type of construction so that the first amendment here is concerned with providing that assistance can be made available to the construction type of co-operatives.

The only other amendment proposed by the Bill is that assistance may be available by the Government shall be available for a two year period of one which would give them two years in which to complete their homesteads when the co-operation would at once be dissolved and the mortgage taken by Central Mortgage and Housing.

I think that about covers what the Bill is concerned with, Mr. Speaker, and I move the second reading.

MR. SMALLWOOD: Mr. Speaker, one of the most serious social problems in the world today is the problem of housing. There is something farcical about all this talk of progress, higher standard of living etc., when people have not even got decent homes to live in. Surely a decent home is as important, almost as important as sufficient food. Yet society, and governments, in most parts of the world that we know best seem to have failed to solve the problem. It is perfectly true that the Government of Canada has got some very good legislation and has, indeed, given considerable help to the Provinces and municipalities to build new homes or to enable new homes for the people to be built. But no serious student of the problem would even pretend that Federal assistance and Provincial assistance and in some cases Municipal assistance has been in fact adequate to meet the need for homes. That fact is pretty obvious. Another fact that has become very obvious is the terrible cost of housing,



It is one of the phenomena of the post war period that the cost of housing has become virtually prohibitive. It takes a pretty well fixed man today to build a house, to buy a house, to rent a house. Certainly there is very little on the go now across Canada and across the United States that helps the ordinary worker, the ordinary person to get himself a home. Take as an example the hundred and fifty-two new housing units up here west of us, Freshwater Valley by the Housing Partnership of Central Mortgage and Housing and the Government of Newfoundland. You are not permitted to rent one of these houses if the rent takes more than one-fifth of your whole earnings. You are not permitted to pay more than one fifth of your earnings, yet you are to pay enough in rental to amortize the cost of that house in fifty years which means a rental, I believe of seventy dollars a month. That is the lowest and it is from that up, I think, to around \$160 a month to amortize the house in fifty years. In God's name, how can the ordinary person pay \$70 a month and that \$70 a month not be more than one fifth of his income. In fact he has to earn a minimum of \$3,800 a year, \$350 a month which is the lowest income a man can have and go into one of these houses. All of which boils down to this—the cost of housing is too high, so high that to amortize their cost in fifty years the rent must be at least \$70 a month. That is the great fact that stands out very strikingly in our post war world, the terrible need for housing, the terrible cost of houses that are built, and in that picture I now see only one bright gleam and that is co-operative housing.

A couple of years ago when I attended a co-operative conference at

St. Francis Xavier University, I was taken by some of the members to look at some of the co-operative housing. As my honourable friend, the Minister, has said, these co-operative groups averaged about twelve men each. Twelve men get together and decide to build twelve houses. They usually try to get a group with an electrician, a plumber, a plasterer, one or two carpenters, etc. I have seen them at it there, different religions, different colours, Catholic, Protestant and Jewish making up a group of twelve but amongst the twelve, men with different trades and they excavate the twelve cellars, make the forms and pour the concrete for the foundations and then build the twelve homes in their spare, part time. The result is to clip thousands of dollars off the cost of the houses. Now, I was so glad when my honourable friend, the Minister of Fisheries and Co-operatives, took hold of this matter and really pushed it, knowing I could be of some little assistance to him in that to try and get this idea of co-operative housing going. It accomplishes two things (1) it enables a man to get a house for himself and rear his family decently (2) it is a magnificent exercise in working together. It took a little time for the thing to catch on and some time and work to get Central Mortgage and Housing to agree. We have done something no other Government in all Canada is doing. It has taken us more than a year of continual negotiations with the Minister of the Canadian Government under whom housing comes; the heads of Central Mortgage and Housing to get them to change their procedure so that we as a Government could assist co-operative groups to get these houses co-operatively built. But we got that

done and then the Minister and his staff promoted the whole idea so that the result is we have co-operative groups in Newfoundland numbering fourteen registered and three or four more in process of formation. Now, that is a mere beginning. It is better than prefabricated houses, better than anything this idea of co-operative housing if only our people would take hold of it. If the amount of money that we have spent during the past three years in this Province on housing, most of it in the city of St. John's, had been used up in co-operative housing schemes involving the owners getting out and doing the work themselves I venture to say that we would have at least twice as many houses to show for the same amount of money.

Well this is a Bill that is bringing us a little further along the road and I think it is magnificent that this additional step should be taken, I am very heartily in favour of the Bill.

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

MR. CURTIS: Mr. Speaker, I move all remaining Orders of the Day do stand deferred.

I move the House at its rising do adjourn until tomorrow, Tuesday, at 3:00 of the clock.

TUESDAY, April 28th, 1953.

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 Princeton. This petition prays for some revision of the Crown Lands Act whereby permission may be granted to cut on some three thousand cords of pulpwood in the Princeton area, which is known as the Rattling Pond section, in view of the fact that certain stands of timber in the area are such as to warrant cutting without having any detrimental effect on the future potentialities. This area is to be cut under the protection of a forestry officer. We feel that such provision would not only give a large amount of labour and thereby assist people to be self-supporting, but would add much to the revenue of the Province. The petition, sir, is signed by some 74 residents of Princeton, and the immediate area. It is accompanied by a letter from Mr. Yetman, who speaks highly in favour of the petition. I have much pleasure, sir, in supporting it and ask that it be tabled and referred to the department concerned.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

None.

#### Orders of the Day

Third reading of Bill, "An Act to Provide for Urban and Rural Planning." Bill read a third time, ordered passed and title be as on the Order Paper.

Third reading of Bill, "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies'." Bill read third time, ordered passed and title be as on the Order Paper.

Third reading of Bill, "An Act Further to Amend the Workmen's Compensation Act, 1950." Bill read a third time, ordered passed and title be as on the Order Paper.

Third reading of Bill, "An Act Further to Amend the St. John's Municipal Act, 1921, and for other purposes." Bill read third time, ordered passed and title be as on the Order Paper.

A Bill, 'An Act Respecting the Grading of Live Stock and Meat." Read a third time, ordered passed and title be as on the Order Paper.

Committee of the Whole: Of Bill, "An Act to Authorize the Government to enter into an agreement with British Newfoundland Corporation Limited and N. N. Rothschild and Sons." Also —

A Bill, "An Act Further to Amend the Public Utilities Act, 1949."

A Bill, "An Act to Create a Farm Loan Board and to Provide Loans for Farm Development."

HON. L. R. CURTIS (Attorney General): On page 6, clause 2 on the second line—instead of saying "from the date of completion thereof" put in the words "From the 31st day of March, 1953."

MR. FOGWILL: Mr. Chairman, I wonder if the Attorney General would give us an explanation of clause 16? It is rather bewildering to anyone who has not a legal mind.

MR. CURTIS: Mr. Chairman, perhaps the best way to explain it would be to read the clause slowly so that my honourable friend could stop me when we come to the words of which he is in doubt.

(2) "For the purpose of this Agree-

ment the expression "net profits" means the net profits less losses of the Corporation and its subsidiary companies insofar as they are attributable to the Corporation's holding therein." —

I think that is clear. The net profit is profit less losses they may have. They may have two or three propositions, making a profit on some and others making a loss. The net profit would be the balance.

MR. FOGWILL: In other words: If they did take out leases on different areas the losses on one and the profit on another would be all in one account?

MR. CURTIS: Yes, everything is included.

"... computed as shown in the Consolidated Accounts approved by the auditors of the Corporation for submission to the shareholders in any financial year of the Corporation excluding any profit or loss arising on the disposal of fixed assets of the Corporation..." Now, Mr. Chairman, that would mean assets other than assets in this country. For instance the Corporation has certain capital and they invest that capital outside the country—The losses and the profit on that do not come in to their general statement as far as we are concerned. Their profits and losses are based upon their Newfoundland operations.

"... or of any subsidiary company of the Corporation otherwise than in connection with the sale, lease or alienation of any of the leases, licenses or rights granted to or hereby to be granted to the Corporation and after charging all usual and proper expenses, other than the rental payable pursuant to this clause."

MR. FOGWILL: That would reduce any profit?

MR. CURTIS: Yes, we do not participate twice in the same money. In other words, they don't pay us 8% and then 5% of the 8%, they take their 5% first, the mining tax they pay us—that leaves 95% of which we get our 8%.

"... interest payable in respect of borrowed moneys, provisions for depreciation, depletion and amortisation based on amounts expended and all other provisions as charged in the Consolidated Accounts in respect of such period but not exceeding the amounts allowable for the purpose of Canadian Federal taxation."

In other words, a straight lump sum of 33%.

In other words, we are using the Federal Tax rule as a yardstick.

"... before making any charge or provision for Federal and Provincial Income Tax under any Schedule or any other taxes on income whether of a Federal or Provincial nature . . ."

In other words we participate in their net profits as estimated prior to both Federal and Provincial taxation—of course there is no Provincial so it is just Federal.

"... before charging any dividends . . . ." In other words we participate before the payment of any dividends.

"... paid or payable on any class of shares of the Corporation and before making any appropriations for reserves of a capital or revenue nature not allowable for the purpose of Canadian Federal taxation." In other words out of the first year's profits they will set aside half of the reserve they got to pay 8% on the money as earned.

"Provided always that if the Corporation or any of its subsidiary companies shall carry on any activities other than operations the subject of the concessions and rights granted or to be granted under this Agreement the net profits or losses attributable to such activities shall be excluded." That is only fair—I think that is quite clear and I think my honourable friend will see, Mr. Chairman, we have asked for our full pound of flesh and have gotten it.

MR. FOGWILL: I wonder if we could have a little explanation of sub-clause 4.

MR. CURTIS: I wish I could charge the honourable member for this, but I can't.

"Provided always that if the computation of net profits pursuant to this clause shall in any year result in a deficiency the amount of such deficiency shall be set off against the first subsequent surpluses." That is very clear—if in the year 1954 the option resulted in a loss that loss will be a fair charge against the next year.

MR. FOGWILL: What would be used to compute the 8%.

MR. CURTIS: In other words we would only get 8% on the net profits and if in the year 1954 they lost money and in 1955 made money, obviously they would subtract from what they make in 1955, what they had lost in 1954 and pay taxation on the difference.

MR. FOGWILL: It is possible that the losses in one year would be great enough to offset the gains in next year.

MR. CURTIS: It might, and we would get nothing. We could hardly expect it.

MR. FOGWILL: Mr. Chairman, in sub-clause (c)—50c. per installed horsepower multiplied by the average load factor. How do you arrive at it? Do you take the peak load factor and the minimum and arrive at the average that way, or how do you arrive at it?

MR. CURTIS: Now, Mr. Chairman, I will have to ask my honourable friend that. He knows more about electricity than I do. Frankly, I do not know. We did not draft that particular clause. Probably my honourable friend can tell us if it is right or not. If there are any questions which arise we could consult somebody who does know. But we have been advised by the department that clause is all right. I won't undertake to explain it myself.

MR. FOGWILL: I can't explain it either. I don't know how it was arrived at. If they take the peak load factor and the minimum load factor in any year and get the average load factor (This is clause (c) 17). In any case to get 50c. per installed horsepower you would have to have your 100% load on all the time. So under the clause you have 50c. and it might possibly be much less. I don't know.

MR. CURTIS: I will check on that, Mr. Chairman, perhaps we could go on in the meantime and refer back to it.

MR. FOGWILL: Let it stand.

Clause 17 stand.

Clauses 18 through 25 carried.

Clause 1 and 2 read and carried.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again.

"An Act Further to Amend the Public Utilities."

MR. HIGGINS: Mr. Chairman, under clause 2, are we to understand the definition of public utilities as shown here is now going to mean taxi cabs are no longer included?

MR. CURTIS: The poor taxis.

MR. HIGGINS: The poor taximen in this town. Nobody will be prosecuted under that?

MR. CURTIS: I think we better let it slip through.

MR. HIGGINS: I am not objecting—it should never have been there in the first place.

MR. CURTIS: I move the committee report having passed the Bill without amendment.

"An Act to Create a Farm Loan Board and to Provide Loans for Farm Development."

Clauses 1 through 15 read and carried.

MR. CURTIS: In clause 16, I move the word "shall" be deleted and the word "may" be inserted.

Carried.

Clause 17 Carried.

MR. CURTIS: I move the committee rise and report having passed the Bill with some amendment.

Mr. Chairman, perhaps we could refer back now to the BRINCO Bill.

MR. CHAIRMAN: The BRINCO Bill has been passed except for the clause No. 17 (c) which was read.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Chairman, at the request of the Attorney

General I checked back with the officers in our Crown Lands Division and was advised that in installations of this kind they have machinery which makes a daily recording of the load factor and that average would be made up on the average of 365 days a year.

MR. FOGWILL: Mr. Chairman—I understand it is made up on an average load factor for each day.

DR. ROWE: Yes. I am advised that is the customary way of computing the average, by taking the load factor each day as registered by the machine. We would presume that method is being used here.

MR. FOGWILL: The reason I asked the question, Mr. Chairman, it did not lay down whether it was taken by day or week as the case may be. If it is taken by the day then the average is for the 365 days. That would be, I take it, the average load factor would be less than one, the multiplication factor would be less than one—probably .8 or .75 or around there. I wonder if the Honourable Minister has any idea as to where the load factor would rest?

DR. ROWE: Mr. Chairman, I understand the thing is expressed in horsepower. If the average is X-horsepower than that would be multiplied by 50.

MR. FOGWILL: Yes, but the X-horsepower is unknown. I would say your fifty would be multiplied by less than one, therefore, it would be less than fifty cents.

MR. CURTIS: You would not of course get 50c. on the maximum load, but on the average load.

Clause 17 carried. Title carried.

Move the Committee rise and report

having passed this Bill with some amendments.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have passed the following Bills:

“An Act to Authorize the Government to enter into an Agreement with the British Newfoundland Corporation Limited and N. N. Rothschild and Sons.” With some amendment.

Ordered read a third time on tomorrow.

“An Act Further to Amend the Public Utilities Act, 1949.” Without amendment.

Ordered read a third time on tomorrow.

“An Act to Create a Farm Loan Board and to Provide for Loans for Farm Development.” With some amendment. Ordered read a third time on tomorrow.

Second reading of Bill, “An Act Further to Amend the Local Government Act, 1949.”

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, in rising to move the second reading of this Bill, I might remark at first that there are several minor amendments but the primary purpose of the amendment is to provide a uniform procedure for the acquisition of property by municipal councils. The request for this arises out of the annual meeting of the Federation of Municipalities held last year at Grand Bank which request was forwarded to the department to bring our regulations into conformity with procedure already adopted.

This request came because of pres-

ent conflicting clauses in existing legislation and because some of the legislation was defective. In as much as our previous legislation this Act itself does not clearly define the procedure to be followed by the Board of Assessors as it made no provision for getting proof of title to property, did not provide for registration of titles and other things which are necessary in expropriating proceedings which are taken by the councils. Another defect in existing legislation is that no provision was made whereby land might be taken and other land given in exchange.

The enactment of this Bill will remove the existing defects and at the same time insure the rights of all interested parties are fully respected.

The other amendments are somewhat minor, for instance, one of these provisions extend from ten years to twenty years the period of franchise for operating a transportation service. This request comes because of an incident last year when a transportation company applied for a bus franchise in Corner Brook area and they felt that a ten year period did not allow them time to amortize the expenditure to be incurred by them by putting on a bus service. It was felt by them and concurred in by others that a period of twenty years would be the minimum in order that a transportation company might be encouraged to take up a franchise.

Clause 3 gives to the councils the power to compel property owners to have their fences and other erections which eject over road reservations be removed without expense to the council. They have proved during recent years that this quickly can run into difficulties when trying to widen the roads in accordance with conditions

made necessary by the increasing motor traffic. They are prevented from so doing because of a deficiency in the present wording of the Act.

Another amendment allows for an alternative method or methods in determining business taxation.

Yet another amendment allows the council to collect taxes from peddlers. This has always been one of the provisions of this Town of Harbour Grace Act. It is fair that all town councils should be given the same privilege if they so desire. One of the powers of the town council is to give permission for and to collect taxation on entertainments particularly from transient performers in their particular localities. It has happened during the past two or three years that people go into a place and give an entertainment and go out again without the council's knowledge. This amendment makes it necessary for them to get permission before the entertainment.

One other amendment to the principal Act merely clarifies or removes some ambiguity existing there. Section 10 also comes in for amendment. Under Section 72 of the Local Government Act, the Lieutenant Governor in Council may delegate to the Minister the exercise of certain powers and duties including the right to impose taxation rates and these powers have been delegated accordingly. The Minister from time to time gives approval on tax imposition at request of the various councils. However, the 1949 Act reads—"When it is necessary to show that approval was obtained the clerk of the executive council might certify such approval was given"—now it is obvious that the clerk of the executive council certainly approves when it has been gotten from the

Lieutenant Governor in Council therefore this amendment merely allows the Minister to certify approval because he is already a member of the body granting approval and it is unnecessary for the clerk of the executive council to certify it because it is done by the Cabinet Minister himself.

There is one other provision, Sir—in connection with an Act which was passed very recently which allows the mayor of the council or some member designated by him to appear in court, particularly in cases of trying to collect arrears without forcing the council itself to engage the services of a lawyer which might become very expensive and again might be very difficult to obtain.

These are the main amendments of this particular Bill, Mr. Speaker, and I move the second reading.

MR. FOGWILL: We have no objections, Mr. Speaker.

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

Second reading of Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purpose by the Issue of Bonds."

MR. HEFFERTON: Mr. Speaker, this Bill is self-explanatory. I think most members of the House are aware of the possibility that within the foreseeable future the town of St. John's may be forced to curtail its water expansion and their repairs to the present water system as well as the expansion, consequently the Municipal Council of St. John's has approached the Government for permission to raise a bond issue of one million dollars in order that sometime during the year 1953 they may be able to make a beginning.

Most people are cognisant of the expansion which is considered to be most necessary to the existing water system. They do not contemplate for a moment that they will need this particular bond loan during the next month or so, because at the moment they are planning but their plans are not too finalized as to what work they may be able to do this particular year. But it is possible they may want to raise the bond issue sometime before the House sits again. That will be determined by their own needs and the condition of the bond market at the particular time.

I don't think there is any need, Mr. Speaker, to add anything further to this and I move the second reading of the Bill.

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

Committee of the Whole on Bill, "An Act Further to Amend the Slum Clearance Act."

Passed without amendments. Ordered read a third time on tomorrow.

MR. CURTIS: Mr. Speaker, I move the remaining Orders of the Day do stand deferred.

Mr. Speaker, I wonder if I might take advantage of this opportunity to give notice of two Bills on tomorrow.

On tomorrow I will ask leave to introduce a Bill, "An Act to Amend the Motor Carriers Act, 1951."

Of Bill, "An Act to Amend the Assignment of Book Debts, 1950."

I move that the House at its rising do adjourn until tomorrow, Wednesday, at 3:00 of the clock.

The House then adjourned accordingly.



WEDNESDAY, April 29th, 1953.

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

MR. SPEAKER: There will be no reading of the minutes today. Owing to the inclement weather it was decided to admit the public early. When they are ready for the ceremony outside the signal will be given, and the Honourable Premier and the Honourable Leader of the Opposition and Honourable Ministers will leave the Chamber and any honourable member who cares to accompany them. Meanwhile the House is at ease.

MR. SPEAKER: Order.

#### Presenting Petitions

MR. DROVER: Mr. Speaker, I beg to present a petition from the town of St. Anthony with reference to the water system which is inadequate to provide water for those people. In 1927 through increased population the drinking water became a serious problem and wells and brooks were contaminated. Consequently, a small water company was formed and with the consent of the Grenfell Mission they were allowed to use their water supply.

I know, sir, something of the necessity of extending that water supply in St. Anthony a town of approximately eighteen hundred people who have a water supply, only in the centre of the town, which is owned by the Grenfell Mission. In one section of the town they have a privately owned dam owned by a number of families in that area, but the inside section of St. Anthony is without water supply and it is very difficult at times to get the water which they need for domestic purposes. It is one of the

largest towns in Northern Newfoundland and has, I believe, one of the finest administered town councils in the Island and one of the finest and first co-operative societies. I believe the Department of Public Health and the Department of Public Works are concerned with the administration of water systems in outport areas, and that if they would investigate they would find the people of St. Anthony most co-operative.

I have much pleasure in supporting this petition, and I beg leave to have it tabled in the House and forwarded to the department concerned.

#### Orders of the Day

Honourable the Minister of Finance to move the House into Committee of Ways and Means.

Mr. Power reads the Budget Speech.

#### BUDGET SPEECH

Mr. Speaker:

The financial year which ended on the 31st of March resulted in a surplus of \$6,544,100.

Our estimated surplus, as forecast in my Budget Speech of a year ago, was \$6,300,000. We realized almost quarter of a million dollars more than that, because of the quite remarkable level of prosperity with which our Province has continued to be blessed.

This makes the third consecutive year with a budgetary surplus. In the previous year the surplus was \$1,698,300, and in the year before that it amounted to \$649,500.

Expressed in terms of percentages of revenue, the surplus figures for the three years are: 18% for the year just past, 6.5% for the year before,

and 3% for the first of the three years.

These are remarkable figures. They have been equalled by few if any of the other Provinces of Canada in the period concerned.

The surplus in our accounts for the year past was more than equal in amount to the combined surpluses of Prince Edward Island, New Brunswick, Ontario, Manitoba and Saskatchewan for the same year.

A year ago I estimated that current expenditure would amount to \$28,548,900. It turned out to be \$28,301,100. I estimated revenue at \$34,348,300. It turned out to be \$34,845,200.

The foregoing is a very simple exposition of the results of our 1952-53 financial year. I do not propose to burden you with details of the many individual differences between my original estimate and the actual outturn. These differences are quite commonplace, and will be laid before the House, in detail, through the media of the Public Accounts for the year and the Auditor General's report thereon. The most casual glance at the Budget Speeches and Public Accounts of Newfoundland will show

that such variations have been quite common in our financial statements for many years past.

The wave of prosperity that began to rise up three years ago in Newfoundland swelled during 1952 to an altogether unparalleled height, and gives every promise of ascending to even higher levels for 1953. In my Budget Speech of a year ago I forecast a total of \$175,000,000 that would go into our people's pockets in 1952. That amount was realized and exceeded by several millions. Our people pocketed last year \$28,000,000 more than they did the year before. In the present year they will pocket almost that much more than they did last year. For three years running they will have received over \$27,000,000 additional income each year. It is a most significant and encouraging increase indeed, and it represents a rate of increase probably unequalled for the period in any other Province of Canada.

My estimate of what our people will pocket in 1953 is contained in a table from which I shall quote only the totals for the two previous years, though the detailed figures for 1953 are interesting enough to quote in full:

| SOURCE  | 1951          | 1952          | 1953          |
|---|---------------|---------------|---------------|
| Paper, Pulp, Wood .....                                       | \$ 28,100,000 | \$ 34,500,000 | \$ 39,662,000 |
| Defence .....   | 16,000,000    | 21,989,000    | 24,533,000    |
| Transportation .....  | 12,000,000    | 13,423,000    | 15,500,000    |
| Government of Canada .....                                    | 9,800,000     | 11,000,000    | 13,000,000    |
| Mining .....  | 9,000,000     | 9,986,000     | 12,168,000    |
| Government of Newfoundland .....                              | 9,781,000     | 10,700,000    | 12,000,000    |
| Shops and Offices .....                                       | 9,500,000     | 10,500,000    | 12,000,000    |
| Family Allowances .....                                       | 10,224,000    | 10,614,000    | 11,200,000    |
| Fisheries .....   | 10,105,000    | 9,805,000     | 10,000,000    |
| Old Age Pensions .....  | 5,000,000     | 7,000,000     | 8,377,000     |
| Construction, general .....                                   | 5,000,000     | 7,000,000     | 8,000,000     |
| Manufacturing .....   | 4,976,596     | 6,585,545     | 7,486,000     |
| Frozen Fish Industry .....                                    | 2,759,774     | 3,589,600     | 5,356,000     |
| Dividends, Interest, etc. ....                                | 2,500,000     | 3,500,000     | 5,000,000     |
| Aviation .....  | 3,210,000     | 3,578,435     | 4,104,000     |
| Motor Vehicle Trade .....                                     | 1,914,000     | 2,049,000     | 2,922,000     |
| Stevedoring .....   | 2,400,000     | 2,600,000     | 2,700,000     |
| Municipalities, Private Hospitals,<br>Broadcasting, etc. .... | 1,819,891     | 2,173,379     | 2,597,000     |
| Mothers' and Dependents' Allowances ..                        | 3,011,000     | 2,400,000     | 2,400,000     |
| Road Work .....   | 2,000,000     | 2,000,000     | 2,000,000     |
| Veterans' Department .....                                    | 1,363,000     | 1,084,000     | 1,903,000     |
| Old Age Assistance .....                                      |               | 2,000,000     | 1,860,000     |
| Unemployment Insurance .....                                  | 2,000,000     | 1,500,000     | 1,000,000     |
| Miscellaneous .....   | 3,000,000     | 4,000,000     | 5,000,000     |
|   | \$155,464,261 | \$183,976,959 | \$210,768,000 |

These are astonishing figures, and in most graphic form they tell the story of our Newfoundland revolution. A dozen years or so ago the fisheries would have headed any list that showed the origins of our people's income. In this present year the fisheries will come ninth in the list. Family Allowances will give our people over a million dollars more than will the fisheries, while old age pensions for those who have reached the age of seventy will give them only one and three-quarter millions less. Indeed, if we add old age assistance paid to those between sixty-five and seventy, then assistance to the aged comes to slightly more than the fisheries as a source of income for our people. In this context I intend fisheries to mean

only salted and pickled fish, lobsters, herring, salmon and so forth. I do not include the frozen fish industry.

Speaking of the frozen fish industry, the story of its rapid expansion in this Province is one of the most striking that can be told today. Very briefly, the story is this: that last year the total volume of frozen fish fillets exported from Newfoundland was 36,000,000 pounds, as against 12,000,000 pounds in 1947—an increase of 300% in the six years. The export value last year was \$7,457,000 as against \$3,000,000 in 1947—an increase of 248%. The grand total amount paid out by the industry as wages and shares to the crews of the draggers, to fishermen, and to workers in and

around the plants, last year, was \$3,500,000, as compared with \$800,000 in 1947—an increase of 432%.

Another very striking indication of the economic and social revolution unfolding in Newfoundland is the growth of what I might call the motor vehicle trade. By this I mean garages and gas tanks. In 1947 the total amount of salaries and wages paid out in this trade was \$1,000,000, as against \$3,000,000 that will be paid out in this present calendar year. The total motor car registration has jumped remarkably. It was 4,000 in 1945, and nearly four times as many at the end of last year. The number of new cars bought by our people in the year 1948 was 1,600. Last year it was 3,500. Last year our people paid over \$6,000,000 for new cars. In the year before they paid out about the same amount, and it is expected that in the present year it will run close to \$7,000,000—a total of over \$19,000,000 for the three years.

In 1948 one Newfoundland family in every sixteen owned a motor car—one family in every sixteen. Last year one family in every five owned a car.

Again, as an indication of the increased prosperity of our people, I might cite the case of electricity and telephones. Between 1949 and 1952 the domestic use of electricity exactly doubled—it went from 21,000,000 to 42,000,000 kilowat hours. The same thing happened in the industrial and commercial use of electricity. It jumped since Confederation from 36,000,000 to 74,000,000 kilowat hours a year. In 1949 we had 27,000 families with electric light. Now we have 42,000. The number of telephones installed has jumped from 17,000 to 23,000, and there is unfilled demand for thousands more.

I might cite another example of the swelling wealth of our people. Here in the city of St. John's construction, especially of homes, has jumped forward. In 1949 our people spent \$2,000,000 on construction; in 1951, \$3,000,000; and last year \$6,000,000. The figures for the whole Province are just as remarkable: 1949, \$3,000,000; next year \$6,000,000; the following year \$8,000,000; and last year \$14,000,000.

I give one final example, that of the tonnage of freight hauled by our railway system. In 1949 and 1950 the figure was about the same—around 900,000 tons each year. Then it began to jump. In 1951 it spiralled from 900,000 tons to 1,100,000 tons, and last year it jumped still another quarter of a million tons, to a total of 1,350,000 tons for the year. I have no doubt that it will increase by another quarter million tons in the present year to a new peak of over one and a half million tons.

All of this, Mr. Speaker, is very encouraging. It means that the standard of our people's living has been rising, and is still rising, at a rate, and to a level, that hitherto we had only dreamed of.

In the four years during which the present Government have administered the affairs of Newfoundland more has been done to broaden and strengthen the base of our economy than, perhaps, in any half century of our history. The problem has been attacked on all fronts. Never did a Government of Newfoundland display such sustained drive before.

Five new industrial plants have been constructed and brought into production. One has been partly constructed and brought into partial

production. Three others are in course of construction and will go into production during the present summer. Five other new plants are expected to commence construction within the next few weeks and to go into production during the coming autumn, or early next year.

In the field of natural resources giant strides have been taken. More survey work has been done on forests, mines and water-powers in the past four years than in any quarter of a century before. About thirty of the greatest mining, banking and industrial concerns on both sides of the Atlantic have been brought into Newfoundland by the Government to take an active interest in our natural resources. Between them they are spending, and will spend, many millions of dollars on prospecting and survey. Their ability to finance actual development of natural resources that they may consider to be capable of profitable exploitation is easily inferred from a glance at their very names. Here are some of the great concerns that are now prospecting or actually developing some of our resources:

American Smelting and Refining Company.

Aluminum Company of Canada.

Rio Tinto Company.

N. M. Rothschild & Sons.

American Zinc, Lead and Smelting Company.

John Fox.

The British Metal Corporation.

Dominion Steel and Coal Company.

National Lead Company.

New Jersey Zinc Company.

Frobisher, Ltd.

The Prudential Assurance Company.

American Metal Company.

Newmount Mining Company.

Imperial Chemical Industries.

Falconbridge Nickel Company.  
The English Electric Company.  
Anglo American Corporation of South Africa.

Hambros Bank.  
Anglo-Newfoundland Development Company.

J. Henry Schroder and Company.  
Alliance Assurance Company.  
Sogemines Ltd.

The Bowater Paper Corporation.  
Morgan Grenfell and Company.

M. Samuel and Company.  
The British South Africa Company.  
Kleinwort Sons and Company.

Robert Benson, Lonsdale and Company.

C. T. Bowring and Company.  
Labrador Mining and Exploration Company.

Iron Ore Company of Canada.  
Ogilby, Norton Company.

Between them these companies have balance sheet assets amounting to Five Thousand Million Dollars.

Between them, these companies will give Newfoundland and Labrador such a scouring for workable natural resources as we have never seen in all our history before. We are all very hopeful, and very optimistic, about the prospects of these exploration and prospecting efforts. I am sure that the people of Newfoundland give this Government credit at least for trying. The people do not expect the Government to put the minerals or oil in the earth, and they will not blame the Government if all the efforts of these great companies should fail to unearth workable deposits. They are unstinting in their praise of the energy and farsightedness of a Government that has succeeded in bringing such great and reputable companies into Newfoundland to make the effort.

They have nothing but admiration and praise for the Honourable the Premier for the unflagging lead he has taken in this great drive to get Newfoundland developed.

I am confident that our people are especially pleased to see these great British companies coming to our Province. There has always been a very close tie of fond affection binding the hearts of our people to the Old Country, and the British companies may be quite sure that they are welcome here. They are welcome because they come to find and develop our natural resources, and they are particularly welcome because they are British. This is not at all to say that the companies that come here from the mainland of Canada and the United States and other lands are not welcome. It is only to say that a very special welcome awaits those who come to us from the British Isles.

It will give some idea of the dimensions of this year's great prospecting drive in our Province when I say that Newfoundlanders to be employed in the various survey and prospecting parties will receive about \$1,200,000 in wages for the season—an altogether unprecedented figure for this purpose in Newfoundland.

A very large proportion of our people still get their living, such as it is, from the fisheries; so it would be idle to suppose that Newfoundland can be enduringly prosperous if the fishermen do not thrive. This Government, who owe their very existence so much to the warm-hearted support of the fishermen, would be false to their destiny if they failed to devote a very large part of their energies to a great program of developing the fisheries. This the Government have seen clearly from the beginning.

For whole centuries before this Government came into power the fisheries constituted a problem. All Governments of the past grappled with that problem, but in spite of their best efforts the problem became thornier and more baffling than ever. Newfoundland, therefore, in recent years, has become very lop-sided. While it is perfectly true that the blessings of Confederation have showered upon the fishermen and their families, the sad fact remains that they have not advanced side by side with their brothers in the industrial and commercial centres of the Province. This problem stands out today, therefore, more starkly than ever before, because the contrast is sharper than ever.

We in this Government, soon after catering upon the responsibility of administering the affairs of the Province, realized clearly that it would not be enough to tinker with the problem of the fisheries. Sticking-plaster might indeed, for a while, hide the places that were chafing; but it would require far more than sticking-plasters to cure the disease. What was needed was a policy for the fisheries: a policy, not for a season, but for generations.

The Honourable the Premier, and the Honourable the Minister of Fisheries and Co-operatives, held many discussions with the Minister of Fisheries of Canada, and the culmination of these discussions was complete agreement on the idea of setting up a joint committee to give the whole problem the most through-going study it had ever had, and to propose a policy for both Governments.

This policy has now been laid before the two Governments, and it is my proud privilege, in behalf of this

Government, to announce today that a great and far-reaching program of fisheries development is to be launched in this Province. I may as well say frankly that it will be costly, but this fact does not cause us any particular concern, for every dollar spent on a program of basic development in our fisheries will be a dollar invested in the great cause of strengthening our Newfoundland economy. We call upon all fishermen, and all fish merchants, to join unstintingly in this great development program, for the alternative is not pleasant to contemplate. There is ample room and great need for all progressive and energetic fish concerns to play a strong part in the program.

Mr. Speaker, a problem of quick-mounting seriousness in our Province today is that of the growing incidence of the dread disease Cancer. Our people, and the Public Health authorities, are becoming increasingly aware of the problem, and the Government has come to the decision to take more aggressive steps to deal with it. In the ten years between 1941 and 1951 some 3,158 persons died of Cancer in Newfoundland. There are forty cases of Cancer in our Newfoundland hospitals at the present time, many of them diagnosed too late for hopeful treatment. Nine known cases are at present on the waiting list, and there will be at least a month's delay before they receive treatment. In some cases this delay constitutes a serious hazard.

Legislation will be introduced to authorize the Government to impose and collect a Cancer Control Tax in this Province. It will consist of a tax of five cents admittance fee upon all adults attending motion picture shows and other professional performances given for profit. Children up to six-

teen years of age will be exempted from the tax.

It is the Government's expectation that the proceeds from the Cancer Control Tax will enable it much more adequately to cope with the problem of Cancer in Newfoundland.

I turn now, Mr. Speaker, to the year upon which we have just entered, 1953-54.

My estimate of revenue and expenditure for the year is as follows:

|                   |                     |
|-------------------|---------------------|
| Revenue .....     | \$36,095,300        |
| Expenditure ..... | 32,048,800          |
| Surplus .....     | <u>\$ 4,046,500</u> |

I shall explain these estimates, but not in the rather laboured detail customarily found in Budget Speeches. They come before the House for careful and detailed review, when each separate item is considered. There are, however, several points to which I invite the House's attention at this time.

The first group of these come under the general heading of expenditure. As the Honourable the Premier announced some months ago, the Government have decided to introduce some increases in civil service salaries, and to remedy some of the lop-sidedness that has crept into the salary structure in the past five or six years. The whole position in this regard is now under review by a committee of senior officials, namely, Messrs. W. J. Carew, C.B.E., George W. D. Allen, and Walter M. Marshall, C.B.E. Their recommendations are expected to reach the Government around the first of June, and the changes finally agreed are to have effect as from the first of the present financial year. In

anticipation of these increases I have inserted in the Estimates of Expenditure a grand total amount of \$670,000 to cover increases in civil service salaries for the present year, and the amounts making up this total will be found in the various Departmental votes in the printed Estimates which are being laid before the House today.

The second important increase in expenditure to which I invite attention is an amount of over \$700,000 to cover the cost of servicing last year's debenture issue of \$10,000,000.

Another item, though small in amount, is of great importance. Selections of personnel to fill civil service positions have for some years past been in the hands of the Civil Service Selection Board. The Board is made up of a considerable number of the Deputy Ministers. Creation of this system of choosing among candidates for civil service positions was a great step forward made by the Commission of Government, and replaced a system of political favouritism that had prevailed for many decades in Newfoundland. The present Government, from the moment it took office, has scrupulously respected the principle that the Civil Service Selection Board should be independent of all political influence or interference. The principle is sound, but the one flaw in the system as it is presently practised is that the duties of the Board absorb far too much of the valuable time of the highest public servants. The Board has formally recommended to the Government its own abolition, and its replacement by a permanent, full-time Civil Service Commission. This full-time Commission would carry out the duties presently performed by the Civil Service Selection Board, and it will have exactly the

same independence and impartiality. This Government are unanimous in their strong belief in the imperative need to have an independent and impartial body to select persons to fill civil service positions, to recommend promotions, and to keep under constant review the whole question of civil service rates of pay. We are proud of our record in this respect, and we shall permit no one to weaken the independence of the system of selecting.

Another item of expenditure is \$66,000 to cover the official cost of the Coronation celebrations in Newfoundland. His Honour the Lieutenant Governor, the Honourable the Premier, the Honourable the Minister of Health, and a contingent of the Canadian Legion will attend the Coronation, and their official expenses also will be met from this same vote.

There is an increase of \$277,000 in the vote for Education. This does not mean that salaries have been increased this year. The increase is accounted for by the fact that many teachers will this year qualify for higher rates of pay within the existing salary structure, and the further fact that more teachers are expected to be on the roll. While I am on the subject of Education expenditure I shall anticipate my remarks on Capital Account expenditure for this year and refer to our vote for new or enlarged school buildings. In each of the four years this Government have been in office we have spent an average of half a million dollars a year to build new schools and to enlarge or improve existing buildings. We shall spend another half million for the same purpose this year, and in addition spend another half million for Regional High Schools. This whole matter of providing school accommodation for our



children of school age has been receiving intensive consideration in the Government, and our belief is that we shall not for some years see a lower annual expenditure than one million dollars on these purposes. Indeed, it is doubtful whether one million dollars a year will be enough.

In Public Works there is an increase of \$386,000, divided roughly equally between maintenance of roads and maintenance of public buildings.

The biggest increase of all for this year is in Public Health. Here the increase is \$1,200,000 over last year. Three-quarters of a million of this amount is for increased salaries, for of course this department is by far the biggest of the Government in the numbers of employees.

There is an increase of half-a-million dollars in Public Welfare. Most of this is really in the nature of a change in accounting procedure. It concerns the Northern Labrador Trading Operation, which as it operates in the far north of Labrador amongst the Eskimo part of our population is primarily a welfare movement. The financing of this operation has been carried on in the past by means of overdraft at our bankers, but commencing this year we are asking the House to vote the necessary amounts in the Estimates. The amount to be voted this year is \$482,000, and against this amount there is an estimated revenue of \$370,000.

And now, Mr. Speaker, having accounted for the more notable increases in expenditure, I turn to my estimates of revenue for the year. Of the total estimated revenue of \$36,095,300, the Department of Finance will take in no less than \$26,121,000. This is a decrease of \$1,070,000 from last year. I

am sure it will interest the House to know that of the total estimate for this Department in 1952-53 no less than 73.4% was made up of payments to us by the Government of Canada in Statutory Subsidies, Tax Rental payment, Transitional Grant and the like. For this present year the figure will be 68.6%. But in 1952-53 there was an exceptional, non-recurring amount of \$2 million from Ottawa, being arrears due us under the old Tax Rental agreement. If this one item be omitted for that year the result is that for the two years the amount from Ottawa stands at almost identical figures for the two years.

With payments from Ottawa left out, it follows that the total receipts of this Government from within Newfoundland stood at \$7.2 million last year, and will be about \$1 million more in this present year. This increase is due to better yields expected from the gasoline tax and the Social Security Assessment.

In Public Works the increase of about quarter of a million dollars is expected from the larger number of motor vehicles.

I anticipate an increased revenue of over \$900,000 in the Department of Health this year. This is due to an expected increase of \$146,000 in the Health Grants from Ottawa; \$250,000 expected from the Cancer Control Tax and the amount of \$484,000 expected as a result of better collections in respect of treatment in Government hospitals.

I estimate an increase of half-a-million dollars in the amount of surrendered trading profits by the Board of Liquor Control.

Estimated revenue of \$327,000 in the Department of Economic Devel-

opment reflects the anticipated payments, on interest account, by industrial companies to which loans have been made by the Government.

### Capital Expenditure

The Capital Account expenditure for 1953-54, estimated in a grand total of \$11,450,600 compared with \$12,960,400 for the previous year, or a decrease of \$1,500,000, reflects a change in trend which is not apparent from the mere statement of figures.

In 1953-54 a total of approximately \$4 million is tentatively earmarked for expenditure on Development, but of this amount \$1.4 million is designed for the implementation of the Fisheries Development program and only \$2.5 millions for what I may describe as manufacturing Development. The figure of \$2.5 millions tentatively set aside for this latter purpose compares with \$5.1 millions in the previous year and is an outward and visible sign of the termination of our plan of assistance towards the introduction of new industries which, in accordance with my announcement of a year ago, is now drawing to its close.

It is not necessary for me to relate our plans for Fishery Development since these will be the subject of separate discussions in this House.

With Capital expenditure of \$11.4 millions and revenue on Capital account estimated at \$1.6 millions (largely consisting of Canada's contribution towards the cost of the Trans-Canada Highway, etc.) our net capital expenditure stands at \$9,871,500. I now turn to our plans for meeting this net cost of Capital Account activities.

As I have already explained, our operations for 1952-53 resulted in a surplus of current revenue over ex-

penditure of \$6,544,000. Of this sum, an amount of \$1,073,000 was used to defray the costs of the capital program for that year, which amounted, as I have already said, to \$10.9 millions against which, if I may take the simple approach, was applied the \$9.8 millions derived from the sale of Provincial bonds.

This \$1,073,000 deducted from the surplus left us with \$5,471,000 of a carry-forward into this present year. This amount, when added to the surplus for the present year of \$4,045,500 will give the Treasury a grand total of \$9,516,500 and this amount when added to the "free balance" of our Financial Surplus Account will enable us to finance the Capital Account transactions for this year, and, if all goes well, end up at the 31st of March, 1954, with some \$45,000 of the Surplus Account free balance still in our possession.

### Financial Surplus Account

The balance to the credit of this account, according to the Auditor General's published accounts, stood at \$10,827,877 as at the 31st of March, 1952.

If to this amount we add, first, the net collection of Pre-Union Assets 1952-53 of \$189,600; second, the estimated further collections in this respect of \$261,700 in 1952-53; and, third, for purpose of easy illustration, the \$9,850,000 derived from the 1952 bond issue, or a total of \$10,301,300, we have a grand total of \$21,131,100.

Against this amount must be set the net expenditure on Extension of Public Services (Capital Account) 1952-53 in a sum of \$4,379,000 plus the estimated outgoing on the same account of \$5,735,000 for 1953-54, or a grand total of \$10,114,000.

This \$10,114,000, deducted from the \$21,131,100, leaves us with a balance of \$11,017,100 of which \$10,972,400 is accessible to us solely for the coverage of current account deficits in accordance with the Terms of Union, and \$44,700 is the "free balance" which this House may dispose of as it sees fit.

The great changes that have swept over Newfoundland in the past four years have created problems for the Government that are almost titanic. With a suddenness that is startling our people in all sections of the Province seem to have awakened to a keen realization of the many ways in which Newfoundland had been lagging behind in the march of progress for most of the present century.

Perhaps it was the delayed action result of the two world wars, together with the dramatic fact of union with Canada, that caused it, but the fact of the matter is that our people have lost most of their old-time complacency and contentment with what they had. Their wants have expanded enormously. A deep-seated desire for progress and improvement, sleeping through the decades, seems suddenly to have come to life.

In short, our people no longer feel that Newfoundland is or must always be a mere backwash of North America. They feel and are expressing in unmistakable terms, a great determination to form part of the wide, deep current of modern North American living.

This awakening explains, perhaps, the sudden clamorous demand for new roads, and for improvement of old roads, that arises in all parts of the Province.

It explains the all but irresistible de-

mand for new hospitals, hospital boats, air ambulances, and other modern health services.

It explains the swelling demand for more and better schools.

I know of no other way by which to explain the great impatience of the people in these things. It is an impatience which the Government, any Government in Newfoundland, will ignore only at their own peril.

Thoughtful observers of our Newfoundland history can feel nothing but satisfaction over this new consciousness of our people, this new and urgent demand for progress, this insatiable impatience manifest in almost every nook and corner of the Province. It is a most gratifying development, and it must lead inevitably to great changes and improvements in our Newfoundland life.

And by the same token this new consciousness in our people must pose problems for the Government that will require all possible energy and skill to solve.

Family Allowances, a much higher standard of living, and a sudden slowing down of the age-old flow of our population away from Newfoundland, have created a school problem that at first sight appears to be beyond solution, and which is most formidable in the best circumstances. Our school population is increasing at the rate of 5,000 new students every year. Last year there were 85,000 children of school age. This year there are 90,000. Next year there will be 95,000. In the first five years of Confederation the school population of Newfoundland will have increased by over 20,000 children, or 27%. It takes no financial genius to sense the magni-

tude of the problem involved in financing the provision of school accommodation for this number of young Newfoundlanders.

The spending of millions of dollars by this Government on roads in the past four years seems only to have whetted the appetite of the people for new roads and improved roads. The startling increase in the number of motor vehicles in the past four or five years is one of the most remarkable phenomena of the present decade. Tens of thousands of people now ride in automobiles and buses who, a bare few years ago, scarcely ever did so. This fast-growing segment of our population has acquired an awareness of the importance of good roads that they hardly ever felt until the last few years. They are amongst the most insistent part of our population in the demand of great expenditures of public money for road-building. I am inclined to believe that we would not have satisfied this demand for roads if in the past four years we had spent every dollar of our cash surplus on them.

What does all of this add up to? What is the wise attitude to take to this new and vastly increased demand of our people for more and ever more, better and ever better public services? Most certainly it is not to oppose it, or to condemn it. The people are asking only for their rights; basic rights; rights that are regarded in other parts of North America as being quite commonplace. They are asking for rights which they have been denied for most of this present century. I do not suggest that previous Governments have denied these rights out of stubbornness or perverseness. They just did not have the wherewithal to meet the needs of the people for public services.

The only wise attitude for this Government and this House to take to such demands is to create the means of meeting and satisfying the people's needs. Which, after all, is only another way of saying that we must have more and ever more economic development.

There have always been those amongst us in Newfoundland who had no deep faith in the possibilities of sizable progress for our population. They believed that in the very nature of things nothing much better than a peasant economy was possible for us. The building of the trans-insular railway, of Grand Falls, Corner Brook, Bell Island, Buchans and St. Lawrence confounded their theories, but they stuck nevertheless stubbornly to them. Every new piece of evidence pointing to the possibility of real progress, and a bright future, for Newfoundland they preferred to treat as an "exception" to the rule. To this day there are such people in our midst, and they busy themselves exceedingly in an effort to "prove" that all of this development, or attempts at development, are all "wrong" and are bound to fail. Scarcely a visitor coming to Newfoundland from other parts of the world escapes the button-holing and head-shaking of these Jeremiahs.

The present Government considered whether Newfoundland, by its very nature, could provide its people with a good living, and with good public services, too. We considered that question, and we answered it. We answered it to our own complete satisfaction. We answered it in the affirmative.

Having so answered it, we closed our minds to all doubts and hesitations. Our hands are to the plow, and there is no turning back. Our

attitude, and our policy, is one of development. Our faith in the possibilities of development is bedded in the rock. Opposition only strengthens our determination to bring about such development of Newfoundland in the next few years as will make it practical and feasible to finance the great and generous improvements that our people so richly deserve.

It is to the everlasting glory of Liberalism in Newfoundland, and indeed in Canada as a whole, that it wasted no time and but few words on these people of little faith, but moved boldly and imaginatively and creatively ahead to build anew to meet the growing needs of the people.

Moved and seconded the debate do now adjourn.

MR. SPEAKER: Honourable the Minister of Finance to move the House into a Committee on Supply.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I beg to inform you I have a message from His Honour the Lieutenant Governor.

Message read by Mr. Speaker:

"I, the Lieutenant Governor of the Province of Newfoundland, transmit estimates of sums required for the public service of the Province for the year ending 31st March, 1954, and in accordance with the provisions of the British North America Act of 1867, so amended, I recommend the estimates to the House of Assembly."

(Sgd.) LEONALD OUTERBRIDGE.

MR. POWER: Mr. Speaker, I move that you do now leave the Chair.

MR. POWER: Mr. Chairman, I beg leave to table a copy of the estimates.

I move the Committee rise, report progress and ask leave to sit again tomorrow.

Ordered sit again tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move all further Orders of the Day do stand deferred. Carried.

I move that the House at its rising do adjourn until tomorrow Thursday at 3:00 of the clock.

The House then adjourned accordingly.

THURSDAY, April 30th, 1953.

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

#### Presenting Petitions

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I ask leave to present a petition from the electors of Twillingate District, which asks for a road to Virgins Arm.

This petition, Mr. Speaker, is very largely signed. It has 817 signatures and it is the second petition of its nature which has come to hand. I am not sure as to whether or not the other petition has reached the House, but I have much pleasure in presenting this petition and endorsing it and asking that it be laid on the Table of the House and referred to the Department to which it relates.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

MR. CURTIS: Mr. Speaker, I give notice I will on tomorrow ask that

the third reading of a Bill, "An Act Further to Amend Chapter III of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Documents,'" read a third time earlier in this session be rescinded and that the Bill be referred to a Committee of the Whole House.

I also give notice I will on tomorrow move the rescission of the third reading and passing of a Bill, "An Act Further to Amend the Accident Insurance Licensing Act, 1939," and that the Bill be recommitted.

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Motor Carrier Act, 1951."

MR. CASHIN: I give notice I will on tomorrow ask the Honourable Minister of Finance to table the following information:

1. Give a statement showing under the various departmental headings how the revenue of \$34,848,300.00 was collected; also a statement showing how the Expenditures of \$28,548,900 were dispersed under the various Departmental headings. This information outlined above is shown in the Budget address covering the fiscal year 1952-53.

2. Give a statement showing the details of how much revenue was received from the Federal Government in the form of Subsidies, Transitional Grants, etc. This also refers to the fiscal year 1952-53.

3. Give a statement showing how the Capital Account Expenditures for 1952-53 amounting to \$11,450,600.00 was expended. By that is meant the amounts under the various Departmental Headings, showing the amounts

advanced in the form of loans to various Corporations, giving the names of the Corporations to which such advances were made.

4. Give a statement showing what further advances are obliged under Legislative enactment which will be disbursed during the present year.

5. Give a statement showing what contingent liabilities amount to at the present time. This information not to include Bowaters Paper Corporation, but to include Bank Guarantees and other such obligations.

6. Inform the House the actual amount of revenue collected through the avenue of the Social Security Tax for the fiscal year 1952-53.

#### Orders of the Day

##### Third readings:

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 Create a Farm Loan Board and to Provide Loans for Farm Development." Bill read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act Further to Amend the Slum Clearance Act." Bill read a third time, ordered passed, and title be as on the Order Paper.

##### First readings:

A Bill, "An Act to Amend the Motor Carriers Act, 1951." Ordered read a second time on tomorrow.

A Bill, "An Act to Amend the Assignment of Book Debts Act, 1950." Ordered read a second time on tomorrow.

Second reading:

A Bill, "An Act to Incorporate the Association of Newfoundland Surveyors and for other Purposes in connection therewith."

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I have the honour this afternoon to introduce or move the second reading of this Bill. I have been associated myself with the surveyors' movement in this Province before we became a province, back perhaps as far as 1916 or 1917, and I have given very careful consideration to the contents of this Bill as presented to me by the interested parties. I have taken it before the Government and discussed it there. We feel that we are now coming up with something, which will be of inestimable benefit to the province as a whole and, of course, to the surveyors concerned.

The principle of the Bill is merely to give proper procedure and regulations and authority to regularly recognized surveyors for the purpose which will be described in detail in the Bill. Those of us connected with surveying and those connected with land offices of this province and with the registry of the province are able to verify and recall the many and great difficulties that have been presented from time to time in endeavouring to properly co-ordinate surveys that have been made by surveyors in the early days of surveying in this province.

The regulations laid down do not prescribe any particular method of operations and as a result men were moved to call themselves land surveyors and applied to the Crown for the privilege to perform such surveys. In a great many cases these applicants were accepted either on a

political or friendly basis and something done with that view is certainly not something to promote competency. The result was that numerous difficulties have arisen, particularly in more recent years where an effort is being made to correlate townships and where land becomes at more of a premium great difficulty has been experienced when surveyors have tried to tie in the boundaries as laid down in the early days.

I am happy to say, however, that this Bill does not in any way conflict with those gentlemen around the province who today hold crown land surveyors licenses whose permits in fact go back to 1931. It is open to any surveyor of the province who has received his license since that time and may be included in this association.

I do not propose to go into any lengthy detail because the Bill is not a contentious one. There are several pages of regulations which merely describe how the association will handle its affairs—but I shall very bravely revise the Act as presented here:

The Act may be cited as the "Land Surveyors' Act": Section two of the Act interprets and points out that the Association means the association of land surveyors of the Province of Newfoundland incorporated by this Act. In section 3 the description is given of what I have already referred to. This Act does not in any way affect the rights of the Lieutenant Governor in Council to appoint surveyors under the Crown Lands Act of 1931. Sub-section (2) states that each person holding an appointment as a crown land surveyor since 1931 and every surveyor appointed and approved under the Crown Lands Act

of 1931 shall upon application to the association within two years after the first day of July, 1953, or within two years after the date of appointment or approval whichever date is the later and payment of the regular fee referred to in section 2 will be deemed to be a member of this association.

Mr. Speaker, I have very briefly pointed out that does not in any way conflict with these men already operating, and in fact, it is the truth to say that every individual crown lands surveyor of the Province has been contacted and these ideas pointed out to them, and as far as I know, the Agreement is unanimous all through.

Section 4 merely refers to the registered surveyors as only those who may be permitted to practice.

Section 5 points out the organization will become incorporated, and all persons who duly become authorized to practice as land surveyors under its provisions shall constitute the association and shall be a body incorporated under this Bill. The organization (this is important, Mr. Speaker) the organization is to promote and improve the efficiency of land surveyors in the province in all matters relating to land surveys and to do all such matters and things as will advance and protect the interest of land surveys in this province to assure the general public of the proficiency and competency of land surveyors in the practice of land surveys.

Section 7 merely gives the powers of the organization.

On page 8 of the Bill, it points out that the first council shall consist of, and here they name regular and well-known surveyors who are amongst the principle movers in bringing this Bill into effect. It consists of Mr.

William F. Canning, one of the oldest surveyors living, I believe, in the province today, a gentleman whose association with the profession has been well and favourably known for many, many years. Ellis W. Cumby, Cyril Parsons, James Canning, Sydney F. Willett, John H. Burrridge, Kevin P. McGrath, Alfred R. Penney, A. H. Rees, and Thomas H. Winter.

These first councillors shall hold office until their successors are elected.

There is a board of examiners on page 9 of the Bill, which will be properly constituted. The candidate has to be of the full age of 21 and has to pass an examination to the satisfaction of the board in such subjects as the board may prescribe and have regularly served for a period of three years with one year at least in the field.

Section 25 refers to the dismissal or suspension of members. This clause, Mr. Speaker, merely gives power to the association to suspend or dismiss a member of the association whom it finds guilty of gross negligence in the exercise of the duties of his office. I do not think it is necessary to dwell on that point. As far as I know, and I sincerely hope there will never be need for suspension or dismissal. If that were to happen, the member would have an appeal as provided for under section 25. Such a surveyor shall not practise until the appeal is disposed of. Commission of a crime would involve dismissal and of course the offender could be reinstated again under clause 25.

Section 29 merely points out information with regard to the registrar and that is important because this makes the contact between the association and the Department of Mines and Resources and stipulates that the



registrar has a copy of the list to be printed in accordance with subsection 1—and a copy of this Act shall be sent to the Department of Mines and Resources. In that way every member of the association will be known to the department and only those so known will have authority to practice.

Section 28 refers to the liability of members—no members shall be personally responsible for any debts of the association beyond the amount of his unpaid dues.

Mr. Speaker, I see nothing whatsoever contentious in this Bill, and knowing myself many of the difficulties that have arisen during the 25 or 30 years due to the lack of such properly regularized surveyors I have much pleasure in moving the second reading of this Bill.

MR. FOGWILL: Mr. Speaker, the Opposition has no objections at all to this Bill. In fact, I think it is a step forward wherein people concerned may protect their profession. Mr. Speaker, we have had several Bills of this sort come in to the House in the past two or three years whereby professional people such as laid down in this Bill have come into this House and asked for legislation to protect their particular interests. Now, it has become evident by the fact that so many Bills come in here that such associations are anxious to protect the interests of certain groups of people but we must bear in mind that in the future other associations such as trade unions may come in to this House too and have their trade or profession as the case may be laid down and make a closed shop as such organizations or trade unions can. Maybe they may have difficulty along these lines in the future. They

have let these professional people organize themselves into a group as we have here. We support the Bill.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I have just a word to say in connection with this Bill. Since I have been connected with the Department of Mines and Resources our Crown Lands Division in particular has frequently brought up with me the desirability of uniformity of legislation to be brought into effect in Newfoundland. I understand the Honourable Minister of Public Works was approached on a number of occasions by interested parties, and after discussion we all felt that there could be no better person in the province to help bring about this legislation than the Honourable Minister who is himself one of the best known surveyors and land engineers in the Province of Newfoundland.

We need not stress the desirability of improving the existing setup. I think it is not too much to say that in years gone by frequently great trouble has been caused as a result of improper surveys etc. I remember a personal incident when I was a boy. My parents had some land down north and wanted to have it surveyed and after waiting a few years managed to get hold of a surveyor and gave him some documents. He did a little work on it and took the documents away with him to draw up some sort of diagram or something of that kind. We paid him a fee and never heard of him or the document from that day to this. Then again we often come across evidence in the Crown Lands Division where surveys have not been done properly, etc. That, of course, is in no way a reflection on competent, highly skilled and competent surveyors of the Province, who

have given a lifetime of service to our people, but simply indicates there is a need for some organization and some, you might say, disciplinary organization in a matter so important as surveying particularly in a province where there is an expanding economy and where land is at a premium and the people becoming more and more land conscious every day, and so much construction work going on. I should like to say that our department in general and I in particular, as Minister of the department, am very glad to support this Bill one hundred per cent and to compliment the Honourable Minister of Public Works for his initiative in this matter. I support the Bill, Mr. Speaker.

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

Committee of the Whole on the following Bills:

"An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited."

"An Act to Approve and Give Statutory Effect to an Agreement between the Government and International Forests Products."

"An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco Limited."

MR. CHAIRMAN: This Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited," has been passed as far as clause 10 with the exception of clauses 8 and 12 which have been read but not passed.

Clauses 18 and 19 read and carried.

Clause 8 carried.

Clause 12:

DR. ROWE: Mr. Chairman, I would like to make an amendment there in Clause 12. This amendment is very short and very simple—insert after the word *waterpowers* the words "situated on the area described in clause 1 of the said Agreement."

MR. CURTIS: Mr. Chairman, an amendment such as this is not to the agreement it is to the main Bill. That is the form the amendment takes a new clause is added to the Agreement which will be called clause 2 and this amendment to the main Agreement of which I have a copy here. This is a new clause 3, which says clause 10 of the said Agreement is amended by inserting after the words "situated in the area described in clause 1 of the Agreement." That is really clause 4 because at the last sitting I moved an amendment, and passed it to the clerk, which was a whole page. Perhaps the clerk would look up his records—we have already amended the Agreement.

MR. CHAIRMAN: By adding clause three and this new clause.

Clause carried.

MR. CURTIS: Now, Mr. Chairman, there is one other slight amendment to section 2 of the Bill.

Moved and seconded, Committee revert to Clause 2. In the 7th line after the word "and" at the end of the line add "Subject to sections 3 and 4."

MR. CURTIS: Mr. Chairman, I move the Committee rise and report having passed the Bill with some amendments.

Committee of the Whole on Bill, "An Act to Give Statutory Effect to an Agreement between the Government and International Forests Products, Ltd."

DR. ROWE: Mr. Chairman, you will recall that on second reading of this Bill, it came up for second reading and was deferred. Since then we have had some further negotiations with the Company concerned and we have had the benefit of our own department's report. We have had to make a number of changes so that it was thought advisable to have the Bill reprinted and, if the Chair wishes, I could deal with those points.

MR. CURTIS: There will be no change in the Agreement. So that we could start with reading the Agreement.

Agreement read and carried.  
Clauses 1, 2, 3, 4 carried.  
Clause 5 carried.

MR. CURTIS: Mr. Chairman, I don't like to butt in, but I think perhaps if you might just call the numbers of the sections the honourable Minister might explain the changes so that honourable members might know what it is about—for example—The Government agreed to extend the period of one year to two years. If he would intimate that honourable members might just take a note of the changes. We won't amend the Agreement but we can amend it in the Bill.

MR. CHAIRMAN: If the honourable Minister would like to make an explanation on the first five clauses which have been passed?

DR. ROWE: Mr. Chairman—the changes are from one year to three years, in clause 1, in order to make

it conform to changes we have made in clause 3. We have changed that to three years in order to be more realistic for the following reasons: (1) the short working season down there, and if they get particularly bad years the Company might not get in there until sometime in July and would have to stop early in the Fall and it might be difficult to implement that part of the Agreement in two years. (2) Investigations have so far indicated there is considerable dredging to be done, the entrance itself is too shallow to permit the movement of the shipping this company has at its disposal and they must do some dredging, etc., before they can go ahead with the main construction work. So that it is more realistic to change it to three years.

In clause No. 4, Mr. Chairman, it is agreed the Company shall employ Newfoundland workers. We suggest that be amended in order to provide any possible ambiguity—that should read Newfoundland and Labrador workmen. It has nothing to do whatsoever with the fact that I am the representative for Labrador to this House.

In No. 2 for obvious reasons there are several areas in Sandwich Bay, that is, there is the Paradise River, Eagle River, and other rivers so that it may entail several leases instead of just one. So therefore, on line 2, "lease" becomes "leases."

Carried.

MR. CURTIS: There will be a change from one year to eight months, which change will be covered in the Bill.

DR. ROWE: That change again, Mr. Chairman, is based on a more realistic appreciation of the difficul-

ties that may be encountered particularly if they get a short season which really means four to five months. So in order to be realistic we have given them the benefit of going into a second open season in order to complete that.

MR. CASHIN: Incidentally, are their operations in existence in Port Hope Simpson?

DR. ROWE: The only operation in existence in Port Hope Simpson, Mr. Chairman, is a small two thousand cord contract which I personally arranged for in order to give some employment to some seventy men in the area. Just a small operation by Bowaters.

Clause 6 carried.

DR. ROWE: Mr. Chairman, there will be a new clause 7 (a). The substance of that is that in the original Bill the Company obliges itself to produce a certain amount of saw mill material and a certain quantity of pulp wood. But the survey so far has indicated that there may not be sufficient operable material there for them to fulfill the amount required. In consequence we have agreed to a revision whereby the Company will be deemed to have satisfied the conditions of the Agreement if its total production equals the aggregate of the two minimum amounts set forth in the original Agreement. I will put it this way: If they were to produce one hundred thousand cords of pulp wood and the equivalent of, say, twenty thousand cords in timber—as long as they produce 120,000 cords of either or the other or both together, they would be deemed to have met the conditions.

Carried.

DR. ROWE: Mr. Chairman, clause 9 is amended by section 9 on page 3 of the resolutions—The amendment deals with the prices to be paid to the Government for pulp wood. At the time of second reading it was pointed out that there might be some difficulty in getting that amount paid; the operators might find they were under pretty heavy penalty there, and I believe at least one or two of the honourable gentlemen on the other side expressed their fears on that, it will be recalled, the Honourable Premier and I felt there might be some very sound reason for that expression of fears, we have, as a result of further discussion we have revised that in the light of tremendous expenditures that will be entailed down there. The revision is not substantial but may mean the difference between a profit and a loss to the operators. The revision is that the royalty charged on export which was \$3.75 is reduced to \$3.00.

MR. CASHIN: I am glad of it.

DR. ROWE: And all of the royalty charges are reduced one dollar so that it reads \$3, \$2.25, \$2, and \$1, and in the case of new pulp wood which may be manufactured in a new mill there will be no royalty charged.

Clause 9, Mr. Chairman, is also amended both in favour of the Government and in favour of the Company. Originally it was planned we would have a revision of the royalty rates every eight years, but in view of the very extensive difficulties that may be encountered and in view of the ever fluctuating market conditions with pulp wood, this House is aware it is down considerably from what it was two years ago, next year it may be up. At any rate we felt that it would be in the interest of the con-

tractor and of the Government to change that period to four years. That would protect us as much as it does the Company.

Clause 9 carried. Clause 10 carried. Clause 11 carried.

DR. ROWE: Mr. Chairman, in Clause 12 there is an amendment by adding a clause which has become a fixture in all agreements that the Government have made with other parties. We did not feel it necessary in the first instance because we felt these people would be protected under the regular Crown Lands Act with the rights to acquire land for their installations and so on. But in view of the fact that all of the other Agreements the Government have had that particular clause in there the Company felt, and we would not object, they should have it in their agreement as well. I take it there is no need to go into detail. It is simply that the Government undertakes to give the company the right to such Crown lands as may be necessary and reasonable in connection with its operations for such things for telegraphs and telephone transmission lines, sites for mills and warehouses and shipping facilities, etc.

Clause 12 and 13, 14 carried.

DR. ROWE: Mr. Chairman, Clause 15 is an interesting clause. It arises from the fact that the company feels it will be immediately necessary for them to start the construction of 25 miles of road from Cartwright leading into the bottom of Sandwich Bay, the main source of their operations. They have to do that at their own expense. But it is quite possible that within a few years that a major community will go up right in Sandwich Bay at the terminus of the road which

will run from Cartwright for 25 miles into the bottom of the bay. If that should happen then this road may become a public road. If it is taken over as a public road the Government feels some concession ought to be made to the Company in that matter. So that the amendment simply states that, if the Government should take over that road eventually as a public road, as long of course as it is a road designed purely and used purely and simply for the Company's operation it could never be taken by the Government as Bowaters nor any of these had been taken over. But if it should become the main connection between two or more large communities then the Government may very well have to take it over anyway. So some reimbursement or consideration ought to be given the Company—that is what that clause is.

Carried.

Clause 16.

DR. ROWE: Mr. Chairman, we have no further amendments until clause 21.

Clauses 16 through 20 carried.

Clause 21:

DR. ROWE: We have now before the House a Bill to amend the Crown Lands Act which specifically causes this amendment here. It will be noted the amendment gives the Government the right to issue grants and leases for residents. This is where the earlier Agreements were defective. They simply specified but did not give the Government general powers. As a result we found, for example, when a request was made to us by the defense authorities for a shooting range on concession land, we found we had not the authority to give it, nor did

the company with the timber concession have the authority, nobody had it. We propose here to make certain that situation does not arise by adding "or other purposes not relating to the cutting or processing of wood." The Company is protected there, but at the same time we have the right as a Government to issue grants and leases for any purpose whatsoever which is not in competition with the Company's operations.

Carried.

22 Carried.

DR. ROWE: Mr. Chairman, in connection with clause 23 there is no amendment but I would like to point out one fact in order to avoid any misunderstanding. A rumour has been current, I believe it has been carried in some of the newspapers, that the company intends to extend operations on a pulp mill immediately. We have no understanding to that effect whatsoever. Our undertaking with the company set forth in this agreement is simply that the company go in and immediately commence the erection of saw mills, the cutting and exporting or selling of pulp wood. But we do know, and this is not in the Agreement, if the company proves up the wood and other things to its satisfaction they intend at the end of about three years making a decision as to whether or not they will erect a pulp mill. I understand that decision will not be made within at least three years. It would be most unfortunate if the people of Labrador get the impression that the company is to commence immediately the erection of a pulp mill when such is not so.

23, 24, 25 carried, 26 carried, 27 carried.

MR. CHAIRMAN: That is the end of the schedule. The Bill itself; clauses 1 and 2 have been read and carried.

Clauses 3 through 13 carried.

DR. ROWE: I move the Committee rise and report having passed the Bill with some amendments.

MR. CHAIRMAN: On the Bill, "An Act to Approve and Give Statutory Effect to an Agreement and Canadian AMCO Limited." The Bill has been all read and passed with the exception of clause 9, page 7.

MR. CURTIS: There is only one amendment, Mr. Chairman. We will be amending clause 9 in the amending Bill if you will let it stand as it is. Carried.

MR. CURTIS: Mr. Chairman, I would move that a new clause be added to the Bill which reads: "The Company shall not be entitled to the grant of any water power under this Act, and clause 9 of the said agreement is deemed to have been deleted." The effect is to wipe clause 9 out of the Bill.

MR. CHAIRMAN: Clause 3 to the Bill is a new clause. Carried.

MR. CURTIS: Mr. Chairman, if we revert to clause 2, we have to put in a couple of words in the 7th line the same as in the other Act, after the word "and" "as hereby approved and adopted subject to section 3."

Carried.

MR. CURTIS: I move the Committee rise and report having passed the Bill with some amendments.

MR. CHAIRMAN: Mr. Speaker, the Committee sat and reports having

passed the Bills with some amendments.

Ordered read a third time on tomorrow.

Second reading of a Bill, "An Act to Amend the Crown Lands Act, 1930" deferred.

Committee of the Whole on the following Bills:

"An Act to Incorporate the Association of Registered Nurses of Newfoundland and for other Purposes in connection therewith."

"An Act Further to Amend the Food and Drugs Act, 1950."

"An Act Further to Amend the Local Government Act, 1949."

MR. CURTIS: In this Bill, "An Act to Incorporate the Association of Registered Nurses of Newfoundland and for other Purposes in connection therewith." In this Bill there is only one change.

The side note would be "By-laws."—And in the Bill the words "midwife" and "Practical nurses" are to be inserted.

Clauses 1 through 20 carried.

MR. CURTIS: I move, Mr. Chairman, the Committee report having passed the Bill with some amendments.

A Bill, "An Act Further to Amend the Food and Drugs Act, 1950."

Bill passed without amendment.

MR. CURTIS: On the next Bill, "An Act Further to Amend the Local Government Act, 1949." I move the Committee rise, report progress and ask leave to sit again as the Bill is being reprinted.

Committee of the Whole on Bill, "An Act to Empower the St. John's Municipal Council to raise a loan for Municipal Purposes by the Issue of Bonds." Bill passed without amendments.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have passed the following Bills:

A Bill, "An Act to Incorporate the Association of Registered Nurses of Newfoundland and for other purposes in connection therewith." Bill passed with some amendments. Ordered read a third time on tomorrow.

A Bill, "An Act Further to Amend the Food and Drugs Act, 1950." Without amendments. Ordered read a third time on tomorrow.

A Bill, "An Act to Empower the St. John's Municipal Council to Raise a loan for Municipal Purposes by the Issue of Bonds." Without amendments. Ordered read a third time on tomorrow.

The Committee of the Whole have considered the Bill, "An Act Further to Amend the Local Government Act, 1949," have made some progress and asks leave to sit again. Ordered sit again on tomorrow.

Committee of Supply:

MR. SPEAKER: Leave was given yesterday this Committee sit again today. I do now leave the Chair.

Page 22—Items 101-102 carried.

MR. FOGWILL: Mr. Chairman, just a minute—don't go too fast—I would like to ask if we could be informed of the position of the sinking fund now including the amount there in Item 102?

HON. G. J. POWER (Minister of Finance): That information is on page 127.

MR. FOGWILL: That is the amount of the sinking fund? I see that on page 22.

MR. POWER: Yes.

MR. FOGWILL: Mr. Chairman, the net outstanding debt is listed as \$13,176,000—our interest on the sinking fund has increased roughly seven hundred thousand dollars in the present year.

Items 102-103 carried.

Item 104:

MR. HIGGINS: Does that include Items on page 84?

MR. CURTIS: Just the two statutory salaries.

105:

MR. HIGGINS: There is one thing I would like to say on that, Mr. Chairman, and I say it with no apology even though you are in the Chair. I cannot understand why the Chairman of Committees should not have an increase in that there. He works just as hard and has just as many headaches sometimes as the Honourable Speaker. I would like to know some reason why he has not a comparable amount.

MR. CURTIS: I may say, Mr. Chairman, that matter is under consideration and we can always revert and increase it.

Carried.

301:

HON. MYLES MURRAY (Minister of Provincial Affairs): There is an error in that item "Keeper of the

Government House Grounds." It should be \$1,520 instead of \$1,580. The present incumbent was hired quite recently and goes on at a salary of \$1,520 which includes a free house.

MR. HIGGINS: What about the assistants?

MR. MURRAY: They are hourly men and are not on monthly salary.

MR. CURTIS: Perhaps we might let 301 stand and move on to 302.

MR. CHAIRMAN: Item 301 stand. 302, 303, 304 carried.

MR. CURTIS: I think we might revert to 301 and pass it as it is.

301 carried.

Department of Finance:

401 carried.

402:

MR. HIGGINS: May I ask, Mr. Chairman, the Saving Campaign Officer is non-pensionable—is there any reason why this person is not pensionable—Item 402—page 85?

MR. CURTIS: He was appointed late in life, I think. Yes, he was appointed when over 55 years of age. He does not come under the Pensions Act.

402, 403 carried.

404:

MR. HIGGINS: I think, Mr. Chairman, you might let that stand for the time being. I have quite an interest in this thing but I am not quite clear what I want to find out about it yet—if you could let it stand until tomorrow,

404 stand.



405, 406 carried.

MR. HIGGINS: Who is this financial advisor?

MR. CURTIS: That is Thompson.

MR. HIGGINS: A token vote is it?

MR. CURTIS: Only token yes.

407 carried.

409 carried.

410:

MR. CASHIN: That is a new vote?

MR. CURTIS: Yes, there is a new Act coming in.

Carried.

Department of Provincial Affairs:

501, 502, 503 carried.

504:

MR. CASHIN: Does that include the adjustment of salaries to be made?

MR. CURTIS: Yes, that is on the next page.

MR. CASHIN: Have you any idea how that is to be distributed when we do pass it?

MR. POWER: The recommendations will be brought in by a Committee appointed and the Cabinet will consider the recommendations of the Committee and make a decision.

Carried.

MR. MURRAY: There is another Item 204 (6) (1) to cover the portraits of former Governors.

MR. CASHIN: There are some, Mr. Chairman, we don't want to see the likes of them any more. I don't

see why we should want to pay any money for the last fellow was around here.

MR. CURTIS: I think, Mr. Chairman, that is 506 (10) and should stand until we have more members of the House present.

507:

MR. CASHIN: What is this?

MR. CURTIS: That is transferred from the Department of the Attorney General to Provincial Affairs.

MR. CASHIN: How is civil defence being operated at the present time? There is \$35,000 down here, is there any person working in it? Are there any defence precautions being taken for which the Government are assuming liability or responsibility?

MR. MURRAY: The position at the moment is that we have no director. The former director has resigned owing to family difficulties. We are looking around to appoint another director. At the moment we have only one man up there holding a skeleton staff. This amount of course is matched dollar for dollar by the Federal Government for any expenditures.

MR. HIGGINS: It is still costing us \$35,000. This man up there on civil defense is from Provincial Affairs or Public Health?

MR. MURRAY: At the moment he is seconded. Mr. J. V. Rabbitts.

507 carried.

Department of Education:

Items 601 through 605 carried.

MR. FOGWILL: In Item 605-03 there is an increase of \$5,000. Would the Minister explain the increase in that item?

HON. J. R. CHALKER (Minister of Education): Mr. Chairman, it is an increase from \$15,000 to \$20,000 for operation and maintenance. It covers the increase in the operating cost for the boats and vehicles we have to transport supervisors. There is in addition heavy repairs on the boats this year which we did not have to face last year. Carried.

606:

MR. CASHIN: Who is Secretary Librarian?

MR. CHALKER: Mr. Newell.

MR. HIGGINS: What is the amount for there?

MR. CHALKER: For books and grants and furniture and rents and salaries, and insurance and travelling.

Carried.

607:

MR. FOGWILL: Correspondence courses—what does this particular vote look after?

MR. CHALKER: Actually, Mr. Chairman, they have not got their personnel. The place is not fully staffed for that course. We have had great difficulty in obtaining suitable personnel. At the present time it is just a matter of corresponding courses going on down there for the past number of years.

MR. HEFFERTON: I might add, the work is farmed out to one or two experienced teachers. There are quite a number of children of lighthouse keepers, etc., taking courses and since we have no permanent staff at the present time these are sent out to experienced teachers and the work is sent back.

Carried.

6008:

MR. FOGWILL: 608-01 is reduced by ten thousand dollars. Do we assume by that that the number of pupil teachers is not so great this year. Though the total vote is the same the cost of summer school is decreased ten thousand dollars. Are we to assume by that you are expecting a lesser number of teachers?

MR. CHALKER: We are going by the average over a number of years. In 1951-52 it was, I think, \$65,000 and I think 1952-53 actually was \$46,000 so that they cut the vote more or less. They hope actually to use this \$90,000 this year, but there is still a great doubt as they did not use it last year due to the difficulty of getting people in.

MR. FOGWILL: I would like to ask at this point what is being done to encourage young people to enter the profession. I have heard quite a lot about the lack of teachers and the number of schools without teachers. The number of pupils are increasing year by year and it appears from the record we are not getting a sufficient number of young people to enter the teaching profession. Would it be in order, Mr. Chairman, to ask the Minister to tell the Committee if the department is doing anything by way of encouraging young people to enter the profession?

MR. CHALKER: Mr. Chairman, since this Government took office we have actually doubled the salaries of the teachers. Naturally they are looking for more. That is only normal. But we have made the profession as attractive as we possibly can with the means at hand. But I understand from the professional men at the depart-

ment that they are attracted to other work more remunerative than teaching.

MR. FOGWILL: It would appear, Mr. Chairman, one of the reasons why the department is not getting enough teachers is because of the low wages offered. Now I don't know how the Government is going to get over that. But that appears to be the problem. Any young people going to work can get higher wages even in the lower paid brackets than in the teaching profession. The main point seems to me, Mr. Chairman, the wages offered or anticipated wages as they enter the profession and exert themselves to become experienced teachers are no incentive to them. In answer to a question asked the Honourable Minister it showed quite a number down in the lower brackets and the reason why is the wages are too small.

MR. COURAGE: If the Committee will allow me, the salaries of teachers might more properly be discussed under 614.

MR. FOGWILL: Yes, I may perhaps be out of order.

608 carried. 609 carried. 610-611 carried.

MR. FOGWILL: On 611 would the Honourable Minister inform the Committee in some small detail as to the number of pupils, the average number, who are taking vocational training with the department, and give some little detail of the results and period of training and how the pupils have turned out—what they have learned?

MR. CHALKER: Mr. Chairman, as a matter of fact, I was over there this morning. At the present time, I think they have seven or eight in

the class left out of a class of 324. At this time of the year they are usually taken up rapidly by various construction jobs. Off hand I don't know exactly the number of pupils. I could have the information for him tomorrow. I may say, Mr. Chairman, that the diesel section of the vocational training that most of the lads there have already secured jobs this year. The slowest, I believe, to be taken up is bricklayers; and plumbers move very rapidly, the carpenters are moving rapidly. It is also intended this year to have additional instructors there. The item is not in the estimates, but we are trying to get through approval of the cabinet for some time in the coming year. I may say this branch of the Department of Education is doing excellent work and is turning out good students and the report from employers is that they are excellent young men. I will get all the information for tomorrow.

MR. FOGWILL: What prompted me to ask the question was that I understand the vocational training institute has been very successful and I understand quite a lot of young men have been turned out and in the main most of them have turned out to be very good tradesmen. I think when something like this comes up the Minister should blow his horn a little and not like the Government blow it for nothing.

MR. HIGGINS: Hear, Hear!

MR. FOGWILL: When they are entitled to do it they don't blow it.

Carried.

612 carried.

MR. FOGWILL: H-Clubs. I understand that is farm clubs for young people?

MR. CHALKER: Yes, that is so. It is under the directorship of Dr. O'Neill, who is doing a very competent job on 4-H Clubs. I think the idea of it in education, is more or less cooking and sewing and home affairs. As far as I know I don't think they have clubs in farming in the Department of Education. But there are other 4-H Clubs I think, do take in farming.

DR. ROWE: I think, Mr. Chairman, it is an interdepartmental committee. I was a member of that for a couple of years. It is made up of senior personnel of the various departments. I believe Dr. O'Neill is the executive secretary of it. I am not sure who is the president. At any rate, they have been doing some work in that line. I don't think it is so much that there are separate 4-H Clubs as that each department concerned, contribute to the work of the 4-H Clubs. Our department could contribute and help in agriculture.

Carried.

614:

DR. ROWE: Mr. Chairman, if I may make a comment which I want to make in connection with teachers' salaries. There I think we sometimes neglect to take into account when we talk about the present critical, or what appears to be critical, situation in connection with teachers. One of the facts as I see it, I am expressing my own opinion, I don't suppose anyone knows all the answers. But one of the problems leading to the shortage of teachers is the fact our schools are not turning out actually enough Grade XI pupils to go around. In 1927 when I took Grade XI at Prince of Wales College, I remember there were about 110 of us there, and most

of us wondered what we were going to do when the school year ended, those of us not going on to college. I recall that the only offers of jobs that came to us was that one of the boys' camp officers sent up and asked for three young men. That was the only offer of a job the principal received for the Grade XI class. Today the demand for educated men is so infinitely greater than it was that there are just not enough to go around. For example, we have three or four times as many nurses, we have sixty or seventy welfare officers whose minimum qualifications are Grade XI whom we did not even have six years ago, and everything else is the same. I don't think that the number of young people actually getting Grade XI has increased in proportion to the increase in the demand for young people in all occupations and industries. I think that is one of the problems. Another of course is the fact, if I recollect when I started to teach, there were twelve or thirteen hundred teachers in Newfoundland, today I believe there are between twenty-six and twenty-seven hundred teachers.

MR. HIGGINS: And how many pupils as compared?

DR. ROWE: The point is this, Mr. Chairman, that the number of pupils actually getting Grade XI is not in proportion to the demand for Grade XI and higher. I think that is one of the serious problems facing us. I could say quite a lot of things, but I am not going to delay the committee.

MR. FOGWILL: Is it a fact, Mr. Chairman, that a qualified person entering the teaching profession must have Grade XI?

MR. HIGGINS: That is a minimum requirement?

MR. CHALKER: Yes.

MR. FOGWILL: It may be all right to have that as a minimum standard before entering the profession, but is there any guarantee of such a person's ability to teach? I know people who have a lower standard of education than Grade XI who could show a higher knowledge of things and show a better record in regard to teaching. It is not the qualifications but the intelligence and ability of the person concerned. I don't know whether the department could set up any other standard than Grade XI. Nevertheless, it is a fact that Grade XI does not always denote ability and intelligence nor a person's qualifications to teach. Perhaps a person with Grade X who had to leave school and go to work might have better ability than a person with Grade XII or even university grade if you like.

DR. POTTLE: I should like to make some comment arising out of the honourable member's remarks regarding salaries: The main burden of my few remarks is that anything approaching a solution to the supply of teachers must depend not on the salary question alone. I go on record again as saying that the question of salaries does not lurk too largely in my opinion in the question of supplying teachers. Even if we start on the record of salaries alone this is the record. In 1948-49 the figure for teachers' salaries stood roughly at two million dollars. This year, in the estimates now under consideration, the total for salaries stand, including Cost of Living Bonus, at three million seven hundred thousand dollars. Three years after this Government took office the vote now stands at three million seven hundred thousand dollars. In making that com-

parison I don't want it to appear that I think we have done all that can be done. I am just drawing to the attention of the committee the relative change as far as salaries are concerned as it must effect the well-being of the teaching profession.

Now, the other point I wish to make is this: We should look at the whole question of educational grants as a whole. If I may anticipate the capital account it will show that we have increased that amount under capital account for building by a considerable sum and have done it in such a way as to provide for high-school buildings. Now, that fact that we are providing for high-schools on a more ambitious scale which will bring in or tend to bring in, the pupils from the outlying places and gather them together under better qualified teachers, will also be an important adjunct in this question of improving the standards of our education.

I say this Sir, I believe there are within the framework of the denominational system considerable adaptations, considerable adjustments that can be made by the denominations as they are, especially as they relate to one room schools. I believe there can be a great deal more of give and take of combinations of collaboration between the denominations at the one room school level which would help to answer the question which the honourable member has raised.

Now, Sir, he also raised the question of examinations as they relate to the supply of teachers. He will know, as the House knows, that the great bulk of our teachers come from one room schools or from the smaller places. Now, you have a vicious circle, if they come from one room schools or the smaller places then

there is poor teaching and poor preparation. But they are our teachers now and anything, therefore, to improve the one room schools or isolated schools or of the schools spread over a large area that can be drawn together in a common area as a high school, all of these factors affect the supply of teachers. Now, I am going to hazard one more criticism that has to do with this question of grading, of marking examinations. I don't want to delay the House, but I do wish to bring out the point which I have never heard brought out here before. Let me put it this way: The better the class of teachers you have in the high schools the better schools and the poorer class of teachers the poorer schools. Obviously, there is a gap to be bridged between and when the papers come from the various schools from the bigger with higher marks and the little with poorer marks, what can be done when these marks come to the examining board? If the marks came to the public in the way they were originally marked instead of fifty per cent passes in Grade XI, we should have, say 35%. In other words, the public would have to look at this actual fact that only one out of three passed the Grade XI examination. But I don't say that appears in the press—one out of three—why? Because the examiners take these marks which would produce a 35% result and they scale them up so that those who have failed in the little schools and poorer schools, as the case may be, are now brought over the fifty per cent, so that they are brought into the passing grade too, and the 35% is lifted to 52% or 54% which you see in the results. You see what I mean? As long as that condition lasts we are not really seeing the worst, the realistic aspect

of the school teaching at all. Now, how to cure that is a pretty difficult question. Actually we are looking at an artificial result every year when we see fifty to fifty-five per cent passing Grade XI. Some of these have been lifted over into fifty or fifty-five per cent group as having passed. Some of them are our teachers. To come back to the original point where we began with the question of one room or isolated schools, I think we shall still be wrestling with this question because it is not a matter of salaries but is a matter, I say, as well, of conditions under which teachers work within the one room schools. I say again within the framework of the denominational system there are numerous adaptations that can be applied and arrangements that could be worked out on a give and take basis to help correct this serious discrepancy.

MR. FOGWILL: Mr. Speaker, that is a very interesting comment to hear from the Honourable Minister. But the question is this percentage of passes, is that more or less in the few years past or is the percentage of the number of passes getting better or worse? Is the education standard of our young people getting better or worse, or is it in a static state, or is it worse than it was years ago?

MR. HEFFERTON: It is hard to answer that question. It is one of the most controversial of the day. Anyone who does not want to be convinced it is impossible to convince, but there are so many statistics one way and the other, that it is impossible to ascertain. Personally, I don't think they are any lower than 20 years ago. As a matter of fact, I think they are much higher, but I think that is only begging the question.

MR. FOGWILL: I would like to have one more word. I think in one respect they are lower. In the academic sense, they may be better, but in general knowledge of what is going on around the world and around about them, they are less informed today than they were twenty years ago. I work with a lot of young people and the general knowledge of those going around today is not as good as it was twenty years ago.

MR. CASHIN: They listen to too many quiz programmes.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again.

MR. CHAIRMAN: Mr. Speaker, the Committee on Supply have instructed me to report progress and ask leave to sit again.

Ordered sit again tomorrow.

MR. CURTIS: I move, Mr. Speaker, the remaining Orders of the Day do stand deferred.

MR. CURTIS: I move, Mr. Speaker, that the House at its rising do adjourn until tomorrow, Friday, at 3:00 of the clock.

The House adjourned accordingly.

FRIDAY, May 1st, 1953.

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 Motion 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 to Confirm in Her Majesty in Right of Newfoundland Title to several Parcels of Land on the Topsail Highway in the Electoral District of Harbour Main-Bell Island.'

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Koch Shoes Limited."

I give notice that I will on tomorrow move that the Third Reading and Passing of the Bill entitled "An Act to Amend the Exploits Valley (Closing Hours) Shops Act, 1938" be rescinded and that the said Bill be re-committed.

HON. M. P. MURRAY (Minister for Provincial Affairs): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Change of Name Act."

#### Answer to Questions

HON. G. J. POWER (Minister of Finance): I will have the information requested in Question No. 73 on tomorrow, Sir.

#### Orders of the Day

##### Third Readings:

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited."

Read a third time, 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 International Forests Limited."

Read a third time, 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 Canadian Amco Limited."

Read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act to Incorporate the Association of Registered Nurses of Newfoundland and for other Purposes in connection therewith."

Read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act Further to Amend the Food and Drugs Act, 1950."

Read a third time, ordered passed and title be as on the Order Paper.

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

Read a third time, ordered passed and title be as on the Order Paper.

Committee of the Whole:

A Bill, "An Act Respecting the Correction and Prevention of Delinquency."

Clauses 1 through 27 carried.

HON. DR. H. L. POTTLE (Minister for Public Welfare): Mr. Chairman, we are now considering Clause 27 and the final word in sub-clause (1) should read "probation." Whenever the word "parole" appears in the clause it should read "probation."

Clause 27 passed with some amendments.

Clause 28 through 69 carried.

Moved and seconded the Committee report having passed the Bill with some amendments.

A Bill, "An Act Further to Amend the Local Government Act, 1949."

HON. S. J. HEFFERTON (Minister of Supply): Mr. Chairman, this Bill has a second reading in which there are one or two changes not by any means contentious but for clarification largely.

Clauses 1 and 2 carried.

MR. FOGWILL: Mr. Chairman, that provides for the removal at the expenses of the owner of all fences, houses, steps, erections, projections or obstructions whatsoever or any part thereof which now or at any time hereafter project into or over any used or reserved for a road, street, sidewalk or public way in the Municipality. That clause may work a great hardship on many people in any place in Newfoundland. Whereas a municipality may become effective after the passing of this Act and in such cases whereby houses may at the present time be projected or in a position wherein years to come it may be proposed that a road be built or some public improvement, nevertheless the people concerned who may not now be in the way but who after the passing of this Act be in the way of the proposed street will have to remove at their own expense. That is not fair, is it?

MR. HEFFERTON: Mr. Chairman, on that point, the clause does not refer to anything where one has a piece of land fee simple or even squatters' rights or to a purchase at some future time providing the grant of land does not show on it a reserva-



tion for a road. All this thing deals with is this—Quite a number of grants have been given over the years and on quite a number of grants there is marked down a road line or reservation. In the course of the years the people who have a road reservation have erected property on what was marked on their grant as a road reservation. Now where that occurred, since the people themselves have disobeyed the law it is only right the council should have the power to ask them to remove that property at their own expense. That is all it refers to—people who have grants of land on which the road reservation is given and distinctly marked down on their grants and where they have built over that reservation the council may force them to move it at their own expense because they disobeyed the law in the first place. Where it is otherwise, where the council wants to widen the road and asks the person to remove the property because of road widening then the ordinary procedure is expropriation of the property but compensation is allowed under the rules and procedure of the Act. It only occurs where road reservations had been marked on the grant and they disobeyed the law.

MR. FOGWILL: I must say the Minister has been very clear. The Clause only operates where a person has disobeyed the law wherein a road or reservation has been marked down in the grant. You assure the Committee of that?

MR. HEFFERTON: That is true. I have talked the matter over two or three times during the past two or three days and that is the interpretation.

HON. P. J. LEWIS (Minister without Portfolio): Land may be used not granted and no reservation.

MR. FOGWILL: Should it not be provided under this section to make an interpretation of the section in respect to roads as the Honourable Minister has mentioned, squatters' rights and grants of land—this to me is not really clear—it does not exempt those people who have squatters' rights or grants of land but seems mandatory.

MR. CURTIS: I think, Mr. Chairman, perhaps the section might stand. I don't think the section is worded fully. It carried out the intention and undertaking of the principle, therefore the section might stand.

MR. NORMAN: Mr. Chairman, in connection with this section. If you read the original Act then only a town council has authority to adopt this section. This Bill here does not give a town council authority to put these regulations into effect, it only gives them authority subject to the approval of the Lieutenant Governor in Council to make regulations to put this section into effect, and, I think, to give a town council authority that it should have, it is necessary to have this section in this Bill. I have had quite a bit of work to do in connection with roads and town councils for four or five years. When we widened the road at Port aux Basques we went right through the town and got every co-operation from the citizens. But I remember only last year we wanted a building removed and we could not get permission to get that building moved back as we did not have the authority and we had to purchase the building to get it off the street. On another occasion we wanted to get some small store removed and we built the road up to the centre and asked the owner if he would allow us to cut four or five feet off the outside and join it on

the end. He would not give permission for that. The building still stands practically in the middle of the road. There was another instance where I had to go and plead with an owner of a building to allow us to move it back. We jacked it up and moved it back at the expense of the council. So this section here does not grant every town council the right to force people to move back at their own expense. This is put in the Bill subject to the approval of the Lieutenant Governor in Council wherein local councils make regulations and ask for this authority. Then their local regulations must be approved by the Lieutenant Governor in Council. I think it is necessary to have this clause in the Bill.

MR. FOGWILL: Mr. Chairman, the last speaker has put this very well and it would work very well in some places. But I look upon the position like this, Mr. Chairman, there have been occasions many times in this country where people have gone out from the main village or town as the case may be and built homes. Then some other people went out and built in and around that area. Now, in some cases a little town or village grew up around that—if this Act coming up after they have been settled there for several years, provision should be made that in the case of people disobeying the law should be recompensed for the removal of any property they have built there. That is the only objection I have Mr. Chairman. Really if they disobey the law they should be made to move at their own expense.

HON. E. S. SPENCER (Minister of Public Works): Mr. Chairman, I have listened with considerable interest to the comments of this section. As the Committee is very well aware

this section applies with even greater force to the Department of Public Works in connection with our efforts in road building for several years and trying to reclaim the Crown Lands which have been taken by various owners from time to time.

I appreciate very much the remarks of my honourable friend from St. John's East who knows of many cases where people have really trespassed on what was actually the property of the Crown. We know in the Department of Public Works that within the last few years, due, as the Committee is well aware, to the great need for improving roads and right-of-ways with the increase of traffic, particularly motor traffic which most roads have not provided for. In these days we find a great need to provide for the future and our department is endeavouring to recover to the Crown what is actually its own. I think the honourable member for St. John's East put it very well when he suggested that in cases where individual people have not defied the law if the necessity arose to expropriate or take back as it were these necessary lands, I agree with him entirely that some measure of compensation should be provided. In connection with the Public Works Act that is exactly what we are trying to do. The big thing is, as the Honourable Minister has pointed out, this particular Act merely applies in such cases as where the law has been broken. I have written a report here which I hope to give to the public in the near future, I don't want to go into it but merely refer to it in passing. I am happy to say to the Committee here now that we find a very large degree of co-operation amongst the people in endeavouring to take away or move back their fences and property or in some cases build-

ings in order to provide the necessary improvement for roads. If I may be permitted, Mr. Chairman, to quote one little paragraph of it (I mean to give this report to the House in the not too distant future in an effort to help clarify this question). This paragraph reads as follows: "In practically all land grants issued over the past hundred years or more there was reserved for road purposes a right-of-way of 66 ft. in width and in some cases the allowances for road purposes were as much as one hundred feet in width. Over the years encroachment occurred on practically all of these roads and in some places the right-of-way was reduced by these encroachments to a point where nothing or very little if anything was left but the bare road width in many cases of perhaps twelve or fifteen feet. That is the situation which we are trying to improve." I am very happy indeed to say that we are getting a great deal of co-operation from the public in regard to it. I recently took a clipping from one of the Montreal papers when I was on a road trip over there a few weeks ago which reads and I quote: "Highway Engineers deem the nightmare of today's road maintenance." This was in 1933, Mr. Chairman, and obviously the conditions of which I have now spoken existed then and these very narrow roads at that time were sufficient for horse and buggy traffic. That applies also to our Province. The Minister of Finance noted in his Budget Speech, I believe, that whereas in 1942 we had one car per 16 families in this Province today we have one car for every five families and they are increasing at such a rate that we have only very few roads suitable for them to travel on, to say nothing of the potholes my honour-

able friends remind me of and which exist in too great a number. This we hope to overcome but can only be done as finances can be provided for it. But I repeat the position in these days was the day when the engineers dream was to construct suitable by-ways for such increased volume of traffic and it was a physical impossibility to do so with the road widths as limited as they are. The Honourable Minister in introducing this Bill to enable a town council to acquire the necessary width, says in fact that it won't apply except where the grant was for the necessary width of road. It is only fair, I think, as the honourable member for St. John's East said, and I concur entirely with his remarks. We have had quite a lot of experience in our Department. I must say, Sir, I concur entirely with the idea, where people have built with the knowledge that they were encroaching and certainly with the knowledge that the day would come when a greater width would be necessary. These people will not be taken by the necks, as it were, it is not the policy of the Government and I am sure nobody wants to tackle that sort of thing. People will be treated with due courtesy and they will be shown just where they have evaded the law, if that has been the case, and if not if property must be removed I am quite sure favourable consideration and compensation will be given.

MR. HIGGINS: Mr. Chairman, I am very happy to hear the Honourable Minister make that statement, but it appears to me as the thing stands at the present you are letting yourselves in for trouble. I think it would provide lots of work for a gentleman of my profession if it stands as it is. Certainly it is open to a

whole list of interpretations as it stands at the moment. The very situation which the Honourable Minister referred to, innocent people can be made to suffer if the council does decide, or any Minister, to exercise the rights granted under this section these people would have no come-back. I do think we should move very slowly before we approve this section as it stands.

MR. FOGWILL: Mr. Chairman, I also think we should let the clause stand.

Clause 3 stand.

Clauses 5 through 8 carried.

MR. FOGWILL: I see in Clause 7 (3) you have a minimum requirement of income \$600 for females and none for males. I suggest the minimum include males as well, say \$1,000.

MR. HEFFERTON: The fact is it is there because it is in the parent Act, it is merely put in there for clarification.

MR. HIGGINS: Mr. Chairman—why set a minimum amount of earnings for females—a male might only earn \$200 in the same period and have to pay the same taxation. That seems to be discrimination.

Clauses 9 through 12 carried.

Clauses 13, and 14 carried.

MR. CURTIS: I move the Committee report progress and ask leave to sit again.

A Bill, "An Act to Incorporate the Association of Newfoundland Surveyors and for other Purposes in connection therewith."

Passed without amendment.

MR. CURTIS: I move the Com-

mittee rise and report having passed the Bill without amendment.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have passed the following Bills:

A Bill, "An Act Respecting the Correction and Prevention of Delinquency," with some amendments.

Ordered read a third time on tomorrow.

A Bill, "An Act to Incorporate the Association of Newfoundland Surveyors and for other Purposes in connection therewith." Passed without amendments.

Ordered read a third time on tomorrow.

The Committee of the Whole have considered the matter to them referred have made some progress on a Bill, "An Act Further to Amend the Local Government Act, 1949," have made some progress and ask leave to sit again.

MR. CURTIS: I move, Mr. Speaker, the House go into Committee on Supply:

No. 615—Department of Education:

MR. FOGWILL: Mr. Chairman, 615-03-02: Films, Negative Stock and Film Strips: Would the Honourable Minister give an explanation of the need to increase this section?

HON. J. R. CHALKER (Minister of Education): That is replacing some worn out and acquiring some new film as recommended by the director. The vote for last year and the previous year was about the same and we have to augment our film supply.

MR. HIGGINS: That is trebled.

MR. CHALKER: That is right.

Carried.

No. 616—Public Examinations:

Carried.

No. 617—Encouragement of Cultural Activities:

MR. HIGGINS: Mr. Chairman, could we have some explanation on that?

MR. CHALKER: We had a contest and an exhibition here in this Assembly, radio script, poetry and paintings.

Carried.

No. 618—Physical Fitness and Recreation:

MR. CHALKER: That is just a token vote.

MR. HIGGINS: What is it going to be. Perhaps the Minister may be able to give us some explanation—is this to be a new department to teach physical fitness.

MR. CHALKER: What I gathered from the Deputy Minister was that the original idea was to have an instructor in the Department of Education who would with his assistants travel throughout Newfoundland and initiate a physical fitness programme. So far nothing has been done as we have not been able to attain one of the figures we hoped. I think we would have to pay around \$7,000 which is rather high in comparison to what we are paying directors for more important phases of education.

MR. HIGGINS: All the schools in the town have their own.

MR. CHALKER: Yes but not the

outports. We are concentrating on the larger area. We hope next year we will be able to have it in there.

Carried.

No. 619—Curriculum Services:

MR. CASHIN: Who is the supervisor? He got a raise of \$500.

MR. CHALKER: Mr. Goff. He was appointed director a few months ago. His old job of supervisor was moved off and that substituted.

Carried.

No. 620—Temperance Education:

MR. FOGWILL: Mr. Chairman, would the Minister outline to the Committee some details as to how this vote is to be expended and what form he has in mind?

MR. CHALKER: Well, Mr. Chairman, the idea was initiated by the Premier on one of his trips on the Mainland and he has requested the Department of Education to set up this division for temperance education. I know very little about it, but we are in fact negotiating now with a gentleman on the Mainland, as far as I understand, that is to encourage misuses of alcoholic liquors. It is not considered to be a Temperance Act but is trying to educate the young people as to the evils of drinking. It will be initiated very soon.

MR. HIGGINS: Is this sort of sponsored by the Board of Liquor Control.

MR. CHALKER: Yes, definitely.

MR. FOGWILL: Before we go off education, I would like to revert to vocational training.

MR. CHAIRMAN: The Committee will revert to 611:

MR. FOGWILL: Mr. Chairman, there is a vote here of five thousand dollars for a marine engineer. I would like the Minister to explain to the Committee what are the duties of the engineer if such an appointment is made. I would also like to ask in respect of group shop labour what rate of pay was paid by the hourly rate to labourers?

MR. CHALKER: As regards the marine engineer—we have signed an agreement with the Department of Labour in Ottawa who will pay the difference on what we will pay for that job. At the present time I think we are to pay around \$2,800 and the Federal Department of Labour the balance. This gentleman has not been appointed yet. As a matter of fact I had an official visitor from the department concerned with vocational training down here who is going to assist us in planning the new vocational school eventually to be in the Memorial College. This is one of the main efforts they are interested in, in the Province of Newfoundland. Their intention is to have experienced, well qualified engineers and to have the Department of Marine Engineers well equipped with staff, machinery of all types, diesel and steam and have it established in this new building to be erected sometime this summer around the present memorial campus.

With regard to wages I am afraid I can't answer that just now but will have it for the honourable gentleman tomorrow—they are getting \$1,500 now. They work, I suppose, forty hours a week, as the Civil Service, nine to five and an hour and a half for lunch. I will get the actual information.

MR. FOGWILL: The reason I

asked the question, Mr. Chairman, it is my understanding that the labourers, there are several employed by the Department of Education, and their hourly rate of pay, paid by the hour I understand, is lower than the current labour for the same kind of work in the city. I would suggest if the Minister has labourers in his Department he should pay the current rate for ordinary labour as paid in the town.

MR. HIGGINS: Or prosecute him under the Minimum Wage Act.

MR. HEFFERTON: I am advised, Mr. Chairman, the rate for labourers is exactly the same for employees wherever they are. The fact that they come under monthly salary has to be taken into consideration as it includes a cost of living bonus.

MR. FOGWILL: Do I understand now the labourers concerned will be paid on a monthly instead of an hourly basis this year?

MR. CHALKER: I think that is correct, Mr. Chairman.

MR. FOGWILL: I should like the Minister to confirm that.

611 carried.

MR. CASHIN: One point whilst we are on Education: In connection with the Memorial University, are you starting to build that University this year? I notice here in capital \$1,800,000 and I take it some of that is for building of new schools? How much is anticipated? We have not voted on that other thing at all yet.

MR. CHALKER: No, we have not come to that.

Department of the Attorney General

701: Minister's Office—carried.

702: General Office—carried.

703: Supreme Court—

MR. HIGGINS: Mr. Chairman, I don't believe there is at present a deputy-registrar in the Supreme Court. Is it the intention to make such an appointment in the near future?

MR. CURTIS: Yes, Mr. Robert Kent has been appointed. I think perhaps there is some delay but it is our intention to appoint Mr. Kent.

MR. HIGGINS: We had a situation existed a few weeks ago when the Supreme Court went on circuit when there was but one clerk left.

MR. CURTIS: Yes, we are looking for one.

MR. HIGGINS: Whilst on that point Sir, there is another thing to which I would draw to the Attorney General's sympathetic consideration, that is the remuneration of the reporters of the Supreme Court, just two of them. They work not necessarily all the year around but when they are working they work long hours. Their remuneration is not particularly high. I would ask that the Attorney General might give some consideration to increasing their stipend. It is a matter which I think anybody in the profession would substantiate when I say these girls work almost at slave labour when working and their compensation is by no means generous.

MR. CURTIS: I would say in reply to my honourable friend if he would look under 714 he would find a block provision for adjustments in salaries as there is in all departments. I think we will be able to do something for them out of that vote.

MR. HIGGINS: Thank you very much.

704—St. John's Magistrate's Court:

MR. HIGGINS: There again, Mr. Chairman, I direct the Attorney General's attention to the clerk reporting in the Magistrate's Court. You might consider it when making an adjustment. That is the man who not only does the reporting but also a great amount of clerical work and a certain amount of bookkeeping. He is a man who on occasions has been reporting in the Supreme Court as well, an extremely competent man.

MR. CURTIS: As my honourable friend will note, we have made a new appointment there in order to relieve him, and now that he has been relieved we can see just what can be done in connection with that vote.

Carried.

705—Magistrates:

MR. CURTIS: Mr. Chairman, I would draw the attention of the Committee to the fact that under Magistrates 705 we have done away with this differential between senior magistrates and district magistrates and assistant magistrates. All the assistant magistrates in the country today, Mr. Chairman, have been in there more than five years and we think that the time has come now when we should treat them all alike. The effect of this now is to have all magistrates that are presently in office designated as district magistrates and any new magistrates to be appointed may or may not be appointed as assistant magistrates. It is foolish to have a magistrate at Twillingate report to a magistrate at Grand Falls and have the report come from Grand Falls to St. John's. It must mean a lot of delay.

MR. HIGGINS: As the Honourable the Attorney General has pointed

out they are all quite competent to handle their own territory. I think, speaking from personal knowledge, every one of these men presently filling the positions are quite worthy of the rank of district magistrate. I think it is a long delayed Act of Justice which is being done today.

Carried.

706: Deeds and Companies—Carried

707: Constabulary:

MR. HIGGINS: Are we going to lose our Portugal Cove constable with no replacement?

MR. CURTIS: As a matter of fact I overlooked the fact that our old friend the constable at Portugal Cove had passed out and the matter will be given consideration. If we do provide for the office perhaps we might put in a token vote.

707-02: Carried.

708: Royal Canadian Mounted Police:

MR. HIGGINS: May I ask what is the explanation for the increase.

MR. CURTIS: The explanation is that we have, as the House knows, a three years contract with the R.C.M.P. That contract is a very advantageous one because it is half what it costs—In other words by engaging the R.C.M.P. we pay practically little more than half what it costs us if we had to pay it ourselves. Now they found they were losing very considerable money and they have asked us if we, when renewing the contract, would be prepared to increase the cost per man by about three hundred dollars.

MR. HIGGINS: How many R.C.M.P. are there?

MR. CURTIS: I think I would have to have notice of question like that. I would be glad to furnish the information. The number varies from time to time. There are R.C.M.P. men we don't pay for here on Federal business. I am afraid I cannot give any breakdown.

MR. HIGGINS: It was only a passing question.

Carried.

709: Fire Departments:

MR. CASHIN: Mr. Chairman, I noticed in the "Daily News" this morning that the Minister of Labour whilst in Corner Brook made a statement that the cost of operating the fire department is to be taken out of the hands of the Government and handed over, I think, to the city council, or words to that effect. I don't know why he made the statement nor whether he made it on authority from the Government. I would like to have some announcement about it from the Attorney General as to whether there is anything in that statement or not. Mr. Ballam who is the Minister of Labour and a representative of the constituency of Corner Brook stated in Corner Brook yesterday that St. John's is going to have to bear its own cost of fire protection. It appears that Corner Brook must be paying theirs but I don't know. There is certainly no estimate here for Corner Brook anyhow. I would like to have some announcement on that.

MR. CURTIS: Mr. Chairman, I am not in a position at the moment to make any commentary on Mr. Ballam's statement or at least the statement attributed to him. I am not sure that he has been properly quoted. There is no doubt that there is a con-



siderable feeling that the time has come wherein the Government has got to reconsider the whole situation with regards to St. John's. We are providing at the moment a fire service for St. John's at a cost of over three hundred thousand dollars and we are doing nothing for Corner Brook, nothing for Grand Falls, and we are doing nothing for any other town but St. John's which is being picked out and is receiving over three hundred thousand dollars a year plus pensions for members of the fire department. The Government has made no decision on the matter, but it is a matter that is very much in our minds. I have no doubt that my colleague when he was confronted with the position in Corner Brook told them what he thought we think about. As I have said there has not been any final decision and I hardly know if we should discuss what the honourable member said unless we know exactly what was said. I would not accept nor answer a newspaper comment or report which may or may not be accurate. Undoubtedly the time has come when we have to ask ourselves the question, those of us on this side of the House, as to just how long the country as a whole can continue looking after the firemen and the fire department in St. John's. We have to ask ourselves that question, and it is a question we have to face very shortly.

MR. CASHIN: Could you give me some foundation for Mr. Ballam's statement in that the Attorney General—The Government guaranteed ten million dollars, we taxpayers of this part of the country had taken the responsibility connected with that liability. As a matter of fact a lot of people around St. John's were out of work at the time and went over to Corner Brook because the Govern-

ment guaranteed to give them good construction land. If Corner Brook had been properly handled in the beginning which it was not whoever was responsible whether the Government or the Company, they could have had a properly planned town in Corner Brook particularly where these fires are taking place in recent months in the West side of Corner Brook. That area is congested with houses right on top of each other. In fact you can almost reach across the street from the top window of one house to another, no planning or anything at all there.

I know this is one of those things which come with Union with Canada. On the Mainland in every city, and this is a city with sixty-six thousand people, they have been forced to pay for their own police and fire protection. But on the other hand, St. John's is the capital of the country and whether they like it or not is the centre of everything in the country, education, justice and everything else. The people of St. John's are taxed highly now, and, as a matter of fact, a Bill went through here the other day authorizing the council to raise another loan on which we pay fifty thousand dollars a year interest. This fire department is a protection to the country, and they put up something, I forget how much but some small amount for the operation of the fire department, fourteen thousand dollars I believe. We have an efficient fire department here with none of the people getting extravagant wages. I know it is a ticklish matter not alone from the fact that you all represent the outports, but you are going to live here unless you are going to move the City and the Seat of Government to Corner Brook as well. Have you ever thought of that?

MR. SPENCER: Why bypass Grand Falls?

MR. CASHIN: The senior industrial centre for that matter is Bell Island.

MR. JANES: Take it to Fogo.

MR. CASHIN: As a matter of fact there is going to be some frightful comment now that the Minister has made that statement. I believe he spoke out of turn and he should not probably have said it. However, it is not going to happen this year and I am sure one of these who take the view if it is all right this year it will probably be all right next as well.

MR. CURTIS: I think it is a situation to be handled gradually. The Government will not come in here at any time and say "you have to take it over."

MR. HIGGINS: I think the Honourable Minister is quite right. The St. John's Municipal Council faced a terrific setback due to Confederation and the Government has been very generous and the council appreciates it. As he says, if this thing has to come the people of St. John's are realistic and trust the Government to cushion the blow, and make the adjustment gradually. Whilst on my feet there is one thing I would like to say in conjunction with the reference to Corner Brook West where there is overcrowding and where some houses have burned down. Ultimately if this is to be a properly planned town it would be a good thing if they would only burn down the rest of it.

HON. DR. F. W. ROWE (Minister of Mines and Resources): There is one thought which needs to be expressed: This is no time to be de-

bating this. The Honourable the Attorney General expressed the feelings of the House, I think, when he said it was unfair for us to discuss the remarks alleged to have been made by the Honourable Minister of Labour in Corner Brook, not until he is here and we know what he said in any case. When the time does come around we have not to think of this thing in terms of St. John's versus Corner Brook or Grand Falls but we have to think of it in terms of changing economy, a changing situation here in Newfoundland. More and more of our people living in the smaller places are growing very rapidly into bigger towns. My own home town represented by the Honourable Minister of Public Works is the fastest growing town in Newfoundland today. We have towns like Clarenville, Springdale, towns on the South Coast, we have Port aux Basques etc. So this thing is going to come up more and more but it is of course brought into the limelight when there is a big fire such as they have had in Corner Brook, or several fires. But more and more this thing is going to be battled around: What justification is there for the Government standing for one hundred per cent of the fire protection in the City of St. John's. The principle is what stand can the Government take when we are approached by these other town councils as well as we will be increasingly so as they develop. It is going to be a matter for the Province as a whole to give some thought to because the Government on its part is going to have to ask itself: "Can we afford with present taxation and revenue to put up fire fighting services in Port-aux-Basques, Clarenville, Springdale, Botwood, Grand Falls, Corner Brook and all these other places."

MR. CHAIRMAN: Before there is any more debate I must warn the Committee we are wandering very far afield from the item under consideration.

Carried.

710: H. M. Penitentiary and Gaols:

MR. HIGGINS: On that one, Mr. Chairman, this is one item I would like to ask the Attorney General about. I note a provision here for a staff for Harbour Grace gaol. I don't know if anybody in the Attorney General's Department has visited there recently. It is the nearest approach to a medieval place of punishment in the country. It is not fit for dogs. I believe representations have been made to the Attorney General by the John Howard Society. No later than last week I visited that dungeon and why maintain a staff to put people in that place is beyond me. It is a place in which no human should be incarcerated no matter what he has done. I think the Department should give some consideration to either cleaning up or tearing down or closing up that place.

MR. CURTIS: I would say in reply that on the day before yesterday Supt. Case and other members of the Department of Health and/or Welfare visited Harbour Grace. Whilst no written report has as yet been received I understand they have looked into the situation and they are ready to make certain recommendations.

I might say that I am very much disappointed with the Harbour Grace gaol as it is not really fit for the purpose. As a matter of fact we rarely use it now as a gaol.

MR. HIGGINS: There was one poor fellow there for three weeks last year.

MR. CURTIS: Yes, but it is rarely used as a gaol. We think that we have to fix it up. I don't think we can tear it down because the court room is quite good and there is nothing wrong with it and the Public Welfare Department has to keep some quarters there because this place is used largely for keeping mental patients who have come in from the various districts around and cannot get into the mental institution. It is really used largely for that purpose. Of course, it is just as important if it is to be used for that purpose that it be kept in good condition. I can assure you the condition of that gaol has been a worry to my department for the past year or more and we are hoping to come to some final decision as to what to do about it shortly.

MR. HIGGINS: I am very glad to hear the Attorney General say that. But it is an awful thing to allow mental patients to be locked up in that dungeon. I think it is about time Ministers got together and rectified the situation. It is an abomination.

Carried.

711: Miscellaneous:

Carried.

712: Consolidation of Statutes:

MR. HIGGINS: Now, Mr. Chairman, this is a beauty, this consolidation of statutes. Will the Honourable the Attorney General tell me when we are going to have that ready. If I am not mistaken a couple of years ago a very honourable and learned-gentleman was appointed with considerable expense and so far we have not gotten our consolidated statutes. I believe we were told last year it was practically ready. Would the Honourable the Attorney General tell us when it is likely to be ready now?

MR. CURTIS: No, I could not. I understand, Mr. Chairman, that the printing is done and all that remains to be done is the index and the binding. The printing is done by the King's Printer. I have not made inquiries about it lately I have been so busy with legislation for the past couple of months that I did not have time. But I will get that information for my honourable friend. I am hoping that it will be out this year.

Carried.

713—Transportation:

MR. CURTIS: That is a subscription we pay every year of \$6,000. There is an office maintained at Moncton presided over by Mr. Matheson who looks after the interest of all the Maritime Provinces as to all matters regarding transportation.

That sum to the Board of Transport is just a lump sum. It was estimated last year at \$20,000 to look after the Board of Transport and all matters arising there. This year we just divided it up and called it \$15,000 for the Board and \$5,000 miscellaneous. We do not know at the beginning of the year, Mr. Chairman, just what is going to arise in connection with transportation. My honourable colleague the Premier this morning attended a function in Ottawa before a Committee of the Privy Council on this question of transportation whether or not the recent rate increase should be disallowed by the Federal Government. I don't think out of this fund last year any expenditure had been made. It is just a vote there as we don't know at the beginning of the year just what may crop up. In conjunction with the other

Provinces we have engaged Mr. G. Smith Q.C. of Halifax and his expenses will be charged against this item as well as the travelling expenses of our good friend, Mr. Lewis, and it is necessary to have some funds to look after the problem.

MR. CASHIN: In connection with that, Mr. Chairman, those are the people who are supposed to look after, I take it, right down to rock bottom, the interests of the Maritimes with regard to freight rates etc.? Whether they do that I—

MR. CURTIS: We are partners in the movement.

MR. CASHIN: I don't know whether I am out of line in asking this question in connection with the action our department has taken against the C.N.R. or the Central Government in regard to excess freight rates we have already paid for the years 1950-1951 and 1952. I think we did finally get an adjustment whereby the freight rates were brought down to agree with the Terms of Union but we paid additional rates for a year or two and now we can't get it back. But the Treasury should get the money back. Has this anything to do with that?

MR. CURTIS: I think, I have answered that question, Mr. Chairman, which my honourable friend put to us. I think I told him the Premier opened up negotiations with the Prime Minister of Canada and the Prime Minister referred it to his Minister of Justice and instructed his Minister of Justice to keep in touch with me to try and negotiate, that is just how matters stand now and this obviously will be the vote out of which any expense would come. There has been none yet. Should

there be a trial of course we shall have to engage a counsel. We did not authorize the hearing but we did pass a Bill which vested in the Government any claims which was a preparatory step. My honourable friend must realize negotiations between Governments don't go quite as quickly as do those between individuals. But these negotiations are proceeding and we hope to make some progress.

Carried.

MR. CURTIS: No. 714 has been transferred to Provincial Affairs.

Department of Mines and Resources:

801 through 804 carried.

No. 805—Agriculture:

MR. CASHIN: I would like to have an explanation on 805-03-01 there. That is the increase in Agriculture Education.

DR. ROWE: The increase in the agricultural education is based on the decision of the Government to assist some students who wish to go to the Mainland to attend agricultural institutions and schools and who will be returning to do work here in Newfoundland.

Carried.

DR. ROWE: 805-06 Standardization of Markets. That is a revote of \$7,000. That is based on the decision of the Government to build two market warehouses one on the West Coast and one on the East Coast to facilitate the transportation which farmers may use to facilitate the shipping of their vegetables. What happens now in practice is that a farmer who wishes to ship say in November or December one or two hundred barrels of potatoes he has

to bring them to the railway station which is probably ten or fifteen miles away and the freight train is then delayed and he has to stay overnight perhaps and runs the risk of losing the entire shipment from frost. Of course, some places have no place at all in connection with the railway, not even a shed of any sort. The idea behind this is that this year we will commence the erection of two frost proof warehouses, one possibly in Codroy Valley and another somewhere around the East Coast the site of which is not determined, it may be somewhere in the bottom of Bonavista Bay because the farmers in that area are at a particular disadvantage. That explains the item there. The estimated cost of these is, I think, around six thousand dollars each.

805-03-13 — Subsidized Veterinary Services:

DR. ROWE: I meant to explain that item. The Province is deficient in veterinary services in large areas there is no practicing veterinarian at all, on the West Coast for example and in one of the biggest farming areas in the Province, Conception Bay. Those in the St. John's area are pretty well taken up but while they do their best can't make trips around to Trinity and Conception Bay etc. We have found the only way to get them into Newfoundland is to subsidize them, so that the Government has decided to subsidize two, one to be established somewhere in the head of Conception Bay and another to be established somewhere in the St. George's—Port Au Port area. This subsidy is of a decreasing nature. I think it is \$3,500 for the first year and it comes down in the second year. We hope that during that time we will be able to build it up to a point where a man is able

to support himself, especially with the increasing amounts of live stock in Newfoundland. I may say, Mr. Chairman, we have now one veterinarian engaged from Scotland and we hope to have another within the next few weeks.

MR. CASHIN: Could the Honourable Minister give us any idea of the total value of agricultural products?

DR. ROWE: I would need to have notice of that question. We have the information in the Department but would not be able to estimate it right now.

Carried.

806: Land Development:

MR. CASHIN: On 805-04-01 I notice here there is to be an increase in the blueberry crop.

DR. ROWE: I might point out that we overspent the vote last year on blueberry activity and they had to refrain from doing a great deal of work that needed to be done. The Committee may remember that last year the value of the blueberry crop was half a million dollars. It is a very considerable industry to our people in Conception Bay particularly. It may not be well known that the existing condition of that industry and the success it has had so far depended to a large degree on the fact that the Government has spent money in preparing the ground, burning it over periodically under supervision, also putting in small paths and making it possible for people to get to the areas. I inspected one last year and visited areas where they were able to get a large crop where they would not be able to get it if we had not gone ahead and built a short road and

at the same time burned the ground. Now, this year we hope to do a little more of the work we did last year. We find this industry is so valuable that we should do everything we can in this field and the field of partridge-berries. In fact we are looking into the whole field of horticulture now to see what we can do to improve the situation generally in Newfoundland.

805 carried.

806: Land Development—carried.

808: Crown Lands and Survey—carried.

810: Miscellaneous Services:

DR. ROWE: This is in part a new vote. In previous years it was all carried under a joint service called "Forestry and Wild Life" but for administrative and other reasons we felt it desirable to have a separation. So that this year we have forestry in one vote and wildlife in another. There is no more reason to join up forestry and wildlife than there is to join up forestry and agriculture.

MR. FOGWILL: Mr. Chairman, this really is a new vote in one sense I notice an increase in salaries in that department.

DR. ROWE: I might say we did increase the staff a little. The increase is not due to the division but is due to the fact that we have an increased staff. In connection with this point I might point out that in all of the Coast of Labrador we have not got one forestry officer. That will give the Committee some idea of our need in that respect. I may say the vote this year provides for the services of several forestry officers for Labrador. This year we are just making a beginning. We won't for a year

or two get a full complement for that vast territory if we are to look after it properly.

Carried.

820: Mines:

MR. FOGWILL: Mr. Chairman, in respect of 820-03-03—\$28,000. Apparently the Government intends to proceed more actively on that salt survey?

DR. ROWE: Mr. Chairman, last year the salt survey was included in the general work of the Mines Division. This year we thought it better to have it shown separately as a very specific and special item. I may also say for the information of the Committee that as a result of the work last year I think it is well known that evidence of salt was found. But the great task of the Department is to try and prove up the existence of salt in sufficient volume to warrant some production. That amount put in here will, we feel, enable us to go ahead with the work this year. I may also say that we plan to cease diamond drilling in the area and institute a new process there called the "Gravimetric Process" based on the specific gravity of the crust. We feel that if there is any salt there this system will prove it up.

Carried.

#### Department of Public Works:

901: Carried.

902: General Office—carried.

903: Accounting Office—carried.

904: Registration of Motor Vehicles—carried.

906: Buildings—carried.

907: Roads and Bridges—carried.

MR. CASHIN: Mr. Chairman, in connection with public buildings. All this money voted here is coming out of ordinary current account and it is increasing annually, I notice. I imagine on the new buildings erected in recent years, the Mental Hospital and the Sanitorium at Corner Brook we don't have to spend much money on them.

MR. SPENCER: We have maintenance.

MR. CASHIN: Yes.

907: Roads:

MR. CASHIN: Now, Mr. Chairman, this is just for maintenance of roads and bridges and does not include any capital at all.

MR. SPENCER: That is on page 74.

MR. CASHIN: We have not voted on that yet.

MR. SPENCER: No, that is capital account.

MR. CASHIN: I don't know whether it is the proper time to say it now, but I represent, as you know, St. John's East. We have had a lot of difficulty in sections of the district, up there on the Blackhead Road for instance in the last year when trying to establish a council in that place. I felt my way around a little and did not get much encouragement. I have not been up there since New Year but I do know the place is all washed away by water running down over the hill. I am going to make a plea, Mr. Chairman, to the Honourable Minister of Public Works in this coming year to see if something can be done to that road up over the Blackhead out to Cape Spear and across to Petty Harbour. I have had letters, as all

members have had, with respect to the District of St. John's regarding roads. I have had quite a lot of requests to see if something can be done to these roads particularly the Blackhead Road. I should like for the Minister later on when he indicates the road work programme to see if something could be done to let our people in that area have a few dollars to try and fix that road up there. They are living under very hard circumstances and are all good people, all good workers. I think it is a very poor place to establish a town council as it would cost an awful lot to lay out a place out there.

MR. SPENCER: Are they going ahead with it?

MR. CASHIN: No, because they think it would cost a lot more money than they think the people could afford to put up. They would want a lot of money from the Government and they would not be able to match dollar for dollar for the Government to do that. There are about one thousand people up there to be considered and I would deeply appreciate it if the Government could see its way clear to vote something for it in this year's estimates at any rate.

MR. SPENCER: Mr. Chairman, I don't think I need delay the Committee on this particular item. There has been a point or two raised by the honourable and gallant member representing St. John's West with regard to Blackhead Road and the Blackhead section. I have taken occasion to go and see for myself and I admit that there is great need for some work there. But I must refer to many other requests which he must have heard coming into this House this year. It is only very recently that I caused to have tabulated in my Department a list of anticipated expen-

diture to cover the needs and requests that we have already gotten in this year and the Committee will be very surprised we arrived at a figure of twenty-three millions of dollars to do the improvements and reconstruction requested this year, \$23,000,000. The Committee will see we have under 907, \$2,421,500. That applies to all roads and bridges then there is \$200,000 for local roads. That is one of the things we are very proud of and are doing our very best to distribute for improvement and reconstruction this year \$1,300,000. As I have already advised the Committee we have requests for upward of \$23,000,000 worth of work. The Committee is well aware that that volume of work cannot be undertaken in any one year and just how the Department can distribute to the best advantage whilst trying to be as fair and reasonable as possible is just one of the headaches for which the Government pays me a salary. I suppose I have to try and tackle it.

I am glad to hear the honourable member refer to that road. I know it is in dire need of attention, but it is one of a great many in dire need of attention this year.

MR. FOGWILL: Mr. Chairman, whilst the Committee is on the question of roads, Sir, I may say that in respect to the petitions which have been brought into this House in connection with the building of new roads. In the four years we have been here there has been only one petition from St. John's East. I may say the request was made for the construction of a short road for the convenience of children going to school in one part of the district. Apart from that, Sir, I would like to point out that in the District of St. John's East we have some very old roads, perhaps a hundred years old some of them. These



roads have become a traditional way of transportation from the places concerned into St. John's. In the past few years, Sir, these roads have deteriorated and are in a very bad state of repair. I do stress the point that the Honourable Minister should pay some attention to the roads of St. John's East. If they are going to let them deteriorate gradually from year to year it is going to cost three or four times as much money to put them in proper shape, unless some attention is paid to them this year or next as the case may be. So I would ask the Minister if he would consider not only the main highways in St. John's East, Logy Bay, and the Marine Drive and the Torbay Road, etc., that part of it from the Airport to Pouch Cove is in bad shape. Some work was done on it last year but not sufficient. Then there is the Logy Bay Road and all of these roads there which I would call secondary roads connecting up the several highways in St. John's East which all need a great deal of attention. If the Minister would supply a grader for these small secondary roads it would help, even five or six days or two weeks work with a grader would help the people residing in these areas quite considerably to get in and out to work, etc. However, Sir, I would ask the Minister to consider making an effort to do something with the roads in St. John's East. If it is not done the roads will become reduced to such a state it will cost quite considerably more money in the future than it would cost at the present time to put them in proper shape.

MR. HIGGINS: Mr. Chairman, I thoroughly agree with my honourable colleague. The fact is that the people of St. John's have scrupulously

refrained from petitioning this House to have the work done, not that we feel it won't be done if we ask for it but they are notorious in that district for being reasonable. We are not asking for the construction of new roads now, not even asking to have them resurfaced but I do say that out of the amount set aside the Minister might well consider seriously at least the grading of the roads. I think you will find, Sir, that if you give us that even minimum attention we will be more agreeable.

908: Miscellaneous Services—carried.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again.

Committee ordered sit again on tomorrow.

MR. CURTIS: Mr. Speaker, I move the remaining Orders of the Day do stand deferred.

MR. HEFFERTON: Mr. Speaker, with the consent of the House I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Rural District of Placentia Act."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): With leave of the House, Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Ship Building and Bounties Amendment Act, 1945 and 1947."

MR. CURTIS: Mr. Speaker, I move the House at its rising do adjourn until tomorrow, Monday, at 3:00 of the clock.

The House then adjourned accordingly.

MONDAY, May 4, 1953.

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.

**ANSWERS TO QUESTIONS**

HON. G. J. POWER (Minister of Finance): Answer to Question No. 73.  
 1. Statement of Current Revenue and Expenditure for the 12 months ended March 31st, 1953, as incorporated in Budget Speech, 1953

**Head of Expenditure—**

|                                    |                     |
|------------------------------------|---------------------|
| Consolidated Fund Services .....   | \$ 532,753          |
| Legislative .....                  | 128,609             |
| Executive .....                    | 62,247              |
| Finance .....                      | 980,537             |
| Provincial Affairs .....           | 53,658              |
| Education .....                    | 5,740,552           |
| Attorney General .....             | 1,457,068           |
| Mines and Resources .....          | 1,082,636           |
| Public Works .....                 | 4,300,918           |
| Health .....                       | 6,083,682           |
| Public Welfare .....               | 6,241,529           |
| Board of Liquor Control .....      | 229,668             |
| Municipal Affairs and Supply ..... | 838,685             |
| Fisheries and Co-operatives .....  | 322,283             |
| Economic Development .....         | 179,872             |
| Labour .....                       | 66,451              |
|                                    | <b>\$28,301,148</b> |

**Heads of Revenue—**

|                                    |                     |
|------------------------------------|---------------------|
| Finance .....                      | \$27,007,682        |
| Provincial Affairs .....           | 420                 |
| Education .....                    | 363,107             |
| Attorney General .....             | 117,647             |
| Mines and Resources .....          | 874,628             |
| Public Works .....                 | 1,022,370           |
| Health .....                       | 1,194,081           |
| Public Welfare .....               | 837,632             |
| Board of Liquor Control .....      | 3,000,000           |
| Municipal Affairs and Supply ..... | 180,224             |
| Fisheries and Co-operatives .....  | 32,013              |
| Economic Development .....         | 202,904             |
| Labour .....                       | 12,567              |
|                                    | <b>\$34,845,275</b> |

2. Amounts received from the Federal Government included in Current and Capital for the 12 Months ended 31st March, 1953

**Head of Revenue—**

**Finance—**

Statutory Subsidies :

|                                  |               |
|----------------------------------|---------------|
| Government and Legislation ..... | \$ 180,000.00 |
| Population .....                 | 289,132.80    |
| Special .....                    | 1,100,000.00  |

Payments under Tax Rental Agreement :

|  |               |
|--|---------------|
| Subsidies in lieu of taxes rented .....    | 10,722,460.52 |
| Utility Companies, half Dominion Tax ..... | 98,217.00     |
| Arrears .....                              | 2,066,967.83  |

Transitional Grants ..... 5,650,000.00

Total ..... \$20,106,778.15

**Education—**

Vocational Training ..... 69,215.01

Teacher Training ..... 6,900.00

Total ..... \$76,115.01

**Public Works—**

Trans-Canada Highway ..... 445,341.54

Hospital Construction ..... 9,753.32

Total ..... \$455,094.86

**Health—**

Expansion of Existing Health Services :

|                                 |            |
|---------------------------------|------------|
| Crippled Children .....         | 1,268.71   |
| Professional Training .....     | 9,936.30   |
| Veneral Disease Control .....   | 8,980.52   |
| Mental Health .....             | 88,224.56  |
| Tuberculosis Control .....      | 168,910.85 |
| Health Survey .....             | 3,045.13   |
| General Public Health .....     | 161,741.81 |
| Cancer Control .....            | 46,634.71  |
| Western Memorial Hospital ..... | 80,961.22  |

Total ..... \$569,703.81

**Public Welfare—**

|                                 |                        |
|---------------------------------|------------------------|
| Old Age Assistance .....        | 685,132.39             |
| Blind Persons' Allowances ..... | 97,820.78              |
| <b>Total .....</b>              | <b>\$782,953.17</b>    |
| <b>Grand Total .....</b>        | <b>\$21,990,645.00</b> |

**3. Statement of Capital Account Expenditure for the 12 Months ended March 31st, 1953, as incorporated in Budget Speech, 1953**

**Head of Expenditure—**

|                                    |                     |
|------------------------------------|---------------------|
| Consolidated Fund Services .....   | 460,000             |
| Education .....                    | 643,364             |
| Mines and Resources .....          | 11,385              |
| Public Works .....                 | 3,745,873           |
| Health .....                       | 406,396             |
| Municipal Affairs and Supply ..... | 618,017             |
| Fisheries and Co-operatives .....  | 413,929             |
| Economic Development .....         | 5,425,241           |
| <b>Total .....</b>                 | <b>\$11,724,205</b> |

**Less****Revenue**

|                                    |                  |
|------------------------------------|------------------|
| Finance .....                      | 13,636           |
| Public Works .....                 | 455,095          |
| Municipal Affairs and Supply ..... | 106,151          |
| Fisheries and Co-operatives .....  | 1,223            |
| Economic Development .....         | 225,000          |
| <b>Total .....</b>                 | <b>\$801,105</b> |

**Net Expenditure as Budget Speech .....** \$10,923,100

4. Further advances under Legislative enactments, to be disbursed during 1953-54 have been provided for in the Estimates now before the House.

5. Question asked and answered at a previous date during this Session.

6. Social Security Tax collected for the financial year ended 31 March, 1953. \$4,534,114.45.

### Orders of the Day

Third reading of Bill "An Act to Incorporate the Association of Newfoundland Surveyors and for other purposes in connection therewith."

### Debate on Budget Speech

MR. FOGWILL: I wish to congratulate the Honourable the Minister of Finance on the able manner in which he presented his second Budget Speech in this House. It must give the Honourable Minister a great deal of satisfaction to be able to present to this House in such a short time two Budget Speeches which show a substantial surplus on current account.

Of course, the Budget Speech, although it is the responsibility of the Minister of Finance, that is, the preparation of the Speech; nevertheless the contents of the document are the responsibility of the Government and are its opinions with respect to the economic and financial conditions of the Province.

On the face of it, the economic and financial condition and the outlook for the future may look bright; we may be enjoying a prosperous period and I would say that the Budget Speech has been accepted very well by the people of this city.

During the past four years all offices of Government in the first instance, in the first year, they show a deficit on current account; next year they showed a surplus; following year they showed a surplus on current account and in the year just ended they do show a surplus which the Honourable Minister estimated last year, and it resulted very near his estimate. His estimate of revenue and expenditure for the year 1953-54 also shows an estimated surplus of \$4,046,500.00.

During the period of the present Government, and including the present estimated surplus, the total surplus earned would be twelve million dollars. That is something on current account which at least shows some advance; but on the other hand it could and would be possible that the current account should be shunted or shifted over to capital account. This twelve million dollars at the end of the present year will be all spent plus the amount taken from the pre-union surplus.

I want to turn to the Table of Estimates as listed by the Minister in his Budget Speech. I am not going to comment on 1951. Take 1952, the Minister outlined his opinion (and it would be no more than an informed opinion) of what he says the people pocketed; and he put the amount of \$183,976,000. I may say in passing that in that estimate for 1952 of \$183,976,000, there is an error in the addition which I did happen to go into. That amount should read \$183,576,000 instead of \$183,976,000. An error of \$400,000. Possibly the error was made by someone in his Department.

If we look at the figures themselves, of the total amount of \$183,576,000 going into the pockets of the people, and break it down into the various categories, such as the amount of money put into the pockets of the people last year in respect of Newfoundland industries—such as the paper mills, mines, fisheries and miscellaneous industries which may possibly include farming—that amounted to 37.2% of the total of one hundred and eighty three million dollars. That is a small amount coming from what I would think have been the major Newfoundland industries; and the major amount of money pocketed by

the people should come from that source.

A peculiar point is in this table, under the heading of "Government spending" is listed defense, Government of Canada, Family Allowances, Old Age Pensions, Mothers' Allowances, Road Work, Veterans' Department, Old Age Assistance and Unemployment Insurance, all of which, of course, come from taxation. Of course, the 21 million dollars which has been estimated as being spent on defence work, that may be broken down and we may agree that most of it was spent by the American authorities. Nevertheless, the amount on Government spending was \$70,287,000; that is 33.28% of the total of 183 millions. All the other amounts which include Transportation, Shops and Offices, Stevedoring, Municipalities, Private Hospitals, Broadcasting, etc. these are to be included in the public service—they serve the public in their different categories as laid down and they are supported by the public. The amount going into the pockets of the people was 24.41% of the total of 183 million. In respect to the total, it seems peculiar to me that only sixty-eight millions of the 183 millions going into the pockets of the Newfoundland people which is coming out of the basic industries of Newfoundland. The most of the money is coming from Government. And where do the Government get the money? They must take it out of the pockets of the worker before he gets it; sometimes it is taken out of his pocket after he gets it. Of course it may be all right for a wage earner to have a couple of half dollars to jingle in his pocket on Saturday, but on Monday he is broke.

The forecast for 1953-54 shows somewhat the same picture. The Minister

estimates the amount of money going into the pockets of the people from Newfoundland industries next year will be \$79,622,000. The money going into their pockets from Government spending, \$78,273,000 and from transportation, etc. \$52,000,000. There again you find that most of the money, the majority of it that is going into their pockets this year comes either from Government or from transport, offices, municipalities, etc. It does not seem to me to show that we are enjoying great prosperity, on the other hand, it shows an altogether different picture; a picture not entirely healthy. It does not look good to me when we find that most of the money going into the pockets of the people is coming from sources other than Newfoundland industries.

Mr. Speaker, the Minister in his Budget Speech did make reference to the fisheries. We note the estimate of the fisheries (from which he excludes frozen fish industries), but which include salt cod and some of the allied industries, in 1952 the estimate was \$9,805,000. Next year the estimate is \$10,000,000. In respect to the fisheries, we may have legislation concerning fisheries coming before the House, but I would say in respect to the Newfoundland fisheries that our fisheries have deteriorated. Why, I do not know. Of course during the many years of Newfoundland's history our fisheries have been subject to many fluctuations in respect to the amount caught, processed and sold from year to year. But, Sir, there are traditional markets for Newfoundland fish in Europe, Spain, Portugal, Italy and Greece. It appears to me that some of these traditional markets have been lost to us. As of the reason of that I don't know. Some people claim the Spanish market has

been lost because of Confederation with Canada—that may be true and it may not. Some of the causes of the loss of the Spanish market may have been caused by the increase in the number of Spanish trawlers fishing. But it is a known fact that Canada does not trade with Spain to any great extent.

Newfoundland also sold or did sell each year about four hundred thousand quintals of fish to the Spanish market—

HON. J. R. SMALLWOOD (Prime Minister): Since the war?

MR. FOGWILL: No—traditionally we did sell roughly about four hundred thousand quintals of fish to Spain each year.

MR. SMALLWOOD: Before the war.

MR. FOGWILL: That is subject to some variation—it may have been before and it may have been after—I don't know what happened during the period, a war was fought and people were killed and there is still a war on hand, it may be a cold war and it may not, that is in the future. Anyhow in respect of fisheries I find that since we have been subject to the influx of foreign moneys for defence purposes many of the people who were previously engaged in the fishery have left it. Sir, if we had to aid and help in the re-organization of our great fisheries I think the Government will find that many of our people particularly are unprepared to enter into that industry. It is a known fact, Mr. Speaker, that during the past few years, it may go back quite a few, many of the people that were and many families in many parts of the Island who were traditionally fishermen have left the fish-

ery and have sold their fishery gear and have gone into other employment. This, Mr. Speaker, may be accounted for by the fact that many of our people have gone into defence employment where it was estimated by the Minister that roughly twenty-two millions were spent last year and twenty-four and a half millions will be spent this year. When this work is finished in respect of defence what are these people to do? Many of them are unprepared to engage again in the fisheries unless and until they see it is possible for them to make a decent living.

Mr. Speaker, the Minister today in this speech made reference to the increase in purchasing power by the people, of the modern improvement in the standard of their living in respect of motor cars, electric light, telephones, etc. Now, I would like to perhaps add something else in regard to the increase in modern-day appliances which everybody knows everybody wants. These motor cars, Mr. Speaker, and all these appliances which the people are buying today I would be bold enough to say that most of it is being bought on credit. In other words the Government is mortgaging its future in respect to borrowing money and the people themselves, a lot of them, are mortgaging their future in respect to buying the modern appliances of life on credit. It would be interesting, Mr. Speaker, to know or find out if it could be found out how much credit is let out by the business people in Newfoundland and on the other hand how much goods are sold and financed by the various financial concerns.

In construction work, Mr. Speaker, it is a well known fact that in the years gone by Newfoundlanders tried to, at least I think it was the hope of

most of them that they would get a house, a home, to live in, some shelter. They built those shelters mostly on their own, working additional time at night, saving their money. But at the present time people have no money to save. In all due respect to the Honourable Minister I would say that he is a good tax collector. Between the Honourable Minister in this Province and Mr. Abbott up in Ottawa all the money that the people of Newfoundland and of Canada would ordinarily save in the ordinary course of events so that they could lay down some foundation for their future, all of that is being siphoned off by the present Government here and the Government of Canada, leaving very little cash for the people themselves to spend as they see fit. I will say this, Sir, that the people of Newfoundland spent their money in a very wise way, but now they have no savings to any great extent in comparison to the total wages received by the people. Most of it is siphoned off by our present Finance Minister and also by the Finance Minister of Canada. Although I do say, Mr. Speaker, that our Finance Minister here is a good tax collector. I have more than a hearty suspicion that his colleagues in the Cabinet think he is a penny pincher.

Now, Mr. Speaker, although this is a prosperous year in the present year we have had an increase in taxation as we have had from year to year since the first year after Confederation. We have had the imposition of the three per cent sales tax, we have had an increase in motor car taxation and last year we had the sales tax which included food stuffs. This year we have a small tax being imposed, I think it is five cents on the admission to the places of entertainment.

So that, Mr. Speaker, in the past four years and as projected into the present year we have had an increase of taxation. And, Mr. Speaker, if rumour or report is true it seems to me, Sir, that it was said in this House by us "Tories" over here that the master plan of the Provincial Government would be to shunt a considerable portion of the taxes over on the councils, town councils or community councils as the case may be. Not only that, Sir, but now we have the suspicion that eventually it may be that the Government will shunt most of or a portion of the cost of education over on the town councils and community councils as the case may be. I think the people of this Province will have to be reconciled to the fact that the taxation will be increased within the years to come and that these taxes will be increased to such an extent, Mr. Speaker, that the position of the wage earners today will be much less favourable than it has been in the past.

I am not going to delay the House much, Mr. Speaker, on the figures presented in the Budget Speech. But there are one or two points I wish to make but before doing that, Sir, I would like to make some few remarks in respect to another industry which the Honourable Minister, I think, did not mention at all but perhaps it may have been included in the four million dollars for last year and the five millions for next year—this is in respect to the people engaged in farming.

Much could be done, Mr. Speaker, in respect to assisting the farmers not only by the Government itself but by the people themselves if an effort were made by the people and by the Government to assist our local farmers by way of grants and store houses etc.



and the people could assist the farmers by endeavouring to purchase more Newfoundland products. If I may be permitted I would like to quote a few statistics of quite a few years back in respect to the amounts of agricultural products imported into Newfoundland. For instance, away back in 1932 we imported 187,000 bushels of potatoes plus 94,000 bushels of seed potatoes, and, Mr. Speaker, in 1932 we imported 1,120,000 lbs. of rolled oats and oatmeal and 150,000 dozens of eggs and 2,580,000 lbs. of canned milk. Now, if we come a little further along back to 1926-27 we find the Newfoundland people imported 19,000,000 lbs. of meat. That is a lot of meat, Mr. Speaker, I think if something were done in the way of assisting the farmers by the people themselves they should be able to derive some revenue by producing these things themselves. For instance, Mr. Speaker, in 1926-27 we imported 595,000 lbs. of cheese, and 261,000 lbs. of butter, fresh meat 2,378,000 lbs., 444,000 lbs. of balogna, 9,375,000 barreled beef, 175,000 lbs. ham and bacon and 4,798,000 lbs. pork. That was away back in 1926-27.

Take another year, Mr. Speaker, 1935-36: We imported 1,626,000 lbs. fresh meat and beef salted and barreled 731,000 and pork 4,000,000 lbs.

We go a little bit further adong, Mr. Speaker, and take 1939-40. The total amount of meat imported into Newfoundland in 1939-40 including fresh meat, salt meat and pork amounted to 12 million lbs. We imported 434,000 bushels of oats, 365,000 lbs. of cabbage, 1,321,000 lbs. of oatmeal and rolled oats.

We come back to 1944-45, Mr. Speaker, and find we imported 7,418,-

000 lbs. of fresh meat; 33,540 barrels of beef and 6,720,000 lbs. of pork.

We come up to 1948-49, the last year before Confederation: We imported 7,784,000 lbs. fresh meat, 2,435,000 lbs. of corned meat, 25,000 barrels of pork and 38,000 barrels of beef and 12,773,000 cans of evaporated milk and 3,594,000 lbs. cabbage, 33,000 bushels of carrots, 366,000 bushels of potatoes. Here is a peculiar point Mr. Speaker, 3,344,000 lbs. of balogna sausages. That is a lot of baloney. So that in respect of farmers I think the Government could, if they wished, assist these people. I know there are only a very few people employed in the farming industry nevertheless I believe they should have some assistance so that we could help these people in getting some of this business.

Now, Mr. Speaker, in respect to the ending of the Minister's Budget Speech with respect to our finances: From the Auditor General's Report and from the figures presented by the Minister himself we find that the total accumulated surplus as of the end of the present fiscal year 1953-54 would be \$53,974,775 and the expenditure, Mr. Speaker, on capital account for Economic Development and capital account in respect to extension of public services would amount to \$55,895,986. That would leave us at the end of the present fiscal year all of our surplus gone plus the collection on pre-union surplus since Union with Canada of \$189,600. If we add to that, Mr. Speaker, the proceeds from the ten million dollar loan amounting to \$9,850,000 we would have a grand total at Ottawa and here in the Treasury of \$11,017,100. That is a total amount at Ottawa and \$45,000 estimated to be left here for the extension of public services.

If we put it another way, Mr. Speaker, the total amount of expenditure on the development and extension of public services projected to the end of the present year, \$55,895,986 and as against that, Mr. Speaker, take the expenditure for the past three years on pre-union surplus and the amount collected on surplus over current account and put these two amounts together that would amount to \$16,780,119 and take that amount from the total expenditure and you will find a total deficit of \$39,115,867 that is the total deficit over the period projected to the end of the present year. To that add the transitional grant over the period amounting to six million five hundred thousand each year for the first three years and last year \$5,650,000 and this year \$4,800,000, a total on the transitional of \$29,950,000 which in my opinion must be added to the overall deficit of spending on capital account because, Mr. Speaker, the amounts collected on that transitional grant means just that it is a transitional grant. It is an amount of money granted to the Provincial Government for the period in which to get over the hard spots and could not be classified as revenue—it is not revenue. That added, Mr. Speaker, to your total deficits of \$39,115,867 in my opinion, and I think in the opinion of this House, will give a total deficit in the period of five years of \$69,065,867—we are operating on a deficit. Add to that, Mr. Speaker, the ten million dollar loan proceeds of \$9,650,000. When I think it took the Newfoundland Government before Confederation a hundred years to accumulate a public debt of somewhere around about eighty-four or eighty-five million dollars this present Government, Mr. Speaker, almost equalled that?

Mr. Speaker, this Government has overspent the people's money and mortgaged the people's future to an amount almost equal to that amount, forty-nine millions plus ten millions loan—that, Mr. Speaker, is not a good record although I do congratulate the Honourable Minister on his presentation of his speech. I do say that in my opinion, Mr. Speaker, this present Budget, I would call it a "Skid" Budget, a budget to put the skids under the Government and the next Budget presented by the Honourable Minister of Finance no matter who he is will put the grease on the skids—that is what this present Government has done.

MR. HIGGINS: Despite the somewhat sombre note on which my colleague ended I prefer to echo his opinion in congratulating the Minister of Finance on his Budget. It is not every Minister of Finance in the history of Responsible Government in this country who had been able to come in two years in a row as he has and present what appears to be a most hopeful picture. I think the Minister is entitled to take certain legitimate pride in his Budget. He has presented a Budget that some people who claim to know tell me speaks a somewhat different note. It is not the usual mass of figures that leaves the layman in the dark. It is a very admirably worded document which sets out the position with great detail and clarity.

I don't know anything about finance, Mr. Speaker, and I don't propose to expose my ignorance by discussing figures in any detail.

There are one or two aspects of the Budget which to me at least calls for comment. The Minister refers to the phenomenal increase in the sale of

motor cars, in that last year over thirty-five hundred motor cars were bought in Newfoundland and our people paid over six million dollars for these cars. Well, again I must echo the thought of my colleague when I say that I question very much if our people have paid six million dollars—true that six million dollars were put in circulation but how many of these cars were bought and paid for by our people is a question which has not been answered. It is a matter, I think, which everybody in this House knows is one of the unmixed blessings of Confederation this advent into the country of loan companies called household finance or anything else. But to get down to hard facts they are nothing but loan companies who extract a very generous rate of interest on loans they make. I think, Sir, I am on safe ground when I say by far the majority of the purchases not only of motor cars but what we call the luxury items, indeed they were luxuries in the old days but now they seem to have attained the stature of being necessities, washing machines and refrigerators and all the rest of it—the great majority of these, I say, Sir, are now bought through the assistance of these loan companies. So that this figure of six million dollars does not represent six million dollars of our people's cash that has been spent, it is money for which they will have to account at a very exorbitant rate of interest over the years. One of the features of the advent of these finance companies has been, I suggest, that a people that were traditionally frugal, that paid as they went, are now in danger of degenerating into a race of people who are buying on the instalment plan. By the time they have paid for something they bought

the thing is worn out and they have to start all over again living on credit—how much of the country's business is being done on credit is problematic. So that I say, Sir, that aspect of the budget is not an entirely correct one. I am not saying it is intentionally misleading but it does not represent the picture as it really is.

Again, we are told that there have been five new industrial plants constructed and brought into production. Later on in his speech the Minister goes on to say that we expect during the year to get back something like three hundred and twenty-seven thousand dollars being payment of interest by the industrial companies. Now, Sir, from the first day that most of these industries were brought into being in this House, we on this side of the House have asked again and again and again for information as to how these companies are getting on and we have been met with the standard reply—"It is not in the public interest." Well, that reply apparently has the weight of parliamentary tradition behind it—The Government is quite entitled to say: You are not going to get that information—But I say, Sir, that despite that reply it is the public money that has been invested in these plants and so far there has been no evidence that the returns anticipated are going to come in. Now it may well be said that it is not a fair criticism—they have not had a chance to get on their feet—But only this morning, Sir, in the "Daily News" there was a dispatch from Ottawa referring to the orders placed by the Department of Defence for the coming year and in these orders there was not any order placed for any of the Newfoundland Companies. I refer in particular, of course, to the Canadian Machinery

and Industrial Corporation, (or whatever the dickens it is) out here on the Otagon—

MR. SMALLWOOD: That is the one bolted together.

MR. HIGGINS: It now appears the bolts are coming abroad. Certain it is, Mr. Speaker, this House and indeed the people were lead to believe that this particular plant was going to receive defence orders which were going to keep it a busy and going concern. As I say, that is not so.

The Minister pointed with justifiable pride to all that the Government has done not only to encourage new industries but to strengthen and buttress existing industries.

The advent of the British Companies is heralded again with marked enthusiasm. To quote the words of the Minister: "I am confident that our people are especially pleased to see these great British Companies coming to our Province. There has always been a very close tie of fond affection binding the hearts of our people to the Old Country, and the British Companies may be quite sure that they are welcome here. They are welcome because they come to find and develop our natural resources, and they are particularly welcome because they are British. This is not at all to say that the Companies that come here from the Mainland of Canada and the United States and other lands are not welcome. It is only to say that a very special welcome awaits those who come to us from the British Isles."

That is an admirable sentiment and uttered with an aplomb that does credit to the Government's ability to reconcile their earlier action of bringing in industries that were not Brit-

ish. One would imagine that there had been plenty of opportunity before to interest these companies, but only after the cream was distributed were the British Companies brought in.

For some three years we gave a welcome and assistance to refugees from the Iron Curtain. Who amongst us does not remember that great physicist, Sennewald, a refugee from the Iron Curtain? Who amongst us does not remember other industries started by people from the European Continent and at that time there was no enthusiasm for British Companies? As I say, one cannot but admire the adroit way in which the Government can switch flags without losing a stroke. We now have the British Companies introduced with great enthusiasm. I am not saying that is not all right. I am saying it comes late in the day. They should have been brought in when the real money was on the go. If we were going to lend money, surely we should have loaned it to our own people and not give it out to people of other nationalities when our own people were available to do the same work.

There is one thing I believe the whole House is as one with—that is one thing we can all congratulate the Government on in all sincerity—the programme for fishery assistance that has been brought down. I doubt if ever in the history of Responsible Government there has ever been such a bold approach to the fishery problem. Heretofore the fishery problem was handled like a hot potato by the Legislature. I presume it was because the money was not available to tackle it. The Government in collaboration with the Federal Government has taken a bold and decisive approach to the problem and it is the wish of

all of us that the fisheries will be a success. Certain it is, it is one of the Government's moves on which they are entitled to the honest good wishes of all of us.

But that is the only one I can see at the moment.

Again, Sir, we find that the Government proposes to introduce a new tax for cancer control. I am prepared to accept the statement that the disease is a very serious menace in this Province today. The only thing that occurs to me is why it could not have been handled by an increase in the vote in the Department of Health. It looks to me as if the Government is laying itself open to approaches from other organizations in their campaigns for the control of other diseases. After all, the T.B. Association can make just as good a case for the imposition of a tax to assist them in their work. The Institute for the Blind can make a similar approach. Why cancer is picked out, I do not know. I am not opposed to the tax itself—with this comment that the proceeds of the tax are going to be applied to people all over the whole Island, whereas the people paying the tax are going to be in a rather restricted class. In the main, the tax is going to be levied on the three larger centres—St. John's, Corner Brook and Grand Falls.

MR. SMALLWOOD: There are five hundred places in Newfoundland where movies are shown for admission fees, for profit.

MR. HIGGINS: I said "in the main." I question if there are many places where they have two shows each night, every night of the week. There may be 500 places where movies are shown, but they are not shown to the

extent or with the attendance that we have in the three large centres. Again I say it is not a tax that applies generally. The nearest approach to a tax of that kind that I know of was the famous tax of 20c. a bottle on liquor they had some years ago, to pay for fuel for the poor. In those days I was not eligible to contribute. I am not suggesting that I am a movie goer and that the tax will bear heavily on me; but that tax does not appear to be of sufficient general application. And, on the question of taxes, we have the assurance of the Minister that this floodtide of prosperity is not only going to continue, but is going to ascend to even higher levels. And under these circumstances, the question presents itself—why the Government cannot discontinue the tax on foodstuffs put on last year. What the public reaction is after a period of a year, to this tax, I do not know. I do know the immediate reaction was one of indignation. If our finances are in such a happy state, I would suggest to the Government that they might well give some consideration to the amelioration of that tax in the sense that they might well discontinue its application insofar as foodstuffs are concerned.

There is one other item which calls for a word of commendation—that is the notice of their intent to establish a full-time Civil Service Commission.

I am not a supporter of this Government. There are many things which this Government did that make me shudder. But there is one thing I can say for them—they have played fair with the Civil Service. I know in some instances there are people who oppose the present Government, and who do not go behind doors to do it, but as long as they were able to do their jobs, they were not inter-

ferred with. That is something I admire in the present administration. They have risen above the spoils system and they have subscribed to the theory that the great need is for a permanent Civil Service of a high order. If the Board carries out its duties as suggested, I think the benefits to this country are going to be incalculable.

With the rest of the Budget I have very little wrangle, except in the matter of the salaries of the poor teachers. They have been neglected again. We are told that some are going to be moved up into better grades. It is far from an attractive profession for which to ask people to spend a lot of time and money to qualify, when you think that a qualified teacher cannot compete in wages with someone running a tractor at Redcliffe or up the shore. It is not too late for the Government to make some provision for the teachers.

On the matter of roads—I understand that the matter of roads has become a live issue in other sections of the country. I know the Minister of Public Works is going to do his best. But it is rather difficult to find the Government on the one hand expressing pleasure at the increase in money spent in the purchase of automobiles and the people on the other hand clamouring for better roads. The history of the bad roads is not attributed to this present Government alone. When the Commission of Government was in power they did not spend money on the maintenance of roads and now we are seeing the results of that. It is a pity we have not more money to spend on roads when people all over the country are urgently in need of roads which they are not going to get.

Other than that, as I said, the Budget is one which, whilst it may be open to criticism to somebody better versed in financial matters than I am, it does evoke a certain amount of credit on the Government and in particular on the Minister who drafted it.

HON. S. J. HEFFERTON (Minister of Municipal Affairs and Supply): Last Wednesday afternoon as I sat and listened to the Budget Speech of the Honourable the Minister of Finance, by some quirk of memory I thought back to March or April of 1919 when our Leader, the Premier and I sat together in the Reporters' Box and listened to Sir Michael Cashin deliver his Budget Speech. A day or two later I looked up the Budget Speech of that year and confirmed what I thought—there was a similarity between the two Budget Speeches—both of them budgeted for a surplus. In 1919 the estimated revenue was 8½ million dollars; estimated expenditure 6½ million, showing estimated surplus of between 1¾ and 2 million dollars. Whereas the figures presented by our own Minister of Finance last Wednesday showed expenditure of 32 million, revenue 36 million and estimated surplus of 4 millions. Now, I thought of an article which I read which said "there is nothing constant in the Universe—it is both ebb and flow." The Budget Speeches of 1919 and 1953 were similar in that both budgeted for a surplus; but there the similarity ends, because the sum total of our trade in 1919 was in the neighbourhood of 50 million dollars—imports and exports—and while it is difficult to get exact figures today, I estimate the figure is in excess of 250 million dollars.

When I look at the Budget Speech delivered by my honourable colleague,

I cannot but congratulate him not only on his success during the first years of office, but also for the concise, brief and yet clear way in which he has presented his Budget and add to my congratulations the wish that he will do the same thing during the coming year. The Budget is noteworthy not only for the dollars and cents side of it, but as evidence of the growing strength of our economy during the years. The constant increase in our earning power over the last three or four years is a matter of not only something of which to be proud, but something which we on this side of the House can take a small measure of praise for the way in which we have elected to bring about that increase more rapidly than before.

It must be borne in mind insofar as we are concerned our aim has been three-fold since we came into office. These aims were and are: (1) to broaden our scope of social welfare; (2) to raise the standard of living and (3) to bring about or help bring about an increase in productivity.

When we look at the tables as presented by the Finance Minister we can see that we have not been negligent in trying to broaden the scope of financial disbursements, particularly to those who are not able to earn their ordinary living. There have been increases in pensions, in allowances and in education. I will come back to Education later on in my remarks. The Health and Welfare estimates show increased expenditures which will enable us to carry out the broadening scope of our social welfare aim.

The second part of the aim has to do with the standard of living. While it is quite true that world markets, demand and supply and other exter-

nal factors determine largely what our economy shall be, yet the Government has endeavoured to strengthen Newfoundland's economy and make it a more permanent thing.

The reference by the Minister to the increase in motor cars, increase of telephones and electric light—these are things which were brought about not simply because we were in the Government but were perhaps helped by the encouragement and assistance in public relations which we have tried to foster since we have been in office.

The increased tonnage of our imports and exports—particularly imports shows a rapid increase not only in the luxury class but also in the necessities of life and evidence of that can be seen in the attendance at school, particularly in smaller places, and the increased diet range in the kitchens.

On the matter of the standard of living, it is interesting to record that the Dominion Bureau of Statistics shows that during the last three years increases in the cost of living all over the Dominion of 7½%, but there has been an increase in wages of some 19%. When the Honourable Mr. Abbott presented his Budget Speech he pointed out that the gross national product of Canada had increased from 23½ million to 25 million. Eleven hundred thousand of that was a reflection of increase in wages taking place during that year.

It might be argued that while it applied to the Dominion of Canada it did not apply to us; but we, too, shared in some of that. I am not particularly conversant with the exact percentage during that year, but teachers shared by a 25% increase in

salaries. Quite a number of salaries increased 8 to 10%; people working in Federal Departments received increases and so did the people working on the railway. So it is quite safe to say that we in this Province, as in all the other Provinces, also shared in part of that increase in the gross material production figures of Canada last year.

The honourable member for St. John's East referred to one or two things, particularly emphasizing some assistance to farming. Unfortunately farming is one of the primary industries which retains some of the weaknesses to which we have been accustomed. As an indication of that potatoes which sold for \$3.85 a sack were offered the other day for \$1.65. One of our aims has been to take people from the primary industries in order that there might be some diversification and put them in industries which would give them better returns; to take them from industries which were oversupplied in the markets and give them other means to make better returns. Whether that is successful or not it is impossible to say.

When we speak of the fisheries we have to bear in mind that fifteen millions of our intake came from the fisheries which was as much in toto as perhaps it was in the days gone by. It is quite true there has been a change for the better there, but also we have had to take men from the salt codfishery trade and put them into other branches of the fishery where they would be enabled to get better returns than if they had continued on in their old fishing punt.

Both honourable members from St. John's East referred to the credit system and sought to disparage the fig-

ures quoted by the Finance Minister, but in the early days, indeed in the days of our own childhood, credit was given with no certainty. In other words people were supplied in the spring to go fishing but there was no assurance whatsoever that any fish would be caught to pay for goods received and consequently there was a considerable number of bankruptcies occurring every now and then. Today although the credit system remains it is done under an organized system and is based on the ability to pay, not on the uncertain returns of the fishing industry.

When we speak of the increasing activity of our productivity I think we have to bear in mind not only the returns from our old industries to which we have been accustomed for many, many years but we also have to bear in mind the possibilities which are inherent in the new industries which have been fostered and encouraged by the Government since its inception in office.

Now the Finance Minister in his Budget Speech estimates that something over thirty-six million dollars would come in during the ensuing year. It must be borne in mind that all the industries, even the most forward of them, have merely been in operation something over a year. During the first years of an industry there are quite a number of things which have to be worked out before any fair appraisal can be given of the earning capacity of that industry. Even if the payments of the industry are deferred for a year or two in order to enable the industry to get on its feet it cannot be ignored that even during that period quite a number of people have been given employment who otherwise would have had to look around for work elsewhere and



would have possibly left the Province or engaged in a primary industry in which returns in actual quantity may have been great but the amount in wages very low.

The Budget Speech, Sir, is predicated upon an assumption that during the ensuing year conditions in Newfoundland will be somewhat similar or perhaps a little better than they were last year. We have asked ourselves how realistic is that assumption and on what it is based? Is there a possibility that the Finance Minister may be mistaken in his forecast? It is very difficult, of course, for any one to prophesy just what is going to come during the next few months. Yet when we look around us at the world conditions there is nothing that we can foresee at the moment which could materially change the prospects outlined in the Finance Minister's speech. It is true that there was a certain amount of uneasiness a few weeks ago.—There was some talk of possibly an end to the Korean Conflict but this has been succeeded by present world thinking on the conditions in Indo China, but we have had public statements in both the Dominion of Canada and in the United States arguing and showing conclusively that whether peace or not comes during the next six or eight or ten months the contracts for defence are so important that there can be no let up during this particular period, and consequently, even though an end may come to the Korean Conflict we cannot see any cessation of defence expenditures in this year. Far more important to my mind than the Korean Conflict or its possible aftermath would be the thinking of some of the American Statesmen at the present time. Whilst the United States was against the Geneva Agree-

ment on trade and tariffs shortly after the meeting an occasion arose in the United States where President Truman by means of invoking the clause which is a part of the U. S. Tariff put an embargo on dairy products and when letting contracts even though outside firms have tendered much lower tenders than American firms he has refused to let contracts outside of America. The new Secretary of Agriculture is again causing a great deal of uneasiness to Canadian exporters to the United States, in spite of the fact that during the last two or three months influential bodies in the United States advocated for freer trade. There is a growing uneasiness both in Canada and in the United States that the Republican sentiments on tariff protection are just as strong today as they were some years ago, so much so that a few years ago someone asked Mr. Taft if he were in favour of trade, not aid, to foreign countries. He said he was certainly in favour of aid—but he said nothing about trade. Now, I bring that out, Mr. Speaker, because it may have a tremendous influence upon our own trade, upon our own income. The House is aware that our payments from Ottawa are based on a formula based upon the gross national products of the Dominion of Canada as a whole, and Canada depends very largely upon trade between the United States and herself, so much so, that during the present time quite a number of her exports, two-thirds of them, go to the United States. If tariff protection should grow in the United States it can materially effect the volume of trade done between the two countries and can materially decrease the figures on which we depend for the amount of which we receive from Ottawa directly. There is another

aspect—our fish, fresh fish, largely goes to American markets and over the last two or three years there have been different times when fishermen of the United States have wanted a greater restriction placed on imports of fish from outside, wanted to put up the prices, etc. It is not to be ignored that the influence may be great enough to have some difficulty even there. Yet, in spite of these things, Sir, in spite of the possibility that there may be some setbacks there is another factor, I think, which may possibly have more influence on the United States in its tariff policy than even the protection of its own citizens. I don't know whether the members of the House are familiar with the Paley Report or not which was issued in the United States a few months ago. If so, they have noticed some very interesting reading. Some thirty or forty years ago the United States looked upon itself as self-supporting in forestry and particularly in base metals, but the Paley Report shows quite the contrary today, it shows that today the United States has not sufficient nickel—it never had very much lead, zinc, and in order to carry on today and allow for normal expansion must depend largely upon the outside, and the greatest source of resources is Canada. Therefore, it seems fairly obvious that even though certain sentiments now in the United States might clamour for tariff protection, yet because of the fact that the United States has to depend for sources of raw material on the outside she may be forced to open the door to a fair trade policy. Now, we are ourselves concerned in that policy. Some of our paper products go to the United States and a large portion of our iron ore and particularly from the new mine is included in the products

the Paley Report suggested that Canada might export to the United States. I don't know why it was the suggestion was not received more favourably because one of the great demands in the United States is for more aluminium. It is true both Canada and the United States have to import aluminium but the United States has not the needed water power, hydro-electric power in order to carry out a large aluminum production programme to meet her demands. That, Sir, raises the question again of two things that have been before this House during recent weeks, an agreement which has been made with certain parties in order that they may be assisted and enabled to carry out the furtherance of a tremendous drive for increases in productivity in forests and mines. Certain people may question certain actions of the Government in trying to bring about development of our resources but I do not think that anyone would criticize the energy, drive and enthusiasm and salesmanship of our Premier in interesting parties from outside in coming in and having a look-see at things which we may have.

As our colleague pointed out in the Budget Speech, we cannot put the minerals into the earth nor the oil—we have been a long time trying to induce other people to come in and spend money and see if there are minerals or oil but it remained for the persistence and perseverance and diplomacy of our Premier to induce people not only on the Mainland but in Europe and in England to come over here and make arrangements whereby they hope to spend, how many thousands we do not know. The minimum is put down and when we think of one oil concessionaire spending thirty-five million dollars in one

Province to prove oil you can see that one-quarter of a million dollars does not go very far when it comes to prospecting and development. The mere fact that we have been enabled to induce these to come in, people with money enough for normal development that would be expected if they should find anything worthwhile, that fact itself registers itself upon the minds of our people. It is quite true they are allowed the use of large portions of our territory in order to make the necessary surveys, prospecting and developing, but as long as these territories remain untouched they are serving no purpose to anyone. I say it is a great credit that we have a leader who is primarily responsible in inducing these financiers to come and look and see if they can find something in our territory.

I feel, Sir, that the Honourable Minister of Finance was not looking through a crystal ball when he made the forecast that the ensuing year will be as prosperous and much more prosperous than the year passed. I believe as far as it is possible, looking at it from a realistic point and trying to put down and tabulate as far as possible the earning power of our people during the next ten or twelve months, when we bear in mind that in mining alone 1.2 million dollars are to be spent this year by companies in looking for what they can find there is some hope that one or the other or more of them may be successful in finding something which will be really worthwhile.

Some reference was made by the senior member, I believe, for St. John's East to the taxes which we are placing on the people year by year. I don't see how anybody can argue against the policy put into force by this Government and carried

out as far as possible during the time it has been in office. There were two possible ways open to the Government—one was to be content to tax and collect merely enough to carry on the day to day expenditures and go outside and borrow in order that they may have money to carry on capital expenditures. I was interested a couple of days ago in looking at the Budget for Manitoba for the ensuing year. They have estimated revenue something about double our own but they have in addition a capital Supply Bill of twenty-five million dollars for which they are raising a bond issue. So far, apart from the ten million we raised last year by borrowing for the purpose of paying off the three industries which the Government had started we have been following a pay-as-you-go policy. There is nothing wrong with that policy, it is financially sound providing our taxes are geared to the paying capacity of our people. As soon as they pass beyond that capacity then of course it is not sound at all. So far we have been trying to do that, what we shall have to do in the future is something that will have to be decided when the time comes.

The honourable the junior member for St. John's East also referred to the fact that the Finance Minister had used some adroitness and some aplomb in showing how pleased we were that we had at last induced British Industrial and Financial concerns to come over and help us in trying to find out what we really possess. He referred to the fact that for the previous three or four years we had not done something similar but the honourable gentleman was aware just as well as we were that there had been a military restriction

upon the activities of British Financial Industries during the last three or four years. As a matter of fact the only let-up has been very recently and the advent of BRINCO to our shores was the first and only the first in a series of events taking place since then wherein a number of British interests have suddenly shown interest in and taken an active part in certain industries on the Mainland of Canada. He also made reference to the closure of a certain factory during the past few days. Now, I have no particular inside information on the closure in question but I do know that it was a highly protected industry as all such industries were, and I do know that industries reach a point when to modernize the machinery requires a capital outlay which is sometimes greater than can be replaced or repaid by normal earnings over a long period of years. That particularly applies when the industry in question is merely a subsidiary of a much larger parent concern.

I just want to make two or three passing references, Sir, to education: The Budget Speech shows roughly an increase of some \$27,000 in Teachers' salaries. That does not mean that salaries have been increased this year. The increase is accounted for by the fact that many teachers will this year qualify for higher rates of pay within the existing salary structure and the further fact that more teachers are expected to be on the roll. I do not contend for a moment that teachers are over-paid for their work. As a matter of fact I have a great deal of sympathy for the opposite, namely, in many, many instances the salary they receive is not equal to what they ought to receive. On the other hand I bear in mind the fact that the Provincial Government

of Newfoundland is contributing some 85% or 90% of the total expenditure on provincial education and when I compare that with the other Provinces where they are spending 40% to 45% then I feel that as a Province this Government is doing very, very well. That is not an argument by any means against higher salaries for teachers, but is merely pointing out a fact.

People have said at different times that the standard of our education today is somewhat lower than it was twenty years ago or thirty or forty years ago. A few days ago I had occasion to look up the records for 1915: In 1915 the total number of children in our schools was thirty or forty thousand. In that year the number taking the associate grade, which later became Grade XI, was 97 who wrote the exam from all over the Province. There were very few places where a student could take it, some of them came in to St. John's and stayed at the Field Hostel. Out of that 97 pupils 44 passed. Last year, 1952 we had something over eighty-five thousand children in all going to school and we had something over two thousand who wrote the Grade XI examination. In other words attendance was a little more than double but the number taking the highest grade was twenty times as great. Now, again I am not arguing that that is a satisfactory answer to the question asked because it is not. But I do consider that not only are we getting a percentage fully as high as ever we did of those who were receiving the cream and got the highest rewards but we are also getting a much greater number of those coming up in the secondary bracket—the tendency on the whole has been for a spread in our educational sys-

tem. I contend, Sir, that our standards and the results of our standards are as high today as they used to be in years gone by.

There are quite a number of other things, Mr. Speaker, that were referred to in the Budget but I want to emphasize again what I said in the beginning, that is the threefold aim we set out to accomplish and that in spite of difficulties, in spite of setbacks we have by and large accomplished a major part of that aim and the end is not yet—we are still continuing. I recall when our Premier made that famous make or break speech two or three years ago and was criticized rather harshly by different people both inside and outside the House. It is interesting to recall, Sir, to the student of history that is not the first time a similar speech has been made. I recall Ruskin when he was appointed professor at Oxford University some eighty years ago and Ruskin then was a bit of a political visionary, perhaps a mild socialist, but in the inauguration address which he made at that time he spoke about England and amongst other things said; "If we can get men to fight for England we can get men to reap for her." In other words he made a plea that England should develop her colonial resources and he went on with these words; "That is what England must do or perish." There is a similar note there in the words used by Ruskin and those used by our own Premier. It does not mean for a moment that unless the things to which we have put our hand do not succeed that Newfoundland is going to be wiped off the map. It does mean that unless some of these things which we have tried to do succeed then Newfoundlanders themselves must remain as they always were,

hewers of wood, and theirs is no bright future, their standard of living cannot be raised, the scope of their welfare activities cannot be enlarged until they are ready to take care of all those not able to earn their living by the sweat of their brow. This dictum—go forward or perish—is to my mind significant of our whole trend and it is significant of our whole purpose; it reflects what we are trying to do, to try and enlarge the scope of our industrial activity so that we may have more employment open to our people and in consequence they are not dependent as they previously were just upon one industry and one only. The more that we can diversify our economy, the more industries we can develop, the more that we can do to spread our industrial activity, the greater chance we have of success and reaching within the foreseeable future the threefold aim which is ours. I believe that is possible, I believe our honourable colleague was right in forecasting that in the year ahead we shall go further in trying to attain that happy position.

MR. SMALLWOOD: Not with any intention of being next in line to speak, I move the adjournment of the debate.

Carried.

Committee of the Whole on Supply.  
No. 1001—Department of Health.

Carried.

No. 1002:

MR. FOGWILL: Page 97—last year the amount was \$7,200 now it is \$10,000. Would the Honourable Minister give us an explanation of that change?

HON. P. S. FORSEY (Minister of

Health): When the vote was \$7,200 there was allowance for apartments; allowances for cost of living—these together practically brought it up to \$10,000. These are all cut out now and the \$10,000 is all-inclusive.

MR. FOGWILL: Does the same apply to other institutions?

MR. FORSEY: The same thing applied to heads of institutions and permanent heads of departments.

Carried.

1003 read and carried.

1004 through 1008 carried.

1009:

MR. FOGWILL: I am not objecting to this increase, but would the Minister outline why the vote was increased?

MR. FORSEY: Merely to make up operating loss on current account.

MR. FOGWILL: Loss on last year's operations?

MR. FORSEY: That is right. \$15,000 is standard.

MR. HIGGINS: Does the same apply to Notre Dame Memorial Hospital?

MR. FORSEY: Yes.

1010: Carried.

1011:

MR. FOGWILL: Page 99—there is an increase of three clerks. Would the Minister explain why it was necessary to increase from 1 to 4?

MR. FORSEY: That was to enable the various institutions to make better collections and get out Bills and so forth.

Carried.

1012: Carried.

1013:

MR. FOGWILL: There is an addition of one clerk, grade 2, salary \$1,780.

MR. FORSEY: The Central Pharmacy was surveyed last year by an efficiency expert from Ottawa and he made this recommendation. It is necessary for the keeping of better records.

MR. FOGWILL: In respect to the Central Pharmacy there are three utility men—are they paid a monthly or hourly rate?

MR. FORSEY: Monthly rate.

MR. FOGWILL: Is \$1,150 the yearly rate?

MR. FORSEY: Plus \$570.00.

Carried.

1014, 1015, 1016, 1017, 1018, 1019, 1020, 1021, carried.

1022:

MR. FOGWILL: On that there is an additional staff of 9, I believe. Would the Minister outline to the Committee the reasons for the increased staff?

MR. FORSEY: That is accounted for by six head nurses and 3 orderlies to give better service. The biggest increase is on page 101—we had 26 last year, this year we propose to have 80.

Carried.

1023, carried.

1024:

MR. CASHIN: I take it that is similar in the case of other institutions where the Superintendent's salary is jacked up \$4,000 a year?

MR. FORSEY: It is not jacked up. This \$9,500 is all-inclusive—instead of \$5,600, plus house allowances \$800, plus cost of living \$500, and car allowance. In addition if he treated an out-patient he would charge that patient and would receive the money himself. Now everything collected from treatment of out-patients is reverted to the Treasury.

Carried.

1025, 1026, carried.

1027:

MR. HIGGINS: Is there not a resident doctor at Botwood hospital?

MR. FORSEY: Not in the hospital. He would be getting a retaining fee of \$1,800.

Carried.

1028, carried.

1029:

MR. CASHIN: There is an increase of \$25,000 in Notre Dame Memorial Hospital?

MR. FORSEY: That would be for capital expenditure. The same thing applies to International Grenfell in connection with T.B. treatment.

Carried.

1030, carried.

1031:

MR. HIGGINS: What is this geriatric?

HON. DR. H. I. POTTLE (Minister of Public Welfare): That is down

in the General Hospital. It is a place for treatment of the sick poor.

#### Department of Public Welfare:

1101—1105, carried.

1106, Regional Welfare Services: Carried.

1107, Mothers' and Dependents' Allowances—Carried.

DR. POTTLE: Just for information, Sir, I may say that the number of mothers' allowances has decreased in the course of the last year from 3,267 to 3,017. The reasons in large part are (1) because of the increased employment opportunities for a certain class, in the main married mothers and (2) because of a constant review which we are carrying out. In the case of dependents the drop over the year has been from 5,750 to 3,952. The drop has likewise been because of two reasons: (1) a considerable number of these persons have been transferred to old age assistance and (2) because a number of this class has received short term employment.

#### 1108—Child Welfare:

MR. FOGWILL: Mr. Chairman, in respect to the maintenance of children, I wonder if the honourable Minister would point out the number of children generally kept in foster homes throughout the island, where the homes are, etc., in respect of this vote?

DR. POTTLE: Mr. Chairman, there are between five and six hundred foster children in about 260 foster homes in Newfoundland. These are concentrated for the greater part around St. John's, in the near suburbs of St. John's, Torbay, Manuels and Topsail sections. There is also another foster home area concentrated in the Bonavista area and in the Car-

bonear area. These areas take the great bulk of the foster children on an average of about 2.1 children per home. The rate paid is \$24 a month for 12 years and under and \$26 for ages 12 to 16 years and \$30 for 16 years and over. The vote covers not only children in foster homes but other children in temporary care and special care. It provides also for clothing and transportation and such matters as getting an unmarried mother to hospital in certain areas.

MR. FOGWILL: Mr. Chairman, do the operators of foster homes receive family allowances in respect of children in their care?

DR. POTTLE: Yes, a deduction is made and that is in a kind of foster account and is applied to each individual child under foster care.

MR. FOGWILL: In other words for these children under the age of twelve they receive \$24 a month for the maintenance of the child plus the benefit of the family allowance.

DR. POTTLE: Yes, that is applied for special benefits for the given child.

Carried.

DR. POTTLE: Whilst we are on that point I would like to refer to handicapped children who are taken care of outside the Province, blind and deaf children. There are 36 of these at Halifax School for the Blind, 21 at the School for the Deaf and 28 at the School for the Deaf in Montreal.

Glenwood Home is a home operated by the Salvation Army and is a maternity home within the welfare of children Act, rates 50c. a day for unmarried mothers and 50c. for each child whilst with the parent and 75c. for the child when the child is without the parent.

MR. HIGGINS: Would the Minister be able to tell us what proportion of these charges for the maintenance of the mothers and the children are recoverable during the year from the putative fathers, anything?

DR. POTTLE: Yes, that will appear in the Welfare Report which will be here shortly. It is shown every year.

MR. HIGGINS: It is not shown as a revenue at all but as a credit? Where does it show?

DR. POTTLE: The full extent of it is not shown. It is a matter of a trust account.

MR. HIGGINS: Is it a large percentage—Would 50% be recovered or not? How many escape it?

DR. POTTLE: If you put it that way it is difficult to answer. But quite a large proportion of persons are ordered to pay by the court and so pay.

MR. HIGGINS: That is the family court?

DR. POTTLE: Yes.

MR. HIGGINS: The reason I asked is because up to a week ago the magistrate's court was handling it, and they discovered the family court was the proper place to handle it.

DR. POTTLE: Yes—as you agree?

Carried.

1109, Public Assistance—carried.

1110, Old Age and Blind Persons Allowances—carried.

MR. FOGWILL: Mr. Chairman, there is 1109 (05) Board and lodging under the Allowance and Assistance \$115,000—That is in respect to more



or less disabled persons that are boarded at the expense of the Government in various boarding houses in the Province, is that correct?

DR. POTTLE: That is quite right. When the Department took over the administration of the home for the aged and infirm, we found roughly two classes of people there, those who had to stay in the institution because of chronic infirmity and others who could be moved out into private homes and receive good care as a member of a family. We took out a considerable number in that way. In addition there were other people already in homes whom we allowed to remain or else provided as good homes as we could. So you will find it the same as the foster homes, some of these people living in private families are paid for by the province and boarded roughly at the rate of \$1.50 a day. We provided also for casual boarders in emergency.

MR. FOGWILL: The Committee is to understand from that, Mr. Chairman, that it is the policy or intention of the Department that the home for the aged and infirm would be more or less just operated for the infirm, and the aged who are not infirm would be boarded outside in homes.

DR. POTTLE: People whether old or infirm who can best be cared for by medical persons, nursing care. This cannot be expected from private homes.

Carried.

DR. POTTLE: In the last year there were 5,037 people on old age assistance and we expect that will hold to about the same in the course of this year. The House will understand the fifty per cent of the cost is refunded by the Government of Canada.

Carried.

1111—carried.

1112—Infants' Home—carried.

1113—Boys' Home and Training School—carried.

1114—Girls' Home and Training School—carried.

1115—Orphanage Grants—carried.

1116—Miscellaneous—carried.

1117—Family Court—carried.

1118—Detention Receiving Home (token)—carried.

MR. FOGWILL: Will the Minister explain to the Committee just what is the nature of the token vote here?

DR. POTTLE: Are you thinking of the salaries to begin with?

MR. FOGWILL: I was more or less. I think if the Minister would give some explanation of the total vote in respect of the operation of that.

DR. POTTLE: The honourable members will understand that we operate six depots on the Northern Labrador.

MR. FOGWILL: Trading posts?

DR. POTTLE: If you will—we supply these posts with a fairly good stock of supplies both of food and wherewithal for carrying on their fishing and forest operations, etc. Now we try on a broad scale, if we can, to help these people in the Northern Labrador area to make the most of the resources they have and we have tried to add to these services a welfare service but our shortage of staff does not enable us to have a full-

time man in the field. We tried last year and had to retrench because of a shortage of staff. As a matter of fact our welfare man is in the field now as a depot man at Davis Inlet. I think I should say for the information of the House that the whole question of participation by the Federal Government along with the Government of Newfoundland in Northern Labrador is now under pretty thorough-going review. My colleagues and I, especially those who are members of the Cabinet and the Committee on Northern Labrador have at various times interviewed the appropriate men at Ottawa as to the total job we should be doing in Labrador, education, social, health and capital and current expenditures. The total outlay for Labrador does not show up in this vote because we do not know what our share of any such undertaking will be. I think I can say at this stage, Mr. Chairman, that the negotiations between the two Governments have arrived at this point where we have fairly well agreed on the principle of sharing the expenses involved and the expenditure that will be shared will be voted towards the rehabilitation of northern areas. One of the first attacks that will be made on this question of rehabilitation will be a very thorough-going attack on the problem of northern Labrador. The Federal Government, I think I can say here now, are very much vested with the responsibility that they should help us carry out a basic attack on the problem of the Labrador in that area. For that purpose it is intended, we believe, that it will not merely be a survey, but it will be for the first time making a combined attack, a community wide attack upon the whole question of the high instance of T.B. because we

feel that we cannot rehabilitate people who are practically decimated by disease. That is one feature and there is another—the establishment of better facilities. We have good reasons to believe they will not only share with us the capital cost of education facilities but they will bear a considerable proportion of it, at least they have made such proposals to us. But I would suggest to the press that very little about this be said at the present time except to this extent; the negotiations between the Federal Government and the Government of Newfoundland are proceeding on a very satisfactory basis. Neither of us has committed ourselves but have reached the stage where we seem to be heading up to a decision along the lines of education and health in terms of better building and more centralized building, particularly from the point of view of the T.B. problem and also we believe better housing for these people. In the meantime we carry on by providing these people with a wider range of goods and a better quality of goods than they have had before. We are endeavouring in every way, and I believe this year we will improve the conditions in one by removing the site of it possibly altogether to another area. The amounts you find there are made up by two factors (1) \$300,000 of supplies which will come back to us but has to be put in as an expense but will also come in as revenue, and (2) \$50,000 for chartering boats to carry down supplies and bring us back lumber and fish and such products.

**MR. FOGWILL:** Mr. Chairman, what prompted me to ask the question, I was very interested in what the Minister said, but generally in other Provinces the Eskimos and Indians of Labrador would ordinarily come under

the care of the Federal Government, in fact would be wards of the Federal Government. Now, in our vote here for Northern Labrador is this confined to Indians and Eskimos or does it take in the liviers?

DR. POTTLE: Everybody.

MR. FOGWILL: In that event is there some separation between what we call the natives of Labrador and, I will say, the Newfoundland liviers of Labrador?

DR. POTTLE: Yes, which I say is artificial. As a matter of fact how to separate them becomes an academic question. We have raised that point and I think it will be agreed that any distinction you try to set up in order to separate the whites from the non-whites is just fictitious. The honourable member points to a difference between the Mainland of Canada and ourselves in this respect but those people have a different status from our Indians and Eskimos. They are governed by an Act whereas with us they are not. That is not, we believe, an advantage as far as the Mainland is concerned. As a matter of fact we felt the present citizenship they enjoy, such as it is, is better.

MR. FOGWILL: I believe in this respect the Honourable Minister is right. I think that is a good attitude in bringing about a better status for Labrador and if we can come to an agreement whereby the Federal Government will take the responsibility of assisting the Northern Labrador Affairs it would be all to the good in respect of what the Minister has in mind.

DR. POTTLE: I cannot go further at the moment.

Carried.

1120—Corrections:

MR. FOGWILL: Would the Minister tell us, Mr. Chairman, if we have a director of corrections, who he is, his recommendations, etc., and as to why he would be most suitable to look after this particular phase of the work?

DR. POTTLE: That statement has already been published, Sir. I might say the director of corrections has taken up his post here. He is Mr. A. J. Walling of Vancouver who has had considerable experience both with juveniles and adults in his own Province. He is deeply interested in Social Welfare and is quite well qualified. He has begun work with very great signs of success here.

Carried.

Board of Liquor Control:

1201, Administration—carried.

1202, General Office—carried.

1203, Sales and Miscellaneous:

MR. FOGWILL: Mr. Chairman, in respect to 1203, salaries on page 116, I note that the scale of wages for Branch Managers has been increased by \$250 a year. Last year the scale ended at \$2,500 and this year the bracket ends at \$2,750. I believe the assistant managers have been increased also. But what about the others here, departmental managers and other employees, should they not be increased correspondingly?

MR. SMALLWOOD: That is under review.

MR. HIGGINS: These are not necessarily final?

MR. SMALLWOOD: There is a block provision there.

MR. HIGGINS: I might say these departmental managers have practically the same responsibility as branch managers and it might well be that consideration be given to putting them on the same scale. None of these chaps in the Board of Liquor Control are overpaid; as the Minister of Finance would perhaps be the first to admit they are the best money makers in the Civil Service.

MR. SMALLWOOD: The whole matter is under active review to take effect from the beginning of this fiscal year.

MR. POWER: Last year we gave an increase to certain workers in the Board of Liquor Control. I think that adjustment was made in the House here.

MR. HIGGINS: You make more money out of water here than any other industry.

MR. FOGWILL: Is it a fact that the branch managers wages were increased as from April 1 last year by 10%?

MR. POWER: Yes.

MR. FOGWILL: And the departmental managers were left out?

MR. POWER: The branch managers have to stay in the store after five o'clock in the evening until all stock and money is checked and work for a half to two hours longer than the departmental managers. As a reward for that we gave them a raise last year.

MR. SMALLWOOD: The matter is under active review.

MR. FOGWILL: I know the branch managers got a raise last year and I understand the departmental managers had to stay behind.

MR. POWER: The raises for the departmental managers will come under review with the others.

MR. SMALLWOOD: The whole staff of the department are being reviewed as are virtually all civil servants.

Carried.

MR. SMALLWOOD: I move the Committee rise, report progress and ask leave to sit again.

Ordered sit again tomorrow.

MR. SMALLWOOD: I move, Mr. Speaker, that all further Orders of the Day do stand deferred.

I move the House at its rising do adjourn until tomorrow, Tuesday, at 3:00 of the clock.

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TUESDAY, May 5, 1953

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

#### Presenting Petitions

MR. COURAGE: I have here, Sir, a petition signed by the residents of the following places in the District of Fortune and Hermitage: Stones Cove, Anderson's Cove, English Harbour, Harbour Mille, Little Bay East, Bay L'Argent, Jacques Fontaine, St. Bernard's, asking that a medical doctor be stationed at Bay L'Argent to serve the needs of the people as the services presently received from the doctor stationed at Belleoram are wholly inadequate due to the reason that the doctor has so much work to do that it is impossible for him to do it.

Mr. Speaker, I have much pleasure

in supporting this petition. In doing so I should like to make it quite clear that your petitioners have no complaint whatsoever with the doctor stationed at Belleoram. He is doing a good job, and as a matter of fact he is one of the best doctors we have ever had in that part of Fortune Bay. But he has to attend to so many people and so many places that it is impossible for him to do the job that he would wish to do. The lower part of Fortune Bay which is sending in this petition has some three thousand residents and these people are requesting that a doctor be stationed at Bay L'Argent to take care of their needs. I think the petition is a reasonable one, Sir, I know from first hand that they have just grounds for their complaint, and I would ask that this petition be laid on the Table of the House and referred to the Department of Health.

#### Presenting Reports of Standing and Select Committees

MR. COURAGE: Mr. Speaker, the Committee on Standing Orders beg to report that in the matter of the Bill, "An Act to Incorporate the Architects' Association" the rules of the House governing the introduction of such Bills have been complied with. The report is signed by Hon. H. L. Pottle, J. R. Courage and Mr. Fogwill. All the rules have been complied with. The notices have been gazetted and the Bill has come in by petition.

MR. SPEAKER: Is the honourable member introducing the Bill?

MR. COURAGE: I do, your honour.

MR. SPEAKER: Who shall second it?

MR. JANES: I will second it, Sir.

MR. SPEAKER: The motion is that this Bill be now read a first time.

Carried.

#### Giving Notice of Motion and Questions

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill entitled, a Bill, "An Act Further to Amend Chapter 111 of the Consolidated Statutes, third series, entitled 'Registry of Deeds and Documents'."

#### Orders of the Day

Committee on Supply:

Leave was given yesterday that this Committee sit again today.

#### Department of Municipal Affairs and Supply:

1301, Minister's Office—carried.

1320, General Office—carried.

1311, Municipal Affairs Administration—carried.

1312, Local Government Affairs:

MR. M. M. HOLLETT (Leader of the Opposition): What is this "Plebiscites" Mr. Chairman?

HON. S. J. HEFFERTON (Minister of Supply): That is a provision for the conduct of elections where they want to decide whether or not they want a town council.

MR. HOLLETT: I see.

MR. HEFFERTON: Under 1312-03-02 it was the decision of the Government after this went into print to change the amount of \$250,000 to the amount of \$280,000.

MR. HIGGINS: As a matter of fact, Mr. Chairman, that particular increase was brought about largely because of the fire and police protection for Corner Brook.

MR. HIGGINS: Good—Corner Brook is getting something.

Carried.

1313, Price Control:

MR. HIGGINS: Under 1313-02-03 would the Minister tell us how much remuneration members of the board receive?

MR. HEFFERTON: None.

MR. HIGGINS: One page 117—remuneration for board members—it was \$1,700 last year and this year it is \$600.

HON. P. S. FORSEY (Minister of Health): I think you are confusing the price control with the rent control, the rent control was receiving \$1,700—

MR. HIGGINS: The point I am making is that on page 62 it is shown as nothing but on page 117 it is shown—remuneration of board members price and rent control.

MR. HEFFERTON: I admit myself there is confusion there and it should be remuneration for Rent Control Board members.

MR. HIGGINS: Would the Minister tell us how much members of the board receive in remuneration?

MR. HEFFERTON: There are three members outside the civil service and they receive a small amount for their services. I do not know the details. I do know the Chairman is getting more than the others. The Chairman is getting \$1,200 a year.

MR. HIGGINS: And the other

members five hundred between them—a token vote.

MR. HEFFERTON: The Chairman is a lawyer.

MR. HIGGINS: Oh! That is to be considered.

Carried.

1315, Housing:

MR. HOLLETT: Mr. Chairman, could the Minister tell us just what the relationship is now between his Department and Central Mortgage?

MR. HEFFERTON: I don't know just what the honourable gentleman means by that. The arrangement is of course that there is a partnership scheme in which the Federal Government assumes 75% of the financial responsibility and the Provincial Government 25%—Is that the answer to the question?

MR. HOLLETT: Is this amount here just for salaries or what?

MR. HEFFERTON: No, that is ¼% of the project.

MR. HOLLETT: That is \$1,000,000 this year.

MR. HEFFERTON: We must remember none was spent last year.

Carried.

1331, Supply Administration—carried.

1332, Purchasing—carried.

1333, Printing, Stationery and Office Supply Service:

MR. HOLLETT: Before you pass that, Mr. Chairman, would the Minister give us some idea of the \$231,500 estimated for the next year for print-

ing as against \$199,000 last year, what is the nature of the increase?

MR. HEFFERTON: (1), Sir, the increase in costs and (2) normal expansion there. The biggest cost, Mr. Chairman, I might point out is that a tremendous amount of printing has to be done for all the departments as well.

Carried.

#### Department of Fisheries and Co-operatives:

1401, Minister's Office—carried.

1411, General Office—carried.

1421, Fisheries Administration:

MR. HIGGINS: Could the Minister tell us how much longer that contract has to run for the Deputy Minister of Fisheries?

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Chairman, I put it this way: The contract was for five years and the Deputy Minister came here in January 2, 1951.

MR. HOLLETT: That is a contract signed between the Deputy Minister and the Department or the Government?

HON. J. R. SMALLWOOD (Prime Minister): The Government.

MR. HOLLETT: A contract which you can't break?

MR. SMALLWOOD: We don't want to—We are very glad we have the contract.

MR. HOLLETT: I understand, Mr. Chairman, that moneys were advanced to the Deputy Minister on his future salary—Has that been paid back to the Department as yet?

MR. SMALLWOOD: It is being prorated at so much per month.

MR. HOLLETT: Could the Minister tell me, Mr. Chairman, whether it is common practice in government departments to advance moneys to Deputy Ministers of other officials?

MR. SMALLWOOD: It is not common but it is sometimes done.

Carried.

1422, Fisheries Engineering and Development:

MR. CASHIN: \$40,000 for storm damage. That seems to me to be a small amount. Take Petty Harbour, for instance, in that place it is difficult to get timber to replace that lost by storm damage. Formerly they used to bring out shores, longers, etc., from nearby places; but today it is impossible to do that. They may have to bring in their timber from the North and that would naturally be more expensive. I am looking at places like Petty Harbour, Witless Bay and Mobile where they were practically wiped out. Whilst I realize we cannot be providing money as an insurance against storm damage, nevertheless if we are to do anything at all, we ought to do something more substantial than \$40,000 to divide up between various places, and you will find they will not get very much out of it. Their share is not going to be an awful lot.

MR. KEOUGH: I am glad you brought that up because I have to ask the House to increase it somewhat—from \$40,000 to \$48,000. With regard to the means of deciding upon the amount of assistance to be made available, a principle or guiding practice will be kept in mind. Assistance will be confined to bona fide fishermen who under oath state they can-

not replace their loss and secondly that they are going to prosecute the fishery during the coming season. Only partial replacement will be given by the Government. Certain items would be eliminated altogether and it was decided that replacement would be in the amount of 50%. The Minister of Health is Chairman of the Storm Damage Committee and he might be able to give you more information on it. The assistance rendered will be on a replacement basis; the amount will be determined and the fishermen will be told they can replace up to that amount. Upon production of invoices to the Magistrate, the Magistrate will pay out the cheques. I have to ask that the amount be upped to \$48,000.

MR. HOLLETT: Before you decide on upping—I remember asking a question about Storm Damage. According to the answer given to me the estimate was \$40,000. I was informed that the Report was not complete and that the amount would be considerably more. On receiving that reply, I made it my business to inquire as to the actual loss in Petty Harbour and found it was between \$4,000 and \$8,000. I referred back to the reply I had received and I discovered to my surprise, that the amount listed for Petty Harbour was \$250.00. Obviously there was some slip-up somewhere. Anyone who was near Petty Harbour must know that damage there is well up in the many thousands of dollars. The amount recommended to the Government for the settlement is \$250. I also know that the damage in the Burin area was very, very considerable. I have checked also in Burin, and strangely enough I have found that the assistance made for the losses in Burin approximate very nearly all the storm damage. I say that did not

apply in the case of Petty Harbour. I am not insinuating that here was any discrimination. What I am saying is absolutely correct. I have the statement submitted by the Government where only one man is listed in Petty Harbour. In other places in which I made inquiries with regard to fishermen's losses, I find that in certain areas the amount put down for John Jones or Bill Smith approximates the loss he had. Whereas in other places it is not mentioned. Particularly do I refer to Petty Harbour. According to the list there is only one man mentioned. I would suggest that the Minister inform us in particular in regard to Petty Harbour.

MR. FORSEY: All losses sustained—all awards made were made on the basis of 50% in every area. Unfortunately in some areas the magistrates did not get around as they did in others and consequently the depositions were not made. Only this afternoon at 2.30 I had two claims submitted which were taken by a J.P.

If Petty Harbour is not listed, it is simply because the fishermen have not made their depositions.

MR. HOLLETT: May I ask if the magistrate waited on the people of Petty Harbour for their depositions?

MR. FORSEY: Magistrate Mulcahy did that area. He may have been very busy. In the course of time I think all the accounts will be dealt with and all claims paid. I do not say the list is concluded. I think there will be a few added submissions.

MR. HOLLETT: Under the circumstances, I would like to have this stand over.

MR. SMALLWOOD: The Honourable Minister has said that depositions



have been received since that was tabled.

MR. FORSEY: Two were received only today.

MR. SMALLWOOD: When we discovered that Magistrate Mulcahy had only Ferryland to cover, we instructed him to go to other places as well.

MR. CHAIRMAN: The amendment is that \$40,000 be deleted and \$48,000 be inserted.

MR. JANES: I do not know to what extent a precedent has been set here with regard to storm damage by fishermen. If the Government wants to pay out money for storm damage, there is no trouble to pay it out. I recall last fall that a farmer asked me if he could get compensation because he had lost his barn. The farmer's barn was of equal importance to him as the trap boat or trap to a fisherman. The Government is not in the insurance business. If the Government is going to pay this, none of our fishermen are going to refuse it. But I wonder how far we are going? If we start to foot this Bill, we have to foot other bills. Also, the United Church at Cape Island blew down. Who is going to replace that?

MR. HOLLETT: There is no one living there. I appreciate the idea of making precedents referred to by my honourable friend. But this is in the nature of a tragedy to the people who built Newfoundland on the North East Coast as well as on the West Coast. Many fishermen have had their whole life-savings wiped out—boats, stores, wharves and what fish they had. It was like the tragedy that happened in England and Holland to which our people generously donated 30,000 dollars. Surely this

was so much of a tragedy to our fishermen that this great Liberal Government would not question at all this \$40,000 or \$48,000 to alleviate the sufferings of these people. I would recommend that the Minister be given a free hand almost to rehabilitate these fishermen to a great extent.

MR. SMALLWOOD: I hope that the eloquent plea of the Leader of the Opposition is carefully noted. I hope also that the fact that the Government are acting in the matter will likewise be noted. The Government foresaw it; the Government sent magistrates who saw the fishermen and others and got affidavits as to the value of their damage and having gotten the Reports most, if not all, of which have now arrived, the Government—not the Opposition—decided to make partial compensation. Whilst I appreciate the support that the Honourable Leader of the Opposition gives to the Government in the Government's decision to spend this \$48,000 for this purpose, I do hope it will be noted that it was the Government that acted so well that even the Leader of the Opposition has to support it with eloquence and sincerity. I hope the honourable gentleman will follow the precedent he has set by giving the Government credit for something. I hope he will give us credit for the good things we do. And even if he does, he will not be able to give us the credit that the people give us.

MR. HIGGINS: Or the credit you give yourselves.

HON. DR. F. W. ROWE (Minister of Mines and Resources): I think, in fairness to the people in those areas, the statement that we are establishing a precedent should be corrected. It is not the first time nor are we

the first Government to give assistance in times of disaster. There was a great storm some years ago on the North East Coast when many vessels were destroyed; another in the Straits of Belle Isle when all the stages there were swept away, and the Government on those occasions found it necessary to step in and give assistance. It is a matter which I feel we should all give some considerable thought to. It is a problem on the Coast of Labrador. I know of a man there who put all his assets in the water; icebergs came up and blasted net after net and trap after trap. I think it is a very serious problem. I do think it is something to which we all have to give some consideration. We have to protect, in some standardized way, these people against storm, ice and Acts of God.

MR. SMALLWOOD: In connection with what my colleague has said, he perhaps did not feel like speaking of a scheme that the Government, as a Government have been giving consideration to—the whole matter of the possibility of devising an insurance scheme against loss or damage for the fishermen in this Province.

When I was last in London, I took up the matter with Lloyd's of London to see if it would be feasible economically and financially for them, with us to devise a scheme of insurance—economically and financially possible, in the sense that the premiums would not be proportionately high—insurance policies covering all fishermen in respect of fishing property and gear.

Now, we have in the Treasury an amount of something over half a million dollars of which the Government are trustees only. It does not belong to the Government, it belongs to the

fishermen of Newfoundland — an amount of over half a million dollars. It was collected by the Commission of Government during the years of the war in the form, I believe, of a fixed amount per hog-head of salt handled during those years. We regard ourselves as being only the trustee of that amount of money. We have wondered repeatedly what we could do, as a Government, with that money belonging to the fishermen—what we could do with it to best help the fishermen who own it.

Now, it would be impossible to learn exactly what fishermen in particular own it or contributed to it. Many of them are dead; many have ceased to be fishermen; many men have become fishermen since then and the present fishing population is not at all identical with the fishing population from whom that amount of money was collected. We have wondered what we could do with it to assist the fishermen as a class, as a group, as a homogeneous entity. At one time we thought strongly of the idea of introducing a Fishermen's Accident and Death compensation scheme somewhat similar to the Workmen's Compensation scheme thinking this half a million dollars might form the nucleus of a fund to which fishermen could contribute annually reasonably small premiums and, indeed, we introduced here a Bill to which we gave part second reading, with the idea that we would canvass the fishermen to get their reaction to the whole idea of such an Accident and Death Insurance scheme. We also sent out many thousands of circular letters and, indeed, I believe we did cover the entire fishing population of the Province. 40,000 circular letters were sent out de-

scribing the tentative proposals. The reaction of the fishermen was not unanimous but it was overwhelming and it was proven that they were not in favour of the move, therefore the Government did not re-introduce the Bill at the next nor any session from that day to this, and we have no intention of doing so.

Now, the next question that was brought very vividly to our attention was the question not of accident or death to the fishermen themselves but rather of damage or even loss to or of their fishing property, that happened when these great storms came up last fall. Shortly after these storms I found myself in London and acting on behalf of my colleague I took up the matter with Lloyds of London. We thrashed it out and I fear that the result was not too encouraging. The half million dollars which appears to be a large sum of money turned out to be quite a small sum in relation to the great comprehensive insurance scheme for a huge amount of fishing property in a part of the world where storms are very frequent, not perhaps storms of the force and immensity of last fall, but it does not take storms of that size to destroy a lot of property. Indeed if you look around the Coast of Newfoundland you will find not many years in which, as my honourable friend the member for Fogo said, there is not some damage and loss of property caused by storms smaller than the big ones we had last fall. So, as of this moment, we frankly don't know what to do with that half million dollars that belongs to the fishermen. If we can find some scheme of general application to fishermen generally that would be of great benefit to the fishermen as a whole such as an insurance scheme

or policy we would feel that we had the right way to spend that money. But we don't feel, as trustees for that half million dollars, that we are justified in spending it in any way that would not be of general benefit to the fishermen as a whole. We have not as yet found any such way to spend it.

Now, one final word on this subject of storm damage. It is as my honourable friend from Fogo has said a difficult thing to draw the line between a fisherman's boat or engine or hook or lines, trap, fishing stage, flakes, which are indeed his means of making a living and a farmer's tractor or horse as the means of making his living. A truck is the means of making a living for many a man in Newfoundland today and occasionally a truck catches fire and is destroyed. It is not customary for a farmer or anybody else who has a truck to lose it by fire and come to the Government and ask the Government to compensate him in whole or in part for the loss of his truck or the damage to it. Yet a truck may be just as much the means of making a living for the man who owns and operates it as is a boat in the case of a fisherman. Similarly with other types of worker in Newfoundland—I think the line we must draw is a line on one side of which are the fishermen of Newfoundland and on the other the rest of the people in Newfoundland. Traditionally, sentimentally, historically our fishermen have been as we say the backbone of the country, the fishing industry has been the great basic industry of the Province and we have, I think, all of us quite honestly and instinctively much sympathy for the fishermen of Newfoundland who have had on the whole a pretty thin time of it down through the centuries and

down through the decades. Somehow it does not seem to be necessary to argue that special attention, special consideration should be given to the fishermen of Newfoundland, because when you boil it down it is a matter of sentiment, it is a matter of tradition, it is a matter of history, Newfoundland History, but on a sheer dollar and cent foundation the fisheries even when you include the frozen fish industry are no longer, from the standpoint of money involved as important as they once were. Quantitatively and qualitatively they have receded but still they give a living, such as it is, to a large and essential part of our entire Newfoundland population and we have in our thirteen hundred places in Newfoundland and Labrador at least five hundred places where the fishery is either the sole means of making a living or is the principle one. Whilst that is so I think it will be entirely unnecessary for any Government to offer any apologies to any one for giving special notice and special sympathy and attention to the problems of the fishery.

Now, in this case where we were faced with these losses we had to take into account the question of precedence to which my honourable friend has referred. We knew that in all human probability there would continue to be storms in Newfoundland and that some of these storms would be very terrible ones doing very special damage to fishermen's property. If the Opposition could assure us, I know that the Leader of that Party in today's press has assured us of a miracle before this year is over—they are going to win a seat or two, or something or other like that in this coming Federal Election. If they can perform wonders like that it

should not be much more difficult for them to assure us that last fall's storm was the last great storm of that nature in Newfoundland. It is in about the same class as their winning another Federal seat and guaranteeing us that there will be no more great storms. If we could feel confident that it was the last great storm and that by being especially generous now we would not create a greater difficulty for the future we could take the entire losses of these fishermen and compensate them in full—but we would not be prepared to accept the Opposition's assurance that that was the great last convulsion of nature in Newfoundland any more than we can accept their assurance of these new seats they are going to win—we must act on the assumption that there will be other great storms in the future, for which reason we have to be careful as to what we do. Therefore we limited all practical consideration in that matter to fishermen who were fishing last year and who will be fishing this year. Because we have many cases of fishermen whose stages or flakes were carried away but who had not been fishing for three, four or five years but have been working on the land and have no intention of fishing this year. True they incurred losses but these were not the means of their making a livelihood. So we confined it to the cases of loss of property which property was in fact a fishermen's means of making a living, and was fishing last year and intends, God willing, to go fishing again in the present season. Having limited it to people of this type, actual practicing fishermen, we then said we will pay approximately half the cost of the losses incurred. If another great storm comes this fall or any other time within the

next 21 years whilst we are in office and the fishermen come flocking to us we will say; yes, we are prepared to do what we did in 1953 for actual, active fishermen. We will ask them: Were you fishing last year? Are you going fishing this year? If you are actual, practical fishermen we will compensate you for half the cost of your means of making a living.

Now, I think on reflection it will be seen that is the practical approach. With all due respect for my honourable colleague the Minister of Mines and Resources it is something of a precedent, but a precedent that will not be one that will cause us great difficulty after great storms we may expect in the next 21 years whilst we occupy this side of the House.

MR. HOLLETT: Mr. Chairman, I am very happy to be able to bring forth such an expression of high-sounding dogma in a very few words. I certainly would give credit to the Government for taking this stand but I certainly would take away some credit for their not taking it sooner and early enough. For instance this report was made by the Minister to the Government on February 18th and the Minister estimated forty thousand dollars damage and he suggested at that time that these fishermen were anxious to get fishing and they would need to be assisted immediately if they were going fishing this year. We are now in May 5th, and to my knowledge nobody has received any assistance yet from the Government. I may be wrong, but I have no knowledge of any fishermen having received any attention from the Government whatsoever.

MR. FORSEY: Nor are not likely to, Mr. Chairman, because we are going to be here until July discussing this item.

MR. HOLLETT: Very good, perhaps we will accomplish something. I want to say this: there are seven pages of names here of fishermen who suffered damage and four pages I find are in the district of my honourable friend the Minister who made the report to the Government. I would say that Minister certainly looked after his district and I am going to congratulate him on that because I know in our own district in Petty Harbour there are no names here and there must have been other districts not attended to. But I do say this for it; if we are going to have any fishermen, it is all very well for the Premier to say we are setting a precedent, I would like to point out to him that if we were here now discussing assisting a whaling industry to keep a dozen or more men fishing as we were a couple of years ago when they were given a grant of money from the Government to carry on the whaling fishery—

MR. CURTIS: That was a loan, not a grant.

MR. HOLLETT: A loan if you like, but it was a help to them, there is no question. It was decided over night what to do with Dr. Sennewald; when he got \$150,000 there was no question in mind of setting a precedent. But when we come to matters of the fishery it takes over two months to decide whether to do it or not, and so far the Government has not done it.

MR. FORSEY: How can it be done until the vote is passed and the money allocated?

HON. DR. H. L. POTTLE (Minister of Public Welfare): In order to assure the Opposition that this matter of insurance is not being overlooked I may say that is one of our concerns

not only for this year but for every year. The whole question of insurance is under consideration. As you know the Unemployment Insurance Act leaves out fishermen as a class because they are self-employed. Self-employed persons never have any unemployment insurance contributions. Therefore if the Act is going to stay as it has so far it will not embrace fishermen and that creates a peculiar situation for Newfoundland. Here you have people who are of the same class with one class getting unemployment insurance whilst the fishermen who work just as hard and just as conscientiously have no such means of assistance during the unemployed periods. Now then it seems to us that if within the rigid framework of the Federal Law we cannot supply that kind of security for the fishermen we may have to go out of our way to provide, as the Premier said, some other form. Now, if I were permitted to refer to an earlier address I would draw attention to the fact that the Minister of Fisheries and Co-operatives and myself are in close touch with one another to try and work out some proposals which we can bring before the Government on this matter. I could go further and say that inasmuch as the Insurance Act is administered by the Department of Labour we have interceded with the Department of Labour at Ottawa lately to have the whole question of insurance discussed between representatives of the two Governments. Within the next week or so I am expecting that we in the Department of Public Welfare and in the Department of Fisheries and Co-operatives will sit down seriously and discuss the application of the Unemployment Insurance Act to Newfoundland. I do want to add that note, if I may, to assure the

Opposition still further the complicated matter has not been lost sight of.

MR. HOLLETT: Mr. Chairman, in reply to that I thank the Honourable Minister for what he has said. I see no difficulty whatsoever in our own Provincial Government raising some form of insurance—if you take all the losses incurring over the past twelve months I don't think it would amount to even one million dollars and that amount has been given out to industries overnight.

The Honourable Minister said they could not do anything for the fishermen until such time as the House passed the vote. I think we do have knowledge of Minutes of Council or Orders in Council, getting permission from the Lieutenant-Governor in Council to issue certain moneys.

MR. SMALLWOOD: When the House is in session the only way the Government can spend money is to wait until it is voted by the House—We cannot spend any money whilst the House is in session.

MR. HOLLETT: We were not in session in February.

MR. SMALLWOOD: No, but it was physically impossible to do it at that time. All we can spend is the interim supply voted to us in the early part of the session.

Carried.

1423—Fishery Economic Research:

MR. HOLLETT: Are the Federal Department under any obligation to make some scientific research into our fisheries and our markets. I was under the impression that under the Terms of Union there were certain things we could get from the point

of view of Federal research of this kind?

MR. SMALLWOOD: That small amount is not even 10% of what the Federal Government is spending on the same item. We feel we ought to spend something more than any other province. Fishing means more to us than it does to any other province.

Carried.

1424—Vessel Construction and Inspection:

MR. HOLLETT: May I ask if that item is exclusive of any other special programme relative to the fisheries?

MR. KEOUGH: Yes.

Carried.

1425—Fisheries Development Committee—carried.

1426—Fisheries Training School:

MR. HIGGINS: Is this fishery school new, Mr. Chairman?

MR. KEOUGH: Yes, the whole vote is new. What lead to the inauguration by the Government of this programme is the policy of the Government in Newfoundland to encourage fishermen to build new types of vessels outfitted with modern mechanisms, powered with marine diesel engines and long-lining draggers and other methods of fishing. It was also recommended to the Government by the committee on fishermen's vocational training set up by the executive council last year drawn from the personnel of the Department of Education and my Department. It is proposed during 1953 to operate one travelling school unit that will consist of a school of navigation and pilotage and a school of marine diesel

engineering maintenance and repair. The two schools for 1953 will consist of one instructor who will travel to various fishing communities and bring with him the necessary equipment to conduct this instruction. In other words where it is necessary to give instruction in navigation and pilotage and marine and diesel engineering and repairs it is proposed for three years that each school will operate during the coming year in three or more places for a period of three to six weeks. The schools will be operated under the authority of my Department and will be financed in part, as a matter of fact, up to fifty per cent, by the Department of Labour at Ottawa through an arrangement made through our local Department of Education which is the agent in these matters for the Department of Labour at Ottawa. I think that covers it, Mr. Chairman.

MR. HIGGINS: Have the appointments actually been made?

MR. KEOUGH: No, not as yet.

MR. HOLLETT: Mr. Chairman, I wonder if the Minister could give us some idea of what action, if any, has been taken by the Government in this Department with the Federal Government relative to making it more easy for our coastal men and our fishermen to obtain their licenses? I know of a good many cases where people had to sell their vessels because they could not qualify in some small technicality and had to take up something else in order to earn a living. I could cite a dozen cases. I wonder if the Department has anything on that?

MR. KEOUGH: My Department is almost constantly in touch with the proper officials in the Department of

Transport in that matter. As a matter of fact representations on something or other have been made quite recently by my Department to the Minister of Transport—What the actual situation is now it is difficult for me to say unless I look up the record. If the honourable member would care to give me notice of that question I would have a statement for him.

Carried.

1451—Co-operative Administration:

Carried.

1452—Co-operative Extension:

Carried.

1453—Registry of Co-operative Societies:

Carried.

MR. GURTIS: Mr. Chairman, I move the Committee rise, report progress and ask leave to sit again.

Carried.

MR. CHAIRMAN: The Committee of Supply reports that they have considered the matter to them referred, made some progress and ask leave to sit again.

Moved and seconded that the Committee have leave to sit again later on this day.

Carried.

MR. HOLLETT: Mr. Speaker, it is not my intention to delay the proceedings of the House unduly on this matter of the Address in Reply to the Budget Speech.

As I believe my colleagues have said, we of the Opposition do pay certain tribute to the various Departments of Government for the way in which

they have handled their departments during the past financial year. That is not to say that we agree with all the Government has done. It is not to say we are politically in the same circle as the Government is; but it is right and proper that we should give credit where credit is due. I have done that on one or two occasions here in this House before when I have referred to the Departments of Public Welfare and Health. I hope if I am spared to speak next year here, I shall be able to congratulate every Department of Government; because we realize the Government of today is likely to be here for at least another year. We would not go all the way with the Premier and say 24 years —

MR. SMALLWOOD: 21 years.

MR. HOLLETT: That is not so bad. We hope the Premier will be sitting there this time next year, but even as to that we have no guarantee—even the Opposition cannot guarantee that to the Honourable the Premier.

MR. SMALLWOOD: It is a good thing it does not depend on that.

MR. HOLLETT: As you know, I have been visiting the great Dominion of Canada to which I now belong as a citizen. The Honourable the Premier has told me he made me a Canadian. I accept the re-make.

MR. SMALLWOOD: Should I be proud of it?

MR. HOLLETT: I was greatly impressed with my recent visit to various cities across Canada. I was impressed, as I always have been (but more so this time) when I flew all the way and I could see the lights underneath me; I could see the immensity of this great Dominion of



Canada and I am not at all ashamed that we are now a part of that great nation. I think it is a well-known fact that we on this side of the House fought Union with Canada on those Terms and we still believe we were correct. I do say it would do us all good if we could see the immensity of this great nation to which we now belong. I speak of the mileage immensity more than I do of the population, because as one flies across Canada one realizes he is flying in a strictly narrow line and the lights and shadows you see are probably the ones that make up the most of Canada and undoubtedly you fly over the area which has the greater population.

I did enjoy my visit, but unfortunately now I fear I am not in a position to properly reply to the Honourable Minister of Finance on his Budget because I have not had the opportunity to give proper study to it.

We are glad that the Honourable Minister of Finance has been able to show once again a surplus. As to the nature of that surplus various remarks could be made. For instance, if we had not taxed the food which our people consume, I think we would not have had a surplus; if the sales tax had not been imposed there would have certainly been no surplus—or if any, a very small one. We have to thank the sales tax, and 3% tax, for the fact that the Minister has been able to show a surplus this year.

I noticed as I read the Minister's speech the remarks he made anent the present prosperity of Newfoundland. He referred to the various sources of wages and earnings of our people and he predicts that during the next fiscal year 210 million dollars will be paid out in wages and

earnings and possible profits to the people. He has stated 183 million were earned last year by the people and 155 millions in 1951. I noticed too, Sir, that in his Speech he often refers to "1948-49," "since Confederation;" "since Union with Canada." And then he refers in glowing terms to this state of prosperity which we now enjoy with the evident intent of impressing everybody with the idea he would like to leave, that our prosperity hinges on our joining the great Dominion of Canada. I cannot subscribe to that and I do not think the Honourable Minister himself subscribes to that. For instance, he said that one of the sources of income will be pulp, paper and wood—some \$39,000,000. Well, I think if we had retained our own nationality we probably would have earned just as much as that in the paper, pulp and wood industry. He refers to 24½ million dollars for defence. It is my opinion that that amount of money would still have been spent next year and that 22 millions would have been spent last year on defence even though we were not part of the Dominion of Canada. Transportation is given as 15½ million dollars; if we take the travelling expenses of Cabinet Ministers out of that, I think we would have had just as much in transportation if we had not had Confederation.

Government of Canada—\$13,000,000  
—I take it these are wages and salaries paid to employees of the Canadian Government. Undoubtedly Canada would not have had to pay that but I strongly suspect we should have to pay it. Mining would have been the same—Buchans, Bell Island and St. Lawrence. The Government spent twelve millions in wages; they would have had to do the same. Shops and

Offices would have paid as much. Family Allowances—11 millions. We may or may not have had to pay that. If we had a wise Government—

MR. SMALLWOOD: A Tory Government?

MR. HOLLETT: A Tory Government would undoubtedly have brought them along. It was the Tory Government in Canada which started the Old Age Pensions.

MR. SMALLWOOD: No.

MR. HOLLETT: It was the Tory Government which brought them up to the sizable proportion they are today.

MR. SMALLWOOD: Nonsense!

MR. HOLLETT: I am not talking of Family Allowances now.

MR. SMALLWOOD: Did they start Family Allowances?

MR. HOLLETT: No.

MR. SMALLWOOD: Did they support them?

MR. HOLLETT: The Family Allowances were brought about by a Government which wanted to impress Mr. Duplessis of Quebec.

MR. SMALLWOOD: Did the Tories support them?

MR. HOLLETT: I was not a Tory at that time—not in Canada.

MR. SMALLWOOD: You turned your coat, eh?

MR. HOLLETT: At that time we were under Commission of Government and I do not think we had any politics—neither Liberal or Tory. Some of us did not have any coats.

MR. SMALLWOOD: We have always been either Liberal or Tory.

MR. HOLLETT: Fisheries, \$10,000,000. That, I believe, means the salt codfishery. We certainly would have earned that much. Manufacturing would be about the same. And so on down the line. I am reciting these things to point out that I must not allow the Minister of Finance to get across the idea (which is a false one) that all that prosperity came about through Union with Canada or through this Liberal Government. I say that very little, if any, of that prosperity has any relation whatsoever to the present Government. I do not think it would have any relationship to even a Tory Government. Prosperity in the Western hemisphere is general; not particularly here in Newfoundland at all.

I think the Honourable the Premier came back from Ottawa some time ago and I believe he said, Sir, that the Federal Government took from us in taxes last year \$57,000,000. The honourable member will correct me if I am wrong. I believe he said they took from us \$57,000,000 in taxes last year.

MR. SMALLWOOD: No.

MR. HOLLETT: It might have been more. Our own Government took eight millions; that would be sixty-five millions taken from the people in taxation last year.

MR. SMALLWOOD: That figure is wrong.

MR. HOLLETT: If the honourable member will correct me and say exactly how much it cost I will accept his figures.

MR. SMALLWOOD: The figure is on the record.

MR. HOLLETT: The record, as far as my memory serves me, is \$57,

000,000 taken by taxation by the Federal Government and \$8,000,000 makes \$65,000,000 altogether.

MR. SMALLWOOD: For last year? No.

MR. HOLLETT: So, Sir, we see that if we place the amount which came into this country by Old Age Pensions and by Family Allowances and by Veterans' Pensions and other social benefits, if we place these against the \$57,000,000 which Canada took from us I think we shall be just about square on that particular record.

MR. SMALLWOOD: Brilliant.

MR. HOLLETT: I am quite sure I am correct, Sir. I am merely quoting these facts to show to our people that although some of us fought Confederation, and did not like the methods, yet although we are now a partner in Confederation and Canadians we are loyal Canadians I hope every one of us, but we still do not want to allow our people to have put across any impression which might be false. I can assure you, Sir, that it would be false if we allowed our people to think that the present prosperity with which our country is blessed was either the cause or product of Confederation or by the present Liberal Government, then we would be doing something absolutely wrong for our people. I am quite sure the Honourable Premier would not want our people to be fooled.

Now, the honourable gentleman went on to speak about the number of cars and that sort of thing which naturally go with prosperity. He spoke about the amount of electricity which was used, the gas etc., and later goes on to the industrial programme of the Government. Now, I think he

stated that we have five new industries and plants had been constructed and five new industries brought into production. Would it be a fair question to ask, Mr. Speaker, how much these five new industries have contributed to the present prosperity in this country? I note the Honourable Minister of Finance said nothing about that. I remember when we did ask questions of the Government as to whether they would give us some idea as to what profits were being made or what success financially these companies were having. The Government, Sir, refused to tell us. I take it therefore that even the Honourable Minister of Finance would not attribute any of our prosperity to these five new industries which have been constructed and which have been in operation for some time, the operation of what we are not quite sure. I believe somebody said yesterday that Newfoundland did not get any defence orders. Whether that is correct or not I have not been able to check, as I have not had time. I believe we have been promised defence orders for Canadian Machinery.

The Minister goes on to say one other plant has been constructed and brought into partial production. I take it that is the clothing company. Now, if any member on the opposite side can show me to what extent that has improved the prosperity of Newfoundland he will have some job on his hands particularly when I remind him we had recently closed down in Newfoundland one of the biggest clothing factories. It is true, I believe they hope to call it some day a textile plant. They hope to bring in the yarns and what not and make cloth and from that make the clothing and I suppose export it all over

the world. We hope that they will be able to do that.

He goes on to say that three other plants are in the course of construction and will go into production during the present summer and that five others are expected to commence construction within the next few weeks and go into production during the coming year. That is fourteen new industries. I venture to say, Sir, that of these fourteen new industries which have been brought into the country to date they have brought very little prosperity to our people.

As we know, Sir, and it has been often said that our Government here prides itself and its ability to do most anything. They say it is the only Government since Adam's time that ever did anything for Newfoundland. I want to remind them that when they came here in 1949 they had some forty or fifty million dollars and they have borrowed ten millions since that time, and they have, owing to the prosperity of our people, been able to collect huge revenues up to and over thirty millions of dollars each year. If, I say, you put this forty or fifty million dollars plus thirty millions of dollars each year for three years, that is \$140,000,000 spent by this Government a good percentage of which was spent in bringing in fourteen new industries. I say, if you put one against the other you will see that the industries have not so far added one iota to the present prosperity of this country. Therefore the Government are not entitled to take any credit whatsoever for the prosperity of our people along that particular line. I am not saying that they should not take credit for bringing in the industries. I hope they succeed and if they do they will get credit from this side of the House.

But I am saying this, you may not fool our people by informing them that since you have brought in fourteen new industries you have prosperous times and our people are happier than ever they were before—we deny that on this side of the House.

Then we come to the big statement relative to the numerous companies which have been brought in. I don't know where they will all find space. I don't know how many were mentioned but there must be twenty or twenty-five and the Honourable Minister said the total assets of these companies is five billion dollars. Now, there is a possibility that one of these companies may one day strike it rich and be able to employ a few of our people but so far as I can gather next year they will spend only one million two hundred thousand dollars in all of Newfoundland and Labrador.

MR. SMALLWOOD: That is in wages to Newfoundlanders. That is 1.2 millions but not what the company will spend but merely what they will pay in wages in this year 1953 to the Newfoundlanders—they employ on their various survey parties.

MR. HOLLETT: I think that is exactly what I said, Mr. Speaker. The Honourable the Premier probably misunderstood me. That is all they bring in; if they spend 1.2 million and pay it to our people that is all they bring in. If by reason of this expense they discover a new mine or oil well or what not then we expect some more people will be employed later on. That is all these companies with five thousand dollars behind them.

MR. SMALLWOOD: That is not so.

MR. HOLLETT: We all know these companies cannot do something unless they find something to do it with.

I am amused at the statement "the people do not expect the Government to put the minerals or the oil in the earth." I don't see why the Honourable Minister should make any excuses whatsoever, since as they say, they have done a good job in bringing in all these companies. I don't think they need make any apology whatsoever to the people who would not expect these companies to be able to put ore into the ground nor oil under the soil. Therefore I see no reason to say it unless the Honourable Minister is preparing for something he evidently fears, that these things may not be quite so hopeful as we would all like them to be. There is no reason why any apologies should be made and no reason for giving all the praise to these companies because they were merely British Companies. I don't suppose there was anything to keep British Companies out of this country any more than there was to keep German or Latvian or any other companies, they all had the same credit restrictions, all had the same trouble to get money into this country. I think it is rather late in the day that the Government got in touch with some of these so-called British Companies. I don't recognize them as British Companies in a good many instances, Mr. Speaker, because they are not.

I am trying to find something in this Budget Speech into which we can get our teeth—

MR. SMALLWOOD: Trying to find something to criticize?

MR. HOLLETT: Naturally I

would like to find something to criticize.

MR. SMALLWOOD: It is pretty difficult.

MR. HOLLETT: I am quite sure after reading the speech once, Sir, I have come to the conclusion the Government and the Honourable Minister decided the less they put in the Budget Speech the better because they have put in practically nothing.

They should not have put that cancer control tax in. That is a big mistake. That gives us a wonderful opportunity to criticize because if we are going to tax people for cancer control we can tax them for T.B. control or venereal disease control and all sorts of controls. I think it was a mistake, it would be better to tax something else if they wanted to and give us a straight grant. I expect next year to see the Honourable Minister coming and taxing for control of rabbits in Newfoundland or white-tailed deer or something of that nature—there is no reason why you should not.

But I was disappointed, Mr. Speaker, by the remarks which were made by the Honourable Minister relative to our fisheries. Now, we have been listening, Sir, for two years to the hopeful remarks of the Governments of Newfoundland and of Canada relative to the report of the fishery commission and we were expecting something great, something sensible, something immediately. We have all received a copy of that report and I think any of us who have read it can say that there is no immediate action of any moment to be taken. It is a thoroughly long range plan. On the other hand we have fifteen thousand fishermen whose immediate need is

urgent. It was a case where something should have been done immediately or almost immediately—but then we cannot expect much better from this Government, Mr. Speaker, particularly when they took two months to make up their minds as to whether or not to help out some of the poor fishermen who lost their year last year and they have not yet decided what they are to give them nor how many to give it to.

So we go on into the statement made by the Honourable Finance Minister—he lists the fact that 1.4 million dollars is to be allocated for this special programme in relation to fisheries whereas on the other hand 2.5 millions, I believe it is, will be allocated for making industries. I should have thought, Sir, that an industry which supports fifteen thousand people would have had greater attention than an industry which probably concerns three or four hundred people or two hundred as the case may be. As my honourable colleague reminds me, a million dollars for a rubber plant, and I remind the Government of \$150,000 to Dr. Senne-wald and two and a half millions to several others and two millions to somebody else from across the sea—I remind you your conscience must be troubling you about fifteen thousand fishermen for whom this is all this Government can dish out of the chest and then want to look and see where they can get any more money, there is no chest left and no way to get any more money. There is only one way for the Government today, Sir, to carry out or implement any programme that they or the Federal Government may lay down and that is to borrow money. As a matter of fact if you read the Minister's speech in the latter part of it you will see

that he is paving the way—he speaks about the fact that our people no longer feel that Newfoundland must any longer be a mere backwash of North America. They feel and are expressing in unmistakable terms, a great determination to form part of the wide, deep current of modern North American living.

"This awakening explains, perhaps, the sudden clamorous demand for new roads, and for improvement of old roads, that arises in all parts of the Province."

"It explains the all but irresistible demand for new hospitals, hospital boats, air ambulances, and other modern health services."

"It explains the swelling demand for more and better schools."

"I know of no other way by which to explain the great impatience of the people in these things. It is an impatience which the Government, any Government in Newfoundland, will ignore only at their own peril."

Then he goes on to say: "The only wise attitude for this Government and this House to take to such demands is to create the means of meeting and satisfying the people's needs." So they have to get the money. But how to get the money, "Wayfarer" told you this morning. If you have read "Wayfarer" this morning, he told you to borrow thirty-five million dollars and use the money which you get from gasoline taxes and motor taxes and vehicle taxes to pay the services on the thirty-five million dollars.

MR. SMALLWOOD: Does not the honourable gentleman admire "Wayfarer"?

MR. HOLLETT: You will have to give notice of questions of that kind.

MR. SMALLWOOD: It is an awkward question?

MR. HOLLETT: I say, Sir, the Government, and after all the Honourable Minister of Finance is just a spokesman in this instance for the Government, have paved the way very nicely there for the next few loans which they realize they must get.

"The people want schools, they want hospitals." We have fifty million dollars but you have spent it.

MR. SMALLWOOD: It is fifty millions now.

MR. HOLLETT: Fifty-two, I believe. You had forty-six millions and you—

MR. SMALLWOOD: Forty-two.

MR. HOLLETT: All right, Mr. Speaker, they had reserve assets, I believe, of forty-six million dollars and they borrowed ten million dollars. I make that anything but fifty millions. There is no doubt about it, Sir, the people want schools. We find that the total number of schools in Newfoundland 2,634 and the total number of teachers presently employed 2,590 made up of certified and uncertified teachers, and the number of class rooms remaining closed at the present time because of the shortage of teachers is sixty; the total number of pupils eighty-nine thousand and if we look through the teachers' salary scale I think we have the answer as to why class rooms are closed.

MR. SMALLWOOD: No we have not and far from it.

MR. HOLLETT: We have the

answer as to why Newfoundland class rooms are closed. Newfoundland was always able to get teachers until recently since industry offered greater remuneration.

MR. SMALLWOOD: When we were starving we could get teachers.

MR. HOLLETT: The thing therefore is for the Government to increase the remuneration and make the profession attractive to our young men and young women.

MR. SMALLWOOD: : How would the honourable gentleman make our one room schools attractive?

MR. HOLLETT: My time is too short, Mr. Speaker, for me to answer that. I will tell the Honourable the Premier that if he gives me time on another occasion I will answer that—certainly the first thing I would do—

MR. HEFFERTON: I wonder if the honourable member would allow me to make one correction—a study of the records in the Education Department shows that during the last forty years at least we have never been able to get enough teachers, and more than that we have never been able to retain the teachers right down through the years.

MR. HOLLETT: You know why?

MR. HEFFERTON: You said it was only in the last three or four years.

MR. HOLLETT: I think I said it was exhilarated because of industrial enterprise. I know that it has always been difficult to get a sufficient number of first grade teachers. But I do know one of the ways to do it is to give them sufficient to live on. I do know this Government has the means and wherewithal to do that

and I do know they are neglecting to do that. Hence they have a problem on their hands year after year which is greater than ever in this country regarding teachers.

MR. SMALLWOOD: All we have done is to double their income in the four years.

MR. HOLLETT: Is that all. I think the Honourable Premier realized a good many people's salaries have been doubled and tripled and quadrupled, etc. I think the Honourable Premier understands that the cost of living in Newfoundland has probably doubled since they came into power or pretty nearly.

MR. SMALLWOOD: Not at all.

MR. HOLLETT: Is it less?

At any rate I was referring to the Honourable Minister of Finance's remarks relative to the fact that our people want this and want that and that no Government can afford to ignore that fact. Mind you he does that, Mr. Speaker, after he has tried to explain to us about our financial surplus. He first talked about our current surplus of six and a half million dollars but I think they took \$1,700,000 out of that for some reason or other, I think for Capital account on manufacturing plants, and they reduced their current surplus down to about five and a half million dollars and they hope next year to have a surplus of another four or five million dollars. They add that together and say now that is the amount we are going to spend next year on capital account. Mind you all that is spent, or all that is earmarked for the new industries and I could go down here into the pile of papers I have and dig out various industries and new promises and new loans

granted by this Government and find sufficient there to take that nine or ten million and spend every cent of it. After explaining all that he tells us they must satisfy the needs of the people, have to give them roads and schools and so on. I think, Mr. Speaker, the answer is to be found somewhere—he says—what does all this add up to, what is the wise attitude to take to this new and vastly increased demand of our people for more and ever more and better and ever better public services. Most certainly it is not to oppose it nor to condemn it. The people are asking only for their rights; basic rights, rights that are regarded in other parts of North America as being quite commonplace. They are asking for rights they have been denied for most of their present century. I do not suggest (he says) that previous Governments have denied these rights out of stubbornness or perverseness. They just did not have the wherewithal to meet the needs of the people for public services.

The only wise attitude for this Government and this House to take to such demands is to create the means of meeting and satisfying the people's needs. He is going to do that by more and ever more economic development. I take it he is going to do it by suggesting a loan. I would be almost willing to bet, Mr. Speaker, that the Government will be looking for a loan before long and I would be almost willing to bet that the Premier talked to "Wayfarer" in paving the way for that. If the Government wants \$35,000,000 there is no reason they should not go and borrow it. I admit that if they are going to spend it on roads and various public services particularly on the implementation of this new fishery



policy, if there is one, I must say as yet, and I have read the report in which a fishery policy was recommended as a long range policy. I submit, Mr. Speaker, that is not the thing that is necessary at the moment. We have fifteen thousand fishermen and if the trend continues in another three years we will have no fishermen. I hate to think of Newfoundland without fishermen. I am quite sure we won't be Newfoundland without having the fishermen and sailors and seamen. It is absolutely essential and in fact I think our Government should in some way or another even borrow money if they have to in order to keep these people fishing and make it possible for these people to make a decent living at the fishery. We were told in order to give fishermen employment insurance we would have to amend the Act. Imagine that, Mr. Speaker, the Federal Government would have to amend an Act when they have amendments every five minutes of the day—sure the Act could be amended and the Federal Government could pay unemployment insurance to our fishermen on a certain basis. There is no question about it, and the fishermen ought to demand it, the Provincial Government ought to demand it. I promise the Government you would have the support of the Opposition in such a demand. I know that our fishermen cannot live at the present cost of outfitting the fishery, not only the cost of outfitting but the cost of living on everything else. He has to buy rubber boots, engines, motor boats, trawls and gear and build his own house, etc. There is no reason why he should not be subsidized. I do hope and trust the Provincial Government will do something along that line in endeavouring to per-

suade the Government in Ottawa to do something along that line.

Governments can do most anything. Let me refer you to what Mr. Bradley has been able to do, or what he persuaded the Government at Ottawa to do. This question was asked in the House of Commons at Ottawa by Mr. Browne, Member for St. John's West: "How much money was spent in each Federal District in Newfoundland in 1952 by the Department of Public Works for:

- (a) Dredging.
- (b) Wharves.
- (c) Other Works."

I will give you the totals:

|                             |                |
|-----------------------------|----------------|
| Bonavista-Twillingate ..... | \$1,098,000.00 |
| Burin-Burgeo .....          | \$ 497,000.00  |

Must be something wrong there. The honourable member cannot be friendly with the Federal Member for Burin-Burgeo.

|                             |               |
|-----------------------------|---------------|
| Grand Falls-White Bay ...   | \$ 183,000.00 |
| Humber-St. George's .....   | 65,000.00     |
| St. John's East             |               |
| (only a small district) ... | 84,000.00     |
| St. John's West             |               |
| (worse still) .....         | 76,000.00     |
| Trinity-Conception .....    | 426,000.00    |

I repeat therefore, that Governments can do most anything if so minded. If Mr. Bradley could get that much money from the House of Commons, I am sure members in other districts could change the Government's mind with regard to unemployment insurance for the fishermen.

Mr. Speaker, I could raise issues which are more or less dead at the moment; I could repeat a lot of things already said here; but I have no desire to prolong the House.

I regret very much that the Government has seen fit to put itself in the position it is in at the present time. After all, three years is a very short time and all the money has been spent, and I fail to see where the economy of this country has been improved one iota.

We have lost the Clothing Factory; we have lost the Tobacco Factory and many other things—we have lost fifteen thousand fishermen, I know.

We have got a few foreign plants here—one is going to manufacture heavy machinery—for where? Apparently they cannot do it heavy enough for Ottawa. We are having another Clothing Factory which will manufacture suits of clothes. They are going to drive the clothing factory that we have now out of business. This foreign factory is subsidized to the extent of two million dollars by this Government and the other clothing company has no subsidy and has to get along. Another factory is going to manufacture batteries; another is going to manufacture leather. It is about time they started to get going.

Take the Cement and Gypsum Plants—I asked various questions about them and I got very few replies. Why? Is the Government ashamed? If not, why not tell us about them? If they have some bad facts to tell, they might as well tell them now. I do know this—the Gypsum Plant went in the hole \$58,000.00 last year. I could tell you a lot more. If the Government would tell the truth they will find that it will always serve their interest best. I do not think the Gypsum Plant is going to lose money all the time; but when we ask questions and you refuse to answer, what interpretation can we put on your silence, except

that you have certain things you do not wish to tell us.

MR. SMALLWOOD: Might I suggest another interpretation? It might be that we were negotiating for the sale of the plant.

MR. HOLLETT: Of course! I wish I had time to read to the House the Agreement on the purchase of the Cement Plant; it is the worst I have seen and I have seen a good many. If the Government wants to sell the Gypsum Plant, you have my pity. I cannot give it my blessing. I think you have a very poor Agreement with the purchasers of the Cement Plant; and if the Government is going to sell the Gypsum Plant; nobody is fool enough to buy it unless they see the accounts, and if it is losing money, these people will have to know it before they are going to buy it. You cannot fool this Opposition on that.

There is very little more I have to say. I want to congratulate the Honourable Minister of Finance on bringing in a succinct budget—containing nothing.

MR. SMALLWOOD: That is why it is succinct.

MR. HOLLETT: I do not lay the blame at his door. I am convinced he has the ability to bring in one of the finest Budget Speeches ever brought into the House; but climatic conditions interfere with his elbow when writing them—I refer to political climatic conditions. There are certain things he is not allowed to put in the Budget, unfortunately. But I think it is better to tell the truth. I have a great regard for the Honourable Minister of Finance. It is really a pity.

MR. SMALLWOOD: Tragic!

MR. HOLLETT: He is able to stand it, but he has not been able to do the thing he would like to have done. I am quite sure he would like to tell the people the exact position with regard to the finances of the Country; about the various industries and so on. What have we been told about fisheries or other industries. What have we been told about the Pulp and Paper industry? About mining—except for a very few figures. We have been told the number of people working there. I presume the Government does not mind as long as they have them working.

I regret I was not here when the Budget Speech started; I am happy to be here now. I hope and trust the Government will see fit to do something about the fisheries. I want them to do something for the fisheries. I want to see the fisheries restored because, as I have often said, I cannot imagine Newfoundland—and the Minister of Public Welfare and the member for Fogo will agree—we cannot imagine a Newfoundland without a large number of fishermen, a large number of fishing villages with good clean houses, nicely painted boats, flakes covered with fish, a little Church in the background—or the foreground, as the case may be. We cannot imagine Newfoundland without that picture.

I would ask the Government to do everything they can in order to help this badly crippled industry.

MR. JANES: I am not going to take up too much time of the House. We have had a very pleasant week; we have been a happy family and we got through a lot of work. Neither of the honourable members for St.

John's East said too much. Today we have the Dark Horse from Ottawa, and he is admitting he is a Canadian. I am sure the people of Newfoundland will be glad to hear that. I do not know what they did with him in Ottawa. I do not know what orders he had from his boss. But he has locked himself in the stable by the back door and is now kicking the front door down.

MR. HOLLETT: A front door to a barn?

MR. JANES: I am not going to deal with the honourable member's speech. There was nothing very much he said. I want to go on to the Budget Speech itself. I think the Budget Speech is one of the most remarkable documents I have seen; it is remarkable for two reasons. First of all it tells the story of progress over the past two years. It is remarkable in that it is presented in such a way that it can be read by people not properly conversant with things financial—it is the sort of speech a man would read like his newspaper, and not be bored. It is intelligent. It is remarkable on two counts. It tells us of the great wave of prosperity. I do not know much about figures or their source. I am not concerned whether the additions are right. I am not foolish enough to add them up; and I have not the time.

Something I do know—since 1950 we have had in this country a prosperity which we have not had in any fifty years of history. We have Bank Managers and other business men coming back here and telling us how impressed they are with the advances we have made over the past five years—over the past five years the advances in industry and commerce

have outstripped anything we have known before.

There are certain things which I do know—I am not concerned with the income of two hundred and ten million dollars, whether it is correct or not; but I do know this; the retail sales volume throughout Newfoundland, beginning with 1950, has been jumping since 1950 anywhere from 25% to 30% per year. That is the retail sales volume. Take three years, that is an increase, using the basis of 1950, an increase in the retail dollar value of 95%. In going about my work from day to day, I can see this Province's income. If we are to measure prosperity in dollars and cents, we are spending 95% more dollars in 1953 than in 1950. Where the money is coming from the Minister has told us. To think that in this Province in three years the spending—the number of dollars our people have had to spend increased 95%, I think that is a most graphic form of revolution in Newfoundland. Indeed it is a revolution of major proportions.

As the Budget Speech says "A dozen years or so ago the fisheries would have headed any list that showed the origins of our people's income." With regard to the salt codfishery—I will go back to 1949 (and this should be interesting to the Honourable Leader of the Opposition who is no longer ashamed to be a Canadian)—going back to July, 1949, after the first election, when I went to Fogo; while I was there the able-bodied relief was cut off. Six fishermen came to me looking for able-bodied relief; they could not get it and sent for the Relieving Officer. They came to me about it; asked me if they could get it; I said "I do not know; you will have to get the Relieving Officer."

In the meantime, the Relieving Officer was probably on his way from Joe Batt's Arm to Fogo and we had six hours to wait and I said, "Let us go up to the Court House and wait." If ever you saw a cross-section of opinion among fishermen, it was among those six men. The youngest man was twenty-six years old and the oldest over sixty. The youngest fellow was just married and had no children; one man had five children, himself and his wife (seven of them). One fisherman had nothing but a black punt and earned his livelihood bringing fish to other boats; one man had a punt and a trawl; another had a motor boat and a trawl, right up to the skipper man who had motor boats and traps. (I have notes on all of them which I took at the time; I wish I had them with me): Do you know that of these six men, four of them told me they had their money income doubled through Family Allowances? To look at those figures here, it is not too difficult to see how that could happen. We have at last had the admission from the Leader of the Opposition that he is no longer ashamed to be called a Canadian.

MR. HOLLETT: I do not think I was ever ashamed of it.

MR. SMALLWOOD: He is just back from Ottawa.

MR. JANES: He speaks of the industry, bemoaning the fact that only 1.4 million dollars was spent on fishery development. He has been informed in this House, and by me too, that if there is one thing to the credit of the present Administration, it is this; that they have not gone out deliberately to beguile the fishermen into thinking they were going to come up with a plan which was going to solve all their problems. What they

have done, in conjunction with the Federal Government, was to appoint a Fisheries Development Committee which has been trying to frame a programme to re-vitalize the fisheries of Newfoundland, and the recommendations from the Committee to this Government and to the Federal Government have been in this House only two weeks or less. Yet the Honourable Leader of the Opposition is bemoaning the fact that the Government cannot find a way to spend more than one and a quarter million dollars for the fisheries; in spite of the fact that the report and recommendations were received only two weeks ago. It could be that the Government has not had time to make plans as yet to spend more for the fisheries.

MR. HOLLETT: They have had three years.

MR. JANES: Mr. Speaker, I regret, it is only two weeks ago since the Fisheries Development Committee's Report was received. Maybe he was not here when that Report was received. Maybe that was the fault of George Drew; and the Honourable Leader had not the time to spend here to see the Committee's Report; he was in Ottawa receiving Hitler's orders.

MR. HOLLETT: Smart Alec!

MR. SMALLWOOD: And what orders!

MR. JANES: George Drew has been telling him the Government is going to lose another Federal riding in the next Election; whereas, in fact, the Tories will get neither one. I do not know where he has been all his lifetime. I would suggest to the Leader of the Opposition that he get around this country and meet a few

people and see how they think, instead of going to Ottawa. The Honourable Leader goes up there with the Opposition in Ottawa when this House is in Session; when the Minister of Finance brings in the Budget he is not here to hear it—he is up there planning a political campaign, a political coup which is to take place in the near future—and yet he talks about the Government spending only 1.4 million dollars on the fisheries.

MR. HOLLETT: Was not the Premier up there?

MR. SMALLWOOD: On official business.

MR. JANES: To expect the Government to rush into this matter is wasting all the time put to good use in trying to have this Report compiled for the Government to lay the foundation for sound fisheries policy. I am not sorry; I have no quarrel with the Government for not spending more for fisheries this year. I think they should go slowly and lay the ground work for a sound future policy. On that score we have no quarrel with them. We have done well. The fishermen of Newfoundland are going to be satisfied with the Report; it is a big start. The fishermen will be satisfied with the start made. Probably all the plans have not been made known, but I am satisfied that a good beginning of great things has been made.

I move the adjournment of the debate.

MR. CURTIS: I move that the remaining Orders of the Day be deferred, and the House at its rising do adjourn until tomorrow, Wednesday, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, May 6th, 1953.

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

#### Presenting Petitions

MR. DROVER: I beg leave to present a petition from the residents of Seal Cove in White Bay, requesting completion of the road from Baie Verte to Seal Cove. Last year the road was put through but it is impassable because there are structures there which need to be removed and the petitioners ask that this be done while the Highroads equipment is there, as pretty soon the equipment may be moved to some other place.

The petition is signed by 107 people of the community. I respectfully ask that this petition be tabled and referred to the Department of Public Works.

Received and referred to the Department of Public Works.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

HON. L. R. CURTIS (Attorney General): I give notice that I will on tomorrow ask leave to introduce the following Bills:

A Bill entitled, "An Act Further to Amend the Civil Service Act, 1947."

A Bill entitled, "An Act Further to Amend the Education Act, 1927."

A Bill entitled, "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

A Bill entitled, "An Act Further to Amend the Highway Traffic Act, 1951."

A Bill entitled, "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

A Bill entitled, "An Act Further to Amend the Department of Public Works Act, 1950."

A Bill entitled "An Act Respecting the Solicitor-General of Newfoundland."

A Bill entitled, "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees'."

A Bill entitled, "An Act Further to Amend the Summary Jurisdiction Act, 1950."

A Bill entitled "An Act Respecting the East Coast Telephone and Telegraph Company Limited."

A Bill entitled "An Act Respecting the Civil Service Commission of Newfoundland."

A Bill entitled, "An Act Providing for the Supervision and control of the Expenditure by Local Authorities of Moneys Raised under Loans or Guarantees made by Her Majesty."

HON. DR. F. W. ROWE (Minister of Mines and Resources): I give notice that I will on tomorrow ask leave to introduce a Bill entitled, "An Act Relating to the Keeping of Dogs."

#### Orders of the Day

ITEM 13. Second reading of Bill, An Act to Incorporate the Newfoundland Association of Architects and to Regulate the use of Architect Designations in Newfoundland."

MR. COURAGE: I move second reading of this Bill.

This Bill is a Bill to incorporate the Architects of Newfoundland. The Association is already in being and has been for a number of years, and all the Architects in the Province belong to it. These Architects are all members of the Royal Architects Institution of Canada and Architects' Associations are incorporated in the other Provinces; and they wish to be incorporated here for exactly the same reasons as given by Surveyors, Registered Nurses and other people who have applied for incorporation.

There is nothing contentious in the Bill. They ask to be incorporated in order to raise the professional standard.

The Bill came in last year, but one clause in it was contentious and this caused the Bill to be thrown out. That clause is not there now.

There is nothing in the Bill to interfere with anyone who wants a contractor to build his house. There is nothing to prevent me from asking the member for St. John's East, for instance, to draw up plans for a house, providing he does not call himself an Architect. That is the only limiting clause. Nobody but those in the Association should call themselves Architects.

I have much pleasure in moving the second reading, and as it will come up for close study in Committee, the members will have the opportunity to discuss each section.

MR. JANES: I second the motion.

MR. SPEAKER: As this Bill is only now distributed, I shall have to ask leave of the House to put the question. Does the House give leave?

MR. M. M. HOLLETT (Leader of the Opposition): Yes.

Carried.

MR. SPEAKER: This Bill is referred to the Committee on miscellaneous private Bills (Standing Order No. 66).

#### Committee on Ways and Means

MR. JANES: Yesterday when we had to adjourn, I was in the midst of what I had to say, and I wish to review, if I may, for a minute or so what I did say.

Among the points were, we had before us a remarkable document—remarkable in two ways—remarkable because of the story of progress told, and remarkable for the manner in which it is compiled. I said the Government had justification for optimism. The earnings of the people of the Province as shown in the Budget Speech is further supported by the tremendous increase in the retail sales volume throughout the Province of Newfoundland.

I said that the dollar earnings of the people engaged in our industries, particularly the salt codfishery, had just about doubled through the coming of social security benefits, especially those resulting from Confederation. I disagreed with the Leader of the Opposition in that he thought the capital investment provided in the estimates of \$1,400,000 was too little for the coming year. I referred to the Government's plan to spend \$1,400,000 for this year, within two weeks of the Fisheries Development Committee Report being received in the House. The Premier having gone to Ottawa, made certain arrangements there, having undoubtedly impressed upon the Government in Ottawa and brought sufficient pressure to bear, the Government announces that a great and

far-reaching programme of fisheries development is to be launched in this Province. I think the amount of \$1,400,000 is sufficient. The last people in Newfoundland, who would want the Government to allocate money they were not going to use wisely, would be the fishermen. They have waited 200 years for this thing to happen and the last thing they want is for the Government to spend money without investing. I am happy to see the Fisheries Development programme off to a start. In another month the fishermen will be out in their trap boats. It is impossible to contemplate much investment this season. This programme if carried through, is going to cost several tens of millions of dollars, probably more. The Government was faced with a problem, which was over 200 years old and it is the first time in our history we have had laid before us a programme which undoubtedly will be carried out. I am happy to see this great start. I do not know that if ever in the history of Newfoundland such a great amount as \$1,400,000 was provided for investment in the fisheries of Newfoundland—And further, an amount by the Government of Ottawa, apart from the normal construction of works and services by the Provincial and Federal Governments, of 2½ millions of dollars for capital investment. I am proud to see the Government going into it with such vigour even at this time of the year.

Getting back to the speech itself, it goes on to say, "In the four years during which the present Government have administered the affairs of Newfoundland more has been done to broaden and strengthen the base of our economy than perhaps in any half century of our history. The problem has been attacked on all

fronts." That is true. With the activity taking place in the Province, the exploration going on by NALCO and BRINCO, never before in the history of Newfoundland have we seen such activity in the field in mineral exploration, never have we seen so much construction going on; never before have we seen the face of Water Street lifted so much as it is today. That is still going on. We have not only the word of the Government for that—we have the opinions of highly respectable men in trade and commerce; we have Bankers telling us of the progress made in the past four years; we have highly respectable men in industry telling us the same thing; it is the opinion of people who know our commercial life extremely well. That has taken place because the Government attacked the problem on all fronts.

The speech goes on further to say, "In short, our people no longer feel that Newfoundland is nor must always be a mere backwash of North America." There is a radio station here in the City which occasionally speaks of our inferiority complex. I think we have had one for a long time. We have looked upon ourselves as the backwash of North America. If it exists, it has been built up by ourselves probably because of the standard of living we have had to suffer; and this was aggravated by the isolation in which so many of our people live. We are beginning to get out of that through a better system of transportation, better communications, and more roads. Our people are being brought closer together with the great advancements made in our industrial and economical life.

I am sure the Government has not shown any inferiority complex. The Government has sought capital by



contacting some of the greatest capitalists of the world; they brought that capital here to Newfoundland and they have set the pace for all of us to haul ourselves up by the bootstraps.

The speech goes on—"The people feel and are expressing in unmistakable terms, a great determination to form part of the wide, deep current of modern North American living." That has been proven by the number of Town Councils which have come into existence over the past years; it is to be seen in the pride people are taking in their communities; it is to be seen in their demands for schools, their demands for roads; it is to be seen in a thousand and one ways; the pride they are taking in their way of life today; the type of citizen we are getting today, it has changed over the past two years. There are various reasons for that, which I am not going to go into at this time.

It goes on—"This awakening explains, perhaps, the sudden clamorous demand for new roads, and for improvement of old roads, that arises in all parts of the Province." And here I want to remind the Government that down there on the Straight Shore we hope some day to see the development of one of the finest transportation systems which will connect Musgrave Harbour to Carmanville and also to connect up with Gander which is the logical medical center on the North East Coast. On Fogo Island and Change Islands there are 5,000 people—over 2,000 people living in the two communities; we do not expect high-roads; we do not want paved highways; but we do want something on which we can at least travel on foot. That brings me to a point which has been made before: Here in St. John's there are 60,000 people. We have 10,000 in the District of Fogo. The

Government is providing this year (and I am a taxpayer of the City)—The Government is providing \$490,000 for the Constabulary —

MR. SPEAKER: The honourable member is not allowed to discuss estimates. I overlooked the matter of fisheries because fisheries is included in the Budget Speech. Estimates must not be discussed.

MR. JANES: The remainder of Newfoundland is being policed at a cost to the Provincial Government of \$238,000. In other words we are spending \$800,000 in the City of St. John's for sixty thousand people and in the rest of the Province \$238,000. The \$800,000 which is spent in any one year in these two services here in the Capital City is more than has gone into the town of Fogo for capital development of any sort for the past two hundred years, in other words, since the first man put his foot on Fogo Island, we have spent more here in this city to provide police and fire protection. As a citizen I realize we have to pay for police and fire protection but once it becomes too expensive for me, I can get out of the City of St. John's. That is all—It is just as simple as that. But I do not think, sir—If I could have all that money that is being spent in the City of St. John's for fire and police protection for Fogo District I could build all the roads they want in Fogo and I would not be back in twenty years for another cent.—That is if I could have that amount.

"It explains the all but irresistible demand for new hospitals, hospital boats, air ambulances, and other modern health services."

The Island of Fogo has a population of five thousand people. The

year before last a small cottage hospital was constructed there. It was a great blessing for the people, sir. Only people who have lived on an Island know what it is when the northern flocks come in January and February—or to be closed up there for four or five months without any means of getting off the Island, without any means of getting to the hospital, without any medical services.

They know just what isolation really means—to die without doctors and nurses in attendance. For our small hospital at Fogo, we shall be forever grateful to the Government for that, but we have to remind the Government as we did when they started to construct it that it is too small.

The fishing industry of the North East Coast is to be modernized—There is probably some future for Fogo Island—That means they are going to require hospitalization and we cannot have that with the small hospital we have there—We need a larger one.

"It explains the swelling demand for more and better schools." So says the Budget Speech; I think probably, Mr. Speaker, that is one of the tragic statements in this Budget Speech—"It explains the swelling demand for more and better schools." I don't know, Mr. Speaker, I am not throwing up any balloons at this time, but I spoke of this matter before and somebody called it a trial balloon. This is my own personal opinion on this matter. I do not know, sir, the theological difference between a Catholic and a non-Catholic—I am not a student of theology—I don't know the theological difference which separates the Church of England from the United Church or the Salvation Army or the Pentecostal Mission. All I do know and all I do feel is that when I pass

off this earth and stand at the door that St. Peter is not going to ask me whether I was educated at Bishop Feild or St. Bon's. I don't think that he is going to ask thousands of children of Newfoundland, who are being sacrificed in our one-room schools today in our outports, whether their teacher was a Roman Catholic or a non-Roman Catholic.

Now, sir, in the City of St. John's and in all the larger communities I have nothing against the system of denominational education, nothing whatsoever in this world. The City of St. John's here can afford to build its schools. I think that the denominations here in the City of St. John's have every right to be proud of the schools they have erected. I think the Anglicans have every right to be proud of St. Michael's; the Roman Catholics of St. John's have every right to be proud of St. Bon's and other schools—But I do not think, Sir, that any sane person has anything to be proud of in what is happening in our one-room schools scattered throughout this country. I believe I was informed the other day that we have roughly a thousand graded teachers in Newfoundland, that means to say we have somewhere in the vicinity of fifteen hundred ungraded teachers in our one-room schools. Now, anybody who knows anything about a one-room school and what it entails cannot help, sir, but feel that there is something wrong about this. A child born and reared in such a community who goes to school in such a community whether he be a Catholic or non-Catholic, or an atheist for that matter, it makes no difference, he has to go into the world, sir, and pit his knowledge, ability and skills against all the other children of this world or this Province, put it that way, without being

properly equipped—our system of denominational education in the one-roomed schools in the isolated outports where the fathers or mothers of families cannot afford to send their children to better schools is preventing thousands of children in Newfoundland from getting an academic education. If it continues, and I don't know how much longer it can continue, the climax of this thing will be reached probably within a year or two, and the denominational bodies responsible are going to have one tremendous problem on their hands, a tremendous problem on their hands.

It is difficult enough, sir, to get teachers to go to small, isolated communities. It is even more difficult to get teachers, fifteen hundred of them, to go to these places in one-room schools. There are not fifteen hundred one-room schools in Newfoundland, but somewhere in the vicinity of 35% of our schools are one-room schools, and about fifteen hundred non-graded teachers. In other words, we are asking eight hundred young men and young women to come into the teaching profession to go into one-room schools and stay for the rest of their lives. Now, there is no young man, nor young woman with any ambition in them, with any desire to improve their status in any profession who want to go and remain in one-room schools. Yet, there is no alternative. I repeat again, sir, that increased salaries for the unlicensed teachers to teach in one-room schools is going to do no good, nothing for education of the children of Newfoundland, nothing whatsoever. There is only one answer to it—If there is any hope for these children born in these communities to be educated these schools must be brought together for the sake of the children, who must attend these

schools. Teachers must be put into them who are trained to teach, in the hope that when these children finish that academic part of their education they will be on a par with children attending denominational schools in such places as the City of St. John's or Corner Brook or Grand Falls. Sir, I think Father Thomkins said this: I think I read it in the paper this morning; Father Thomkins did not know whether there was a Catholic or a non-Catholic way to catch a quintal of fish, he did not know if it existed—he did not know if there was a Catholic or a non-Catholic way to cut a cord of wood—But, Sir, we have seemed to have built it up in our system of education here in Newfoundland especially in our smaller communities—In the larger communities I don't think we have any problem and the denominations can be justly proud of the schools—but in the name of sense in the smaller communities where the only thing available to our schools are unregistered teachers, let us do something about it. If there is a great theological difference between the Catholic and non-Catholic groups, then, sir, let us call it quits. Geographically the country is split up, we don't have to talk about that, but certainly, sir, in the non-Catholic groups themselves they can amalgamate in our smaller communities—if there is such a great difference that we cannot have the children belonging to the United Church of Canada sitting in the same school-room with children belonging to the Church of England for the sake of getting an education then, I suggest, Sir, let us split the country up into three or four regions with the Pentecostal Mission over there, the Church of England there, and the Catholics over there, and we will all be happy. There

is no other alternative to it. It is amazing, Mr. Speaker, that the honourable members on the opposite side of the House can sit down and laugh that the children of Newfoundland in our smaller communities are looking for an education and cannot get it.

MR. HOLLETT: You are the Government.

MR. JANES: The Government has nothing to do with it, as my honourable friend knows only too well. Some day or another this thing is going to blow up in our faces, some day somebody is going to pay the piper and pay him well—We are not far from the climax of this thing, Mr. Speaker, but I would plead with at least the non-Catholic groups if the difference in theology between Catholics and non-Catholics is so great there cannot be any compromise for the sake of giving the children an education, I would say to the non-Catholic groups to get together as a beginning in our smaller communities and try and do something about it, because it is a disgrace to any people who have been trying to live in the little communities of Newfoundland scattered about as they were for the past two hundred years—It could not happen anywhere else except right here in Newfoundland.

The Speech ended, Sir, on a note that is highly interesting: "It is to the everlasting glory of Liberalism in Newfoundland, and indeed in Canada as a whole, that it wasted no time and but few words on these people of little faith, but moved boldly and imaginatively and creatively ahead to build anew to meet the growing needs of the people."

I have seen people of little faith in this House, have seen them oppose

every measure for industrial development, every measure for economic betterment of our people. They have opposed them one by one as they have been brought in here to the House—these are the people of little faith and we have wasted no time on them, no words have been wasted on them, their arguments have been ineffectual, we have moved forward boldly and imaginatively and creatively ahead to build anew to meet the growing needs of the people of Newfoundland. These needs have increased so much since Confederation, since 1949, that the Government is going to find it difficult to find the money to provide the services which our people need. We had some one here say the other day that we are going to lose our independence and live on credit. Now, is there anything more inconsistent? I call it quite silly—anybody who knows anything about Newfoundland to talk about Newfoundlanders living on credit. I am not a proponent of the instalment plan, I am not sure I like it very well, but this is the first time ever in the history of Newfoundland when people are able to buy anything, the vast majority of them—if we have people who can go and buy cars and the finance companies have sufficient faith in these people to pay off these cars, why should they not have cars? If these people have enough faith in their ability to earn sufficient to pay off these cars.

We have been brought up, Mr. Speaker, on credit, the Province of Newfoundland was reared on credit, our fishermen know that only too well.

MR. HOLLETT: The Province, yes.

MR. JANES: The Province? We

have lived on it for years and years. Mr. Speaker, in spite of all this being destroyed, in spite of the great buying on the instalment plan, I would advise the honourable member that the accounts receivable showing the balance of the operating costs today were never as secure as they are now—yet he talks of our living on credit, living on the instalment plan. There is nothing new about living on credit in Newfoundland—the vast majority of our people have been doing it all their lives. Today they are not only having their credit but they are spending their millions in cash as well, which they have never had before. These are the things the honourable members don't see—they ask us to remove the 3% sales tax—one honourable member said he thanked the sales tax for the surplus. Now, Mr. Speaker, the sales tax is only another tax. We have the motor registration tax, the drivers' license and also a tax on gasoline. Why single out the sales tax and say; this is what produced the surplus? He knows full well that it did not help to produce the surplus of six millions any more than any other taxation the Government collected helped to produce the six million. As a matter of fact if he studied the information before him he will see that the Government is spending this, what we call a social security tax and they call a sales tax—somebody said 3% for Joey. But it is a good thing, the people believe in it—more, Sir, is being spent in the Department of Welfare in providing our people with social security benefits than that sales tax is collecting—it is there before the honourable member if he would take the trouble to read it. Therefore, why say that sales tax above all the others, contributed to the surplus. I say all

the taxation contributes to the surplus. It is foolish and silly to think a lot of people will swallow that because they won't.

Another honourable member suggested that the sales tax be removed—does he also suggest we remove the allowances given to widows and the allowances given to cripples? I am sure the honourable member does not suggest that, his heart is not in that—if we must give the people—and we must do it, Sir, we have no alternative and no Government has any alternative—when the honourable members of the other side, I think, in twenty-one years from now, as the Honourable the Premier says, form a Government they will have no alternative either except to look after those who cannot look after themselves. That has to be done. We have reached a place in our social development, Sir, where not only here in Newfoundland but all over the world today, it has to be done. We are not doing something here that is not being done elsewhere. We are probably a little later in doing it and we know—for sensible people, at least we should be sensible people—in order for these things to be done, in order that cripples can be looked after the taxes must be collected which are assigned to that. There is nobody in this House who thinks he is going to live the rest of his life without taxes.

MR. HOLLETT: There were to be no taxes under Confederation we were told.

MR. JANES: The people who receive the benefits understand too, Sir, and are grateful for the social security measures introduced by this Government.

Well, Sir, I am not going to take up any more of the time of the House, but I would repeat again the end of this Speech—"It is to the everlasting glory of Liberalism in Newfoundland, and indeed in Canada as a whole, that it wasted no time and but few words on these people of little faith, but moved boldly and imaginatively and creatively ahead to build anew to meet the growing need of the people."

MR. CASHIN: Mr. Speaker, before making any extensive remarks on the Budget Speech, I feel it only proper on my part that I should express my congratulations to the Honourable the Minister of Finance on his presentation to this Legislature and to the country of the annual budget address delivered in this House on April 29th., last. This particular address given by the Honourable Minister purports to be the Financial Statement of the Province of Newfoundland for the year, which ended on March 31st., 1953, as well as a forecast of what such financial position will be at the end of the present fiscal year which will close on March 31st., 1954.

Now, Mr. Speaker, ever since this Legislature convened on March 11th., last, I have deliberately refrained from making any concentrated criticism of the actions of the present Government. The House as well as the country are aware that I was more or less excommunicated from the ranks of Her Majesty's Loyal Opposition—an organization which is completely dominated by the Federal Member for the Riding of St. John's East. I do not think that I would be egotistic in stating that my usefulness to the Opposition had ceased. I had served their purpose. Once my efforts on behalf of the present Leader of the

Opposition had contributed in no small way, let me say insignificant way, if you like, in electing that gentleman as the Junior Representative of the great District of St. John's West, his ends also had apparently been served. The Opposition Party in this House is the agency of the Progressive Conservative Party in Newfoundland. It is dominated from Ottawa and cringes under the iron heel of what, in my opinion, is the greatest piece of political egotism Newfoundland has ever known. I refer now to the present sitting member for the Riding of St. John's East, Mr. Gordon F. Higgins. He was the individual who forced the Opposition to use its efforts to destroy me politically and otherwise in Newfoundland. He had a willing accomplice in the present Leader of the Opposition who had used my services for his own personal political advantage, showing me the fair face whilst evidently plotting my destruction politically. I wish to thank him for his efforts in my interest and assure him that I will not forget his kindness and generosity to me.

There have been several matters of public and political importance discussed in this Chamber during the past six or seven weeks. I refrained deliberately, I say again, from commenting on them; choosing to take the part of an uninterested spectator as it were, so that I could have an opportunity of judging the political capabilities and strategies of this supposedly highly intellectual group to my left who now call themselves the Progressive Conservative Party and the foundation or cornerstone on which a future Newfoundland Provincial Government is to be built. Yes, Mr. Speaker, I have listened and refrained from comment even at the

risk of being branded a supporter of the present Government so that I might be able to form my own personal opinion of the capabilities and qualifications of this quartette which would entitle them to be even considered an efficient and effective Opposition doing credit not alone to themselves but to those fine people whom they represent in their respective constituencies as well as the people of all Newfoundland. Because, Mr. Speaker, I maintain that good Government can only function through the efforts and constructive criticism of a competent and intelligent official Opposition; in other words—an Opposition. After watching my former colleagues demonstrate their capabilities and qualities during the past two months I have come to the definite conclusion that never in the history of Responsible Government in Newfoundland, neither in the days when Newfoundland was a national entity or since our country became a Province of Canada—through questionable methods—has an Opposition in this House failed so miserably, yes pathetically, to carry out its obligations to Newfoundland either from a political or national standpoint. What can you expect after all, Mr. Speaker? Any group of individuals calling themselves a party or representing a party, it does not matter which party that may be either Liberal or Tory—which is subservient to outside political prejudices and which party has as its assets the policies of prejudice, jealousy, hypocrisy and personal animosities within its ranks, as evidenced by the actions of the present Opposition, cannot hope to hold the respect of the people as a whole and particularly the respect of the fine people who sent them to this Legislature. Also, what can you expect from a group,

calling itself the Official Opposition in this Legislature, which is now under the leadership of a very junior and inexperienced member who is on the Civil Servant Pension List of the Government because of ill health.

MR. SPEAKER: The honourable member ought not to make personal remarks about an honourable member of Her Majesty's Loyal Opposition.

MR. HOLLETT: To another point of order. Are we permitted to read our speeches on the Budget?

MR. CASHIN: Mr. Speaker, the Budget Speech was read.

HON. J. R. SMALLWOOD (Prime Minister): They are notes.

MR. CASHIN: Mr. Speaker, these are notes. I am going to enlarge on these.

MR. HOLLETT: Mr. Speaker, on that point of order, may I have a ruling?

MR. SPEAKER: That is a point on which no Chair is able to rule. It is deplorable that speeches be read. Speeches ought not to be read.

MR. CASHIN: Now, Mr. Speaker, this particular address of mine, which I have especially prepared, may be the last one that I may ever make in this historic Legislature, a place which holds so many pleasant and, yes, a few sad memories for me.

It is unnecessary for me to add at this time, or to even attempt to emphasize the well-known fact that I, personally, was one of the most outstanding and violent opponents of the Union of Newfoundland with Canada, particularly was I opposed to the manner and methods which were used

to bring about that Union. I did not believe—nor do I believe now—that what is now being termed a "marriage" was consummated in a proper and decent manner. In other words, I believe that this so-called marriage was improperly and illegally solemnized. That Union or marriage was not a ceremony which could or did, under the circumstances, receive the blessings and rejoicings of all our peoples; because under the circumstances surrounding that marriage, it could not be looked upon as a respectable marriage. In other words, that International Union of Newfoundland and Canada was illegitimately conceived and was born out of international wedlock. I realize now that this Union or marriage is final; but I am confident that it will not be very long before that Union or marriage will have to be properly solemnized, because the time is not too far distant when a re-negotiation of the Financial Terms of Union will have to take place so that Newfoundland will demand and receive through its government representatives, the proper financial treatment which it was denied through its improper marriage with Canada when the Terms of Union were improperly negotiated by unauthorized and prejudiced individuals in the Autumn of 1948. I felt then, and I still feel that we did not receive a square deal or justice when the present Terms of Union were negotiated in 1948. I repeat that statement now, for the simple reason that, in my personal opinion those individuals who negotiated those Terms were definitely in favour of Union with Canada at any price. Those same individuals were specially selected, I say, because those responsible for their selection know they were favourable to Union of our

two countries—at any price. These same individuals had no mandate whatever from the Newfoundland people, and in my view (and I might say in the view of thousands of others of our Newfoundland people), did not make any strenuous efforts to see that the Treasury of Newfoundland was protected. They completely ignored the views of the Special Financial Adviser assigned to the Delegation. These people comprising that delegation were definitely biased in their views and in some instances, some of them were protected in the form of lucrative positions—or the possibility of obtaining, at some future date, political favour from the Ottawa Government. I say, "the Ottawa Government," because I feel that it did not matter which political party held the Government of Canada at that time, it could have been Liberal or Tory—such party would have handed out the same treatment to the people of Newfoundland.

I must admit—I have, as a matter of fact, already stated that there are many benefits which have accrued to our Newfoundland people through the bringing about of Union, or forced marriage of Canada to Newfoundland. We cannot get away from the fact that family allowances, Old Age Pensions, Unemployment Insurance and other social benefits have been good things for our people.

On the other hand, these benefits which some people have been led to believe are charitable contributions by the Government of Canada to the people of Newfoundland, for the privilege of calling themselves Canadians, must be paid for; and our Newfoundland people are paying their share in taxes to the Federal Government at Ottawa in order to provide those benefits. I hope to



show before the conclusion of this address of mine, that our Newfoundland people—Newfoundland itself—have contributed and are and will continue to contribute more as a matrimonial dowry in the celebration of this out-of-wedlock marriage with Canada than Canada herself is contributing or will ever contribute. I hope to show that the Newfoundland people are paying more in taxes today than ever before in our history. The people of Newfoundland must remember there are many and varied forms of taxation in this great Dominion of Canada, of which we now form a part—yes, a most important part. Canada is forced to impose heavy taxation in order to carry on as a nation and build up her economy—but particularly must Canada collect heavy taxes from her people in order to play a part as a great National entity. Canada has to pay out money to meet the costs of a vast defence program which during the present year will amount to over two thousand millions of dollars, which is equivalent to \$150.00 each for every man, woman and child in the entire Dominion of Canada, including Newfoundland. In other words, if Canada (of which we are now a most important part) is to maintain herself as a nation—a fighting nation—a nation which has committed herself to play a very important part in the maintenance of Democratic ideals, then Canada must spend these thousands of millions I have referred to in order to maintain and equip a modern army, an Air Force, a Navy and all the other things which go to make up a great National Defence System. Mr. Abbott, the Canadian Minister of Finance, has stated recently that it takes at least 45c. of every dollar collected by the Canadian Treasury to pay these huge

expenditures. Let us not forget that the expenditures of such huge amounts of money create an internal economy which otherwise would not exist if conditions were normal—and the world, yes, the Christian World, were not threatened with the evils of Communism. The Provincial Government of Newfoundland receives certain subsidies from the Federal Government of Canada based on the value of the gross National Production of the entire nation. If that two thousand millions of Defence Expenditure were eliminated tomorrow, I wonder how would it affect those revenues under our Tax Rental Agreement—revenues which have been increasing annually since Canada inaugurated her Defence program over two years ago and which we are told will be completed in 1954. I wonder what would our Budget Revenues under ordinary account look like from this particular source? Would it be higher or would it be lower?

Reverting again to the entry of Newfoundland into Union with Canada—what I would term the “compulsory marriage,” of our two countries—I have stated on hundreds of previous occasions that Newfoundland as a country—a free country—as a financially independent and self-supporting country at the time of Union did not receive the financial considerations she was entitled to receive under our present agreement.

Mr. Speaker, I now crave the indulgence of this House in this which may be my last speech within the walls of this historic Chamber, to review in general detail the administration of the affairs of this Province for the first four-year period of our marriage with Canada. Then, let us have a look at the facts again, because sooner or later—and I lay em-

phasis on the word "sooner"—it will be necessary for the Provincial Government to make representations to the Federal Government, within the period of eight years, as laid down under Section 29 of the Terms, which again I say were negotiated and finalized by an unauthorized and, in my opinion, illegal body of Representatives in the autumn of 1948. I go so far as to state that the negotiators on both the Canadian and Newfoundland sides, as well as the British Government knew that they were parties to the violation of the Law, but to use the words of one of the Canadian negotiators—"the end justified the means;" and of another Canadian negotiator—"we got them at last." Why, Mr. Speaker, all three parties to this one-sided deal scrapped the British North America Act and Newfoundland was robbed of its nationality. True, as I have already stated, our people are receiving many benefits—they are paying for them—

**MR. SMALLWOOD:** The last thing I want to do is to interrupt the honourable gentleman, and I should be sorry to admit that the statements made by him are correct. I cannot admit that. Here is one who took part in the negotiations feeling what he did was right and proper, just and lawful. I had to say that.

**MR. CASHIN:** I accept the Premier's statement. I said—"in my opinion." I am an independent member, owing allegiance to neither side.

I have stated on many previous occasions that probably there would come a time when the people of Newfoundland would be fairly well off, but that the Treasury of Newfoundland would be bare. As a matter of fact, Mr. Speaker, such an

occurrence took place in the Autumn of 1951 when that snap election—that absolutely unnecessary general election was sprung on our people. That was the main reason for that election. The Government had overspent and had committed itself for obligations which they would find it difficult to meet. This statement of mine has been borne out, and the Budget Speech delivered by the Honourable Minister of Finance on April 30th., 1952, showed on close scrutiny that the entire surplus of approximately forty-two millions of dollars handed over to that administration on April 1st., 1949, had all been expended or commitments had been made which would, in effect, wipe out the entire amount. In order that we may more clearly establish our financial position, and in order particularly that our people may be acquainted with such a situation, I feel it necessary on my part to make a review in as brief a detail as possible of the administration of the Provincial Government of Newfoundland since April 1st., 1949, to March 31., 1953, making comments on certain matters which will be my own personal opinions; and finally giving a brief idea of what I think would be necessary from a financial standpoint, to carry on the Government of this Province under ordinary normal conditions so that we may be able to maintain our public services at their present level without the imposition of any further Provincial Taxation.

We will, therefore, begin with a review of the fiscal year 1949-50, the first year of Union with Canada, and the first year in office of the present Government. It is agreed that we had a cash surplus or an available cash surplus to begin with of over forty-one millions of dollars on April

1st., 1949. In addition we had other assets in the way of moneys advanced to Fish Companies, the St. John's Housing Corporation and other Corporations. These amounted to somewhere in the vicinity of eleven millions of dollars, and includes one million dollars of surplus of the Newfoundland Savings Bank.

For the fiscal year 1949-50, the overall revenues of the Province amounted to 37.7 millions of dollars. Of this amount some sixteen millions were collected on account of pre-union surplus, some sixteen millions of which have been included in the forty-one million already referred to, and out of which some 2.2 million dollars were expended to pay obligations incurred prior to Union with Canada.

The sixteen millions credited to our Surplus Account and included in the forty one millions were collected in 1949-50 through the avenues of income tax for 1948. Corporation Tax and death duties outstanding for the year 1948. Approximately seven million dollars were collected from the Federal Government at Ottawa as payment for Steamers at the Railway, Stores at the Railway and Gander Airport and other Departments taken over by the Federal Government. It might be pointed out at this juncture that, through bungling on the part of some of the Newfoundland negotiators, several more hundred thousand dollars were lost to our Treasury. Attention is also directed to the fact that our Railway and General Transportation System which had cost Newfoundland upwards of fifty millions of dollars were handed over to the Canadian Government for nothing. The same applied to the Newfoundland Hotel taken over by the Canadian National Railway which had cost our Treasury upwards of one million dollars. True,

these various Public Utilities had been operating at a loss, but nevertheless, they were fixed assets, paid for by the Newfoundland people and which were thrown into the bargain as it were. The amounts just mentioned cannot be shown as permanent sources of revenue. We find that our Ordinary Current Revenues collected for this period amounted to 20.4 millions of dollars, whilst our Current Expenditures amounted to 23.9 millions of dollars. This, therefore, left a deficit on Ordinary Current Account for the fiscal year 1949-50 of 3.7 millions of dollars. In addition to this deficit, some 5.8 millions of dollars were expended on the extension of Public Services. If we had these two amounts together we find that we had an overall deficit of around 9½ million dollars for the year 1949-50. This then left a balance to the credit of our Surplus Account of 31.6 million dollars.

The moneys which were expended on the extension of Public Services were principally disbursed through the Department of Public Works. For instance, Buildings accounted for 2.2 million dollars. It will be recalled that a large and necessary program of extension of hospital accommodation had been initiated by the Commission Government the previous year. This included the extension to the Mental Hospital at St. John's and the continuation of the construction of a large Sanatorium at Corner Brook. For the second year over two million dollars were expended on the improvement and reconstruction of roads and bridges as well as the construction of new roads. Some four hundred thousand dollars were expended on the building of new schools and repairs to existing schools, whilst around half million dollars were advanced to Housing Associations in the

form of Loans. It is also interesting to note that in the first year of Union with Canada over four millions of dollars were expended to take care of relief and unemployment throughout the Province—which was almost twice the amount similarly expended the previous year.

It will be remembered that under the Terms of Union with Canada, Section 24, sub-section 2(a), one third of our surplus was to be set aside on deposit with the Federal Government, which could only be withdrawn for the purpose of meeting deficits on Ordinary Current Account. Under these same Terms, we were permitted to deposit any moneys we may have in the form of Surplus, with the Government of Canada, and receive interest thereon at the rate of  $2\frac{1}{4}\%$  per annum. So, during the fiscal year 1949-50 there were deposited with the Canadian Government at Ottawa some twenty millions of dollars, leaving 11.6 millions of dollars in the Banks at Newfoundland and about half million dollars to our credit with the Crown Agents for the Colonies in London. This was the standing of the Province on March 31st, 1950. Of this amount of 31.6 million dollars, slightly over ten million dollars were earmarked for deficit purposes—the balance of over twenty one million dollars could be used for the development of resources and extension of public services. This same year the Government had been severely criticized because of the rising cost of living, which was contrary to the impressions created by those advocating the Union of Newfoundland with Canada. Many of our business organizations were directly or indirectly accused of profiteering and the Government appointed a Commission to investigate the whole matter. This Com-

mission did not submit its report until the fiscal year 1950-51, but it will not be out of place to say that the result of the Commission's Inquiry disclosed that no profiteering existed and the cost of the Inquiry (amounting to over forty thousand dollars) became an extra charge on the Newfoundland Treasury.

Now, we come to the year 1950-51, a year which showed marked improvement in the earnings of our people. This was the year in which the Government launched its aggressive Economic Development Program—a program of "Develop or Perish," as it is generally called. Before making any comments on the events of this particular year, let us see the results of the operations of the Government for that period. We find that the Government expended a total sum of  $39\frac{1}{2}$  million dollars, which included 11.6 million dollars taken from our Surplus Account—or in other words we expended this amount on what is ordinarily called Capital Account. On the other hand the Government collected in overall revenue 31.5 million dollars, which included some 3.5 million dollars of pre-union surplus. Of this  $3\frac{1}{2}$  million dollars, one million dollars was repaid by the Federal Government towards the construction of the Trans-Canada Highway which Agreement had been made with that Government on a 50-50 basis—during this particular year. It included  $1\frac{1}{4}$  million dollars collected on account of pre-union assets and credited to that account. It also included some eight hundred thousands in Federal Grants towards Hospitals and other projects. Now the total Ordinary Revenue for the fiscal year ending March 31st, 1951, amounted to over twenty-eight million dollars; whilst the total Ordinary Expenditure amounted to

27.4 million dollars, showing a surplus on Ordinary Current Operations for that year of some \$650,000.00. There was, therefore, a balance of 24½ million dollars left to the credit of our Surplus Account.

Now, let us make a brief review of general administration during this fiscal year 1950-51. First the Department of Economic Development was created and the services of Dr. Alfred A. Valdmanis were engaged to take over the duties of Director of Economic Development at the unheard-of salary of twenty-five thousand dollars annually—a salary on a par with the Chief Justice of Canada and more than the Prime Minister of all Canada receives. As a matter of fact, this is the highest salary being paid any official in the services of the Governments of Canada, either Provincial or Federal.

Dr. Valdmanis was responsible for the establishment and construction by the Government, out of Public Funds, of the Cement and Gypsum Plants located at Corner Brook. He estimated that the Cement Plant would cost to construct and put into operation approximately three millions of dollars. He worked out a program which convinced the Government that there would be a profit in the operation of this particular plant of around ¾ million dollars annually. Valdmanis estimated that the cost of constructing the Gypsum Plant would be slightly in excess of 1½ millions of dollars and that this particular industry would give the Government an annual profit of another ¾ million dollars. In other words, if Dr. Valdmanis's estimates were correct, these two new industries totally owned by the Government would show a net profit to our Treasury of 1½ million dollars annually or around 30% on our in-

vestment. Then again yet another industry was established on the Topsail Road. This is what is now generally referred to as the Birch Plant, which is operated by a specially incorporated Company called the Newfoundland Hardwoods. This plant was estimated to cost in the vicinity of one million dollars, and from remarks made in this House by the Premier, the profits would be more than substantial. There was no prospectus drawn up and the contract for its construction and operation was made with Messrs. Chester Dawe Ltd. Up to the present this plant has cost to construct over 1¼ million dollars, whilst in addition the Government has advanced the Hardwoods Company upwards of another million dollars in cash and Bank guarantees to be used in Working Capital. It will be seen, therefore, that the estimates given for the construction of these three plants was around six millions of dollars. They have cost, up to the present time, around eleven millions of dollars. It might be said that it was during the year 1950-51 that the Government in its enthusiasm began its program of what, in my opinion, was the ill-advised spending of public moneys. It was during this particular year that the Premier announced in the House the advent of the Rockefeller interests into Newfoundland. They came—they made an economic survey which has never been made public and for which the Government paid handsomely—Rockefellers not spending a cent of their own money. This was just another bubble which burst—their mission produced nothing and their interest in Newfoundland has ceased. This same year the Government engaged the services of the Power Corporation of Canada to make a survey of certain waterpower po-

tentialities in Bay d'Espoir. That survey has been completed and I agree with its object. The cost has been in the vicinity of \$250,000.00. It was also during this particular year that "The Buy Newfoundland Products Campaign," was inaugurated and about which I have made more than my share of critical remarks—remarks which I say reflect, not so much on those who carried out the campaign, but on the carelessness and inefficiency of certain officials in the Department of Economic Development and Finance. It is not my intention to dwell further on this matter, except to say that it is now quite evident to me that even at that time I did not have the support of my former colleagues in the Opposition in respect to my views regarding the manner in which some eighty-five thousand dollars were, in my opinion, squandered. Then again we had the "Icelandic Boats" fiasco—a deal in which the Government, through lack of foresight found itself made responsible for almost half million dollars of liabilities—liabilities which should have been placed on the shoulders of certain private interests, but for those mistakes and judgment the Government assumed responsibility. This same year the Government spent half million dollars on new buildings—a continuation of the program initiated by the Commission Government. The Fisheries and Loan Boards had been created and some six hundred thousand dollars voted for those Boards to administer. These have been anything but constructive or successful in any respect. The year closed on March 31st, 1951, leaving a balance to our credit out of the original forty-one millions of dollars of approximately 24½ million dollars. Bank loans had been guaranteed for fish-

ery purposes principally amounting to some 1¾ million dollars. Twenty million dollars still remained to our credit on deposit with the Federal Government at Ottawa and 4½ millions were to our credit in the Bank of Montreal at St. John's and with the Crown Agencies for the Colonies in London. Of this 24½ million dollars just mentioned the sum of around 10½ millions can only be used for deficit purposes and the balance of some fourteen millions of dollars are available for economic development and expansion of public services.

We come along now to the fiscal year 1951-52 and as already stated we begin that year with a Cash Balance to the Credit of our Surplus Account of 24½ million dollars. We observe that our total over-all revenues amount to \$33,030,000—1¼ million of recoverable assets which includes a million dollars on account of the Federal Government proportion share of cost of Trans-Canada Highway, as well as \$250,000 for the construction of hospitals etc. Again it may be pointed out at this time that the three new plants, Cement, Gypsum and Birch Plants were exceeding the original estimate of six millions of dollars given by Valdmanis; and the Government which looked to such huge profits when these projects were originally initiated a year or so previously were not doomed to utter disappointment.

Now, we return to the Summer of the year 1951: The Premier, the Attorney General and Dr. Valdmanis made an extended tour of Europe particularly Germany. During the course of this trip Dr. Valdmanis introduced these Ministers of the Crown to various industrialists in Germany, Switzerland and Holland, with the result that a new programme of In-

dustrial Development was inaugurated. This programme called for the establishment of several factories in Newfoundland which would be financed by the Government. That meant that the Government would find the necessary dollars to build and establish these plants, putting up money equal to the value of the machinery and equipment provided by these European Companies and brought to Newfoundland. The Government were to hold the plants as security, charging interest on the loans. However, there was no prospectus submitted to the Government to establish whether or not these various plants would be paying propositions when once put into actual operation. So, in October, 1951, the Legislature was again convened in special session to enact the necessary legislation empowering the Government to finance these various plants in the form of bank guarantees, bond issues or direct loans. These various plants for which special companies were incorporated under Newfoundland Law were unable to raise any money through bank loans, bond issues even with Government guarantee. So the Government has been financing them in the way of cash loans taken from our Surplus Account. Which reminds me, Mr. Speaker, of what the honourable member for Fogo said about the banking experts coming here and bragging about how wonderful Newfoundland was. They were not prepared to finance these companies even with the Government of Newfoundland behind them. About two millions of dollars were advanced to two or three of these European Companies during the year 1951-52 which leaves a balance of around four million dollars to be found during the following year.

In the previous session of the Legislature in 1951, legislation was enacted establishing a Crown Company called NALCO which had as its object the exploration and development of our natural resources. Wide concessions were granted the corporation. The Government subscribed 90% of the issued shares for which was paid \$900,000 whilst private interests in Canada and in the United States purchased the other 10% for \$100,000. This Company had as its chairman, Sir William Stephenson, who had considerable influence and prestige in the money markets of the world. It was said that this Crown Company was to be the Government's Economic Arm. One of its plans was to take over and operate or sell at a profit the three fully owned Government plants. These latter plants were almost completed during this particular fiscal year. The Cement Plant originally estimated by Dr. Valdmanis to cost in the vicinity of three millions of dollars has now cost, together with working capital, four and three-quarter millions of dollars. The Gypsum Plant originally estimated by Valdmanis to cost less than two million dollars has cost the Treasury around three millions of dollars. The Birch Plant which we were told would cost in the vicinity of one million dollars cost instead when we include working capital advanced and guaranteed to the Newfoundland Hardwoods Limited, upwards of three millions of dollars. In other words, these three plants which we were informed would cost to construct some six millions of dollars now stand at almost eleven millions. There have been no profit and loss statements given and this House is not aware of any profits which may have been made through operations.

If I may express a personal opinion at this time, Mr. Speaker, I look upon these ventures with grave misgiving whilst at the same time I sincerely pray that these three new industries created entirely from public funds will ultimately justify the optimistic predictions of Dr. Valdmanis and the Premier. However, I regret to say that the report on the possibilities of these ventures made by that outstanding firm of industrial engineers, Messrs. Coverdale and Colpitts, does not indicate to me that the optimistic forecasts and predictions of the Honourable the Premier and Dr. Valdmanis will ever be realized. On the contrary, if we study that report closely, it is a repudiation in every sense of the words of the estimates made by Dr. Valdmanis personally as regards the cost and profits which were anticipated by him when he prepared his master plan for the establishment of a Cement and Gypsum Industry in this Province.

This report, incidentally, cost the Treasury of Newfoundland somewhere in the vicinity of fifteen or twenty thousand dollars. Incidentally, Mr. Speaker, the Government has stated that they have sold this Cement Plant to the Canadian Machinery Company. I do know that no money changed hands and Newfoundland is still responsible for the bond issue while they were supposed to pick up, pay the sinking fund and interest. In other words, four and three-quarter per cent of four million dollars plus four per cent sinking fund, eight and three-quarter per cent of four million dollars, three hundred and twenty thousand dollars a year profit which they have to make in order to pay the interest on the bond and the sinking fund. I question it very much, but I sincerely hope they do.

MR. SMALLWOOD: May I correct the honourable gentleman in respect to Coverdale and Colpitts. The report cost the Treasury nothing. The amount was ten thousand dollars. The Government did not pay it. NALCO engaged and paid them. They thought we should and we thought they should, and they did it.

MR. CASHIN: And the Government own 90% of the stock—Harriman and Ripley paid the other ten per cent.

The Government suddenly realized the gradual disappearance of their surplus account. They began to realize that the Treasury was becoming fast depleted or committed through legislative enactment for moneys which they really did not have. Then, in order to justify what I would again term their ill-advised policy of industrial expansion, a snap general election was called—an unnecessary election—which the Government claimed would give them a mandate from the people to continue their economic development programme. That same mandate had been given them in the election of 1949.

The moneys available for economic development and the expansion of public services had all been expended, despite the fact that extra taxation in the form of a Social Security Tax of 3% had been placed on certain commodities during 1950-51.

So we find that on March 31st, 1952 the Newfoundland Treasury was bare and all that remained to the credit of the surplus taken over in 1949 amounting to forty-one million dollars and increased to around forty-six million dollars over that period was \$10,850,000 which was on deposit with the Federal Government at Ottawa. We



find that on March 31, 1952 we had on several periods during that fiscal year been borrowing money from the Bank of Montreal. Further, on March 31, 1952, the Government of Newfoundland was obliged for over three million dollars in the way of bank guarantees.

In addition to these obligations, the Government had become obligated through legislation for the establishment of certain industries to the extent of around another four million of dollars. It may be safely stated that the entire surplus of forty-five or fifty-six millions of dollars had been expended or obligations had been incurred to absorb that amount.

This then completes our first three years of union with Canada and the administration of our public affairs as a Province of that Dominion.

MR. SMALLWOOD: Just before the honourable gentleman goes on to the next year, dealing with one point only, will he allow me to say this: It is perfectly true that on a certain date we were broke, and on several dates since then and before then, we have been broke and we expect to be broke once or twice in the current year. We expect to be broke from time to time only in this sense: We have the money, but it is not available to us for a week or two or three. So we do what all Governments have always done in Newfoundland and everywhere else and what it always will do, get temporary bank accommodations until the taxes come in. That is common practice.

MR. HOLLETT: At three and three-quarter per cent.

MR. CASHIN: I appreciate the Honourable Premier's remarks. But no Government in the history of

Government in the British Empire, Commonwealth of Nations, ever started off (I am looking at it now on a per capita basis) with forty-six million dollars to their credit and had to borrow money after two years.

MR. SMALLWOOD: No, because they borrow year by year.

MR. CASHIN: Mr. Speaker, the present administration did not borrow a dollar from the banks until the year 1951-52. The first year went fine, 1950-51 went okay and in 1951-52 it began. I understand how it is done. It is quite simple. Certain cash is coming in from Canada every quarter or every day as the case may be, and they borrow against it and deposit it to the credit of the account. However, when I go further on you will see what I mean. It is a matter of addition and subtraction.

This then completes our first three years of union with Canada and the administration of our public affairs as a Province of that great Dominion. It might be proper at this time to see how we stood financially and how our Government affairs worked out for that period. Therefore I give herewith a statement of the revenue and expenditure on ordinary operating account for each specific year. They are as follows:

Revenues:

|               |              |
|---------------|--------------|
| 1949-50 ..... | \$20,432,966 |
| 1950-51 ..... | 28,060,837   |
| 1951-52 ..... | 25,840,028   |
| Total .....   | \$74,333,829 |

Expenditures:

|               |              |
|---------------|--------------|
| 1949-50 ..... | \$24,168,841 |
| 1950-51 ..... | 27,411,345   |
| 1951-52 ..... | 24,141,629   |
| Total .....   | \$75,721,815 |

Therefore, for the first three years of union with Canada under the administration of the present Government we had a total deficit on ordinary current operations of \$1,388,086. It might be interesting also to point out that over that period we collected almost four million dollars under the Social Security Taxation Legislation, and add that the imposition of this additional taxation was willingly paid by our people, although they had been impressed with the idea that once we entered with Canada there would be no such form of taxation imposed. It might be further observed that but for the imposition of this unexpected taxation that our ordinary operating account would have shown a shortage of over five million dollars.

That brings me to a point which I have heard discussed here by the honourable member for Fogo and the gentleman on the Opposition regarding the purchase of motor cars. Our people earn a lot of money and buy a lot of motor cars in Newfoundland. Today there are in Newfoundland somewhere in the vicinity of twenty-four thousand motor vehicles, cars, trucks, etc., seventeen per cent of which are owned on the Avalon Peninsula, valued at forty-five to fifty million dollars with five million dollars owed on them. Not another Province of Canada is able to show that record. I got that from the horse's mouth, and it was not the Ottawa Horse. You have been in Ottawa recently and got your orders to go there. I don't have to go to Ottawa. I get mine any time I like, yours are issued. You stood up here one day and called the small shopkeepers of St. John's West a crowd of bootleggers.

MR. SPEAKER: Order.

MR. CASHIN: There is one particular point I wish to explain for the benefit of the House, and the country and that is the variation in the amounts we received from the Federal Government in the form of Statutory Subsidies—subsidies in lieu of taxes, and transitional grants. For the year 1949-50 these subsidies etc., amounted to \$13,284,749; for 1950-51, \$15,260,051 and for 1951-52, \$16,062,907. It will be noted that from the first year of union until the close of 1951-52 our annual subsidies and grants from Ottawa have been increasing annually. Now, we are paid under the tax rental agreement an annual amount based on the value of the gross national produce of the whole of Canada; we are paid this on a per capita basis. During the first year of union, business generally throughout Canada was not so flourishing, but when Canada inaugurated its huge defence programme of expenditure the entire economy of Canada increased proportionately because it meant an annual spending by the Dominion for defence purposes of around two thousand millions of dollars annually for a period of three years, which will continue until sometime in 1954. So, based on our tax rental agreement with the Federal Government, our revenue from that source has been substantially increased. However, on the other hand, under the Terms of Union of Newfoundland and Canada, Newfoundland was to receive under the Terms of Union 6.5 million dollars each year for three years as a transitional grant. Thereafter in the first year this grant would automatically decrease itself by \$850,000 each year until it finally disappeared after the twelfth year of union. So for the coming year of 1953-54 our transitional grant will

reduce itself from 6.5 millions of dollars to \$5,650,000.

The figures which I have been quoting in this address of mine are approximately correct. They are more or less confirmed by the three annual reports of the Auditor General for the years 1949-50, 1950-51 and 1951-52. As already stated, we now began the year 1952-53 with the only cash to the credit of the Provincial Government being on deposit with the Federal Government in Ottawa. As I have already told you; this money can only be used to cover deficits on ordinary current account. That brings me to a review of our affairs for that fiscal year which has just closed, and as outlined in the Budget Speech delivered by the Minister of Finance last week.

Mr. Speaker, the Budget Speech delivered by the Honourable Minister, in my opinion, does not clearly outline the financial position of this Province as clearly as such position should be outlined. As I pointed out at the beginning of this Address; a Budget Speech is assumed to be the annual financial report of the Province. The present Budget does not properly outline in any way the actual and true position of the finances of Newfoundland. No attempt whatsoever has been made to explain that situation. For instance; the Budget address informs us that the total revenue amounted to \$34,854,200. No attempt whatsoever has been made to tell us nor to tell the people through what departments these revenues were collected or from what source of taxation such revenues were derived. It also tells us that there were 28.3 millions of dollars expended on current account, but it does not explain through what departments or for what purposes such expenditures were

made. It would appear that in order for the people of the entire Province to obtain this information it will be necessary to wait another year until the Auditor General's Report covering the accounts for 1952-53 were completed and for that matter published—because very few, yes, very, very few of our people ever read or even attempt to obtain a copy of the Auditor General's Report.

It is evident that the Budget Address was prepared and approved by the present Government, not so much as a document which would inform the people as to the financial position of the Province, but rather as a document which to a great extent could be published for political purposes. True it is that every Government would try and express through their annual Budget the best and most popular incidents for the year which such a document would cover. At the same time, it is the duty to show through the avenue of their annual financial statement contained in a Budget Speech the true position of the Province. Governments should for instance show through their annual financial statement, to as great an extent as possible, both sides of the picture. For instance, there has been no mention in the present annual address that on March 31, 1952, at the end of the fiscal year, the only money remaining to the credit of the Province was on deposit with the Federal Government at Ottawa, which moneys could not be used except for deficit purposes; that further substantial obligations undertaken by the Government during the previous year involving many millions of dollars had to be taken care of out of borrowed money, despite the fact that some forty-six millions of dollars had been handed them in 1949 by the Commis-

sion of Government. They did not tell the people that even though they had been handed this substantial amount of available cash surplus, that before they were in office three years they were forced to obtain loans from the Bank of Montreal, and finally, before the end of that year had been giving notes to the Newfoundland and Labrador Corporation and to the Fisheries Loan Board for one and a quarter million dollars. There are other matters of just as great importance which have not been referred to in this most important document.

It would seem that the particular object of the present administration is to create the impression amongst the people through the avenue of this most important address that, because of the efforts of the present Government during the past three years, this unprecedented prosperity of our people generally has been brought about. But there is no warning to our people that our present financial position as a people has been greatly brought about by a more or less fictitious economy created largely by huge expenditures for defence purposes by the Government of the United States of America and the Canadian Government, and that our people as a whole should be cautious as to over-expenditure on their part; for the simple reason that such expenditures for defence purposes cannot be expected to continue indefinitely.

There is no indication in the Budget Speech that the surplus of six and a half millions of dollars for the year 1952-53 was more or less obtained through compulsory additional taxation in the form of social security tax legislation, which has been responsible for taking from the people's earnings during the past three years approx-

imately nine millions of dollars, a burden of taxation which our people did not expect, and that gradually further taxation is being imposed upon them. Our people have not been told through this Budget Address that, if they are to expect our various public services to continue at their present level, even more taxation will have to be imposed in order to pay the costs of these particular services. Our people should be warned and advised by our Provincial Government that the defence programme of the Dominion of Canada will be substantially reduced during the year 1954, as outlined by Mr. Abbott, the Federal Finance Minister, a short while ago. The same applies to many aspects of the American Government's defence expenditures. There were over twenty millions of dollars paid to our people during the year 1952 for defence work, and it is anticipated that this present year will see twenty-four and a half million dollars expended.

MR. SMALLWOOD: May I help the honourable gentleman at this point? Far more than half of the amounts paid out in the year just passed and in this present year for defence is a permanent yearly expenditure, and far less than half of it is an extraordinary or unusual expenditure. It is almost impossible for the total amount received by the people in wages and salaries on account of defence to fall below well over half of the figure for last year and this year.

MR. CASHIN: Half would bring it down to ten or twelve million dollars. I would like to point out for the information of the Premier that the American authorities are even now cutting their expenditures. Their people and families around this city

have been paying high rentals and their allowances have been cut and they are getting out and going back home. That is an indication that Eisenhower is not throwing money away. I say: our people should be strongly urged to conserve their earnings just in case of a substantial reduction in those earnings. It is not my intention to create a feeling of pessimism in the midst of great optimism, but it is just as well for us all to realize that these defence projects cannot continue to give our people, not alone in Newfoundland but in Canada as well, and the Great United States of America, that feeling of permanent security which many of us are now so confident about. We should face facts and face them boldly. In order to face these facts our people must have leadership, and they look to this Government to keep them advised. That is the duty of Government, and it is my opinion, that the Government which keeps its people honestly informed generally receives the respect and admiration of the great majority of the people.

The Budget Speech delivered by the Honourable Minister of Finance, for instance, did not give any particulars of how some ten or eleven millions of dollars were expended on capital account for the year ending March 31, 1953. The Address did not tell the people that many millions of this latter money was expended only on the authority of the Cabinet, which expenditures were, to my mind at any rate, illegal and absolutely contrary to the provisions of the Audit Act. It did not tell, nor has it been told in any of the Budget Speeches since 1949, that agreements had been entered into and money advanced in order to establish certain European factories in Newfoundland. Not even we, the

members of the Legislature have been told, every one of us questioned the legality of such expenditures. I refer now to Section 24, subsection 2 (b) of the financial terms of union which reads as follows:

"The remaining two-thirds of the surplus shall be available to the Government of the Province of Newfoundland for the development of the resources and for the establishment or extension of public services within the Province of Newfoundland."

It would appear now to me, as an ordinary citizen, that we were only permitted to expend our original surplus for the development of Newfoundland Resources and expansion of public services, and not for the establishment of industries that to my mind at any rate could not be interpreted as the development of the resources of Newfoundland. For instance, can we call the financing on the Topsail Road of a machinery plant the development of one of Newfoundland's natural resources? Can we call the financing of a textile plant now being put into operation in the District of St. John's West, the development of the resources of Newfoundland? I doubt it. I am beginning to wonder if from a legal standpoint the Department of the Attorney General has ever considered the matter. Have any of the officials of the Department given a written opinion in this particular point?

MR. SMALLWOOD: We will have to put some down in St. John's East.

MR. FOGWILL: A glue factory, I suppose.

MR. CASHIN: There are several other such instances of industries of—in my opinion—doubtful nature which

have been financed from the Treasury of Newfoundland, from surplus money acquired by the Government of Newfoundland when Newfoundland became a Province of Canada on April 1, 1949. However, the money is now gone, and there is no indication in the Budget Speech that any of these industries are a paying proposition. There is nothing to show that the Government will receive any revenue in the form of profits from either the birch plant or the gypsum plant during the fiscal year 1953-54.

The Treasury of Newfoundland has used up more than twenty millions of dollars during the past three years in the establishment of three wholly owned government plants, which plants cost in the vicinity of eleven millions of dollars and also in advances of around another ten millions of dollars advanced in the form of loans or committed to be advanced to European Companies for the purpose of establishing certain factories in Newfoundland. Yes, the Government holds mortgages on these plants, but the Government has no representation on the Board of Directors of any of these companies to guard the interests of Newfoundland. The Minister of Finance, representing the Government, through the medium of this Budget Speech has conveniently omitted to make any reference whatsoever to these things, but has devoted his energies to try and create an impression, the ridiculous impression that this Government is responsible for the unprecedented prosperity which our people are now enjoying. No comment has been made in the Budget Speech about the unheard of taxation the people are compelled to pay to both the Treasury of Newfoundland and to the Treasury of the Federal Government at Ottawa. The people

have not been told through the medium of this annual Budget Address that when the present Government took office in 1949 the public debt of the Province of Newfoundland was a mere five million dollars; that we had over forty millions in available cash; and that now all our available cash has been expended or we are obliged to spend it, and that we were forced to raise a loan of ten millions of dollars last year to meet commitments by the Government. These are things that the people should know and these are things for which the Government has a responsibility to convey to the people, and to give the legitimate reasons for such a situation. I will refer further to that raising of the ten million dollar loan on commenting on the administration of affairs during the year 1952-53, the year just closed on March 31, last.

Mr. Speaker, I think I have shown that on March 31, 1953, the year just ended, that all the available surplus had been expended and that all that remained of the original forty-six millions of dollars had been expended, and that obligations had been incurred by the Government to advance or expend moneys which they did not have. In other words, the Government are making provision for expenditures on capital account for the fiscal year 1953-54 amounting to around eleven and a half millions of dollars—moneys which they have not available at the present time.

MR. SMALLWOOD: Not until the taxes come in. We are not ready to spend it either.

MR. CASHIN: Let us now review the affairs of Newfoundland as administered by the present Government for the fiscal year 1952-53 and

see in what position the Province stood financially at the end of March of the present year.

It was agreed—as a matter of fact the Auditor General's Report shows—that at the beginning of the fiscal year 1952-53 which was on March 31, 1952, there were no moneys left available for capital expenditure in the form of cash available for economic development nor for the expansion of public services. All that part of our original surplus had been expended. But we find that the Government had committed itself through legislation for the establishment of certain European Industries to the extent of twelve millions of dollars. Now, up to March 31, 1953, some five millions of dollars of the original twelve millions had been advanced these various companies in the form of loans, because this became necessary in view of the fact that the several companies were unable to negotiate either bank loans or bond issues. That leaves a legislative liability in the form of agreements between the Government and various companies of around seven millions of dollars. However, I understand, one or two of these European Industries have abandoned the idea of establishing plants in Newfoundland, such as the Marine Hardening Plant originally planned for Harbour Grace.

MR. SMALLWOOD: They are going to the Mainland.

MR. CASHIN: There are probably a few others. It is safe to say that at the present time the Government is legally liable to provide around five millions of dollars for such factories and agreements. Therefore, if such agreements were fully carried out our entire cash money

now on hand would be practically exhausted.

The total revenue collected by the Government on ordinary current account for the year 1952-53 amounted to \$34,848,300. Approximately twenty-two millions of this amount came from the Federal Government in the form of subsidies, tax rental agreement, transitional grant, etc., amounting to twenty millions. The other two millions were special grants for education, health, public works and public welfare. Let me say that such special grants were also given the other Provinces of Canada on a per capita basis. Some people get the idea we are only one to get these special grants, but the other Provinces get them also.

Our total ordinary expenditure for the same period amounted to \$28,301,148—which leaves a surplus as shown in the Budget Speech of \$6.5 millions. In addition to the expenditures of 28.3 million dollars on current account, we also expended on Capital account an amount of approximately eleven million dollars, which shows that our total expenditure for the fiscal year 1952-53 amounted to roundly thirty-nine millions of dollars. Thus we see that our Government expended for that year almost five millions of dollars more than was collected.

As I have already pointed out in this address of mine, the Government were making commitments for moneys they did not have. They had rushed into projects without considering where the money was to come from. One would almost say that the Government felt that their surplus money could never be exhausted. However, they realized that loans had to be obtained and an effort was made

through the Newfoundland and Labrador Corporation to raise a loan of ten millions of dollars—the idea being that NALCO would purchase from the Government the three wholly-owned government plants, namely the Birch, Cement and Gypsum Plants for their actual cost of construction, which amounted at that time to around 9.2 millions of dollars. The Honourable the Premier informed this House just about a year ago that the NALCO Corporation would either operate these plants or sell them at a profit, and that they would assume the obligations of paying them interest and sinking fund on the proposed loan. The Premier told this House that Sir William Stephenson, then the Chairman of NALCO, had already made arrangements for the money and that all we had to do was pass the Legislation and immediately the money would become available. What happened? Something happened, because NALCO was unable to raise the money either in the United States or in Canada. They were told, according to statements made by the Honourable the Attorney General recently in this House that NALCO owned nothing—that the concessions granted in the NALCO legislation were subject to approval of the Lieutenant Governor in Council. Now, remember that NALCO were to have these three plants which had cost our Treasury over nine millions of dollars—there was a Government guarantee behind the proposed loan; but not the money market turned down NALCO, government guarantee and plants and concessions. Then it became necessary to call a special session of the Legislature to pass a Loan Bill, making such a loan a direct charge on the Province of Newfoundland. The Government had to have this

money—they had committed themselves to the expenditure or advances through legislative agreements. They were not permitted to touch \$10,850,000 on deposit with the Federal Government at Ottawa. That money had been tied up by the Agreement made when Newfoundland became the tenth Province of Canada.

This loan of ten millions of dollars was sold to Canadian Underwriters on August 13th, 1952 and our Treasury received for this ten millions, \$9,677,329. Now, to find out our actual position on March 31st., 1953, we must add this 9.6 millions of dollars to our total revenue for that fiscal year (1952-53) and we find that our total receipts for that fiscal year amounted to all told, \$44,525,629, whilst our overall expenditures for the same period amounted to thirty-nine millions of dollars. It is seen, therefore, that we should have had cash in hand apart from the amount deposited with Ottawa on March 31, 1953, approximately 5½ millions of dollars. However, in answer to a question which I directed to the Minister of Finance during this present session, I was informed that on March 31, 1953, there were on deposit to the Credit of the Treasury in the Bank in St. John's 8.8 million dollars. This makes a difference of over three millions of dollars. It is evident, therefore, that many obligations or Bills included in the actual amounts expended for the fiscal year 1952-53 have not been paid and are yet outstanding. One or two of these amounts may just be the 1¼ millions of dollars shown as a liability in our Balance Sheet for the year 1952—which was money paid back to the Government by NALCO and the Fishery Loan Board, for which notes were given. Now, further, I have



stated in comments in this speech of mine that we were obligated through Legislation for the establishment of certain European Industries for around six or seven millions of dollars; so that on March 31, 1953 our actual financial position, despite the fact we had a surplus on current account of 6.5 million dollars, was that our accounts were just about balanced. That is if we had to pay these advances for which we are obligated.

Let us just make a few comments on the Revenue obtained for the fiscal year 1952-53. To begin with, the Government received some arrears in the form of taxes due from previous years on Tax Rental Agreements amounting to around two millions of dollars. It had been forecast that we would receive five millions of dollars for Social Security Tax, but this amounted to only 4.5 millions of dollars, just  $1\frac{1}{4}$  million dollars more than the previous year, which means that the additional sales tax on food just gave us that amount.

The Board of Liquor Control gave us three millions in revenues, just half a million more than foreshadowed in last year's Budget. With respect to the Expenditure side of the accounts for 1952-53, we find that certain Bank guarantees which had been given Industrial Companies and outlined as contingent liabilities for the fiscal year 1952-53 had to be financed from our Capital Account. As an instance, we refer to the Machinery Plant at the Octagon and others. The Machinery Plant had been guaranteed some 2.5 million dollars, but this had to be met from our Cash Surplus as the Banks refused to advance loans in this respect. We expended around one million dollars on the Trans-Canada Highway through the Department of Public Works.

Another couple of millions of dollars were expended on the maintenance and construction of roads and bridges, whilst public buildings were accountable for further expenditures. The Department of Economic Development advanced or expended 5.4 millions of dollars principally for the financing of European Industries and the provision of Capital or Working Capital for the Birch, Gypsum and Cement Plants. At the end of the fiscal year 1952-53 we had outstanding in the way of Bank Guarantees for certain Corporations, principally for the Fresh Fishing Industry approximately two millions of dollars. This two millions added to the five millions or thereabouts for which legislation had been enacted, makes a total of liabilities or commitments on March 31, 1953 of some seven millions of dollars. That means that all the money received for the loan of almost ten millions of dollars as well as some thirty-six millions of surplus cash has been expended or advanced on capital account in a period of three years and that in the ordinary business sense we would begin the year 1953-54 with no available cash, but would have to depend on the revenues which we would receive from Canada and the Local Taxes we collect in the form of Social Security Tax, Liquor Profits, Tax on Gasoline, etc. It would further mean that if we normally were doing business we would have to borrow another ten million dollars for this present year 1953-54 in order to meet the Capital obligations called for in the estimates of Expenditures now under consideration by the Legislature.

During the year 1952-53, a year when our people probably earned more money individually and collectively in the history of the country,

there were many interesting and probably important happenings. We find the NALCO Company operating on its own for the first year since it was incorporated in 1951 and from information available, were responsible through the Chairman, Sir William Stephenson in inducing some two or three Mining Corporations to become interested in exploratory work in Newfoundland and Labrador. However, after the Corporation failed to raise the ten million dollar loan during June-July, 1952, the affairs of the Company seemed to lack interest and drive; and so we find that during the Autumn of 1952, Sir William Stephenson, the Chairman of the Corporation, and on whom we were informed that to a great extent, the success of this venture depended, resigned from the Chairmanship; and in a letter written to the Honourable the Premier indicated that his work had more or less ended, and that he felt that now a local or Newfoundland person should be appointed in his place. The Company, or rather should I say Sir William Stephenson had been instrumental in influencing certain American Mining Companies in the prospects in Newfoundland, had also expended a couple hundred thousand dollars on its own initiative in exploratory work, thus reducing the Paid-up Capital of the Corporation from its original one million dollars in issued stock to around  $\frac{3}{4}$  million dollars left available for further exploration. We find that Dr. Valdmanis has been transferred as head of the Economic Development Department to the Presidency of NALCO, no doubt at a similar salary of twenty-five thousand dollars a year and recently legislation has been enacted in this House to empower NALCO to sell another million shares

of stock at \$5.00 per share, thus having a further million dollars to devote to exploration work. The whole thing does not enthuse me very much, as I doubt very much indeed if money interest will be found prepared to purchase shares in a Company which has no present earnings; and if we accept the opinion of the Honourable the Attorney General, the concessions granted to NALCO are not of sufficient value to obtain money in the financial markets.

MR. CURTIS: What I said was that NALCO as at that time had no assets of any account; since that date we have given them something to use.

MR. CASHIN: The Bill was not amended until you took some assets away from it. Under the circumstances I feel that the amending legislation recently enacted in this House taking certain concessions from NALCO and later passing them to BRINCO, the newly incorporated Corporation would lessen the value of the assets of NALCO. However, if the Company is in a position to sell shares to the value of five million dollars—and if the statement made by the Attorney General is correct, I would suggest to the Government that we sell the 900,000 shares held by our Treasury for \$5.00 each and let us take our profit on the whole transaction of approximately  $3\frac{1}{2}$  million dollars. It will be interesting to see what will be done, but whatever may be done I trust that the interests of Newfoundland will be properly protected. Thus, in my opinion, what was to be the great economic arm of our Government, through the efforts of Sir William Stephenson as Chairman of NALCO, has failed and the hopes and optimistic statements by many members of the Government have been doomed to failure.

No doubt the Corporation will continue to function until such time as the remaining  $\frac{3}{4}$  million dollars has been expended in exploratory work and other Valdmanis' ventures; and then, no doubt, the Corporation would go into voluntary liquidation.

Now, again during the fiscal year 1952-53, the Premier and four of his colleagues, together with the Directors of Economic Development made an extended tour of Europe and Britain. It was during this trip that the Premier personally was able to interest the great House of Rothschild in the potentialities of Newfoundland and Labrador. The Rothschilds were successful in forming a Syndicate of British Capitalists and Industrialists in such possibilities. There is no doubt in any of our minds but that the Corporations interested in the Rothschild group are probably the most outstanding pioneers in Britain. The Government has passed legislation during the present session of our Legislature giving certain concessions or options to this large and influential body to explore vast territories of Newfoundland and Labrador mining, timber and water-power areas. The Corporation undertakes to spend some five million dollars over a period of twenty years in this work, and should evidence of profitable opportunities show themselves, the Corporation has the right to request leases of certain areas and develop such possibilities. To me, Mr. Speaker, this is the best piece of legislation introduced into this House by the present Government since it assumed office in April, 1949. It is a case of where people are prepared to expend their own resources on possibilities of profitable outcome. If the Corporation does not find such possibilities in their various activities,

there will be no development and the properties or rather I should say, the options on properties would cease and the lands or potential water-powers and mining rights would again revert to the Crown. I can only hope, and I am sure the great majority of the people of this Province join me in praying that the venture of this new Corporation known as BRINCO will be successful, and that the results of their explorations will contribute much to the economy—the normal economy of Newfoundland and Labrador.

Now, let us have a look at the forecast for the present fiscal year 1953-54, a year which will end on March 31st, 1954. We find an optimistic strain in the address, banking undoubtedly on the continuation of the expenditures of the Canadian and American Governments for defence purposes—and again let me point out at this juncture that recently Mr. Abbott, the Finance Minister of the Federal Government has stated that Canada's program of defence expenditure will cease during 1954 and that the present expenditures for 1953-54 will exceed the original estimate by some  $\frac{3}{4}$  billion dollars. Let me try to impress again on this House, on the government and particularly on the minds of the people of Newfoundland, that the prosperity which we enjoyed during the past year and which I feel will continue during the present year and well into 1954, cannot be looked upon as a normal prosperity. Its foundation is not a strong economy for either Canada or the United States of America. The expenditures of these billions of dollars are for the purpose of providing the sinews of war—a war which may never come—it is for the purpose of building up our ramparts of civilization and Christianity,

so that if the evils of Communism now so prevalent in Asiatic countries and certain countries of Europe attempt to inflict upon us free peoples their godless and cruel philosophies of life, that we would be prepared to defend ourselves against tyranny which is now being practised in the Soviet Union and its satellite States. It may be that the change in leadership in Russia and the strong and determined ultimatum given Russia by President Eisenhower will tend to restore peace and happiness to the world. However, we cannot continue to live a fictitious life—we cannot continue to prosper on the shedding of blood by innocent people. That program, therefore, for defence cannot continue indefinitely, and our people all over Newfoundland should realize now (yes, right now), that this fictitious prosperity is not natural and that we must concentrate the same efforts to establish a sound economy as we are now using to protect and guard our independence and freedom.

The Minister of Finance estimates for the present year we will collect in revenue slightly in excess of thirty-six millions of dollars, and that we will expend on Current Account slightly in excess of thirty-two millions of dollars, leaving a Surplus at the end of March, 1954, of approximately four millions of dollars. Under our present system of Government and as a Province of Canada, it is not particularly difficult to forecast either revenues or expenditures in the ordinary way. Our revenues are more or less fixed each year, being principally made by grants from the Federal Government and Local Taxes which can easily be estimated. I notice, however, that in the estimates I believe that these figures will be critically correct—viewing as we do the pres-

ent degree of earnings from our own industries, as well as earnings which come to us from our people working on Defence projects for both the American and Canadian Governments. However, I notice that in the estimates of revenue, that grants coming from the Federal Government to the Departments of Health and Welfare will amount to approximately two millions of dollars. Particularly do I notice that for the fiscal year that closed on March 31st, 1953, we had included in our revenues under Special Grant from the Federal Government an amount of ninety-five thousand dollars, and that a similar sum is being granted by Ottawa again this year. Now, what I would like to know is whether or not that ninety-five thousand dollars given us by Ottawa last year was actually expended for Cancer Control—we would like to know if a Special Clinic has been set up by the Department of Health for that purpose. Because it seems rather odd that this year we are informed through the medium of the Budget that a Tax of 5c. is to be charged on all individual admittances to moving pictures. Personally, I am of the opinion that there has been no such Clinic in active operation or is it the intention of the Government to establish such a Clinic; but that this new tax now being imposed will go into the General Revenue in order to increase such revenue, because it is obvious to anyone who has followed the administration of Government during the past four years that new avenues of revenue have to be found to replace such things as the Transitional Grant which is reducing itself annually by \$850,000 and this year is down from 6½ million in 1952-53 to \$4.8 million dollars. It is apparent also that our Expenditures are mounting annually in

all Departments of Government—the number of Civil Servants employed by the Government today according to the estimates now before the House is 3,822. In 1949-50 we had less than two thousand. These increases have been brought about by the establishment of additional services and the establishment by the present Government of new Departments, etc. It will be noted in the Budget this year that the Finance Minister forecasts a revenue from the Social Service Security Tax of some 5.7 millions of dollars. Last year he estimated for a revenue from this same source of some five millions, but information given in the House recently shows that only 4.5 millions were collected.

Now, Mr. Speaker, I realize that in order to keep these various Government services operating—and remember, sir, our people expect these services now, that new avenues of revenue will have to be found from some source. The only source I know of which would not impose additional burdens of taxation on the people are the re-negotiation of the Financial Terms of Union which were agreed to in 1948. Everyone in Newfoundland is aware that I have spoken hundreds of times on this matter. I have yet to meet the individual, whether he be a Tory or Liberal—yes, or Independent—who can logically differ with me on this matter at least.

Even the Government itself has realized that Section 29 of the Terms of Union quite clearly states that within a period of eight years the Government of Canada agreed to appoint a Royal Commission to investigate the financial position of the country or Province and to recommend some form of additional financial assistance if found necessary. It is apparent that the Government has realized our in-

ability to carry on as a Province of Canada under the present financial Terms which are not alone inadequate, but unjust—the Government has recognized that this is so, because last year they engaged or retained the services of Mr. James Thompson to prepare for such a Commission. I say, Mr. Speaker, that now is the time that we should ask the Federal Government to appoint that Commission. I think I have shown that all our Surplus given us in 1949 by the Commission of Government has been expended or loaned for development purposes, as well as for purposes of expansion of public services. If that is correct, and I am sure it is, then we should begin at once to make preparations for such a Commission of Inquiry. The inquiry should be without further delay. I state this because from a close analysis of the Budget and a close study of the Auditor General's Reports for a period of three years, conclusive proof is evident to show that if all our obligations were taken care of and our Legislative commitments met, we would not have one dollar in the Treasury at the present time. I say this without any prejudice whatever. I say it because I am convinced we should not delay any longer. I say again that if all our obligations incurred through Bank guarantees and Legislative Agreements were paid at the end of the fiscal year 1952-53, the Government would not be able to budget for the net amount of Capital Expenditure outlined in the Estimates now being discussed in this House. I say that in order to be able to do this, the Government would have to come in here and ask for authority to raise at least another ten millions of a loan this year. But in any case, it is positive that by the end of the present fiscal year that will have to be done.

It is just as well, Mr. Speaker, for us to face up to the facts and view the situation as it is staring us in the face. We have been told by members of the Government as well as Ministers of the Crown from the Federal Government; and also through the columns of some of the Mainland Press that this Island of ours is just a poor relative of Canada. Last Autumn, the Federal Minister of Fisheries came to this Province and had the unmitigated gall to state, at a public function, that Canada was spending three dollars in Newfoundland for every dollar she was getting out of here in revenue. The only regret I have is that I was not at that dinner—because I would be compelled to get on my feet and tell that Junior Minister of the Crown that he did not know what he was talking about. I state right here and now that Canada acquired more in every way—both financially and nationally—through this Union, improperly negotiated in 1948, than Newfoundland receives. When we entered Union with Canada, the Newfoundland National debt was over \$1200 less than the national debt of Canada, that is per capita. Therefore, it is apparent that the Treasury of Newfoundland should have received the equivalent of four hundred million dollars or an annual grant for at least fifty years of ten million dollars. Newfoundland contributed more in the way of money, on a population basis, than Canada; not to speak of the strategic importance of this Island to the defence of Canada and to the United States. I say here today that Canada receives more in Revenue from Newfoundland taxpayers than she pays out here in operating Federal expenses, which includes all the Social benefits we receive. Our strategic importance can-

not be measured in dollars and cents. Did not Canada get the Gander and Goose Airports—does not Canada use these important strategic air bases as a lever to negotiate with the United States? Has she not done this since we became a Province of Canada? Has not the Canadian manufacturers sold millions of dollars more in goods since Union with Canada than ever before? We are more or less forced to buy our goods from Canada. We no longer can buy in the open market because Canada also carries on her local manufacturing industries under the protection of a tariff wall. It is a practical impossibility to ascertain the true figures of what revenues Canada receives directly and indirectly through Taxes collected in Newfoundland. Let me give you one example. The other day in this House in a discussion on the merits of receiving a fixed royalty per ton of iron ore, produced in Labrador, the Honourable the Premier stated that next year we would receive as our share of the profits from that operation around a half million dollars.

MR. SMALLWOOD: I did not say, "next year." They cannot go into production next year. What I said was, "the first year they are in production."

MR. CASHIN: If we receive one half million, the Treasury of Canada will benefit through Corporation and Income Taxes, between five and ten millions. Corner Brook paid in Taxes as Income Taxes or Profits to Newfoundland prior to Union with Canada, some \$150,000.00. The Bowater Company paid the Receiver General of Canada last year over four millions of dollars. The estimates of Revenue which were compiled at Ottawa, showing what Canada would receive were false. The Financial Adviser to our

Newfoundland Delegation which negotiated the final Terms of Union informed that Delegation that Canada would have the best of the bargain from a revenue and expenditure standpoint, but the Delegation took no notice of his advice in this and other respects.

Now is the moment, Mr. Speaker, for us in Newfoundland to fight for our rights—to fight for justice from the Federal Government. We have to be strong and determined—we must work together in the interests of Newfoundland. It is up to the Government to take the lead in this matter. The Government knows the seriousness of the situation. We must not wait until a depression comes—(which God forbid)—but I wish to reiterate strongly, with all the power at my command, that the present prosperous condition of this Province and of Canada generally is a fictitious prosperity.

It is based on the possibilities of war—it is earning-power created by preparations for war—a war which we hope will never come. This prosperity was not brought about by the Government; it was brought about by a world condition which our Government had nothing whatever to do with. Neither had the Canadian Government, as a whole, anything to do with its making. Let us be frank with each other at this time. Let us face the situation boldly before it is too late. Do not let us permit ourselves to wait until our last dollar is gone and then start to beg at the door of the Canadian Treasury. Canada owes us a decent and just settlement. Because, incidentally, there are a few of the Terms of Union which Canada has failed to carry out. What about the Pensions for our Railway Workers, which have now been under con-

sideration for four years? Is it not time that this particular matter is settled properly and fairly as indicated in the Agreement? Canada owns the Canadian National Railway system and it is up to the Canadian Government to order the Railway to recognize these pension rights of our Railway workers, or if not, let the Federal Treasury assume the obligation itself. That Treasury is liable. Also what about the freight rates dispute—a matter in which the Canadian National Railway owes the Newfoundland people several millions of dollars? What about the establishment of the St. John's Harbour Board? There are many matters of great importance still outstanding as liabilities of the Government of Canada under our Agreement with them. Why not have them carry out these Agreements without further delay?

Mr. Speaker, I appeal to the Government this afternoon to take serious notice of the present financial position of this Province. I know it would not be good politics on their part, at this time particularly, to acknowledge the truth of my statements. I believe that before very long the Government will be forced to invoke the Terms outlined in Section 29 of the Terms of Union. Why not tackle the job now? It must be sooner or later. Then why not sooner?

These men will have a big job and time will tell whether or not they will be experts in the art of fingerprinting a dog's nose, or demonstrating the various qualities of alcoholic beverages consumed in this Island, or whether they will be individuals not carried away by the glamour and false praise handed out to them from men in high places. What we want, and please God what the people will have when the time comes, as come it will

before long, when our people select individuals prepared to walk through the portals of the Canadian House of Commons to demand in the proper manner the justice we are entitled to, not alone as a Province of this Great Dominion, but as the cornerstone of the British Empire and the Gibraltar of North America. These representatives banded together as one for Newfoundland let them demand the same justice which Canada desires most, to help build for us all a house of security on a rock of justice and liberty.

Mr. Speaker, there are many matters which could be referred to in this Budget Address, but time does not permit me to go much further. I regret that I have not the time to speak about our fishery and to refer to the report handed us a couple of weeks ago, which took a couple of years to complete. It is not my intention at this time to criticize any part of that document, because, to be quite frank, I have not read it in its entirety. However, I say this, that this one and a quarter million dollars devoted in the Budget for fishery development and experimentation I heartily support. But I tell you, Mr. Speaker, that if the bills were paid in their entirety there would not be sufficient funds in the Treasury to provide that amount.

Again, Mr. Speaker, as I said at the outset of this Address of mine, it may probably be the last time I will make any extensive remarks in this Chamber. I have other ideas at the present time—these ideas are political and are my own personal business. When the time arrives I will make my decision and I invoke the Power of Almighty God to direct me in the proper avenue, so that I may spend the balance of years remaining to me in pub-

lic life in the cause of justice and decency for Newfoundland.

Committee on Supply:

Department of Economic Development:

1501—Minister's Office—carried.

1502—General Office—carried.

1503—Tourist Development:

MR. HIGGINS: Mr. Chairman under 1503—Assistant Director—is she a regular Civil Servant under that setup? The reason I asked is this—Mr. Chairman, I worked at the Tourist Bureau myself in the summer-time, and I know the work that Miss Godden has done. She is worth considerably a higher salary than that if it is within the power of the Department to do it—\$2,760 for this year—

MR. CURTIS: Does that include Cost of Living Bonus?

MR. HIGGINS: Everyone gets a Cost of Living Bonus. She is an exceptional person.

DR. ROWE: There is a Cost of Living Bonus to be added to that.

MR. SMALLWOOD: Which makes it something over three thousand dollars. That is not bad.

MR. HIGGINS: She is doing an excellent job and she has been on that job for a long time.

MR. SMALLWOOD: There is also an amount for readjustments here.

MR. HIGGINS: Mr. Chairman, the hotel instructor \$5,000 and public relations officer—I take it he has not yet been appointed and this is just a token amount. Is it the intention to appoint him this year?



MR. SMALLWOOD: I doubt it—as a matter of fact it is Norman Squires.

MR. HIGGINS: He has hotel experience?

MR. SMALLWOOD: Not only experience but he has had very thorough training generally. He began by sweeping floors in a hotel as a boy in London and worked his way up to a waiter which is well up in the scale apparently in hotel work. Then in Paris he worked in a hotel in kitchen work and in every department practically in hotel work and on the Mainland of Canada was Matre Hotel of the General Brooks Hotel in Niagara Falls. He has been manager of motels, tourists cabins and there are very few people around anywhere who have had the far-flung and varied experience he has had in every aspect of catering. The idea was to get someone and we thought of him because he was a Newfoundlander who is thoroughly trained in that work.

I will be very frank, although I may lose votes for it—I say very frankly that the idea is to have him assist and advise hotel and accommodations keepers generally in this Province who propose to cater to the tourist trade in the kind of food and meals and accommodations generally which tourists in North America expect. We feel there is a need for that; we feel that most people who wish to undertake the work of catering to tourists would appreciate having a really experienced, practical, down-to-earth individual to advise them, especially one of their own countrymen who in a most friendly way would try to help them to equip themselves more than they are presently equipped to cater to the tourist business. We think that would be

of benefit to the people who propose to go into this business. I am not speaking of those presently in the business who are, of course, thoroughly experienced and thoroughly capable and need no advice. Although if they should seek advice this official doubtlessly would be glad to give it—not those who are presently catering to the tourists needs but rather those amateurs who will go at it and might need help. It is for them and them only that we would, if we did get such a person, bring into the services of the tourist development board.

MR. HIGGINS: You mentioned Squires, is he actually available?

MR. SMALLWOOD: I believe he is.

MR. HOLLETT: May I ask if necessary legislation has been passed to provide for the duties?

MR. SMALLWOOD: The Act most definitely gives authority for it.

Carried.

#### 1505—Economic Development:

MR. HOLLETT: We note last year, Mr. Chairman, \$25,000 was paid for a director general. I take it that is Dr. A. Valdmanis, a contractual job. It is indicated in the Estimates still as contractual and the salary is \$8,000. In other words has the value of that department decreased by seventeen thousand dollars?

MR. SMALLWOOD: No, we think the value of the department has increased and will continue to increase. We also value highly the services of Mr. Pushie who has been appointed to the job. But we do not value his services at \$25,000 a year. We did value the services of Dr. Valdmanis at that figure and felt lucky to get him

at \$25,000 a year. We felt and events have proven our feelings were right, we could get Mr. Pushie for \$8,000 which is a fairly substantial increase in his salary, and he is pleased to get it and we are pleased to have him. The result is that although he is not the man with the rather astonishing experience Dr. Valdmanis has had from the beginning almost he has been with him in Newfoundland and has gained a lot of experience in the three years. He is fully worth this amount of money and in fact he might be worth more.

MR. HOLLETT: I sincerely hope so, and think he should be paid properly, I am amused or rather I am not amused at the Premier's statement relative to the astonishing ability of Dr. Valdmanis. I wonder on what that statement was based, was it based on the success so far indicated by the industries which he has advocated and the Government has built on his advice or is it based on his charming manner or on something which we, in the Opposition at least, know nothing about? Has the Government also taken into consideration that he has given them good service possibly and are quite sure he is being provided for as Chairman of NALCO? Could the Premier tell us what salary Dr. Valdmanis is getting now?

MR. SMALLWOOD: I would say, Mr. Speaker, we have very little hope on this side of the House that we can get the Opposition, much more the Leader of the Opposition, to agree with our assessment of the value of Dr. Valdmanis to this Province as director general of Economic Development. We have rather faint hope that the Honourable Leader of the Opposition will come anywhere near to us in appraising the value of Dr.

Valdmanis to Newfoundland. It is our appraisal however, and it was our decision to ask the House to vote him twenty-five thousand dollars. We made that decision. We came before the House and the House did vote that money and the House agreed with us notwithstanding the rather unfortunate disagreement of the honourable gentleman, the present Leader of the Opposition—nevertheless, somewhat uneasily no doubt, the majority of the House felt that they would agree with the Government and not with the honourable gentleman who is now Leader of the Opposition.

MR. HOLLETT: I was drawing the attention of the Chairman to that—

MR. CHAIRMAN: It is purely a matter of opinion.

MR. SMALLWOOD: Yes, it is a matter of opinion and opinions differ.

MR. HOLLETT: Sarcasm will get you nowhere—just why have you lost Dr. Valdmanis? Never mind the sarcasm.

MR. SMALLWOOD: I would not dream of being sarcastic to the honourable gentleman.

MR. HOLLETT: It won't hurt me.

MR. CHAIRMAN: It seems to the Chair that we were discussing the Director General's salary who is being paid \$8,000. The Committee is not discussing Dr. Valdmanis at all. It is not under consideration. That vote was for last year.

MR. SMALLWOOD: I agree Mr. Chairman—but did you never hear of King Charles' Head,

MR. HOLLETT: I am wondering why we have lost King Charles' Head and why its price has been reduced? Why have we lost the man who has performed such valuable work for Newfoundland? I have asked that question and cannot get anything but sarcasm.

Carried.

Department of Labour:

1601 Minister's Office—carried.

1602 General Office—carried.

1603 Labour Boards, Committees and Inquiries:

MR. HOLLETT: Mr. Chairman, I was just wondering, I have nothing to say against any of these Boards, but it seems to me the Minimum Wage Board, Labour Relations Board and Workmen's Compensation Board, etc., I was wondering what the need of them is in the Labour Department? The Labour Department in my mind is a very efficient department, and has performed a very valuable service to the country and has introduced quite excellent legislation. I believe my colleagues will agree with me on that, with the exception of the Minimum Wage Bill, which certainly does not measure up to the standard of the Labour Department. I am wondering if it might be possible they might be able to do without some of these Boards totalling something like nineteen or twenty thousand dollars?

HON. C. H. BALLAM (Minister of Labour): They have been set up under different Acts. They have all been set up and are very necessary and are doing an excellent job. Give the Minimum Wage Board a little time and they will do their stuff.

MR. HOLLETT: Under the present Minimum Wage Act can such a Board function properly? I think the minimum wages set is around 50c., is that right? If you are going to set that as the minimum is it possible you can raise the minimum a little more?

MR. BALLAM: That is the minimum and you would be surprised in how many cases it applies and how many people around this country are paying less than that.

MR. HOLLETT: That is the very reason—why not pay more?

MR. BALLAM: The next session of the Board may recommend 60c. or 70c.—they can make it anything.

MR. HOLLETT: The Act legalized 50c.

MR. CHAIRMAN: The Chair is still here. It is very confusing when members do not rise and address the Chair, they are merely making a noise.

Carried.

1604 Boiler Inspection—carried.

1605 Apprenticeship:

MR. FOGWILL: Would the Honourable Minister advise the Committee who is the supervisor, when appointed and outline some of the duties of such a supervisor?

MR. BALLAM: It is Mr. William May who was appointed by the Lieutenant Governor in Council during the year. As to his duties my honourable friend should know what a big job it is in apprenticeship training. He will have a very heavy job ahead of him and I think he is a very good man and very suitable for the job. As my honourable friend

would know he would also be assisted by a Board that would be set up under the Act. I may say the expenses in connection with the apprenticeship training will be divided between the Provincial and the Canadian Governments on a more or less fifty-fifty basis.

MR. FOGWILL: Mr. Chairman, I am in accordance with the Honourable Minister in his remarks in respect to the person who is filling this position. He is a fine chap and I believe he is able to do the job. But the scope of the apprenticeship training scheme how wide is it? How are they going to enter on the duties of apprenticeship insofar as making regulations in respect to some of the larger firms which have apprenticeship schemes such as the various pulp and paper companies and the dock yard etc?

MR. BALLAM: I could go into that and give you a talk on it for an hour, but I think it would be probably a little out of order. If my honourable friend would come down to my office some of these days I could give him a good course in apprenticeship although he has had one himself. There are various standards of apprenticeships and some of the industries, as you say, have good apprenticeship schemes, but the majority have none and these are the ones that we concentrate on first.

MR. FOGWILL: I should like to ask the Honourable Minister one more question in respect to what he said a few moments ago with regard to apprenticeship. Does the supervisor have the authority or the Minister have the authority to set the wages for apprenticeship and the rate of pay for the various years of apprenticeship?

MR. BALLAM: No, I don't think so—actually there are certain standards set for wages for apprenticeship in the different industries and these are probably done by arrangement or agreement between the Board, the apprentices and the employers. There will be an apprenticeship Board set up where all of these matters will be dealt with. For instance in some of the paper industries their apprentices get more than tradesmen in other industries which could not compete with that. That will be done by arrangement with the parties concerned.

Carried.

1606 Minimum Wage:

MR. HOLLETT: These inspectors—are you going to pay them \$1 or is that a token wage?

MR. BALLAM: It is a token vote under the Act.

Carried.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again.

Ordered sit again tomorrow.

MR. CURTIS: Mr. Speaker, I move the remaining Orders of the Day do stand deferred.

Mr. Speaker, I move the House at its rising do adjourn until tomorrow, Thursday, at 3:00 of the clock.

Carried.

The House then adjourned accordingly.

THURSDAY, May 7th, 1953.

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 Motion and Questions**

None.

**Orders of the Day****First Readings:**

A Bill, "An Act Further to Amend the Local Government Guarantee Act."

Ordered read a second time on tomorrow.

A Bill, "An Act to Confirm in Her Majesty in Right of Newfoundland Title to several parcels of Land on the Topsail Highway in the Electoral District of Harbour Main-Bell Island."

Read a first time, ordered read a second time on tomorrow.

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Hanning Electric Limited."

Ordered read a second time tomorrow.

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Koch Shoes Limited."

Ordered read a second time on tomorrow.

A Bill, "An Act to Amend the Change of Name Act."

Ordered read a second time on tomorrow.

A Bill, "An Act to Amend the Rural District of Placentia Act."

Ordered read a second time at a later hour this day.

A Bill, "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945 and of the Shipbuilding (Bounties) Amendment Act, 1947."

Ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Registration Act, 1892-99."

Ordered read a second time at a later hour this day.

A Bill, "An Act Further to Amend the Civil Service Act, 1947."

Ordered read a second time at a later hour this day.

A Bill, "An Act Relating to the Keeping of Dogs."

Ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Education (Teachers' Pensions) Act 1950."

Ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Highway Traffic Act, 1951."

Ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Education Act, 1927."

Ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Highway Traffic Act, 1951."

Ordered read a second time on tomorrow.

A Bill, "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

Ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Department of Public Works Act, 1950."

Ordered read a second time on tomorrow.

A Bill, "An Act Respecting the Solicitor-General of Newfoundland."

Ordered read a second time at a later hour this day.

A Bill, "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees'."

Ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Summary Jurisdiction Act, 1950."

Ordered read a second time on tomorrow.

A Bill, "An Act Respecting the East Coast Telephone and Telegraph Company Limited."

Ordered read a second time on tomorrow.

A Bill, "An Act Respecting the Civil Service Commission of Newfoundland."

Ordered read a second time on tomorrow.

A Bill, "An Act Providing for the Supervision and Control of the Expenditure by Local Authorities of Moneys Raised under Loans or Guarantees made by Her Majesty."

Ordered read a second time on tomorrow.

Honourable the Minister of Finance to Move the House into Committee on Ways and Means:

MR. BROWN: Mr. Speaker, in rising to comment briefly on the debate before the House, I, first of all, wish to congratulate the Honourable the Minister of Finance who, a few days ago, laid before us the estimates of revenue and expenditure for the fiscal year. The Budget was an outstanding one, but I, like the senior member for St. John's East, do not propose to become engrossed in a mass of figures about which I know nothing, but I do think that the Budget Speech gives us a pretty fair indication of the present financial position of the Province. However, Sir, I shall be more inclined to deviate from the actual figures and confine my remarks to the Budget Speech as it relates to the economy of Newfoundland.

Much has been said, Mr. Speaker, during this present session about the condition of roads and bridges in the Province. The extension of roads particularly has presented a very thorny problem to every elected administration in Newfoundland. There is an amount of \$1,850,000 allocated for the maintenance of roads and bridges this year; plus an amount of \$200,000 for local roads and \$1,300,000 for the construction of new roads. This amount, although substantial, is in my opinion nevertheless, inadequate compared with the demand of the people for more and better highroads and insufficient to meet with the ever-increasing needs of motor traffic.

I think that every true Newfoundlander would like to see tourists come into this little country of ours and spend many thousands of dollars, which they have at their disposal, with us. We possess, for at least two months of the year, an excellent climate and our trout rivers and streams are some of the most attractive in the world. Our hunting attractions are to a some-

what lesser extent very prominent, but, Sir, it is impossible for those rivers and ponds to be fished, those hunting grounds travelled, unless we have roads which will take those tourists to these hunting grounds and rivers. Unless we have roads, I feel that Newfoundland's scenic beauty will remain unveiled and our many virgin ponds and rivers unfished. In past years, Mr. Speaker, a number of tourists have visited our fair land from the Mainland of Canada, from the United States and some from continental Europe. However, Sir, their impressions could not be based on absolute knowledge of Newfoundland life as we live it. I am inclined to doubt that they for the most part had found anything here about which to go away and boast. We have one thing to our credit—that is that we are the most hospitable people in this world. I say that without any reservation whatsoever. The larger Provinces like Quebec, Ontario and British Columbia cater to tourists from all parts of the world. They are ably equipped to do so. Here in Newfoundland we have a small hotel, something between 150 and 200 rooms—and that hotel is filled continually with travelling salesmen and other businessmen, and the tourist who comes to Newfoundland has to stay in an ordinary boarding house and in many cases he cannot find even that. Off the Avalon Peninsula we have not more than a few tourist cabins strung along a trail known as the Cabot Highway. I compliment Mr. Vardy and his efficient staff for the manner in which they are trying to sell the idea of Newfoundland abroad. I hope and trust that their efforts will be successful.

The building of new roads goes hand in hand with economic development. As economic development pro-

gresses, so must new roads be built. We realize that whilst the financial position of Newfoundland is a healthy one at the present time, it does not presently permit us to introduce a very extensive programme of road building; but before we can hope to reach our ultimate goal, we must first realize that there is an absolute necessity for more and better roads.

The Honourable Minister of Finance in introducing his Budget informed us that the motor car registration of this Province has gone from 4,000 in 1945 to nearly 20,000 last year. At this point, Mr. Speaker, I feel as though a word of praise is due the Registrar of Motor Vehicles and his hard-working staff. Year after year as a result of this ever-increasing volume of registration, Bill Yabsley and his very efficient staff find themselves confronted with more and varied problems. His Department is, in my opinion, very efficient and the entire staff is to be complimented; and their ability is a credit to the Province of Newfoundland.

The Budget Speech informs us also that 3,500 new cars were purchased by Newfoundlanders last year; and that one in every five families now owns a car. I realize, Mr. Speaker, that all the cars are not fully paid for; but I realize, too, that it was prosperity brought this state of affairs about. These figures are very gratifying—but think for one moment the volume of cars that could be sold; the amount of gasoline sold; the amount of tires sold—think for one moment what the tax on gasoline, on tires, on more cars would mean to this Province if we had more and better roads over which our people could travel. By far the greater number of cars presently operating in Newfoundland are operating on the Avalon Peninsula—

not to speak of those operating in Grand Falls and Corner Brook. But what about the North? What about the district of St. Barbe where there is not a road to my knowledge, apart from a few paths or a local road built by the people themselves—and I doubt if there is even that. The Minister also stated that last year our people paid over \$6,000,000 for these cars. Six millions sounds like a lot of money. I think the value of cars bought in Newfoundland last year was something like fifty million dollars; so, if our people can spend that amount of money for luxuries, then, Sir, our economy is not by any means low. I contend, Sir, that unless we, in the near future (and I say "in the near future") introduce a vigorous road building programme, we will be shutting the door, so to speak, on the source of revenue that all other countries of the world are fostering and encouraging. I contend that money spent on roads is not wasted; they are moneys invested at a high rate of interest, particularly if the object aimed at is the exploitation of the sources of the country.

Mr. Speaker, the Honourable the Leader of the Opposition in the course of his remarks just a few days ago, referred to an amount of \$1,098,000 which the Honourable F. G. Bradley received and caused to be spent on his Federal riding of Bonavista-Twillingate last year; which sum was spent on wharves, breakwaters, etc., while much smaller figures were obtained and spent in other Federal Ridings in the same period. I was very happy to receive this information. The Honourable the Secretary of State has done a lot for this constituency since he became Minister with Portfolio in the Canadian Cabinet. Bonavista-Twillingate is his native district. He spent

the greater part of his life in Bonavista proper. He has the affairs of that particular constituency to heart. He looked after the people during the years he represented them in Ottawa. Recently I heard that Mr. Bradley may not be running next time. I sincerely hope the report is not correct, because if Mr. Bradley retires after such a distinguished and brilliant career, he will leave a gap in the Canadian Cabinet and in the political life of Newfoundland that will not easily be filled.

Mr. Speaker, I am very appreciative of the efforts put forth by this Government, since it took office in 1949, on behalf of Newfoundland, to maintain and improve our public services; they have made gigantic efforts to bring brains and brawn of America and Continental Europe into Newfoundland for the purpose of development of our natural resources. The Budget Speech indicates that a vast amount of survey work has been done with respect to our forests, mines and our waterpowers; and we are all in agreement that the groundwork has been laid in the field of future prosperity. We have heard it said that Newfoundland is fifty years behind the times in its lack of development and progress. It was evident, Mr. Speaker, when this Government took office in 1949, that before Newfoundland could become prosperous and on a par with other Provinces in the Dominion, a great economic drive was to be launched, with the result that our surplus was put to work at one end. It was the "do or die" spirit that prompted our Premier to deliver his now celebrated "make or break" speech that met immediate criticism inside and outside the House. Time and time alone will decide the folly or wisdom of those wonderful words. I



am inclined to believe that the bold move made by the Government at that will some day prove to be its greatest asset.

MR. M. M. HOLLETT (Leader of the Opposition): Hear! Hear!

MR. BROWN: Supporting as I do this great industrial programme, I am very conscious of the fact that considerable time will elapse before production in the various plants and factories reaches its peak; and perhaps some months or perhaps some years will pass before these industries can absorb even a small percentage of the unemployed.

I do not suggest that fishermen forsake their boats and their fishing gear, but there can be no doubt whatever that the present method of fishing, curing and marketing are altogether outmoded, and I have complete faith in the decision of the Federal and Provincial Governments to jointly modernize and develop that one industry that for so many years, for so many decades, dominated all others in Newfoundland. The Honourable the Minister of Finance declares in his Budget Speech that the fishermen are this year placed ninth on the list that shows the origin of our people's income. The fact that the fisheries have slipped from first to ninth place is indeed unfortunate.

But it is also very encouraging to note, Mr. Speaker, that the amount paid out to Newfoundland children in Family Allowances will total eleven million dollars this year. Consider, Mr. Speaker, the almost unbelievable fact that Family Allowances, a source of income hitherto unknown to the people of Newfoundland, will this year provide our children with \$11,000,000. There will also be an amount of something like eight mil-

lion dollars paid out to Old Age Pensioners and nearly 2½ millions paid out to mothers and dependents. These figures are truly astonishing and their usefulness is more than amply borne out by the recipients, particularly children, who are today better clothed, better fed than at any period of our history. Getting back to fisheries, Mr. Speaker, I wish to add to what I have already said that the need for expansion and modernization of our fisheries is becoming clearly understood and clearly anticipated by the fishermen concerned, and whilst the Report of the Fisheries Committee may not be debated during this session of the Legislature, it is my sincere hope that a start in this direction will be made during the coming summer and I congratulate the Government on its initiative by solving a problem which confronted former Governments right down through our history.

Now, we come to BRINCO. I, like the Honourable the Independent member for St. John's West, consider this BRINCO Agreement to be one of the finest pieces of legislation ever to be introduced in the House. This Agreement will probably be the means of making Newfoundland a very prosperous little country. Our Labrador contains great assets which we know little, if anything, about. Nobody knows the value of the timber and mineral resources on the Labrador. Mineral resources are lying in that vast stretch of territory. Nobody knows what these resources will mean to us, to our children and to the generations that will follow. Why, the water-power, water potentiality on Labrador is probably greater than the St. Lawrence River or the Niagara Falls! It is my opinion the electricity can be successfully carried

for many hundreds of miles and who knows the value of that water-power?

It was great prospectors and great explorers that contributed so much to Britain's greatness, coupled with that indomitable spirit and unconquerable desire to succeed; it was with this attitude and that determination that her mighty Empire and Commonwealth of Nations was founded, and as a result of this lasting principle the bonds of loyalty are today more firm among the British Empire and British Commonwealth of Nations than at any time in her history. It was this great imperial concept that rallied Britons from all parts of the British Empire in 1939 in defence of the Motherland, in defence of democracy, in defence of fair play. Let it not be forgotten that it was Britain and Britain alone who defied the Nazi hordes in the year 1940 when Britain was forced to face that terrible crisis. If, therefore, this traditional bulldog spirit still hovers in the hearts of the men of the British Isles, we may feel assured that the few thousand square miles of territory in Newfoundland and in Labrador which we have granted to this Corporation will remain in good hands until the fruits are reaped.

HON. J. R. SMALLWOOD (Prime Minister): Hear! Hear!

MR. BROWN: In conclusion, Mr. Speaker, I would like to pay tribute to the one man who made Confederation possible for Newfoundland. I refer to the Honourable the Premier, who since he came to office has spared neither time nor energy in an effort to industrialize Newfoundland. He was not bred on the proverbial silver spoon nor did he find the many obstacles in the path of life easy to surmount. His ability as a

leader in government affairs is questioned by none. So, when I look back on his career as a statesman and as a politician, I am reminded of a piece of poetry penned by a famous writer—I think it was William Shakespeare—

"The heights by great men reached  
and kept,

Were not attained by sudden flight,  
But they, while their companions  
slept,

Were toiling upward through the  
night."

MR. COURAGE: Mr. Speaker, I must begin by congratulating the Honourable Minister of Finance for the very fine Budget Speech which he has given in this Chamber a few days ago, and in congratulating these people who have already spoken to the Budget. We have just heard, Sir, a very eloquent address given by the youngest member of this House. We all feel very proud of the way in which he has acquitted himself.

Now, Sir, to turn to the Opposition. I might be more caustic if I had not just come from having dinner with the Opposition and therefore cannot be too harsh on them since I am in rather a mellow mood. I will, however, say this—I will agree with the honourable member for St. John's West who said their attempts to criticize the Budget have been pitiful. It was like a parrot who has but one sentence and says that over and over again—"The Government must not take credit for the great prosperity Newfoundland is presently enjoying"—"The Government must not take credit for the prosperity Newfoundland is presently enjoying." They said this time and again. Each one of them said this, like the parrot or like a cracked record.

MR. HOLLETT: It is beginning to sink in.

MR. COURAGE: Does it take all that repetition for it to sink in?

MR. HOLLETT: It depends on the mind.

MR. COURAGE: Please, I am in a mellow mood and a good humour, don't heckle me.

Now, Sir, the Government if it is not to take credit for this prosperity must certainly take some credit for the excellent stewardship it has exercised. If things were not going so well I am afraid that the Government would have to take some of the blame.

Now, apparently the honourable members on the other side took me seriously when I told them I liked to hear them talk against Confederation, and apparently I did let the cat out of the bag.

MR. SMALLWOOD: There is an election coming.

MR. COURAGE: The Honourable Leader of the Opposition comes back after he has flown over Canada or parts of Canada and have seen the vastness of that country, something of its great wealth, something of its possibilities and he comes back a Canadian after having flown to Montreal and Toronto. If he had gone to Vancouver he would have come back a Confederate and would have put the clock back.

Now, Sir, there was one thing which the Honourable the Leader of the Opposition said which I think was most unkind and I think he should not have said it. He said that the Minister of Finance was not allowed to present a true picture. I

don't think that was a givenous thing to say—

MR. HOLLETT: To a point of privilege, Mr. Speaker—I should like it, if the honourable member must quote me, he should quote me properly—these are not the exact words I used.

MR. COURAGE: That, Sir, was the sense of what was said—the Honourable Minister of Finance was not allowed to present a true picture—that is what I gathered and what the newspapers gathered and that is what was gathered by the country.

MR. SPEAKER: I don't think the honourable member actually used these words.

MR. COURAGE: I cannot, Mr. Speaker, recall the exact words which the honourable member did use but that was what I gathered from his remarks.

MR. HOLLETT: What you gathered; that is all right, I am satisfied.

MR. COURAGE: But I do say that the Minister did present a true picture and further that the Minister was allowed to present any picture he wished to present and that he has given us here his own interpretation of the true facts of how Newfoundland stands financially as he sees it. In spite of anything which the Opposition may say there is no getting away from the very first sentence of the Budget Speech—"The financial year which ended on the 1st of March resulted in a surplus of \$6,544,100.

Now, Sir, I am going to stick to the Budget Speech. I cannot answer the honourable and gallant member for St. John's West who yesterday en-

gulled us in the flood of figures. I don't know whether they were correct or not, I have to accept the honourable member's figures but, if I got up in this House and said there were 69,474 cross-eyed women in Canada, I am afraid the honourable member would have to accept my word for it. Or if I say there are 969,624 black sheep presently in Scotland the House would have to accept my figures too as there is no way of checking them.

MR. HOLLETT: Or white-tailed deer.

MR. COURAGE: The honourable member has a one-track mind. This year it is the white-tailed deer like last year it was the mouth wipes. The honourable member has a one-track mind which is only able to contain one thing at a time.

MR. SMALLWOOD: I don't think the honourable member ought to be passing compliments like that to the Honourable Leader of the Opposition attributing a one-track mind to him.

MR. COURAGE: Anyway, Sir, the fact remains that the Government has finished the year with a very substantial surplus and it has found the country to be in a very prosperous state. During the four years during which the present Government has administered the affairs of Newfoundland more has been done to broaden and strengthen the basis of our economy than has been done in probably half a century before—there is no getting away from that—the facts speak for themselves whether we use the figures to support them or not. The facts are these, and I quote the Honourable Minister of Finance: "More survey work has been done on forests, mines and water-powers in the past four years than in any quarter of a century before." Who can con-

tradict these remarks? Anyone who does not understand nor know the true facts can but not anyone who has watched what has taken place in the country and is taking place at the present time. Of course anyone can contradict anything—

MR. SMALLWOOD: Any ignoramus.

MR. COURAGE: Anyone who so desires can spout condemnations. But I noticed when the honourable member did have a chance to debate the Budget Speech and had a chance to do so, he steered rather cleverly clear of the Budget Speech and spent a great part of his time arguing about "Wayfarer." Now, I have no axe to grind with "Wayfarer" but he is not a prophet. As I see it I would class him as a prophet midway between Father Divine and the Honourable Leader of the Opposition. He is not even in the class with Nostradamus. Mr. Speaker, do I have the floor or don't I? Do I hear some mutterings and some subterranean rumblings?

Now, Sir, that the pleasantries are over—I don't mind being interrupted if any honourable gentleman has any pertinent remark to make, but I do object to being interrupted by impertinent remarks.

MR. SPEAKER: Does the honourable member appeal to the Chair?

MR. COURAGE: No, Mr. Speaker.

A part of the Budget Speech deals with the fisheries development programme. I am not going to speak on it very much. I cannot of course debate the fisheries report which lately came into this House and no doubt will be debated in the future. But I must of necessity speak of the fisheries of Newfoundland. We know that this Government owes its very exist-

tence to the support of the fishermen, we know, and I have said from time to time, that this Government has at heart the welfare of our fishermen; we know that there will be implemented this year the beginnings of a fishery development programme based on the fishery report which was tabled in this House a few weeks ago. Since I represent a district which is primarily a fishing district I am very interested in what is happening in fisheries development. As the Honourable Minister of Finance says, it would not be enough to tamper with the problem of the fishery until the problem of the fisheries have been given wholehearted and thoroughgoing study and a policy has been mapped out for this Government and has been adopted on a partnership basis by the Government of Canada which will have great effect on the fisheries development in this Province. Because, Mr. Speaker, we cannot have prosperity in this country unless our fishermen are prosperous.

I was very happy to see the amount of \$1,000,000 or close to a million and a half allotted for the implementation of the fisheries development programme this year. Now, the fisheries of Newfoundland begin in the spring and already in my district the fishermen are about their work as they have been, Mr. Speaker, all the winter. I do not know at this moment what is contemplated for the South Coast by the fishery development programme but I will say this; we have problems on the South Coast as well as on the North East Coast, and if we are to develop our fisheries in Newfoundland we must turn to the South Coast not that there are not good fishermen on the North East Coast but we know that on the North East Coast they cannot fish all the

year around as they can do and are doing on the South Coast at the present time. In Fortune Bay the fishermen are never idle. When the cod fishery stops the herring fishery begins. When the herring fishery ends the lobster fishery begins and when the lobster season ends they have the cod fishery again. So that on the South Coast for all the year around the fishermen are about their work. We too have problems on the South Coast, I am sorry to say. The Government are aware of these problems. Every year a great number of our best fishermen go away to Lunenburg and the schooners and trawlers of Lunenburg are manned by fishermen from Fortune Bay. The trawlers out of St. John's are crewed by men from Fortune Bay. It is too bad that they are not able to stay in their own bay and make their own living. I would draw this to the attention of the committee which will be in charge of the fishery development programme — the most experienced deep-sea fishermen are to be found in Fortune Bay.

I am one of those who believe, Mr. Speaker, that there is still a place in the economy of our country for our fisheries as far as the bankers are concerned. I am not saying that we will have as many bankers as there used to be, but I do think that there is room for a number of bankers. Some day (I promised this before) I may give a history of the bank fishery in Fortune Bay. I won't do that at the present time and probably the time is not opportune, but I will say that the bank fishery has disappeared and so far nothing has taken its place. Many of the fishermen go to Lunenburg and many of them come here to St. John's and they are away from their families for a great part of the

year. Far more tons of herring are caught in Fortune Bay every year and many more tons of herring could be caught if there were a suitable market for them. The herring fishery of Fortune Bay needs to be developed.

Now there has been a great deal of talk in this House about the Icelandic Boats and what a great mistake they were. But, Mr. Speaker, they might not have been a great mistake if they have been bought and used the year before or bought and used this year. It just so happened that at that particular time they were bought there was a scarcity of herring in Fortune Bay. It just so happened that the Icelanders who formed the crew of them were not the most energetic men nor the best fishermen I am sure to be found in Iceland, but that is not a mistake for which the Government may be held accountable.

MR. HOLLETT: Why?

MR. COURAGE: The Government did not pick the crews of them.

MR. HOLLETT: Who did? The Government bought the boats.

MR. COURAGE: Now, Mr. Speaker, in the District of Fortune Bay and Hermitage which I have the honour to represent in the Hermitage Bay end of it, as I have said before, the fish plant at Gaultois is going to revolutionize the fisheries there. There are two very fine places, Harbour Breton and Belleoram with good harbours which are suitable locations for fish plants, ideal places for fish plants. I would call upon those who are in the fishery business in these places or any other places interested in establishing a fishing industry on the South Coast to look into the possibilities of these two places. I want to make it

quite clear that I am certain that the Government would be very, very favourable towards any plans for the development of the fishery coming from any one interested in a development in either of these places, if such a programme could be proven to be feasible.

Now, Sir, there was some talk about this cancer tax. Some people were asking why we have the cancer tax there, if there are going to be any buildings erected and what we are doing about cancer in the Province at the present time? Some honourable members even suggested that the Government would do nothing about it, suggest there would be no buildings built—During the last ten years more than three thousand people have died of cancer in Newfoundland. It is now probably one of the biggest killers in Newfoundland and the Government has to cope with it. Do the honourable members of the Opposition know that there is great need for us to provide more adequate facilities for the treatment of this dread disease. We don't at the present time have the most up-to-date equipment in Newfoundland, we don't have the cobalt bomb, we don't have any up-to-date equipment. As a matter of fact those doing cancer work are endangering their own lives by exposing themselves to radiation. There is great need for the Government to do something about this. I can assure the honourable members that the purpose of this cancer taxation is a *bona fide attempt* to procure the most modern and up-to-date equipment for the treatment of cancer that can be found today.

Now, Mr. Speaker, I am going to speak about education in particular. If I were to speak at length on education I would be here for a long time I might even attempt a filibuster if the Rules of the House would per-

mit it. I have once more to take to task my friend the honourable member for Fogo. I regret very much that he is not here when I must do so for some remarks which he made the other day. Mr. Speaker, I spent 18 years teaching in Newfoundland. I began teaching when I was 16 years of age and I have held every grade up to "A" Grade and have taught in almost every type of school. I was an ungraded teacher, Mr. Speaker, even a blot on the teaching profession of Newfoundland and was blissfully unaware of it. I went on my way doing my duty in my own little sphere blissfully unconscious of the fact that I was dragging down the teaching profession. I had at that time Grade XI but was not old enough to have a grade as I had to be 17 years of age.

MR. FOGWILL: You were a child.

MR. COURAGE: I did a man's work, Mr. Speaker. If the honourable member cares to look into my record in the first school in which I taught I think he will find that it is a good one. My rise in the teaching profession was not rapid. The first year I got \$21 a month and the next year \$20 and the next year \$18 a month.

MR. HOLLETT: Then you left?

MR. COURAGE: I did not leave. My rise after that was rapid, I got \$25 a month. That, Sir, is the history of my rapid rise in the teaching profession. Now, if I had left the teaching profession after two, three, four or five years I fancy I would have felt very much like my honourable friend the member for Fogo. A wise man said one time—A man who is not a radical when he is 21 has no heart and a man who is still a radical when he is forty has no head. There is a great deal, Sir, wrong with the teach-

ing profession but it must not all be attributed to the denominational system nor it must not all be attributed to the low salaries. These are two things that may be responsible for some of it but certainly is not responsible for all of the ills. If I were to list the evils of the teaching profession I would not place them first and second but rather I would place them far down on the list. I am glad to note that there is a vote of \$3,187,500 for teachers' salaries but I am sorry to note there is not an increase in teachers' salaries. I am going to show in a few minutes that I would like an increase and I am going to show why I would like it.

Now, Mr. Speaker, every year the time rolls around where sometime in the spring we have an "Education Week." We are told then that education is everybody's business. I am going to say something now that is not popular but it is the truth that the public of Newfoundland and the public of all countries pay lip service to the teaching profession but do little to better the lot of the teachers. The teachers of Newfoundland today are not a body of people whose standards are declining as some people would have us believe. I have taken the trouble to find a few figures and to look into that I have gone back thirty years when there were 164 people in Newfoundland who wrote the Grade XI examination and this year there were 2,395. Thirty years ago 18% of the teachers of Newfoundland were ungraded. Remember, Mr. Speaker, at that time you could get a grade if you had preliminary grade, in other words you could get a grade if you had Grade 8. The standards of the teaching profession have risen and it has been a gradual rise during the past thirty years. In 1931 when

I began teaching in Hermitage Parish there were 13 teachers. Would the House be interested in knowing how many had Grade XI? One out of thirteen had Grade XI. Today teachers must have Grade XI and must have one summer school in order to be a qualified teacher. The standards have risen and they have risen since this Government came into office. This Government has done a great deal for teachers. That is a fact which should not be lost sight of. For years we taught in schools and our salaries depended upon the type of school we taught in. For years teachers have tried to get a uniform scale of salaries, but they had to wait until this Government came to power to get that uniform rate. That scale goes for a graduate teacher up to over \$4,000. It is still not high enough. I grant you. I would like to see it higher.

I am going to say that there are two or three things I would like to see done. There are three or four things still irritating the teaching profession and they are probably under consideration now.

Let us look at denominational education—I wish to make this clear. I can see a lot of good in denominational education. Some people cannot see that; but whether they see it or not, this fact remains—we cannot change it. We cannot change it because it is guaranteed by the Terms of Union and guaranteed by the B. N.A. Act and there cannot be any change in the system of education in Newfoundland. That does not mean that schools or school boards cannot be encouraged to amalgamate. At the last Diocesan Synod of the Church of England in Newfoundland there was a Resolution passed approving the combination of services in communit-

ies where there were one room schools of two or more denominations. In other words, the Clergymen of the Church of England who were gathered at the Diocesan Synod approved the amalgamation of smaller schools in principle. They could not go any further. There are 250 places where Church of England boards operate schools where there are no other religious denominations having schools; there are only five places where all religious denominations operate schools. There are 37 places where the Church of England and United Church School Boards operate schools; but, although, often, we say there are two schools operating by two religious denominations in one place, often they are geographical rather than denominational in their characteristics. What I mean is, sometimes the people in the upper part of the Harbour may be United Church people and in the other end of the Harbour, Church of England.

I daresay if I had left the teaching profession after four or five years' experience I would feel like the member for Fogo; but I spent enough time in it to say that at the present time, at least, the denominational system of education is the best for Newfoundland. Let us look at Belleoram, for instance. The Minister there is the Chairman of the Board. There are some twenty-five to thirty teachers under that Board. He travels all around the Parish; he gets to know the teachers; he visits the schools; he calls Board meetings. Who in the name of goodness except a Clergyman could do that? What man would be able to visit the schools, know the communities, the needs of the people and the feelings of the people towards the teachers and the school boards—



Who but a Minister or Priest or Salvation Army Major?

If we make education everybody's business, it becomes nobody's business. I feel very strongly about that. But as I said before, I would like the people of Newfoundland to remember that when a teacher comes into a community, he is a stranger; to remember he may be homesick; he may be tired; he needs friends. I have had to go around with my satchel in my hand asking one after another if they would board me. This should not be. Somebody in the community should see that the teacher gets a boarding house; somebody should take him around and introduce him; somebody should call a meeting of the Parent-Teacher Association where he can meet the parents. He or she should be welcomed. In the case of a lady teacher, she should be welcomed, made to feel at home; she should meet the parents before school opens; she should not have to call that meeting herself. The people of Newfoundland should not be too prone to criticize teachers. A friend of mine has said that "the first year you are idolized; the second year you are criticized, and the third year you are ostracized." I fear he was a little cynical; but there is a great deal of truth in it. The teachers of Newfoundland should be welcomed by the people they are going to live among; they should be made to feel at home. They do not need to be idolized. How in the world can a teacher do a good job if parents criticize her and her work in front of the pupils she has to teach? How can she? Many of our teachers are young and immature; so must everybody be who starts out first. How can you get experience in any job until you work at it?

There has been a lot of talk about

one-room schools. I attended a one-room school. I taught as a teacher in a one-room school. A teacher in a one-room school can do a good job if trained and interested in the work. The children who attend one-room schools may be lucky to be attending it. In a one-room school with probably 30 children, the teacher can take a personal interest in the child. The teacher can combine together in many classes grades 7 and 8, or grade 5 and 6, and the students can be taught together in that way. The teacher can look at John Smith and say "he is weak in arithmetic, but good in English. I will put him on to grade 4, and spend more time with him in arithmetic. I will bring him on." A teacher in a one-room school can do a good job and I take my hat off to him. I, myself, received Grade XI in a one-room school; I do not think I suffered from it. The teacher in a one-room school can impart to the children the gift of self-reliance, encourage the children to go out and dig up facts themselves. If you spoon-feed them or stuff them with facts they will not have self-reliance. Last year from one of our best schools in St. John's all the girls who went from there to the Memorial University failed. Why did they fail at the Memorial University? Because they had not been taught to rely on themselves. As far as one-room schools are concerned, many of the famous men of history have been products of one-room schools.

MR. HOLLETT: Mr. Janes for instance?

MR. SPEAKER: Order!

MR. COURAGE: I am speaking now as a private member. Let us take for example a female teacher who wants to get a "B" license; she has

to go to a University for a year. She has to see how much it will mean to her in dollars and cents. Do you know what it will mean? It will mean \$180.00 a year. If she goes to a University she will lose her salary of \$1,100. She gets a grant towards this. In order to get back what she lost, it will take five years. It should be made a worthwhile proposition for teachers to be trained. Make it worth their while to go in and get training and if they go back to one-room schools, make it worth while. I would advocate paying graduate salaries to teachers in one-room schools. I took a course at Acadia University under Dr. Robinson who has had a distinguished career, and he said "to the teachers in one-room schools, I take off my hat."

Another thing, a teacher who has had two years' experience can get a grant of \$600 if he or she wants to come in and take teacher training, provided he teaches in the outports— if he teaches in St. John's, he gets \$250. I say we should do away with that and give the teachers in St. John's the same as the outports. Supposing there are two girls belonging to Belleoram—two sisters—both got "B" license, one of them teaches in the outports, she gets \$1,100 a year; she pays \$25 a month for board—her board is cheaper, her expenses lower than her sister who teaches in St. John's who probably pays \$60 a month for board. Both decide to go to college—the one in the outport gets \$600 and the one in St. John's gets \$250. Which one is going to come in for training? I would ask the Government to look into that.

Also this matter of half year's service should be done away with. Let them come out with graduate grade, let them teach one year and then go

on with the scale. That would help the teaching profession, considerably.

This Government has already doubled the salaries of teachers, and that is remarkable when you consider the increase in the number of children attending school, the number of new school buildings and so on. Thirty years ago there were 35,000 children attending school; this year there were 90,000 attending school in Newfoundland.

Now, I am going to speak out of turn—I am speaking for nobody except myself when I say this: I believe the time is going to come when the Federal Government is going to have to help this Province with grants for education—to equalize education. We know well that all men do not have equal capabilities, but that does not say they should not have equal opportunities. We here in St. John's cannot hope to compete with the schools in Toronto any more than Bay Du Nord can hope to compete with Corner Brook and if the right of school taxes is extended to Town Councils, we are going to have better schools in Corner Brook and Grand Falls (and I am not saying that is wrong); but it is going to widen the gulf still further; it will make the schools in Grand Falls greater still and the schools in Bay Du Nord poorer still. I think and I hope that the Federal Government can make grants to schools to equalize our system of education without interfering directly with the schools. I think it can be done. I think the matter should be studied. I am speaking for myself—and I may be a voice crying in the wilderness—when I say I think the problem of education should be looked into now. It has gone pretty near as far as it can go. It is going

to be found more difficult as time goes on.

MR. HOLLETT: You mean the B.N.A. Act should be amended?

MR. COURAGE: Grants could be made. It does not mean that the Federal Government would have to go actively into the schools. The thing is done here in Newfoundland. Grants are made to the School Boards by the Government; but the Government does not tell the School Boards what they should do.

Now, Mr. Speaker, so much for education. As I said before; these are my own ideas. I may be wrong. On the other hand I have spent the greater part of my life in the teaching profession. I say there are faults in the parents; faults in the Government. I have shown how some of the faults may be ameliorated. It has not been destructive criticism. The ones who suffer from our education system are the ones with whom I see no fault—the children! That is the greatest factor when we make up our minds. I can see that people on both sides of the House will say that if the Federal Government grants any money to the Province, they will automatically come into the educational picture and then it will not be a Provincial matter. I do not think that one necessarily follows the other. I think a system could be worked out whereby grants could be made to a number of under-privileged schools. After all, when the Great Teacher said "Feed my sheep" he did not say "feed them according to their father's income; feed them so they can go to Bishop Feild College or some other College." He did not make any difference in Pool's Cove or Lally Cove; or a merchant's son or a Doctor's son. He meant they should

have an equal opportunity to develop that intelligence with which God has endowed them. I am a firm believer in that, Sir.

Now, Sir, another point I want to make is this—and it is something which seems to have been missed by the Opposition—in regard to our Financial Surplus Account transactions; we are told that if all goes well, at the end of March, 1954, we will end up with nearly forty-five million dollars of the surplus "free balance" still in our possession. It means we will be able to finance Capital Account Expenditures this year. That is a remarkable statement.

We must have in this Province a great road building programme as the economic salvation of Newfoundland depends upon the ending of isolation, depends upon the building of more and more and better roads. That is a vital and a very important factor in the Government's programme.

Now, Sir, I want to repeat what I just said; I am not a member of the Government. I sit upon the Government side of the House and I support the Government. Why? Because I believe that the Government has the interest of the people, all the people of Newfoundland at heart. I believe that the Premier and his colleagues in the Cabinet are doing an excellent job. That is why I support them and that is why I shall go on supporting them. At the Speaker's party I heard a member of the Opposition say to the Premier—"Mr. Premier I pray for you." Well I can't be outdone by a member of the Opposition so that from that time on I too have had to pray for the Premier—long may he continue to guide the destiny of Newfoundland.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I move the adjournment of the debate.

MR. SPEAKER: Before I call the next order I want to say something: In addition to Standing Orders and Rules of Parliamentary Procedure there are rules of etiquette and decorum. When an honourable member makes a breach of one of these rules I administer a correction in private. I did so today. In spite of that again this afternoon one of these rules was slighted. In future, if any honourable member offends against a rule of etiquette or decorum the Sergeant-at-Arms will stand and remind him of his breach so that strangers might see—let me remind honourable members one basic rule is that when a member of the House is speaking no other member may pass between him and the Chair. Secondly; when an honourable member is speaking he has the right to be heard. This afternoon the honourable member for Fortune Bay and Hermitage spoke to less than a quorum which is an act of grave discourtesy to the member speaking and to the Chair. Thirdly and lastly; no honourable member nor any person may move about this House when Mr. Speaker is putting a motion. I am disclosing this publicly so that persons may see when honourable members disregard the rules of the House, and in future I will properly castigate the honourable member in public. I might say that there is ample room for honourable members to get to either side of the House either that way or behind me. It is not beneath the Premier to come around nor for the Honourable Leader of the Opposition to go down the back stairs it certainly does not be-

hoove any other member to break the rules.

Committee on Supply:

MR. CHAIRMAN: Capital Account was completed except for two items which were permitted to stand. No. 404 and 506—is it the wish of the Committee to take these up now? These items are in current account not capital.

MR. HIGGINS: On 404—Pensions and Gratilities the allocations for this year is ten thousand dollars less than for last year. Is there any allowance made at all? When was the last adjournment made for these pensioners—is there any consideration shown for the cost of living increase or any provision in the block adjustments to take care of an increase in pensions?

MR. SMALLWOOD: I think before discussing that we should decide whether or not we should discuss them at this point. To be quite honest I am not aware of the reason why they were not passed and why the consideration or decision was deferred. In my ignorance I therefore suggest we continue for the present to defer consideration of them until I learn why we deferred that consideration. In the meantime we can go on to capital account which commences on page 73.

Department of Finance—carried.

Department of Provincial Affairs  
No vote here.

Department of Education 606:

MR. FOGWILL: Mr. Chairman in respect to the erection and equipment of regional schools—from that gather it is the intention of the department to build these schools in various places—would it be possible to

ask the Chair to get some information as to where and when and how these schools are to be built and equipped etc?

MR. SMALLWOOD: I regret the Minister of Education is in bed suffering the lingering remains of the effect of an inoculation which he had to undergo prior to his visit to the Coronation. Therefore I offer myself as a very poor substitute in explaining this vote.

MR. FOGWILL: Was the Premier inoculated?

MR. SMALLWOOD: The Premier was before, and the business of inoculation is not an annual affair, I am glad to say.

There are two amounts here, as the Committee will notice, half a million dollars for construction, expansion and equipment. That is in line with what the House has been voting for the past four years and what before that the Commission of Government had been spending. In addition to that there is this half million dollars for the erection and equipment of regional schools.

Now, this whole matter of regional schools has been under careful study in the Department of Education for a number of years. I remember for example when a member of the Educational Committee of the National Convention of which I believe the present Honourable Leader of the Opposition was also a member, we heard Dr. Frecker, the Deputy Minister of Education expound the view that one of the greatest needs in Newfoundland might well be for the setting up of regional schools. He was then giving the matter very careful consideration. Dr. Frecker subsequently visited regional schools in

various parts of the Mainland of Canada and in some parts of the United States. Indeed I believe that Dr. Frecker has rather spearheaded the idea of applying the regional school plan in Newfoundland.

Exactly where the first regional school will be built I do not know and I don't know that the Department of Education knows at this moment. I rather doubt that five hundred thousand dollars would build even one regional school yet the word is in the plural so it might be inferred by the Committee that it was the thought of the Government that more than one such school would be built with this half million dollars. That is not the case because we have some reason to doubt that even one such school would be built with that sum of money. The thought in putting the half million dollar amount in the estimates is that if one or even two schools were proceeded with in the current financial year half a million dollars would probably be all that could be spent on them in this present year, meaning of course, the present financial year. Half a million dollars might well be enough to enable two schools to be commenced and the completion of them might well be paid for out of a vote in the estimates in the year following after this one. I personally doubt very much indeed whether this half million amount will be repeated in subsequent years because I have the greatest doubt that half a million dollars would be enough. In subsequent years I think this amount of half a million will have to be increased.

I should like to be able to inform the Committee just exactly where and when these regional schools are to be built but that I cannot do because I doubt very much whether the

Department itself at this moment has come to a firm decision. This I would like to say: The regional schools will be built in full conformity with the Terms of Union affecting education. That is to say it will be done in full consultation with the relevant educational authorities of Newfoundland and with their full agreement and concurrence. Because of these regional schools it will be absolutely necessary that there be no interference whatsoever in fact nor in spirit (in spirit is at least as important as in fact) with the established educational system in Newfoundland from the standpoint of the rights of the various classes of the population.

MR. HOLLETT: Mr. Chairman, is it not the intention to allocate any money whatsoever to Memorial University this year?

MR. SMALLWOOD: Yes, that is in another Department I believe—the Department of Public Works—

MR. HOLLETT: Mr. Chairman, before you go on to the next item were items on the revenue side allowed to stand?

MR. SMALLWOOD: We don't pass revenue.

MR. HOLLETT: Don't comment on them at all?

MR. SMALLWOOD: Unless it is a Bill to impose taxation but the revenue accruing is from taxation already authorized by the Legislature and are not a matter for debate. When the original Legislation was passed to authorize certain taxation it was then of course a matter for debate. The position is that the Government comes before the House requesting authority to spend not to collect as authorization is already given to collect. For the convenience

of the House the Government inserts in the estimates its own estimate of what revenue will be collected by the legislature presently in existence so that it is not a matter for debate.

MR. HOLLETT: Anyway the Government estimates a collection of \$100 in Economic Development next year.

MR. SMALLWOOD: That is probably a token estimate. The honourable gentleman is, of course, entitled to make all he possibly can make of that fact.

Carried.

Department of Mines and Resources  
—805:

Carried.

Department of Public Works:

MR. HOLLETT: Mr. Chairman, I wonder if the Honourable the Premier in the absence of the Minister might be able to give us some idea as to what way that five hundred thousand dollars are to be spent in the erection of the Memorial University?

MR. SMALLWOOD: I believe, Mr. Chairman, that it is the hope of the Government and of the Board of Regents that three or possibly four of the new buildings on the University campus will commence construction in the present financial year. I do not think that there is much hope of completing the construction of these buildings nor any of them in the current financial year. That amount of five hundred thousand dollars is estimated by us as being the amount that it will probably be practical to spend in the current financial year. The plans are not finalized and until they are the specifications cannot be

designed or drafted and until they are the Government cannot call for tenders for the building of the structures. After the issue of the call for tenders some time must elapse before the contract is awarded. Following the award of the contract some little time must elapse before the contract is actually in production. So that from appearances it will not be before mid-summer, if then, that the actual construction commences. That being the case half a million dollars is very probably all that could practically be spent in the current financial year.

MR. HOLLETT: I wonder if the Honourable the Premier could give us an approximation on the possible cost of the erection of this University you have planned. The plans, I believe have been finalized.

MR. SMALLWOOD: The rough estimate of the cost of the four buildings which it is hoped might be begun in the present financial year is of the order of three million dollars. It is not suggested that the Treasury shall have to bear the full cost of that estimated amount. The University hopes to have other sources of revenue even for capital purposes. What part of the three millions roughly estimated would have to come from the Treasury I cannot say at this moment. Now, when we speak of that rough estimate of three million dollars that affects only the three or four buildings envisaged as commencing construction in the present year. It must not be supposed that the completion of these buildings would give us the University for which we hope and for which we plan. It seems to me that the University in the course of the next four or five years should cost, and ought to cost, six or eight million dollars, or even

nine or ten million dollars if Newfoundland is to have the University to which she is entitled.

MR. HOLLETT: Might I ask if the Honourable Premier could give us some idea of the other sources of money from which to get this eight or ten million dollars?

MR. SMALLWOOD: To get the eight or ten million or to get the three million?

MR. HOLLETT: Even the three million?

MR. SMALLWOOD: With regard to both: The University would have naturally the same hope and expectation that all Universities have that wealthy citizens of the Province, State, Land or County in which it operates would contribute generously towards the capital cost of creating the physical plant of the University and subsequently the cost of operating the University by means of endowing chairs and scholarships and bursaries and all the like. The Honourable Leader of the Opposition will have noticed doubtlessly the great familiarity with which I use these terms and will have inferred that it comes from my very intimate association with University life about to commence in a matter of a few days hence.

MR. HOLLETT: Mr. Chairman, I thank the Honourable the Premier for his very frank confession. It is a fact of course I have already known that the conferring of an honorary degree carries with it, we will say, that important pleasure of being able to donate to the funds of the University so conferring an honorary degree. I do hope that the Honourable the Premier has in mind also the idea of the establishment of a chair of civil law or other sources of

law in our University. As Leader of the Opposition I, and my colleagues here, I am sure, would like to nominate and put him in that chair as soon as it can be put up.

MR. SMALLWOOD: I may say the honourable gentleman could not get rid of me so easily. These degrees, I understand, are conferred for one of two reasons (1) that the recipient has contributed generously of his worldly goods to the University in question and (2) that he has distinguished himself in public or scientific or philanthropic or some similar public service. I can assure the honourable gentleman that if I have to wait for honorary degrees until I contribute any appreciable amount of worldly goods then I will live many years before I receive the first. On the other hand if there is a reward for distinguished public service then I have no doubt, if the honourable gentleman can manage somehow to hang on to his present position, in the course of time he too will be honoured and he will have these honorary degrees to add to his already earned degrees. These honorary degrees will be in full keeping with the dignity and importance of his present exalted office. The only thing is, of course, the necessity that he should hold onto the office long enough for the purpose.

MR. HOLLETT: Mr. Chairman, I did not know I was going to get so involved when I started, but I feel it is my bounden duty, if I may, on behalf of myself and my colleagues to offer to the Honourable the Premier and also his colleagues our hearty congratulations on his honour which is about to be conferred. It is no mean honour to have that degree conferred, it is something of which any man even a politician

should feel justly proud. We on this side of the House, although we don't like the politics of the Government and sometimes we may say things which probably hurt members on the opposite side, yet we do appreciate the fact that to whatever man on the opposite side comes an honour of such momentous importance to that man we feel it our duty to offer our humble congratulations. It is indeed a grand honour and I believe it is coming at a time when the son of the Honourable Premier is about to receive what the Premier himself has well described as an earned degree. It is a double honour and therefore I would wish that the Honourable the Premier would accept our congratulations in the spirit in which I mean it to be sent across the House.

907—carried.

908—carried.

1028—carried.

1029:

MR. SMALLWOOD: That is the final vote (of the three year vote) to the Grace Hospital new wing.

Carried.

1312—carried.

1315—carried.

1422:

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): I have to ask the House to up that amount by another \$48,000, bringing the total to \$71,000. As the House is aware, over the past two years the Federal Department of Fisheries has been conducting long-liner experiments out of Bonavista, down as far as St. Anthony. These long-line experiments were carried out by boats



under charter by the Federal Department, and owned in Nova Scotia. The skippers come from there and their charter is with them. The Federal Department wishes to continue that experiment, spread over a period of another three years; or a total of five years altogether. There has been a bit of a hitch. The owners of the boats financed them through loans they obtained from the Nova Scotia Fisheries Loan Board. Apparently one of the regulations of the Board is that boats financed by the Board must confine their fishing to Nova Scotia. However, the Nova Scotia Fisheries Loan Board did permit four of these boats to operate in Newfoundland waters; but this year the Board is not prepared to have these boats re-chartered by the Federal Government to conduct experimental work in Newfoundland. It is not possible for the Federal Department of Fisheries to charter similar boats with the necessary qualified personnel in Newfoundland. That is not to say that there are no such boats in Newfoundland or that there are no qualified personnel but persons who own such boats have gone fishing themselves and will not charter them. If the experiment is to continue the only thing to do is to have the Government make it possible for the Nova Scotia skippers of those long-liners to liquidate their indebtedness to the Nova Scotia Loan Board and for the Government to make loans to the skippers, and their indebtedness will be to the Government of Newfoundland instead of Nova Scotia. Then it will be possible for the Federal Government to charter them for operation in Newfoundland waters.

I would move that it be upped.

MR. CHAIRMAN: The motion is that in Item 1422 (02) the amount of

\$23,000 be deleted and the amount of \$71,000 be substituted.

MR. HOLLETT: Do I understand the Government proposes to make loans to the skippers of certain Nova Scotia vessels?

MR. KEOUGH: To the owners of vessels which are operating in Newfoundland waters. These men are willing to stay here and operate in Newfoundland and to charter their boats and their services to the Canadian Department of Fisheries so that the Department may continue their experimental work in long-liners which has been going on for the past couple of years, and which will continue this year, next year and the year after. We cannot get any boats with qualified crews who are available and willing to do this work, except these.

MR. FOGWILL: I have no objection; but this is going to leave the Minister of Finance with a deficit. If this is upped, this is going to knock his Budget into a cocked hat.

MR. SMALLWOOD: The Minister about a year ago forecast a surplus of \$6,300,000 and he realized one-quarter of a million more than he estimated. I doubt if this will come out of surplus.

MR. HOLLETT: I see a dire scheme to mulct \$3,000 out of the ten million at Ottawa.

MR. SMALLWOOD: The surplus on current account is estimated at \$4,000,000; spending another \$3,000 will not reduce the current account surplus at all; it would only reduce capital account surplus. We are not permitted to draw on Ottawa for capital account deficit—only current account deficit.

MR. HOLLETT: All your current account surplus will be spent for current expenditure; if you spend \$4,800, you will leave yourself in the hole.

MR. SMALLWOOD: You are overlooking one fact—in constitutional law and practice—that is that the authorization by the Committee and finally of the House of the amounts set forth in these estimates of expenditure, it is nothing more than "authorization." It is not mandatory upon the Government to spend one single cent of these ten millions. We will spend only such amounts both on current and on capital accounts as will leave us in that healthy position at the end of the year.

MR. FOGWILL: I know we have been called "simple minded" on this side—at least we prefer the simple approach.

MR. SMALLWOOD: I know the honourable member feels at home in the simple approach. There are times when it is expedient to outline things in the simplest possible terms and there are times when it is expedient to get down to brass tacks and go into the constitutional technicalities of it. If none but the Honourable Leader can follow the position, the fact is regrettable. But so long as they have one colleague who can follow these abstruse matters of constitutional practice, it is not entirely lost. I suggest that between six o'clock when we rise and eight o'clock, the honourable gentleman take his colleagues aside and explain the position clearly, with that clarity for which he is noted; and we can save a lot of time, not only today, but on many other votes on many other days. If, on the other hand he is too busy, the House will have to call on me again, and I can assure my friends I will take it in baby talk—

taking it from the letter "A" and then moving on to the next letter.

MR. FOGWILL: I would say that being simple people, we take the simple approach as outlined by the Minister of Finance. We understand the finances as well as the Honourable the Premier and the Honourable Minister of Finance. What the Premier outlines is not a simple approach, it is a hidden approach; and you can get your feet very wet in approaching in that way.

MR. HOLLETT: 1422 (03) Fisheries Development. (04) Acquisition of Shares, Fishery Products. On (03)—the one million—I wonder if that million is to be expended?

MR. KEOUGH: That is a blanket amount to implement the recommendations of the Fisheries Development Committee, until such time as the Government of Canada and the Government of Newfoundland know what particular approach they can make.

MR. SMALLWOOD: I am leaving for Ottawa on Sunday, going via Halifax, for an event taking place there. I had not intended going to Ottawa, but I had a telephone call this morning from the Minister of Fisheries of Canada asking me to come up there for a discussion with the several senior Ministers of the Government of Canada—to discuss the whole project involved in both these votes (that is the one million dollars and the four-hundred thousand dollars), and also the amount to be paid to us by the Government of Canada in respect of our taking back the bait depots. I can only say that while we have here in our own immediate ranks certain ideas as to what we will probably do in regard to these two votes, we must

first get agreements with the Government of Canada. Now, there are matters involved more than mere straight fishery matters, else the invitation would have come to the Minister of Fisheries and Co-operatives. It is doubtful if I can be back in time for the closing of the House, but it is possible that I can telephone or communicate to my colleagues in the Cabinet the nature of the developments which may occur in Ottawa at these conferences. Then again it is possible that they will have to be explained thoroughly to enable us to give a thoroughly detailed explanation to which this Committee is entitled. We are asking the Committee to authorize the Government to vote these two amounts on our simple assurance that these two amounts are indubitable. We can only express our own opinion in the interest of the Fisheries Development of Newfoundland. There are delicate aspects to it which I do not want to speak about publicly, but I would gladly do so in private to the honourable gentlemen opposite. There are some aspects of it that the less said about it at the moment, the better for the whole idea of fisheries development. The Opposition are on record as being very heartily in favour of fisheries development; but it does not follow that they would be in favour of any particular aspect. There are delicate aspects which I do not think it would be wise to discuss here. What is said here publicly might, on tomorrow, be repeated in quarters where it ought not to be repeated—and I am not thinking of St. John's or of the Province.

MR. HIGGINS: I am prepared to accept the statement that a public announcement might do a great deal of damage on what would appear to be delicate points, but insofar as the

House will not be closing next week, might we not allow this matter to stand over until such time as the Opposition can get some private information, at least?

MR. SMALLWOOD: That is agreeable.

MR. HOLLETT: It is rather unfair to ask the Opposition to submit, without further questions, to another \$400,000 without having some knowledge as to why. We would like to have it stand over; but we do not want to do anything to hamper the fisheries in any way. We would be in a very delicate position if we did not raise this point.

MR. SMALLWOOD: I am agreeable. Mr. Speaker, may I point out that some members of the House have been invited to a reception being given to a distinguished visitor, and would like to get away as early as possible; and the earlier they get away, the earlier they can return.

MR. SPEAKER: I will leave the Chair until 8 o'clock.

The House resumed at 8:00 of the clock.

MR. HOLLETT: Is this concerning the matter of capital expenditure on economic development? I wonder if the Committee could have present at this evening's session the Deputy Minister of or the Director of Economic Development, I wonder if the Honourable the Premier would allow that?

MR. COURAGE: Such question may properly be only put to the Minister concerned. The Director of Economic Development cannot be expected to speak in Committee.

MR. HOLLETT: I do not want to labour the point, but I have known of certain officials being present at Committees.

MR. SMALLWOOD: Deputy Ministers only.

MR. HOLLETT: Is not the director in the same calibre?

MR. SMALLWOOD: He may be higher or lower than the Deputy Minister but whether higher or lower he is not the Deputy Minister. Deputy Ministers are present and are permitted by courtesy of the House to sit in front of their Ministers when the Estimates of the Minister concerned are under debate. I think I am competent to answer any questions the honourable gentleman may care to direct at me, or not answer them as the case may be.

MR. HOLLETT: Mr. Chairman, do we take the items one by one.

MR. SMALLWOOD: Either way at all.

MR. CHAIRMAN: I think they may properly be taken each item separately.

MR. HOLLETT: On cement, I am wondering what the Minister can tell us what exactly to date has been the cost of the cement plant?

MR. SMALLWOOD: Yes, the answer has been tabled here in this House earlier in the session.

MR. HOLLETT: The Minister cannot tell me at the moment?

MR. SMALLWOOD: From memory? No.

MR. HOLLETT: From these figures it would seem that there were two million and a quarter dollars

spent in 1951-52 plus ten thousand dollars in 1952-53.

MR. SMALLWOOD: That was an estimate.

MR. HOLLETT: I see. How much was spent during that period?

MR. SMALLWOOD: That we will know when the report of the Auditor General is tabled. I imagine all of it was spent.

MR. HOLLETT: In other words the actual amount spent was two and a quarter million dollars plus two million seven hundred and fifty thousand dollars.

Now, whilst we are on cement, is the Honourable Minister in a position to give us any further information other than that which we already have relative to the cement plant at the moment?

MR. SMALLWOOD: Only this, Mr. Chairman, and I am glad to do so. The cement plant, as the Committee is aware, has been sold and it is fairly general knowledge now that the owners are not only planning to double the size of it but have actually taken the first steps to do so. The demand for cement is greater than they can presently meet at their present capacity which is one hundred thousand tons a year. They are now in the process of doubling it to two hundred thousand tons a year. As quickly as they can get that done they are doing it. The prospects for the cement mill I think are now entirely beyond question and certainly the owners are very happy about it, very satisfied indeed. The \$100 shown here is a mere token vote and is meant, I think, to cover some incidental expenses connected with the acquisition of the land. The land was bought for

the cement mill and gypsum plant from private parties out there and settlement was arranged on the purchase price and the sale was effected and that was the end of that. But with regard to certain other parts of the land making up the whole area final settlement came only after a board of arbitration had been appointed and there still remains one or two small parcels of land somewhat in dispute on which we may have to pay a thousand or a couple of thousand dollars.

**MR. HOLLETT:** Or a million?

**MR. SMALLWOOD:** The land is not worth that much. But we have to cover that with a token vote. I don't suggest that the amount will be, in fact, a hundred dollars but so that we may pay whatever it turns out to be we must insert a token vote.

**MR. HIGGINS:** It will be some multiply of a hundred?

**MR. SMALLWOOD:** It will be several times I would say, possibly one or five or eight hundred but very small. With regard to that cement mill I have read the agreement of the sale but I just at the moment forget.

**MR. HOLLETT:** Is it completed now or is the Government liable for any further expense.

**MR. SMALLWOOD:** No, we are liable only to deliver to them complete and unimpaired title to the plant and the land on which the plant stands and immediately surrounding area. We have not as yet been able to deliver final clear title on one small strip of land concerned.

**MR. HOLLETT:** I take it, Mr. Chairman, that also applies to the

\$100 token vote in the matter of the gypsum plant.

**MR. SMALLWOOD:** No. The \$100 vote in regard to the gypsum plant is again a token to cover any expenses we may have in connection with the gypsum plant. In the absence of exact knowledge of how much we must insert as a token vote—we are in hopes that it will be precious little and we are in hopes of disposing of the plant. We admit quite frankly that although we built it and we know how to build it, that was fairly easy as it was a case of engaging engineers and letting contracts and getting good people to build, but we do not know how to run a gypsum plant and we admit that.

**MR. HIGGINS:** That is a very good admission.

**MR. SMALLWOOD:** We are a very versatile Government but running gypsum plants and making sales of gypsum shingles and marketing the products are not amongst the particular accomplishments of this Government. Now, if we were not so busy, if we had more time to concentrate on it we might surprise every one but the trouble is we have to build roads, schools and hospitals and the Opposition to answer to and all kinds of responsibilities and duties and we would rather be clear of the burden of running this plant.

**MR. HOLLETT:** Mr. Chairman, I do remember asking the Honourable Premier a question relative to a shipment of some gypsum free of charge to an individual on the Roache's Line and the Honourable Premier was —

**MR. CHAIRMAN:** If I might, I think we have better go on with -02 now. We seem to be getting into -02.

MR. SMALLWOOD: Mr. Chairman, would it not be perhaps satisfactory to discuss all the items and then take a vote on the whole block.

MR. CHAIRMAN: Is it the Committee's wish?

MR. SMALLWOOD: In that case I can say I am informed now that there is absolutely no truth in the statement that it was given away free nor that the freight was free—no truth in it.

MR. HOLLETT: Mr. Chairman, that same answer will then also apply to any such shipment of cement, would it?

MR. SMALLWOOD: I cannot say. I will have to look into it. It is the first I have heard of any suggestion of cement or I would have looked into it.

MR. HOLLETT: It is not very important at the moment. I notice that in the matter of machinery construction I take it that CMIC Plant there has no vote for that this year. I believe that they have received all moneys that were allocated to them?

MR. SMALLWOOD: That is right.

MR. HOLLETT: I wonder if the Honourable the Premier could answer this question? Is it not a fact that this plant at the present moment is making desks of a similar nature as those which were formerly manufactured by Gosse and Sons?

MR. SMALLWOOD: I have no knowledge if they are similar. I do know that out of many thousands of desks to be purchased in Newfoundland by various school authorities the Government, I may say, purchased no desks and ordered no desks either to be bought or to be made but the rela-

tive school authorities do and out of thousands of pieces of school furniture that will this year be bought by the school authorities this plant in its woodworks department have received various orders totalling some fourteen hundred desks. That is true, I know, because I have seen them in the process of manufacture today. I saw them after the Cabinet meeting this morning when at 1:00 o'clock I took a quick run in there and actually saw them at work at them so I know that is so.

MR. HOLLETT: Thank you, Mr. Chairman. I brought up that point because I only learned today that the machinery plant which cost the Newfoundland Government two or three million dollars and was to be such a big success is now making school desks of the same nature and the same kind and class that were being turned out periodically over a number of years by Messrs. Gosse and Company, a firm which I believe operates in Spaniard's Bay. How far that is to be expanded we would like to know. It is tragic when you come to think of it that Canadian Machinery Company, though these people are not Newfoundlanders—we don't object to that but hope they become naturalized or at least Canadians and citizens, after a while become Newfoundlanders. But we must remember that the Canadian Machinery Industries Limited is subsidized by the Government and has been given a loan or a grant of moneys to the amount of two and a half million dollars to manufacture machinery. It was hoped, I understood, that Mr. C. D. Howe was to allow it to manufacture some defence machinery. Apparently the machine plant has not got the machinery heavy enough to turn out the things absolutely necessary for defence and the

machinery which they have out there being too light to manufacture heavy stuff for defence is also too heavy to manufacture machinery for our local industries. So that where that machinery plant was going to fit in to the industry of this country I had not been able really to determine until today when I was informed on good authority, and as has been now admitted by the Premier, it has gotten around to the manufacture of school desks for many, many schools in this country in competition with our local industries which here had all they can do since we joined Canada to survive. I draw that to the notice of the Government because I want to table something which I think the Government ought to consider. It applies to all these industries here. As a matter of fact that which I wish to table, Mr. Chairman, if I may, is May 4th issue of "Time Magazine." I have already drawn it to the attention of the Government and the members. "Time Magazine" is a well informed magazine relative to the affairs of this country. As a matter of fact it knows all about everything going on in this country long before we of the Opposition know anything and a long time before the people know anything about it. Therefore I would say it is a reliable magazine and one in which if you find something you may depend it is reliable stuff. Now, there is an item here, Sir, under the main heading of "Canada" which applies to socialistic failures. I want to table it because I have an idea —

MR. CHAIRMAN: If the honourable member will excuse me, I don't think he can table it at the present time but rather when the House is in session. This Committee is set up for a specific purpose to consider supply

only and I don't think this would be the proper time to table the article.

MR. HOLLETT: Mr. Chairman, I abide by your ruling. May I have the privilege of reading it?

MR. CHAIRMAN: No—I think that is out of order because it is out of order to read from magazines or newspapers otherwise the House or a Committee of the House is taken up with the opinions of people not in the House and it cannot very well be concerned with the opinions of those not in the House, however good a writer or however competent he may be.

MR. HOLLETT: Then I shall not table it but I recommend it to the Government for study. I regret I am not allowed to read it or table it. It would be for the edification of the people of this Province.

I take it the re-vote on pressboard is to square off the account (\$575,000).

MR. SMALLWOOD: It is to complete the premises.

MR. HOLLETT: Now we come to something very important—(1505-16)—eye glasses. Incidentally, I broke the frame of mine.

MR. SMALLWOOD: If the honourable gentleman can wait, he can get an excellent pair of eyeglass frames.

MR. HOLLETT: We have been waiting now since 1951.

MR. HIGGINS: Since March 1952.

MR. HOLLETT: During the Elections he was coming over here to tell us about the bad men getting in the machinery. He was going to tell Mr. Higgins everything about it, but some smart man on the opposite side of the House sidetracked him.

MR. SMALLWOOD: It was a sad story.

MR. HOLLETT: I cannot get the eyeglass frames yet, but we are asked to revote \$10,000. He was voted \$150,000; now we are asked to revote \$10,000. Is that an addition?

MR. SMALLWOOD: That is to complete it. The Doctor, when he arrived in St. John's was given very rough treatment by the gentleman who paid his expenses across the Atlantic; the Doctor was scared to death. In fact I heard the gentleman who paid the \$1,000 to cover his expenses over to take part in the election—I heard him speak over the radio and he said he had never seen anyone so frightened. In fact he got such a scare he was delayed in starting the plant; so the Honourable the Leader of the Opposition must try and possess his soul in patience to get a really good pair of glasses.

Might I now reply to what my honourable friend said about school desks. First, may I say the Government did not give C.M.I.C. 2½ million dollars. We loaned it to them. We have taken a chattel mortgage on their property.

In the second place, may I say that from the beginning the plant has had a woodworking department. In it they have manufactured various articles for sale and have sold them and have been paid for them. In addition, they received an order for 1400 school desks out of thousands bought this present year.

I, myself, long before this plant was begun to be built urged the firm of Gosse & Sons, emphatically, to go in for the business of furniture in Newfoundland. I urged them—we had interviews in my office—I will not say

I pleaded with them; but I urged them strongly (and I hope, eloquently) —I urged that very fine Company to go in more intensely into the business of manufacturing furniture. In Newfoundland today the people are buying two million dollars worth of furniture a year. That amount is increasing each year and will increase as the prosperity of Newfoundland mounts with such rather startling rapidity. In addition to that amount of furniture of domestic scope, there is also office furniture, also school and ecclesiastical furniture running into a considerable sum of money. So, therefore, I urged this fine old firm in Spaniard's Bay, in personal interviews, to launch into that. I said "if you lack capital—you have the drive, the know-how, the experience, this Government are here for the purpose of assisting any reputable person or Company desiring to go in for economic development; we will lend you the capital; we will be glad to lend it." I think it is ridiculous to find two million dollars worth of domestic furniture brought into this Province every year, increasing in volume and value every year—I think it is ridiculous! If there is one thing we can make in Newfoundland, it is furniture. This magnificent table (Treasury Table) is not a product of a factory but is hand-carved—beautiful piece of furniture—that could be made in Newfoundland just as readily as in Quebec. I would not be surprised to find these very desks in this Chamber were imported. I see no difficulty about making furniture, certainly no difficulty about making school furniture. And so, I thought to induce this very firm mentioned by my honourable friend to go into the business and put at his disposal an offer on behalf of the Government



for such financial assistance as they might require. For reasons of its own, the firm did not see its way clear to do it.

As for the 1400 desks, these are a mere token. We are going to spend many millions of dollars in the next two or three years on the building of new schools in Newfoundland; in addition, more millions in enlarging old schools, which will involve equipping them with furniture. We have to find accommodation for five thousand more students each year, or 50,000 in ten years—a tremendous programme—new buildings and the enlarging and modernization of old ones, that will call for a tremendous amount of school furniture; and I want to see every last school desk, bench and chair used in Newfoundland to be manufactured in Newfoundland. In this province if we cannot make furniture, let us give up. What is wrong with their making furniture? This 1400 desks is a mere token, a flea bite.

MR. HOLLETT: These flea bites are dangerous. Here you have an industry coming in here to which you give 2½ million dollars; they start to enter into the local industry business and, naturally, they are going to drive out our unsubsidized local industries. We have seen it in the tobacco plant and the clothing factory. This textile plant, for instance, was going to bring prosperity. What do we find them doing at the present time—if they are doing anything at all? They are importing woollen and cloth from Germany and manufacturing clothing in competition with the local factory. If the Government thinks that is good policy, we do not. I am just drawing it to your attention.

I have here a copy of the agreement of the sale of the cement plant.

I am quite sure very few of the members have read it—it is a very interesting document—I am sure the members of the legal fraternity will be interested. "This Agreement made at St. John's—

MR. SMALLWOOD: I have no desire to restrict the honourable gentleman; but the matter of the sale of the cement plant was settled some time ago; the decision was taken. If we can bring in this Agreement, why not bring in all agreements and debate them all over again? Why not debate them all, asking for explanations? If it is done with the cement plant, why not with all other plants? It is absolutely out of order.

MR. CHAIRMAN: The point is well taken. It is out of order.

MR. HOLLETT: You rule I am not allowed to read this document? Then we shall publish it. The copy was given to me—it is signed by J. R. Smallwood, E. S. Spencer and by another name which is indecipherable. We ought to have our people see it.

With regard to these new industries, very few members know anything about them; we have been given no particulars. It is our duty to discuss these new industries. They have taken the surplus money we had in 1949. We hope and pray they will succeed; but we hope they will not succeed in driving out our own established industries—our own unsubsidized industries. If so, it may be an unhappy day for our people here in Newfoundland.

I do not wish to prolong the debate. I know the House is pressed for time. But we would like some assurance from the Government that no further commitments will be made before they are brought before the House. We must remember that most of these

new industries were started long before anything was known about them in the House, and we would like to be given some assurance that, at least, no further commitments will be made with any concern—foreign or otherwise—for further industrialization, until they have been brought before the House and discussed. I do not know if the Premier can give that assurance.

MR. SMALLWOOD: I am afraid I cannot give any such assurance. If, before the House meets, a year from now, there should present itself to this Government any opportunity which we feel in our wisdom, or lack of it, to be a sound proposition and for the public good, and if we can see our way clear to assist in the financing of it, we will do it. I guarantee that. Rather than say we will not, I guarantee that we will. If before the House meets for the next Session, a year from now, there should present itself to the Government an opportunity which we think is sound for economic development, if we see our way clear to assist it, we shall do so—if it appears to be an opportunity which will assist in the development of Newfoundland. That is what we have been doing since we came to office. There are two conditions—one, the programme appears to be sound, and two, that we have the actual means to give the necessary financial assistance. That is what we have been doing and we shall continue until the people of Newfoundland say "you shall now stop." Then the Honourable Leader shall become Premier and his colleagues form a Government. When the people say that, we shall stop; but not before.

With regard to his remark about the textile plant—the honourable gentleman is well aware that they are im-

porting cloth only until they get the mill in operation. It does not help Newfoundland, it does not help the Opposition, it does not help anyone to talk of our having set up another clothing factory in competition with local manufacturers. I think it is a wrong statement. They are not competing with any local plant.

MR. HOLLETT: They have not started yet.

MR. SMALLWOOD: They either are or they are not. I say they are manufacturing a product which has never before been manufactured in Newfoundland—men's dress shirts, for instance.

MR. HOLLETT: They are out of date.

MR. SMALLWOOD: If my honourable friend cares to get a bargain, he can go to a very progressive firm and ask them to show him those dress shirts. He will find that these are as good as anything that importer has brought in from the Mainland of Canada. That is not competing with anyone operating in Newfoundland.

MR. HOLLETT: They are not going to make suits of clothes?

MR. SMALLWOOD: There has never been any suggestion of it. My honourable friend is well aware of that. They are making dress shirts, pajama suits, table cloths, flour and feed bags,—things never before manufactured in Newfoundland.

MR. HIGGINS: Any straight jackets?

MR. SMALLWOOD: If my honourable friends opposite do not watch out, there will be a limited number of them needed before long.

HON. S. J. HEFFERTON (Minister of Supply): With regard to the school desks—some months ago we were faced with the position where we needed quite a quantity of school desks. Gosse could not supply them; in fact they expressed their intention of going out of the school-desk business altogether. On the Mainland they could not give us delivery under two months. Consequently, we approached CMIC and asked them if they could give us the desks, what time, and at what price. Some two or three weeks later they came up with an article equal in quality to anything we could import and a shade cheaper, and a much better article than we could get from Gosse even if they could supply them. That was why the initial order was given to CMIC.

MR. SMALLWOOD: What is wrong with that?

MR. HEFFERTON: The Honourable the Leader of the Opposition is not too well aware of conditions in Saskatchewan with regard to the Government's controlling industry —

MR. SMALLWOOD: He only got as far as Toronto.

MR. HEFFERTON: The article he referred to had no relevancy to the debate under issue.

MR. HOLLETT: We were speaking about school desks. Apparently then we have to take it that school desks were something unknown to local manufacturers heretofore. They had to be imported. And now we are told "why not give CMIC the chance to do it?" It may look all right to the Government; but to me CMIC looks (as someone remarked) as if the "o" was left out—it looks comic to me. To think that CMIC which was

set up here to employ a thousand or more men; grandiosely opened last year by Mr. C. D. Howe. I submit, Sir, that the country has been let down by this big machinery plant. It is a nice plant to look at but it cannot get the orders—Why we do not know—What I am afraid of—But I had better not say what I am afraid of—

MR. SMALLWOOD: I think I will set my honourable friend right on that: I don't suppose that my honourable friend is trying to create any impression that the plant is about to close or about to fail or anything like that. I would hardly think that my honourable friend would wish to do anything that would hurt the two and a half million dollars belonging to the people of Newfoundland lent to that company; I don't imagine that my honourable friend would have the least desire to say a word that might damage Newfoundland's investment of two and a half million dollars in that plant. I must assume, therefore, that my honourable friend has not been in there since the opening day. I noticed him there on that day—I assume he has not been in there since.

MR. HOLLETT: I can't get in.

MR. SMALLWOOD: If my honourable friend would go up to that plant any working day and make himself known as a member of the House of Assembly not alone as Leader of Her Majesty's Opposition I am quite confident that the plant superintendent would lay down the plush carpet for him and show him through every square inch of the plant if he cared to go through it. If he did so this is what he would find: He would find that plant today and in recent months making parts and pieces of machinery for some of the largest companies in Newfoundland such as DOSCO and

the AND Company. They recently completed in at CMIC the manufacture of one thousand rather interesting combinations of metal for the new conveyor system on Bell Island. They manufactured for the AND Company at Grand Falls most interesting pieces of heavy equipment. I guarantee that the entire Opposition joined even by me would not be able to lift the individual pieces that they are manufacturing in there for the AND Company. They are manufacturing machinery for at least twenty industrial concerns in this Province today, steadily, constantly—They are at it all the time. They have about two hundred men working in there, and I can assure my honourable friend that two hundred men are not making desks. The number making desks is somewhere around twenty men at the present time. I hope that number will grow rapidly as I would like to see a couple of hundred men working at woodwork alone. But to try and paint this as a failure because it did not get a defence order—the story is now written yet about defence orders—Defence has not stopped and there may yet be defence orders in there. Now that plant will continue to grow, will continue to expand and it will be up to schedule—it is up to schedule at this moment as to the turn over, as to the total amount of projects, as to the number of employees and it is over schedule as to the amount of wages because they have a union contract and the wages of the company have come up since that contract. So that they are up to schedule in the work, they are up to schedule in the number they employ and they are over schedule in wages that they are paying—There is nothing to get alarmed at—That won't profit the Opposition any.

MR. HIGGINS: Would the Honourable the Premier be able to tell us whether the plant has as yet manufactured for export or received any orders to manufacture for export from the Mainland?

MR. SMALLWOOD: They have not to my knowledge, but they are negotiating with various people for that very purpose. They have not as yet actually manufactured for export from the Province.

MR. HOLLETT: None of the plants?

MR. SMALLWOOD: We are talking of CMIC.

MR. HOLLETT: Mr. Chairman, have just one more word to say and want to make it quite brief. At the opening of this session of the House number of us tabled dozens and dozens of questions particularly about these various plants into which the money of the Newfoundland people had been put—What was the answer? No information was given us, nothing told us whatsoever. So unhappily for me when I heard today that that big machinery plant was manufacturing school desks ordinarily manufactured by the firm in Spaniard's Bay I raise the point there. Now we get the necessary information which we asked for three weeks or a month ago. Now only by niggling and nagging and everything else are we able to get satisfactory answers to what is being done at CMIC. I presume if we start nagging on some other points we would get information. Therefore, as I said I raise this point and I thank the Honourable the Premier for giving me this information on this point.

MR. CASHIN: Is the two and half million dollars capital expenditure

here for the various plants enough for all the outstanding agreements we have at the present time?

MR. SMALLWOOD: Approximately so.

MR. CASHIN: That leaves it that answers to certain questions here were improperly answered because according to statements made in the House you have about six or seven millions outstanding and the vote here is for two and a half.

MR. SMALLWOOD: Outstanding on what?

MR. CASHIN: On these plants—for instance Ehardt Gloves and the rubber plant around three hundred thousand dollars—approximately—

MR. SMALLWOOD: That is the amount shown here.

MR. CASHIN: They got three hundred thousands but you passed an agreement here for a million—

MR. SMALLWOOD: No.

MR. CASHIN: Yes, that is the agreement for the rubber plant.

MR. SMALLWOOD: You must remember the rubber plant has been drawing money for months in the financial year just entered.

MR. CASHIN: I have the answers to two questions that tells us there are only three hundred thousand dollars and now five hundred and ninety five thousand. There is another one, a boot and shoe agreement coming up and there is nothing in there for that.—That is what I am trying to get at.—There is an agreement coming up and we are not voting any money and there are other ones I just can't recall. My point is that two and a half mil-

lion dollars is not enough to cover your outstanding legislated agreements and obligations to various industries and outfits.

MR. SMALLWOOD: There is one vote here in fact a revote of half a million dollars—

MR. CASHIN: Yes, fur.

MR. SMALLWOOD: No, this half million, as we have learned since these estimates have been received from the printers, is far more likely not to be spent and this will approximately cover the amounts we have to spend, though not entirely, on the shoe plant, or money we have to lend to that plant in Harbour Grace. So that instead of sending the whole thing back and having it reprinted we left that there, that revote, though we tell the Committee it will not be spending it. We are sorry to say that the fur dressing and dyeing company are not going to operate in Newfoundland and I am sorry to say they are going to operate on the Mainland of Canada. The vote, therefore, will not be required for them. It will be used instead to cover the loan we propose to make to the boot and shoe company who are going to establish at Harbour Grace. The shoe company amount is, I speak from memory, six hundred and fifty thousand or seven hundred and fifty thousand, I don't know which.

MR. CASHIN: And the textile mill?

MR. SMALLWOOD: It is down there at eight hundred thousand. We figure that amount is certainly all they will require in the present fiscal year.

MR. CASHIN: In other words it won't be finished?

MR. SMALLWOOD: You know you don't build a cotton textile mill for eight hundred thousand.

MR. CASHIN: There is a million then outstanding? You have loaned them three hundred thousand odd; you owe them eight hundred thousand in the coming financial year—you see what I am driving at? There are several of these outstanding obligations which are in fact a liability.

MR. SMALLWOOD: Yes, my honourable friend is right.

MR. CASHIN: Is that the total amount to be required for this particular item 17—Electric?

MR. SMALLWOOD: Yes, I think it is.

MR. HIGGINS: Is that the battery plant?

MR. SMALLWOOD: No, it can't be; this is to complete the payments.

MR. HIGGINS: There was nothing shown in last year—what would that be, do you remember off-hand?

MR. SMALLWOOD: The total is three hundred and fifty thousand of which two hundred thousand goes in this current year.

MR. HIGGINS: That will complete the plant and everything else? That is the battery one at Topsail?

MR. SMALLWOOD: Incidentally that is a rather interesting building. It has been the first occasion I think, in the history of Newfoundland of a building being constructed completely in-doors during the winter months. The building is of reinforced concrete—the columns, the purlins and the sides and the ends are of reinforced concrete. The frames of the roof and

other parts are reinforced concrete made to fit exactly. The walls are of reinforced concrete blocks. The whole of it was constructed during the winter in-doors. So that as soon as the spring came, as they had poured the concrete foundation last fall, they were able to assemble the building.

I had a chance to spend three minutes in there today at lunch hour. It is astonishing how rapidly that building is going together, a most interesting form of construction. It is not a large building, I think it is a couple of hundred feet long and approximately seventy feet wide and of one story. The roof, incidentally, is made of corrugated asbestos cement laid on purlins. When the costs are known exactly, compared with the costs of other types of construction, it may turn out to be a most economic and certainly a quicker way of construction and with this further advantage that it can be done in the winter time. Get the foundations built in the fall before the frost comes, construct the building during the winter indoors and slap it together quickly as soon as the fine weather comes in the spring of the year. CMIC built it, their building department. They have three departments, as my honourable friend knows, machinery, woodwork and construction. This is a product of their construction division.

MR. HOLLETT: That is the very point I was coming to—I notice Mr. Chairman it is being built by CMIC. That brings us back to the point of the manufacture of desks which would surely appear to be in direct competition to the building trade of Newfoundland. Can the Premier tell us whether in fact any tenders were asked for?

MR. SMALLWOOD: I have personally insisted in connection with all of these European Industries coming to Newfoundland that they get prices from the local contracting firms and they have done so. I have requested prices to be obtained from—I won't name them—but from well-known native construction companies. In fairness and common sense I know of no case of a European firm finding in fact that it was cheaper for them to get their construction done by purely local firms. One or two of them have done their own construction. There is the Rubber Plant at Holyrood which is being constructed by the company itself. They have their own architects and building experts and their own employment officer and their own purchasing agent. They have gone straight ahead and erected their own building. That is the first building of its kind in all Newfoundland and is completely concrete from beginning to end with a saw-tooth type of roof. There was a case we know of where the company concerned found it cheaper to have their factory built in Switzerland, prefabricated and shipped out to Newfoundland in sections and assembled here on the job at a saving of some sixty or seventy thousand dollars. So that there has been various ways but in not one case that I know of has a European firm found it to be most economical to get a Newfoundland contracting firm to undertake to do the work cheaper than the firm could get it done some other way.

Now, it may well be that construction in Newfoundland has been so great for the last two or three years that the contractors themselves have had their hands full with defence work, with work for the Newfound-

land Government, with work for the Government of Canada, that they were not perhaps anxious enough nor interested enough to quote prices that would land them the contracts. Perhaps that is the reason. If it is not I don't know why.

MR. HOLLETT: Excuse me, Mr. Chairman, I believe the Honourable Premier before told us our people did not have the know-how.

MR. SMALLWOOD: I never said that.

MR. HOLLETT: Oh yes, I remember distinctly—our people did not have the know-how and consequently could not do it so cheaply.

There is one other thing: I notice under 1505 (06) last year that there was a vote of \$750,000 and this year it is \$500,000. That means they received \$250,000?

MR. SMALLWOOD: No—they have received nothing.

MR. HOLLETT: It is the thought of the Government it will not be put into operation?

MR. SMALLWOOD: We are quite certain it will not—we are sorry to say.

MR. HOLLETT: May I suggest that the vote could be deleted—why vote five hundred thousand dollars for something we know and have been told by the Premier is not going to occur—there is no need of that expenditure there. I say therefore the Government might at least wipe it out and—

MR. SMALLWOOD: I would be quite happy—and substitute the Boot and Shoe Factory for it. What we intend to do is use that amount

which happens to be printed in the estimates for the shoe enterprise which is not in the printed estimates and if we make any change here it will appear in the final addition—so we put in boots instead of fur.

MR. CHAIRMAN: Delete the word "fur" and substitute the words "boot and shoe factory."

MR. SMALLWOOD: The name is "Koch" if my honourable friend could pronounce that.

MR. HIGGINS: And strangle on it.

MR. SMALLWOOD: One would not strangle if one practised it.

MR. HIGGINS: We could compromise and call it "Kosh" so long as we don't call it "Bosh." Now in the next item does this amount here for Sennewald complete his loan?

MR. SMALLWOOD: His equipment is all here. When the last shipment came he arrived himself and put it through the customs and he has gone back to bring the next shipment. I think myself that thousand dollars from Mr. Gordon Higgins rather spoiled him. He got that lovely trip across the Atlantic travelling in style at the cost of Mr. Higgins and the Tories in Ottawa and Mr. George Drew. He liked it so much travelling across that now every time he has a shipment coming by boat he arrives the day before by air and as soon as it is landed and the duties paid he puts it in storage in the building where he is going to operate and is off to Germany again.

MR. HIGGINS: George Drew paid him out and you paid him back.

MR. HOLLETT: You took him up on Signal Hill. To go back to

Koch Limited—are they an incorporated Newfoundland Company?

MR. SMALLWOOD: Yes, they are incorporated.

MR. HOLLETT: I see—it is going to cost me another 25c. to look at that.

Carried.

MR. SMALLWOOD: Mr. Chairman, earlier today I was reminded by my honourable friends opposite that there were two items in the current account estimates that were deferred, I meant to have them deferred until my honourable friend, the Attorney General was here beside me to tell me what it is all about as I had not been present when they were deferred. We might now revert to the current account estimates.

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MR. CASHIN: I did not ask to have it deferred. But I want to bring up the railway pensions business. I made some previous reference to it yesterday. Newfoundland has been in Union with Canada for four years and there is no earthly reason why the matter has not been adjusted long ago. Both the Government here and at Ottawa have fallen down on the job and the CNR has fallen down. The persons liable to the people of Newfoundland is the Canadian Government but it is the Canadian National Railway who are just putting it off up here. We have been told that it is going to be fixed up and letters have been written to the Secretary of State but he has forgotten it and he does not care about it—it has been forgotten—I was speaking to one of the committees this morning who said it should be fixed. It is no use waiting and fooling



around about it—there may be a change of Government and there may not be a change of Government. But here was an agreement entered into four years ago with the Canadian Government and they have fallen down on that railway pensions business for no reason whatsoever. Now there has been considerable discussion and talk about this dry dock being closed up, people are being laid off up there and the next thing you are going to have a bunch of people who have been working with the railway for a long time pensioned off and not properly pensioned. Now, there is no excuse, in my mind, for the Canadian Government delaying four years to make up their minds about pension rights for railway workers. It has been definitely laid down in the Terms of Union not by the Canadian National Railway but by the Canadian Government and they have just been putting it off. There is going to be a kick up one of these days if they don't have it straightened out right away—I have no faith in the Secretary of State—none—he has practically told these people that he has forgotten about them.

MR. SMALLWOOD: I may say from the very beginning I have been in this picture. It began I think a month or so after Confederation. I am glad to be able to say at least this much: When I was in Ottawa the other day I was told formally and officially that the matter is now before the Attorney General of Canada who is having his law officers of the Crown examine the whole position with a view to advising the Government of Canada whether the Newfoundland Government's contention is right or wrong. Now, if they advise the Government that the Newfoundland Government's contention is right,

that settles it. If they advise otherwise it might lead to action in the court. But we as a Government have no intention in the world of failing to follow our contentions, if need be, to the highest court in the land. But if the law officers of the Crown in the Department of Justice in Ottawa advise the Government of Canada that the Newfoundland Government is right then there will be no action needed other than the simple directive from the Government of Canada to the CNR, and I have no doubt they will give this directive without delay.

MR. CASHIN: Thank you very much indeed. My contention is this: They have been up there four years and it has taken a frightful long time to get as far as the Attorney General of Canada. It has now been in the hands of the Secretary of State at Ottawa for some considerable time. There were three lawyers on these terms when they were being negotiated who belonged to Newfoundland and they fell down on their job the three of them—one is now Chief Justice, one is Secretary of State and the other one is in private practice. Now, I don't blame the members of the delegation for this particular matter as there were three lawyers there with them and they did not give one hoot in hell (excuse me Mr. Chairman) whether the railwaymen got a pension or not. The Secretary of State fell down on his job; and he does not care a hoot whether these fellows in the Railway ever get a pension or not. As a matter of fact, some of these fellows have approached lawyers concerning the matter and were told "you are entitled to a pension; give us \$3,000 or \$4,000 and we will take it to the Supreme Court of Canada." I am blaming the Federal Government and the Secretary of State. I

am not blaming this Government; but we in this House have an obligation to the people working for the railway. The Secretary of State got fixed up all right and to blazes with the railway pensioners, as far as he was concerned.

MR. FOGWILL: I am very much interested in pensions to the railwaymen. I happen to be a railway worker and that is my ordinary place of employment. I was on a Pension Committee in respect of railway workers as far back as 1943. I would like to read a claim of the railway workers made out and presented in 1948 to the delegation that went to Ottawa prior to union. "Due to the proposed change that may be brought about in respect of the Newfoundland Railway, whereby the ownership of the Newfoundland Railway may be vested in the Dominion Government of Canada, and thereafter operated by the corresponding service of Canada, it is essential to the future welfare of the employees of the Newfoundland Railway that all prior service and/or prior pensionable service accumulated by each employee during his or her period of employment with the Newfoundland Railway together with any service which may be acquired after entry into the corresponding service of Canada, shall be credited to each employee as if all such service had been in the corresponding service.

(a) All employees employed in the service of the Newfoundland Railway who have acquired ten or more years of pensionable service, and who are employed at the date of Union, shall be pensioned upon reaching retirement age, or earlier if incapacitated by reason of illness, or in the line of duty, as the case may be under the provisions of the Newfoundland Civil Service Act of 1926, as amended, and

furthermore all prior pensionable service acquired by such employees shall be added to any service which may be acquired by such employees in the corresponding service of Canada; that is, both periods of employment shall be added together for the purpose of computing the total number of years of pensionable service. All employees coming under this head shall be pensioned under the aforesaid Civil Service Act of 1926; funds required for the payment of pensions of all employees of the Newfoundland Railway, as set forth in this paragraph to be provided for and paid by the Federal Government of Canada.

(b) All employees in the service of the Newfoundland Railway who have acquired ten years of pensionable service at the date of Union, shall, upon being employed in the corresponding service of Canada, be credited with all prior service acquired while in the employ of the Newfoundland Railway, and thereafter to have added to such prior service all subsequent service acquired after entry into the corresponding service of Canada. To further protect the interests of employees with less than ten years' service with the Newfoundland Railway all prior years of service of such employee with the Newfoundland Railway shall be deemed to be contributing years in the supplementary retirement plan of the corresponding service. Contributions will be deemed to have been paid at the rate of five per cent computed on the regular wage or salary of such employees during the last year of service with the Newfoundland Railway. Funds for this amount, and for an amount equal to the amount deemed to have been paid by such employees to be provided for and paid by the Federal Government of Canada.

(c) In the case where employees in service with the Newfoundland Railway have less than ten years' service, and if in such case it appears that such employees will not, at retirement age, have acquired sufficient service with the Newfoundland Railway, together with service which may be acquired in the corresponding service of Canada, to be pensioned under the Rules of the Basic Pension Plan of the corresponding service, then, in such case, employees will be pensioned under the provisions of the Newfoundland Civil Service Act of 1926, as amended; funds required for the payment of pensions in the foregoing to be provided for by the Federal Government of Canada.

(d) Pensions of employees of the Newfoundland Railway who have been retired prior to Union shall continue to be paid pensions at a rate not less favourable than that paid prior to Union. Funds required for the payments of pensions of such employees to be provided and paid by the Federal Government of Canada."

As you see, the railway workers were alive to the fact that a change was going to be made. Their claim is to the Government which took over the railway system. This Brief was given to the Committee before they went to Ottawa. I was present at the meeting when the Brief was handed to the delegation. These people took over the assets and they should have taken over the liabilities as well, including all those pensioners.

I was the one who asked to have this stand over; but, frankly, I was not thinking so much of the railway pensioners at the time, as the other Civil Service Pensioners, some of whom I was talking to, and who ask-

ed me to bring up this matter. I was informed that it is a couple of years now since they have been given any increase at all in pensions and the worst part of the thing is that living costs are moving up and there has been no compensatory adjustment in the pensions. If that be so, there is a case for consideration. I wonder if the Minister would let me know if this is being considered?

HON. G. J. POWER (Minister of Finance): Not this year.

MR. HIGGINS: Not even a hope?

MR. POWER: I do not imagine so.

MR. HOLLETT: I had a communication from Mr. Gordon Higgins—if I am allowed to mention my honourable friend's name, wherein he states that some progress is being made relative to this pension question. Of course it has not been settled yet. With my colleagues here, I agree an unjust thing has been done with regard to the Railway officials—employees—anybody who read Section 31 and Section 39 will see that they are definitely entitled to pensions.

The request has also been made by a number of people who served as Relieving Officers prior to Union—there were at that time 40 Relieving Officers; some of them had received Civil Service status of 15 years; more less than 15 years. A good many of these people have received no pension whatsoever for the 10, 12 or 14 years they put in as Relieving Officers. These Relieving Officers, although poorly paid during those years of depression, they performed one of the most unthankful jobs of any person in Newfoundland. Suddenly we went into Confederation, with the promise

that everybody would be looked after. Many of them who had given their years of work were ignored completely; they were let out of their jobs with not even the small stipend of \$25-\$50 a month. Nothing was done for them. I would like to make an appeal to the Government to make some special case out of this for these unfortunate people who were neglected, in that they received nothing. Some of them are too young to qualify for old age pension, some were incapacitated. Those Relieving Officers received no consideration. I do not think that was the intention of the Federal Government or of this Government, to treat anybody like that. I am not laying the blame on anybody. I know I shall be told they do not come under the Regulations, but I would like to know if the parties concerned would take the matter into consideration. I wonder if the Minister of Welfare would care to comment on that?

**DR. POTTLE:** Before I answer the question, I shall have to get a ruling as to whether it is in order.

**MR. CHAIRMAN:** If the Honourable Minister wishes to make a statement, it is in order.

**DR. POTTLE:** Very well. The persons in question, whilst I have every sympathy with their case as presented by the Honourable the Leader of the Opposition, the circumstances there are such that their status is not that of a Civil Servant. I can say that the matter has been under consideration by the Department of Welfare in the first instance; and in the second instance by the Government, to whom the Department has referred the matter. In the first place, to clear the air, we cannot discuss this question as if these people were Civil Servants and had been discriminated

against. They are not Civil Servants, therefore they are not pensionable and in point of law they have no claim for pensionability. They do not meet the requirements of the Act for that reason. When these men were appointed, they were given instructions as to their Terms of Reference, and these instructions were that they were "part time" people. Some of them were small merchants, others were employed at other things. They were given to understand that they were part-time persons only and that their services would be discontinued at any time, should circumstances change. The fact is, however, that their services were retained so long, one can understand they came to believe their appointments were permanent. Now, what would they have to do to get a gratuity—to be eligible for a gratuity? They would have to be employed fifteen years before they were 65. And although the Relieving Officers still believe they have a grievance, none of them have been so employed. None of them were employed for 15 years before reaching the age of 65. It is not quite correct to say that when the Public Welfare Department was reorganized the Relieving Officers were given no notice. On the contrary, they were given many months' notice; and in some cases where there was considerable hardship, we had the Relieving Officer and the Welfare Officer work side by side so that there would not be the sudden shock of adjusting to the new system where there is no work. One other point, that is to say, that for many, many of these people, pensions are out of the question. They do not qualify for gratuity. If we went out of our way, as the Honourable Leader of the Opposition suggests, to make a special class of them because of

special circumstances; I am sure the Honourable the Leader will appreciate we would have considerable difficulty on our hands in justifying this, when a lot of other persons have had to be released from the Government services, without gratuity.

MR. HOLLETT: What class of persons is that?

DR. POTTLE: A number of temporary employees in half the Departments of Government. In the Mines and Resources, for instance, they have Survey Parties who are not pensionable.

That is the strict interpretation. But that is not to say that the case is entirely closed. We have bent over backwards in order for them to qualify for any benefits to come under the Department of Public Welfare. If there is anything we can possibly do, within the framework of what we can do as a Government, we shall be glad to do it.

MR. HOLLETT: I am very happy to receive that answer. I do not know the particulars, but I am content to have received the statement made that the matter is not closed definitely.

Carried.

HON. L. R. CURTIS (Attorney General): On page 28—I wonder if you could add there, Mr. Chairman, 506—10 Portraits of Governors \$10,000.

MR. HOLLETT: Mr. Chairman, is that to include the last Governor who served in the Commission of Government?

MR. SMALLWOOD: All governors.

MR. HOLLETT: I would willingly vote this amount for every governor in Newfoundland we have had before

and since. But I do hope that the artist will make a very poor picture of McDonald, whatever his name is.

HON. M. P. MURRAY (Minister of Provincial Affairs): I think the position is, Mr. Chairman—The Chairman of the Board has a contract with an English firm who has discovered or knows of some portraits of old time governors which have some historical value and it would be a pity to lose those portraits.

MR. HOLLETT: Is there any reason why any governor we had in Commission of Government days should be included in that—That is the only way I see to be rid of him.

MR. SMALLWOOD: Mr. Chairman, I am willing to forfeit the Coronation and not go rather than have a Governor of Newfoundland known to many of us and respected by many of us attacked without a word of defense. I know my honourable friend refers to Lord McDonald for whom I have great respect and for whom tens of thousands of Newfoundlanders as good as I or any member in this Chamber has profound respect. This cheap sneer at Lord McDonald has been going on for this couple or three years. It is only a disgrace to us and not to him. He was alleged to be a confederate—so what? I am alleged to be a confederate and the majority of the people of Newfoundland are alleged to be confederates—so what? Lord McDonald was a God fearing man who claimed to this moment the respect of the majority of the people of Newfoundland, the unqualified respect. It is true that he has received the bitter hatred of a minority but only a minority. The majority of Newfoundlanders respect Lord McDonald's name and record and I am

prepared to defend his name and record at any time and anywhere.

MR. HOLLETT: Mr. Speaker, I did not intend to attack anybody. If what I have said can be taken to be an attack it is immaterial to me if 361,999 people in Newfoundland want to worship Lord McDonald, they may do so. If I am the only other one left I shall not do so. I know of certain things which transpired in the particular year prior to the time we went into Confederation which no governor in any part of the British Commonwealth of Nations should ever have been a party to. A governor, Sir, is a man who should be beyond and above politics and be respected by everyone. He should keep his nose out of politics and when he ceases to do that he ceases to retain any respect I have for him. The Premier may wax warm if he likes, it is immaterial to me. I say; Lord McDonald did not do that, Sir, with regard to the seat he held just prior to Union with Canada. I say that with heat, because the Premier spoke with heat. I have nothing against the man personally. The Premier said he was a religious and God fearing man, I have nothing against that. What I do have against him is the known fact that he allowed things to interfere with his proper status as the Governor of this the Oldest Colony of Great Britain.

DR. POTTLE: Mr. Speaker, I of this House had one of the closest associations with the former governor in question. I regret very much that this House or rather the Opposition of this House should have seen fit at this hour of the evening and at this particular time to bring in such a jarring note of disrespect about his late Majesty's representative in this

land. My own feelings are, Sir, that Newfoundland was extremely fortunate at a critical time in her history to have a man of his disposition and his integrity here. Nothing that I know of him nor heard of him nor say of him will change my conviction that, in the words of Tennyson:

"Whatever record leap to light  
He never shall be shamed."

MR. HOLLETT: Mr. Chairman, I don't want to get into an argument tonight but if the Honourable Minister who has just spoken had attended certain conferences in this town during a certain period and had heard that governor, Lord McDonald tell that conference what to do with regard to Confederation, then, I say, the Honourable Minister must agree with me that it was beyond the duty of any governor in any British Commonwealth of Nations. Now I will say that the Honourable Minister did have associations with his Lordship which were very pleasant and I also had on occasions which were very pleasant before this thing started. I have nothing against the man personally but I have this to say, he nor any other governor should not politically interfere with the making or breaking of the status which existed politically in any particular part of the Commonwealth. I don't wish to have any argument unless the opposite side want it.

DR. POTTLE: May I ask the Honourable Leader of the Opposition if he were present on the occasion to which he referred?

MR. HOLLETT: Mr. Chairman, I was not present but people who were there and reverend gentleman who were there quoted to me the exact words. Do you want me to repeat what he did say?

DR. POTTLE: I would not trust to your memory.

MR. HIGGINS: Mr. Chairman, I think the purpose of this thing is historic and whether a man was liked or disliked is immaterial. He has his place in history and it should be recorded whether he was in favour or anything else. I think the Honourable Minister of Provincial Affairs remarked that it does not matter whether one approves or disapproves of a person it is a part of the formal history of the country and as such each governor should be put in his place.

MR. SMALLWOOD: Mr. Chairman, that is a very civilized and sensible remark from my honourable friend. Now, may I throw a little oil on troubled waters. In fact this vote is for the purpose of purchasing some very old engravings of very early governors for display in Government House, a very magnificent collection of engravings which has in fact been found in London of Newfoundland Governors beginning about 1750, I believe, and coming down to around eighteen hundred and something. There are perhaps a dozen of these in existence and there must also be other old engravings of the early naval and military governors. This vote is inserted here for the purpose of purchasing these old engravings.—As for the gentleman about whom we have just been talking it is certainly not for the purpose of acquiring a photograph because it would be easy to get a photograph costing nothing. I happen to know him, not at all well, did not meet him very often, but I have deeply resented the sneers and hints and insinuations expressed around about him, for example, that he looted Government

House before he went away. That was spread far and wide, that he actually robbed government furniture and equipment belonging to Government House and had it packed in packing cases and shipped to England. There were many stories of that type arising, doubtlessly, out of the rather bitter fight in which we all engaged known as the "National Referendum." I know nothing about him, I was not present on the occasion to which reference was made. I heard one or two people say he had said such and such. I don't know if there was a word of truth in it, I have no reason to think so, I never bothered to find out.

MR. HOLLETT: Ask some of the clergymen present.

DR. POTTLE: Mr. Chairman, probably I am better able to answer the honourable gentleman than anyone in the House as I was present on that occasion and heard the statement in question. I know the inflammatory circumstances and I know the statement to which he refers. If inflammatory implications were inferred by clergymen perhaps in those days they had their views and can be excused like other individuals. I checked with the governor himself on that occasion—I know exactly what was said and I know what he had in mind when he said it. It was a perfectly legitimate thing to say under the circumstances or any public circumstances.

MR. FOGWILL: What did he say?

DR. POTTLE: I shall discuss it privately with the Honourable Leader of the Opposition or anybody, but I do not think this is the place to do it. But I should like to leave on the records that it was a sound statement

and coming from an unimpeachable source.

Carried.

MR. CURTIS: I move, Mr. Chairman, that Mr. Speaker's allowance be made \$2500 instead of \$200 and scratch out the \$500 allowance and put in its place contingent allowance \$2500. We find, Mr. Speaker, that the income tax people want income tax on that and we all participate in it. Then—Chairman of Committees—I move, Mr. Chairman, to make that \$2,000.

Carried.

Then on page 53—item 1029 add another item—Notre Dame Bay Hospital non-recurring \$200 to make up part of the deficit incurred last year on current account by that particular hospital.

That, I think, would complete the estimates.

MR. HIGGINS: I take it, Mr. Chairman, it is not proposed to close this thing off.

MR. CURTIS: No.

MR. HIGGINS: Thank you very much.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again.

MR. COURAGE: Mr. Speaker, the Committee of the Whole on Supply reports that they have considered the matters to them referred, made some progress and ask leave to sit again.

Carried.

MR. SMALLWOOD: No. 10. Second Reading of Bill, "An Act Further to Amend the Alcoholic Liquors Act, 1949."

I do not propose occupying much of the time of the House to explain this Bill. The purpose of the Bill is to regulate a class of persons that really ought to be regulated more than they are now, namely the agents of the brewers throughout Newfoundland who along with the taverns licensed to operate, are the people who supply the public with such beer as they want.

The taverns are under fairly strict supervision. They have to be licensed and have to maintain their taverns in pretty good order, and are subject to inspection, and secondly, the operators at all of them have to make pretty considerable expenditure in regard to the Act and the Regulations. And that is as far as it goes. Practically no law exists for similar classes or other classes who deal in that well-known and popular beverage—beer. This attending Act provides that all such agents must be licensed by the Board of Liquor Control; and they can only sell to a person having a permit to buy.

At the present time, you do not need a permit to go into a tavern nor do you need a permit to send to the Board of Liquor Control or to go personally and buy a case of beer. From now on, we are going to provide that if you want a case of beer from the brewer's agent, you must possess a license. That license or permit to purchase which a citizen is required to have will be issued by the R.C.M.P., a J.P. or well-known officials in the areas concerned. The reason for this is that it will prevent a bootlegger from buying 50 or 100 cases from a brewer's agent and bootlegging it around the area. The permit allows the purchaser of the beer from the agent, to consume it



only on his own premises; it permits the agent to sell only by delivering it to the buyer at his home, or if removed by a common carrier to the buyer's home. A man cannot buy a case of beer and lug it off himself or put it in his car or any car; the brewers' agent must deliver it to the buyer's home either in his own vehicle, or by common carrier such as a coastal boat. It must be consumed on the premises of the buyer. It must not be consumed on the premises of the agent.

It is provided that the taverns shall have the same right, but again, under the same conditions. It is not proposed that people shall be allowed to go anywhere except to the Board of Liquor Store and they themselves purchase a case of beer and carry it home—except at the stores of the Board at St. John's and/or Corner Brook. It is not proposed that anyone in Newfoundland should be permitted to buy a case of beer anywhere except direct at the Liquor Store of the Board, and he himself carry it home. If he buys from an agent or tavern, then that agent or tavern must deliver it to the buyers home either in his own car or truck or by common carrier if he lives ten or twenty miles away. The whole purpose is to bring the Brewers' Agent under control the same as the taverns are already under control. It does one other thing: It gives the tavern the same right as the buyer's agent presently has, under the same conditions; namely, he can sell only to a purchaser who has a license to buy, which he gets from the Magistrate or the R.C.M.P.

MR. HIGGINS: With regard to section 6—"The Board may grant licenses to owners, operators, or managers of taverns situated beyond a

distance of five miles of any store of the Board to sell beer by the case to the holder of a permit . . ."

MR. SMALLWOOD: They cannot deliver it within a radius of five miles of a Board of Liquor Store. You cannot have the liquor stores here or in Corner Brook deliver it within five miles. Furthermore, naturally, it provides that no deliveries can be made on Sunday; and on any other day except from 9 to 6:30 o'clock.

MR. CASHIN: On Sundays, are the out-of-town beer parlours allowed to remain open? Some of them do.

MR. SMALLWOOD: We catch them now and then.

MR. HOLLETT: Although the Amendment seems short, and I have had barely time to glance through it. I believe the picture presenting itself is this: (and I hope the Honourable the Premier will correct me if I am wrong)—Every community in Newfoundland or Labrador, large or small, may have therein an agent of a brewery who can go into the supplying of beer, and they can sell to every person twenty-one years of age and over, he being a permit holder. I believe that is the picture. The picture therefore, as I see it, is just that of a general distributing system throughout the whole of the Province of Newfoundland. In every community, whether there be ten or one hundred families, there may be an agent of some brewery who can sell to every person having a Permit, of the age of 21 years and over whether male or female—if that is the picture, then I am afraid I must register dissent to the Bill.

MR. SMALLWOOD: That is not the picture.

MR. HOLLETT: It is the picture as I see it. Is it not a fact that under this Bill, any brewery may have an agent in, say, Burin Bay?

MR. SMALLWOOD: Not unless the Liquor Board licenses the agent.

MR. HOLLETT: They are going to do that. Anybody knows this is a means of raising revenue for the Government. I am not so stupid that I cannot see in it a scheme of the Government to raise more money through the sale of alcoholic liquor. I do say this, a person in Burin Bay Arm or Great Burin or Port au Bras or Conche or Harbour Buffett, or anywhere in this Province—any person being 21 years of age, and having a permit may go and buy a case containing 24 bottles of beer and have it delivered to his home as often as he wants to. That is the picture purely and simply. I ask the Government to watch carefully what you are doing. I probably should be the last in the world to speak on the subject of alcoholic liquor. I was born sixty years ago in a settlement in Newfoundland. At that time it was thought that if someone consumed, bought or sold a bottle of alcoholic liquor, he was in collusion with the devil.

MR. SMALLWOOD: There is still the same feeling in some places.

MR. HOLLETT: It is a good feeling; but the Government is going to take that feeling out of it by allowing it to all of the age of 21; providing he can get a permit, and provided there is an agent there. The Government wants money and they are going to have an agent there; that agent will sell all the beer he or she may ask for. Somebody will be there—a magistrate, a R.C.M.P. or local policemen to issue the permit

and there will be a rush for weeks. The Government, by this amendment, are allowing the whole Province to be flooded with beer and alcoholic liquor. I am telling you, Sir, and I am telling the people of this country that if the Government puts this amendment through, they are doing something dastardly. Our people are not used to drinking. Our people do not know how to drink. I have not consulted with my colleague on this; this is my own personal view. Of course they are entitled to their freedom; all right to say "why should not Mary Smith or John Jones have a grand time? It is their right." But should you as a Government make it so easy for your children and my children and for our grand-children to obtain this? If we do this thing, we will be castigated all across the Province within twelve months.

I have heard complaints where people are repelled by this very fact—that agents in their community are selling beer wholesale to young people in certain areas. Rather than allow that, we should be trying to check it.

I do say the Government is going to need all the revenue it can get, but that is not the way to raise revenue for this Province, in my opinion: I am very much opposed to this amendment.

MR. POWER: I would like to correct that statement that if this amendment is passed it will make beer more available. If this is passed it will not make beer one iota more available. The effect will be that it will exercise a little more control. If it has any effect, it will have the effect of regulating to some extent the distribution, especially in areas where in the past we have had nothing to

do with licensing those who sell beer in certain communities.

MR. HIGGINS: I was under the impression that under this amendment the Board can decide, in any area, to issue as many licenses to agents as they wish. All that this House has then is the assurance that the Board will exercise that power. But if two or more breweries ask to have an agent in a certain community, this House has no assurance that that will not be done. There is no question but that the Board of Liquor is one of the better revenue producers of the Government, and it is quite conceivable that if revenue has to be boosted, you will have in many areas agents for each of the three breweries operating. I view it with some misgiving.

In theory the control is better, but in practice, we may find the situation that what starts out to be an admirable system of control will develop into one where there are many agents in an area and much more beer available.

While it is true our people do not know how to drink it is surprising how quickly they learn.

MR. FOGWILL: If this amendment is passed, we are going to find that the drinking of beer will become more widespread, because if the various breweries appoint agents and they are licensed by the Board, it would seem to me that we are gradually getting back to the days of the open pub.

It is possible, if this amendment is passed, you will have new agents going out to new settlements; they are not going to stay idle and see money floating around. They will hand out the inducement that "beer will not hurt you; it is not alcohol."

It has been shown that drinking in this Province has increased. The Federal Government today is taking more taxes on liquor than the Customs Department did in the old days. With the Federal Government taking more taxes on liquor, and our own Government earning more, the consumption of liquor must be around \$10,000,000 worth. That is larger than 1949.

I am not against anyone drinking, but I certainly would not entice them. It may be all right to say a fellow should be able to take it or leave it alone, but nevertheless there are a lot of things which creep into the picture.

I cannot say that I am in accord with this amendment; it is not going to work out the way the Premier pointed out.

MR. JANES: I do not think the members of the Opposition thoroughly understand the situation. We have many large communities where there is not an agent of one of the breweries, but you can always get a case of beer in any community. Because they refuse to have a tavern—You can always find some bootleggers to get it for you—That is the position. All they are trying to do is to try and register several hundred agents, and there must be that number throughout the Province representing breweries—probably one or two hundred or more. These people, Sir, perform a very fine service. Before these people were there, I don't mind reminding the House, the people drank moonshine and made themselves drunk on smuggled rum and vanilla essence and that sort of thing. In this amendment to the Bill certainly the board has undertaken to regulate what the

people are drinking, it comes from the breweries and the Control Board. All it does is take over the matter and try and regulate it for the benefit of the people.

MR. SMALLWOOD: Mr. Chairman, the net effect of this Bill will be to reduce the number of brewer's agents. At the present time any brewer can appoint anyone in Newfoundland to be his agent without consulting anyone. Is that good? That is what my honourable friend the Leader of the Opposition is arguing against. He is arguing against the amending Bill but is against the very thing that the Bill is arguing against and that I am arguing against. Brewer's agents are functioning all over Newfoundland today and many of them are peddling beer by the bottle.

MR. FOGWILL: Are they breaking the law? Do you prosecute them?

MR. SMALLWOOD: We do when we can catch them.

MR. HIGGINS: Which is not too frequently.

MR. SMALLWOOD: Because the man who wants to buy the bottle is going to be just as cute as the fellow who wants to sell it and my honourable friend is man of the world enough to know we can't put detectives or policemen enough around to stop them.

MR. FOGWILL: How are you going to stop them under this Act?

MR. SMALLWOOD: I don't say we are going to catch them all—Do you know of any Act that was perfect yet or of any parliament since the world began that passed a Bill that was perfect. This Bill is not perfect and will not prevent all peddling,

all bootlegging, all violations of the law. But as the position is now there is no law. There is a law against peddling yes, but there is no law today to give the Government any power to control the appointment of brewer's agents. This Bill gives us the right—at the present time the brewers can appoint, as my honourable friend implied, a brewer's agent in every little nook and corner in Newfoundland. They can do that now—it is lawful, there has been no law to prevent it until this Bill becomes law. Now, when this Bill becomes law they can still appoint them but they cannot act until the Board of Liquor Control issues them a license.

MR. HOLLETT: Which they will be delighted to do.

MR. SMALLWOOD: There is where my honourable friend is entirely wrong. My honourable friend ought to be aware of the fact that this Government want to stay in power.

MR. FOGWILL: No?

MR. SMALLWOOD: I think he rather suspects we do wish to remain in power. I can assure my honourable friend opposite few brewers' agents will be appointed in Bonavista North. I can assure him of that. I want to be realistic. I wish to assure him there are many other areas in which very few Board of Liquor Control licenses will be issued. The board are in charge and the Government are in charge of them.

MR. FOGWILL: The board is not free?

MR. SMALLWOOD: Of course not.

MR. SPEAKER: These are petty interruptions.

MR. SMALLWOOD: The board are agents subject to the Government of Newfoundland. Of course they are subject to the Act which created them. Furthermore if my honourable friends opposite do not want brewer's agents appointed in a particular district I think they have only to inform the board accordingly. That is all they have to do —

MR. HIGGINS: Would the Premier allow one question if I may?

MR. SMALLWOOD: We are out of order but —

MR. HIGGINS: Say ten people wrote the board and said we want an agent but the board is not sure they represent a majority, would the board before granting a license consider consulting the people?

MR. SMALLWOOD: Most definitely not, only the people of the area, but they would consult any one really involved. That means the clergymen, the members of this House and it means any one concerned. Do you suppose this Government would sit back and let that Board of Liquor Control just fling around licenses to brewers' agents? The brewers can do it themselves now and they are doing it. This Bill is aimed at taking the appointment of brewers' agents out of the hands of the brewers and place it in the hands of the board where it ought to be. Now, what is wrong with that? We are trying to remedy a situation. What we don't want is to have Newfoundland flooded with brewers' agents, some of them at least bootleggers and peddlers. That is what we are trying to stop by vesting control over the appointment of the brewers' agents in the hands of the Board of Liquor Control and not leaving it where it is now in the hands

of the brewers. If we leave it to the brewers who brew beer and want to sell it naturally they will appoint agents in every little nook and corner if there is no law to stop it. This is the law to stop it. This is the first law in Newfoundland's history to stop them so that I welcome support for the Bill from my honourable friends. Now, what my honourable friend the Leader of the Opposition is really against is really not the Bill. I appreciate the fact we have had a busy time here and my honourable friend has probably not had a chance yet out of a dozen Bills to sit back and read this. He probably just took a quick glance through it and has had no time to reflect. I can only hope the explanation I have given and which no doubt I ought to have given when I introduced the Bill will cause him to agree with a Bill that quite frankly is aimed at limiting the number where today there is no limit, control the number where there is no control, licensing them, putting restrictions on them where today there is no restriction, surely my honourable friend agrees with that?

MR. HOLLETT: Do you mean to tell me you had no control before?

MR. SMALLWOOD: No, none—Surely my honourable friend will vote for that in the cause of common decency and temperance. Now, please don't think we are so eager for revenue that we are going to flood Newfoundland with beer and brewers' agents—Please don't think that—Why we would be mad —

MR. HIGGINS: If I may? There is one very important point that the Honourable the Premier just made and one to which I would now direct his attention: Did I understand the Premier correctly to say that in our

particular districts that we represent that members might have some say and influence?

MR. SMALLWOOD: Most assuredly. Not only that but the Board of Liquor Control don't need to be told—Mr. Mullooney is the Chairman of the Board and is a most intelligent man, a very fine citizen and he feels that he is in a position of great responsibility and as far as I have learned the clergymen of all faiths have great faith and confidence in him. Mr. Mullooney does not want to bring trouble to Newfoundland and is trying to regulate, he can't stop people from drinking beer, I wish he could and stop them from drinking liquor. I don't drink and think I am better off for it and I think any man would be. I have known many a man who would be a lot better off for it and I think any man would be. I have known many a man who would be a lot better off if he had never tasted it. Nevertheless they are going to take a drink and some of them if they can't get it directly and lawfully, under decent wholesome conditions will get it under the rottenest conditions. All the law aims at is to try and regulate it and put some system into it—I do invite my honourable friends to vote for it.

Moved and seconded the Bill be now read a second time—Ordered referred to a Committee of the Whole on tomorrow.

MR. CURTIS: Mr. Speaker, might I give notice of motion at this time? I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Respecting the Application and Effect of Certain Acts passed in the Present Session of the Legislature upon the Revised Statutes of Newfoundland, 1952."

I give notice of a Bill, "An Act Further to Amend the Revenue and Audit 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, entitled "An Act Further to Amend the Co-operative Societies Act, 1939."

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, Friday, at 3:00 of the clock.

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FRIDAY, May 8th, 1953.

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

#### Presenting Petitions

HON. J. R. CHALKER (Minister of Education): I beg leave to present a petition from the residents of Shearstown asking for the extension of the road up the valley towards Hodge-water, and also asking that the Shearstown road be widened. In supporting this Petition, I may say that this road when built will service not only Shearstown, but also Bay Roberts and Carbonear. I request that this Petition be tabled and referred to the department concerned.

HON. J. R. SMALLWOOD (Prime Minister): I would like to add my voice to the advocacy of this road. I do not normally do this in supporting petitions to the House, because they have to take the normal course of being laid on the Table of the House and referred to the Department of Public Works; they are then brought before the Cabinet and are

treated on the basis of the money available. But I do give this my special support because of the fact that it will open up a most interesting new farming area. In that valley there is some fine land and there are people in and around that area who are most intensely interested in farming. There are two roads running parallel with it—one, the Hodgewater road going to Whitbourne and the other, Roache's Line. I hope to see that go up to Maher's and that will open up more miles of farm land. When Mr. Gardiner, Minister of Agriculture in Canada, went up through the valleys, he spoke very highly of them as possible farming lands. I hope that some careful consideration will be given, not to a paved highway, but to a road 12 feet to 15 feet wide—sufficient for ordinary farm purposes.

Ordered that the Petition be received and laid on the Table and referred to the Department of Public Works.

HON. C. H. BALLAM (Minister of Labour): I beg leave to present a Petition on behalf of the residents of Lark Harbour in the Humber District. It is signed by some one hundred residents. The public wharf situated in the settlement is not sufficient for the purpose of the people of Lark Harbour and they have petitioned the Federal Government through their member, for the construction of a pier. They now petition this Government for a roadway to connect up with the site of the proposed pier; and they ask that construction of the roadway begin as soon as possible.

I may say, Mr. Speaker, that I am in accord with the petitioners. I know their position, and if a wharf is to be constructed, we should make it

possible to have a roadway to connect thereto.

I move that this Petition be laid on the Table of the House and referred to the Department concerned.

Ordered that the Petition be received and laid on the Table and referred to the Department concerned.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion and Questions

None.

#### Orders of the Day

"An Act Further to Amend Chapter III of the Consolidated Statutes (Third Series) Entitled 'Of the Registration of Deeds and Other Documents.'"

MR. SPEAKER: Do you wish the Bill re-committed now?

HON. L. R. CURTIS (Attorney General): Yes.

This Bill, as you know, passed the Committee stage and was read a third time. It is a simple Bill, notice of which was given at the opening of the session. Since then the Department has been asked by the Housing Corporation to clarify the situation with regard to leases given by the Housing Corporation. Strictly, these leases, at the present time, should be registered in the Registry of Deeds; but there are many hundreds of them, and they are long deeds which require a lot of copying and it has been recommended that they be exempted from the provisions of the Registry of Deeds Act.

We could have brought in this legislation under the Bill "The Housing Corporation Act," but since we will be passing a Bill "The Registration of Deeds" it can be conveniently put into this Act. I therefore move that Section 2 of the Act be numbered 3, and that new section be substituted therefore.

The effect is to make it unnecessary for those holding leases from the St. John's Housing Corporation to register leases already registered with the Housing Corporation; while transfers, assignments, or mortgages will be registered in the regular course.

MR. M. M. HOLLETT (Leader of the Opposition): I hold a lease—and I do remember paying some lawyer a fee when I obtained it. It was \$10 or \$12, I think. Why was that paid?

MR. CURTIS: That would be the legal fee, paid to the Secretary from whom you got it. It would not be registration fee. That would be based on the value of the property bought.

MR. HOLLETT: Was it necessary to have the Deed registered at that time?

MR. CURTIS: Strictly yes. This will make it necessary; and it applies to the past also.

MR. HOLLETT: Why was I not informed that the lease should have been registered?

MR. CURTIS: Did you buy since we came to office? I do not pretend to take the responsibility for our predecessors. The honourable gentleman should have been told the document required registration. When I say "required registration" I may say that the fact that it is not registered does not affect the document in any way; but it would make it awkward if he

lost it. A lot of people do not bother to register documents; but it is a wise thing. It means there is a copy of the document on record.

Clauses 2 and 3 carried.

Bill ordered read a third time on tomorrow.

Third Readings:

A Bill, "An Act Further to Amend the St. John's Shops Act, 1942."

MR. CURTIS: Mr. Speaker, I would move that this Bill be recommitted and that the Bill be not now read a third time.

Ordered that the Bill be not read a third time now and that the Bill be now referred to a Committee of the Whole.

MR. SMALLWOOD: Mr. Chairman, this Bill received debate on second reading and went into Committee of the Whole and we refrained up to now from reverting to the Committee of the Whole stage until we had succeeded in canvassing thoroughly all of the implications we could think of which were involved in the Bill. That we have now done and we have amendments to propose which represent our final considered view of what ought to be done. Very briefly, the amending clauses here are couched in proper legal language, which we can discuss, of course, section by section; but very briefly and broadly I can outline the proposals: within an area of six miles of the boundary of St. John's and within the boundaries of St. John's all shops shall be divided into two classes, on Water Street and off Water Street. That is those on Water Street shall have a forty-four hour week except during the Christmas season. We follow in that matter the very old



custom of permitting longer hours during the intense Christmas shopping season. But except for this season of the year the working week shall be 44 hours.

That there shall be one whole holiday in each week throughout the year and that the whole holiday shall be mandatorily given on Monday during the months of summer, July and August, and that in the remainder of the year the division of the 44 hour week and the decision as to what day of the six shall be the holiday shall be left for negotiation between the Employers' Association on the one hand and the Employees' union on the other. If they should fail to agree then the Lieutenant Governor in Council shall have the right to fix the day of the holiday, in the failure of the two parties to agree on what the day shall be. Furthermore, except in the months of July and August not only shall the question of what day is to be the whole holiday in each week then be determined between the two parties but the general use of the forty-four hour week for the five days shall be determined by the same two parties. In the absence of agreement between the parties the Lieutenant Governor in Council shall fix the division of the time but always allowing for one whole holiday in each week of the year except during the intense Christmas shopping season.

Now, Mr. Chairman, in coming to these decisions the Government had in mind four classes of people and the interest and concern of four classes of people, first and foremost the employees, the shop and office workers who were our primary consideration, secondly the shoppers, the shopping public especially insofar as it concerns the months of July and

August, especially of that part of the shopping public who have a whole holiday on Saturday throughout the year, for example, employees of the Railway who normally do not work on Saturdays and the increasing number of factories in and near St. John's who are adopting the practice of not working on Saturdays. Their convenience is borne in mind in this legislation—Also we had in mind the convenience of our outport shoppers who come into the city to do their shopping. We feel that it is in the interest of the shop and office workers as well as of the shop owners that that outport trade which comes into the city is important enough to both the shop workers and the shop owners to be regarded seriously.

Thirdly, we have in mind the religious bodies some of whom I verily believe, notwithstanding the absence of any formal protest on their part, feel that they don't like, some of them at least, the idea of the Saturday holiday. Finally and fourthly the employers. We have considered their interests as coming fourth only in the list of four classes of persons—(1) the employees, (2) the shopping public as their interest is immediate and direct, (3) the religious bodies some of whom may perhaps not be fond of the idea of the Saturday whether it be a half or a whole day and (4) a very important section of our population, i.e., the owners and operators of the shops are the fourth in that list where they might be first in other lists which might be compiled, but in this particular list they are fourth. I would not attempt to assess the difference in the importance of the four, but it is in this order that we have considered their interests.

Now, we have extended the limits to a radius of six miles around the

city limits. There is a reason for that which is, if we do not do so, there is great likelihood that some firms who are presently operating in St. John's and some who are not presently operating, of which I know one for a positive fact, a very large Mainland concern who have not yet opened a shop in St. John's who contemplate opening a shop and as they are would very probably build new shops a mile or two or three miles outside the city and so escape the regulations and thereby, of course, constitute unfair competition for the shops that were carrying out the law. We feel that it is highly unlikely that any firm would feel it practical to establish beyond the six mile radius from the city limits. That would be taking the heart of the city as, say, City Hall or the Court House. The present city limits run roughly about a mile from that. If you go six miles beyond that it will be roughly seven miles from the Court House.

MR. HIGGINS: Actually the city limits of the municipality go a mile from the limits for instance for bus franchise and building permits. It will still give you a five mile limit.

MR. SMALLWOOD: I am not sure whether my honourable friend the Attorney General meant six miles beyond the City limits or beyond that additional mile joined to the City limits. I frankly don't know. But we do feel that if we pass in this Committee and in the House legislation for the protection of the shop and office workers and the shoppers and we impose what is admittedly something of a burden, not I hold too onerous a burden because across Canada generally the shop and office workers have a forty hour week. That is the prevailing rate across Canada. Nevertheless to bring the workers'

hours down from forty-seven and a half hours a week to forty-four hours a week is, we hold, to impose some burden on the shopkeepers. It is not too great a burden in the light of the fact that across Canada generally the working week is forty hours. But having done so, I say, it behooves us at the same time to protect the shopkeepers and by the same token the shop workers because there is an identity of interest undoubtedly between the owners of the shops and their employees. The employees cannot hope in the long run to prosper unless their employers prosper and that constitutes an identity of interest which interests demand, I believe, that they be given this measure of protection. The regulations should apply for a sufficient distance, physical distance around the City so as to make it impracticable for any one to break the law by setting up shops outside the legal limits; if those legal limits were near enough to the heart of the City to make it practical for the bulk of the shopping public to do their business in such new stores erected for the sole purpose of evading the regulations.

Now, Mr. Chairman, I say that in my opinion—and this opinion is shared by my colleagues in the Cabinet—I feel that it will be shared by every one in the House—at least in my opinion it is impossible to draft anything in this matter that will be one hundred per cent satisfactory to one hundred per cent of all the people. It cannot be done.

MR. HIGGINS: Hear, hear.

MR. SMALLWOOD: So we propose in this legislation to content ourselves with laying down first the broad principle of a forty-four hour week by statute and (2) that there

should be one whole holiday in each week except in the Christmas season and also, if another legal holiday occurs in any five day week there will not be two, that would be ridiculous to have a four day week. (3) That that holiday as to the months of July and August shall be on Monday.

MR. HOLLETT: Suppose July 1st is on Tuesday.

MR. SMALLWOOD: I think that is provided for. There can be no conflict there. There can only be the one holiday in any one week.

MR. HIGGINS: What about Good Friday?

MR. SMALLWOOD: The only holiday in that week would be Good Friday. It is not intended this Bill should have the result of creating two holidays in one week. For the rest of the year the use of the 44 hours less the one holiday in the week shall be for negotiation between the two unions. In the failure of agreement between them, the Lieutenant Governor in Council has the power to fix it. I don't remember if it says we must fix it but it certainly gives us the power to fix it. I hope it is not mandatory upon us but if it is we have to assume that responsibility too.

In July and August when the whole holiday on Monday is mandatory then they shall have to work on Saturday night. The months of July and August are the two most pleasant months of the year when even the shopkeepers themselves, so I am informed pretty reliably, are happy enough to have a day off and certainly the employees will. In these two months they will work, Tuesday, Wednesday, Thursday and Friday and Saturday and Saturday night but will

be off all day Monday. For the rest of the year it is a matter for negotiation between the two.

Now, I have had personally many, many conferences in the last couple of years and deputations after deputations one after another from both sides, employees and employers and they have been most friendly, these talks and conferences between the employers representatives and myself and the union representatives and myself. I think all parties are honestly trying to work out something that will be as genuinely suitable as it is practicable to be enforced. Always with the reservation that you never please everybody I forecast that this, if the Committee passes it, will turn out to be popular with practically everyone.

MR. HIGGINS: Mr. Chairman, if I understand it correctly this holiday will be on Monday for the months of July and August and such additional holidays may be fixed as holidays by the Lieutenant Governor in Council which may include Labour Day and the St. John's Regatta Day as well as any special day. Traditionally, Sir, Regatta Day is always celebrated on the first Wednesday in August which day is usually set by the Regatta Committee. Let us say this year the St. John's Regatta Committee sets the first Wednesday in August—then that would be acceptable for a whole holiday for that week?

MR. CURTIS: Yes.

MR. HIGGINS: I must say I agree wholeheartedly with the Premier and with his reservations. It is impossible for the Government to please one hundred per cent of the population. The amendments which have been made show a keen appreciation of the

interests of all classes of the community and speaking for myself I can say it is a situation now that commends itself to my support anyway.

MR. FOGWILL: Mr. Chairman, I feel that it must be very difficult for the Government to compromise on this very vexing question. Since the amending Act was brought in some time ago there has been quite a lot of complaint in respect to the amendments and quite a lot of those who favoured the amendment, as I understand the Premier has had representation made to him from the various people concerned. It seems to me that this is a compromise which should be suitable to most of the people concerned who come under this Act.

MR. SMALLWOOD: I ought also to have said, although it is not in this Act, Civil Servants of the Government of Newfoundland will have the half day and they will have it on Saturday to be in conformity with the Federal Civil Servants operating in this Province.

MR. HIGGINS: Do they get the whole day on Monday?

MR. SMALLWOOD: No, this does not effect Civil Servants.

MR. HOLLETT: I think you will notice, Mr. Chairman, that on this side of the House we are perfectly in accord with the Act as amended. We believe with the Government that to stipulate rules and regulations to please everybody would be difficult, but we believe there is always a possibility of amending certain sections as and when it is found some of these sections may not suit the welfare of the people, I take it. I am quite sure that on this side of the House we accept the Premier's word for the fact that they have consulted with all

classes of people who could be effected by this Act. We accept the Premier's word on that and therefore we must of necessity support it. I can support the Bill, I take it, as we are in Committee of the Whole stage now?

MR. SMALLWOOD: Yes.

MR. HOLLETT: I am wondering about the Municipality of St. John's and the area within six miles outside the limits. I wonder if the Premier could say if any representation has been received from any people outside the City Limits particularly in relationship to this section. In that case I suspect there may be some little difficulty although I can see very well why it has been done and understand the point. Did you have any representation made to you from any people or groups of people outside the City limits?

MR. SMALLWOOD: No.

MR. HOLLETT: You are going to close their shops six miles outside the centre of the City, are you not? I mean on these particular days.

MR. SMALLWOOD: If the honourable gentleman will allow me: All I have said with regard to the working week is to the number of hours applicable to shops on Water Street. I think these are a half hour longer. These others close at 6:30 instead of at 6:00 o'clock. I ought to say this also, we considered carefully the question of the 5:00 o'clock closing rather than 6:00 o'clock during the months of July and August and we came to the conclusion that it was none of our business as a Government or as a House of Assembly and that it was a matter between the two groups. We fixed the maximum work week. We have to face realities. We are living

now just past the middle of the twentieth century and all North America and Newfoundland along with it have begun to change and I would hope that in the months of July and August the shopkeepers will offer no difficulty or objections to the workers enjoying the early closing at 5:00 o'clock during the warm and pleasant summer months of July and August. I think they themselves want to do it, and I anticipate no difficulty on that score.

MR. HIGGINS: Mr. Chairman, if it is in order I would refer the Attorney General to Section 9 with respect to shops carrying on more than one type of business—the exemption would not apply to such shops. What I have in mind, Sir, is the position of stores that carry large stocks of fruit and confectionery and which also handle stocks of tinned goods. What provision is there under the Act to enforce the provisions of the Act?

MR. CURTIS: The Act, Mr. Chairman, will be enforced by the police. But there are not enough policemen in the country to police all the shops in the city therefore the police will only investigate cases which would come to their notice or be brought to their notice. If cases are brought to the notice of the police, of course the police must take action. If the police of their own knowledge get information they will take action. I have no intention of asking the police force to sit on every doorstep.

MR. HIGGINS: The reason I raised the point is this: I have an idea that there was some relaxation of that provision somewhat to this effect, where there are two businesses—

MR. HOLLETT: All across Canada the forty-hour week is accepted.

We are a part of Canada, I understand. I am told I am a Canadian. I wonder on what grounds the Honourable the Attorney General laid down the law for forty-four hour week rather than accept the forty hours?

MR. CURTIS: We must do things gradually. We have to be realistic. We have had a forty-eight hour week; we are bringing it down to 44-hour week. We do not want to adopt all the benefits in one gulp.

MR. HOLLETT: We did not get the full benefits of Confederation under the Act.

MR. HIGGINS: We are not ready for them.

MR. SMALLWOOD: About that 40-hour week. I think we ought to leave elbow-room for study between the two unions. I think it is highly desirable that the Shop and Office Workers' Union should flourish and that they should have work to do as an organization. That is work for them to do—to get it down to 40-hour week. I do not think this House should go too far in taking the place of the Shop and Office Workers' Union. I think we should help but not to the extent that they will be unnecessary and leave them nothing to do. While my honourable friend may agree wholeheartedly with the 40-hour week general principle—I am not too sure that I agree with him in that—I think we both agree that it ought to be done as a result of negotiations between the two parties. Personally, I am like most people—I use myself as a yardstick for everyone else; but what is one man's meat may be another's man's poison. I think, generally, none of us is working long enough or hard enough. That is my personal view. I personally would

like to see all the people of Canada, more especially in Newfoundland for the next few years, work as they never worked before, to build up Newfoundland. Nevertheless, I realize I am going against the grain when I say that the modern trend is towards more leisure. The only thing is, I hope we will learn to enjoy leisure that is constructive and creative and not destructive and not losing the habit of hard work for which Newfoundland is famous as we all know.

Carried.

(4) Carried.

(5)

MR. HOLLETT: I wonder could we get some idea when this will come into effect? Personally I have been flooded with requests for information.

MR. CURTIS: We could make it come into effect June 1st, 1953.

Carried.

Schedule A 1 carried.

2 Carried.

3:

MR. CURTIS: I think there is an oversight there. They left out May 24th.

Then it says July 12th. It should read "July 1st."

Carried.

All other sections carried.

Committee of the Whole reported having passed the Bill with some amendments.

Ordered read a third time on tomorrow.

HON. DR. H. L. POTTLE (Minister of Public Welfare): In rising to

take part in this debate on the budget, I may say I am glad to do so in this congenial atmosphere in the House. First of all I would like to congratulate the Honourable the Minister of Finance for the adequate and lively way in which he has presented the financial affairs of this Province. I should also like to couple with that compliment a compliment to the Leader of the Opposition for having visited Ottawa and for having returned so mellowed and so enlightened. I think that in itself best brings to light the irony that reflects upon our isolation in Newfoundland. It is unfortunate more of us could not have visited Canada prior to 1949. We might then have escaped some of the travail and some of the bitterness which some of our people had when we were changing our constitutional status. Knowing Canada would have made a considerable difference to that historic event. Things being otherwise, however, those who have considered themselves actually or implicitly within the ranks of the Opposition ever since have belaboured under a misconception that although we are a Province, and because we are a Province, we must be provincial. That is to say, we must still be isolated. We must still regard ourselves as essentially cut off from the Mainland and all that it implies. That misconception, of thinking that Newfoundland must be considered by herself, has coloured, I am afraid the approach the Opposition has made to every budget debate. The mistake of the Opposition is that they have considered Newfoundland as being provincial in the undesirable sense of the word—as if Newfoundland could, in fact, endure entirely on her own. For we cannot consider the present state of Newfoundland's finances apart

from an intelligent consideration of Canadian prosperity too. That prosperity has in the main two sources: the opening up of new primary sources of wealth—mines, forests, waterpower and the like; and in the second place the development and diversification of our secondary manufacturing industries. When I mention these two, my hearers will appreciate that it is along these two lines that the Newfoundland pattern of development has extended and become so well known insofar as the general prosperity of Canada is concerned, and it does reflect, I say, directly upon our own prosperity because of certain results of that prosperity and these in turn are reflected in the first instance in the gross national product of Canada which has doubled since 1939, and as I say, it is reflected also in our estimates. I would refer to Page 14 where under the heading of "Revenue" it is clear that whereas we received something less than eight million dollars through tax rental agreement in 1951-52, it is estimated we shall receive 11½ million two years later—1953-54—the year under consideration.

Another index of prosperity of Canada lies in an increase of 50% in income per head of population since 1939. And a third index is the growing investment of capital in Canada by Canadians. In 1939, that total investment was \$765,000,000; last year it reached a total of \$5,180,000,000, or nearly seven times the figure of 1939.

And all this has been achieved without cutting in upon the morale of the Canadian people. They have been able to reach these heights of success of industrial development rather, and at the same time achieve shorter working hours, and with these shorter working hours there has been no let-up in productivity. The output

per man-hour has increased faster during the last two decades than in either the United States or Britain. And the Opposition will appreciate this further point, that with all this industrial and economic expansion which might ordinarily disrupt the force of labour and labour relations and unity, on the contrary, there have been as a rule healthy labour relations in Canada. And when there comes, as we hope it will, the time for readjustment from wartime industry to peacetime industry, we believe that change will be made as successfully and as smoothly in Canada as anywhere else. And yet, Sir, when I speak of these large developments, and when I think of the infinitely larger developments, I say that the last frontiers have not yet been reached. And when I say that, I am reminded that that is particularly true as far as Newfoundland's contribution to the Canadian economy is concerned.

One has only to think of the undeveloped potential in Labrador in the field of mining, where the reserves are estimated to be 400,000,000 tons. It has been shown over a long period that Canada has transferred just as much capital outside Canada as she has imported capital from outside. That fact is essentially grounded on Canadian savings. Personal savings in Canada reached a record peak in 1951 and remained at a high level in 1952.

The honourable the junior member for St. John's East in claiming that we were living on margin, living on a credit existence, that the people are living beyond their means, (a fact which probably does apply to many people in our midst) went on to say that the people did not have the money to save. The facts as far as local savings are concerned are reflected particularly in this: that in

the Newfoundland Savings Bank alone there has been a steadily increasing volume of deposits, by the people of Newfoundland. In the Newfoundland Savings Bank in 1949 there were 24,619 of over \$22,000,000. Two years later in 1951, there were 28,800 accounts, aggregating a total deposit of over 24¼ million dollars. The following year, ending the 31st of March 1952, there were 31,800 accounts, and total deposits were \$24,875,000. In the year just ended the total number of accounts is 34,125 and over \$26,000,000 on deposit. I cite these figures, Sir, as partly a rebuttal to the contention that our people are not saving. It seems reasonably certain, I would say, Mr. Speaker, that this fundamentally sound state of affairs will continue. The fact is that whilst the Government has made its inroads more and more into the private affairs of the people and has taken a larger and larger chunk out of their savings, they are saving nevertheless. Right from the beginning of the recent world war up to the present, government expenditure has increased much greater in proportion than the national income. The Canadian economy as it applies to Newfoundland is one which encourages the wage earners to save because we are still that kind of democracy where the individual feels that he is part of a venture that has already bestowed upon him and his family great benefits, and offers him even greater opportunities if he has a little capital to start with.

People are saving because of a fundamentally sound motive. I think people are saving not just because of a wise caution to put by for a rainy day, but rather because of their robust confidence in their own country's future. The figures I have just

given regarding Newfoundland's savings are a reflection of the fact that the modern, civilized state, and I presume to say that includes us, has made not a bad job of spreading the earnings, the national income, amongst the people, all the people. From the point of view of a broad public welfare this is an unusual thing to have happened.

If we were to allow or were compelled to allow industry to take its course and to spread its earnings it would not spread earnings wisely. No recognition is given in industry, or very little, to the size of a family. But the state has developed the civilized technique of taxation and the spreading of income, through various forms of allowances and the like, and thus has one of the most civilized and socialized means of equalizing opportunity for parents and their children everywhere.

We have not heard much in this House recently, Sir, about communism, but I shall say now that one of the strongest rebuttals, one of the most effective buttresses, against the emergence of communism in any shape or form, either here or anywhere else, lies in the possibilities of children and their parents everywhere getting a square deal. The technique which the civilized state uses to share and spread earnings helps in this matter.

My first main point, then, Sir, is to indicate that Canadian prosperity reflects itself upon us directly, and no less significantly that we are a part of that prosperity and contribute to it. At this stage now, Sir, I wish to take up certain points that were raised by the various members on the other side of the House.



The Honourable Leader of the Opposition stated that the present prosperity of Newfoundland is not so much because of Confederation nor because of the present Liberal Government. Let me hasten to say that I do not think that governments as a rule do cause prosperity. What they do, if they are wise, is to take advantage of conditions that exist. Governments succeed or fall to the extent that they do or do not take advantage of the favourable winds that blow. It is probably more than an accident that within the first fifty years of Canadian history in this century the greatest booms have been during Liberal administration. That, I believe, Sir, is more than an historical accident. What governments can do is amongst other things to encourage investment, and this government has done just that. I have already shown or have tried to show that Canada's prosperity generally is ours. If we want to think negatively for a moment, and at times it can be effective, we might think of what a state of affairs would have existed for Newfoundland had Confederation not come about as far as the Canadian National Railways are concerned. I have said before that our railway in Newfoundland was in the process of becoming a cross-country slum. But under Confederation there is the most hopeful sign that our railway is becoming an increasingly helpful asset to Newfoundland. Think of what would happen if we had to support the operations and to enlarge the operations of the Gander Airport and of all these facilities now taken care of by Canada. We have at the same time provided a social security for our people in a balanced way, that is, by a sharing of the costs between the Government of Canada and the Government

of Newfoundland. Social security in an unbalanced way, that is, by placing a disproportionate burden on Newfoundland, could be very undesirable. But we have provided it in a balanced way which could only be done satisfactorily through the sharing of costs involved within a federal scheme. We could not do it on our own.

If there were no Confederation, I would make this statement now, Sir, we would have been an underdeveloped country. If we had gone back on our own, even with our forty millions surplus under the old-time Responsible Government we would have been an underdeveloped country in the eyes of the world, and in relation to our neighbours we would be classed along with India and Pakistan and South-East Asia, and Canada would have to be reaching out the helping hand to Newfoundland, her next-door neighbour, under the Colombo Plan.

"How much" (asks the Leader of the Opposition or was it the junior member for St. John's East) "How much have the five new industries contributed to our prosperity." Well, you can't give an exact answer to that question, Sir. You might as well ask what part of the Octagon is last winter's snow? But we can say that there are permanently employed at this time about eight hundred people in the new industries. There are not much more than eight hundred people employed at headquarters in the Grand Falls Mill. Along with the people immediately employed there are many others besides, nearly five hundred in fact, who have received temporary employment on the construction of the plants concerned.

In the first place, the Honourable Leader of the Opposition said that in

criticising the budget he has tried to find something to get his teeth into, and then he turns to fish. Now, it is a common practice for Newfoundlanders to get their teeth into fish. They probably don't get them there often enough. But he said he was disappointed because he was expecting something great. Well, the foreshadowing of something great certainly has taken place. The fact of the matter is that we have gone just as fast in this matter for the time being as we can go. It has already been pointed out in the House that the Report on which long-term development only can be based has just been released and we shall now be able to spend nearly one million dollars this year. Four hundred thousand has been provided in addition for the North-East Fisheries. But looking at the one million alone I would say that if more is necessary this year this Government will find it. In spite of the criticisms that have already been offered against the Walsh Report, that Report has brought squarely before the Government of Canada for the first time since Confederation the significance of the fisheries to Newfoundland and their place in the entire economy of Canada. Up until recently if you saw in any economic study of Canada a list of the industries of Canada you would be surprised to find that fishing either did not appear at all or was placed in the last paragraph. That situation has been remedied by the publication of this Report. I repeat that it brings the significance of the fisheries of Newfoundland for the first time squarely into their proper place in the economic picture of Canada.

The Honourable Leader of the Opposition went on to criticize the

techniques being used, the methods being used, because they are long-term, and he wants to see the fisheries restored now. Restored to what? I am sure the fishermen of Bay de Verde do not want to see the fisheries restored. Let me say that they are expecting reasonable things from the implementation of this report and I should hope, as a member representing that district, that the North East Coast will include these people on the North Shore of Conception Bay where there have been fishermen ever since we have had a history.

The Leader of the Opposition followed up by saying that the fisheries should be subsidized. I am sure I have heard correctly because I have checked that word against the other members of the House and that is in fact what he said—they should be subsidized. That has been the condemning weakness of the fisheries all our lives, that they have to be artificially fed anyway. But what then should prevent our having to subsidize the fisheries. The thing that we are trying to do is to show that the fisheries as they have been traditionally carried on have been uneconomic. If they have been uneconomic, as indeed they have been, it is folly to try to perpetuate an uneconomic business by priming it as the Leader of the Opposition has in mind. What we are seeking is to find fundamental causes because we are confronted with a fundamental disease which requires radical remedies. We do not seek scientifically to cure cancer by the application of a hot water bottle and we should not presume to cure the maladies at the heart of the fisheries by such techniques as subsidizing.

I come now, Sir, to discuss briefly—I am afraid it must be brief—the matter of education. I do so not to

labour the point but to take advantage of an opportunity. The Leader of the Opposition when he takes the superficial attitude of subsidizing the fisheries takes the same superficial attitude when it comes to analyzing the difficulties of education and the educational system. He says that more salaries are the thing that will presumably set matters right. I am tempted, Sir, to reminisce, as my colleague the member for Fortune and Hermitage, who set the precedent yesterday when he talked of teaching at an early age. I was close to his generation, and if I may say so, I taught or was sent to a school before I was sixteen and I was, in fact, chairman of a board of education before I was nineteen. I was in a one-room school all my early lifetime, with one teacher for perhaps as long as nine years. I welcome this opportunity to say a few words, Sir, because I think it is a good sign that here we are openly and frankly discussing this question of education. As long as it can be openly and frankly discussed I think nothing but fundamental good will eventually ensue. The roots of the denominational system are deep, they are toughly set within our inhospitable soil, but it has been bent in this direction and in that without breaking over the course of the years. But we are all anxious, Sir, on both sides of the House, I am going to presume, to ensure as far as we can that we shall achieve the best possible results from the system which operates in this Province. But to insure that lofty end will require a more fundamental approach than an adjustment of salaries, basically important as that one consideration is.

I want to enlarge on the context of this problem, Sir, for it is not a

Newfoundland problem alone. It is a national problem and it is an international problem also. I want to refer to some external aspects of it, if I may call them external and to some internal aspects if I may call them internal—these are only convenient terms. Externally we are faced here with a problem which is far more fundamental than a matter of dollars and cents, and yet it is a problem, among other things, of dollars and cents. We are living in a generation, Sir, which has its ideals all twisted. We are living in a generation which is so concerned with getting and spending that we have set before our children an ideal of material things as being the be-all and the end-all, that when it comes to humanitarian services it is the material that precedes and humanity comes away down the list. All the time our democracy is talking about human values, someone called it lip-service, all the time our democratic ideals are being put on paper, when it comes to actually putting the ideals into effect we water them down until they are no longer recognizable and we go about getting and spending, virtually gambling our lives on the proposition, the hope, that man's life does consist in the abundance of the things he possesses. So when you look to see where our teachers come from, where do they in fact come from? From the little places that hardly exist on the map of Newfoundland, where the basic ideals that our fathers lived by still stand somewhat. But from the larger cities and industrial centres there are very few; they go into other professions where there are greater returns. You can look at a graduation list at Memorial University in teacher training any year and the number who come from

St. John's and the larger industrial centres bear a very weak proportion to the total. The great bulk come from the little schools, in spite of what my honourable friend said about the little schools which I do not deny. What I am saying, Sir, is that we have cultivated certain ideals and we are getting the returns. We have set our minds towards certain ideals and we are reaping the whirlwind. You can't worship industrialization and at the same time expect to get a sufficiency of teachers. In the booklet called "Better Schools for Canadian Youth," a report of a very representative committee made up of teachers and of businessmen, representatives of labour and of agriculture, a report published in June, 1951, there are listed the causes of teacher shortage. They say that low salaries are involved, but they go on to list others: Few opportunities for advancement, poorly equipped schools, unattractive rural living conditions, low prestige of the profession. These are factors other than low salaries. I say we are faced here with a national question at least. One has only to look at the picture across Canada, and although Newfoundland contributes very largely to the total shortage of teachers, there were in 1951-52 as many as 6,546 teachers short in Canada, and only British Columbia had reported no shortage. All across Canada there is an alarming shortage and the same condition applies in the United States of America as well.

The denominational system, Sir, is well established, and so it should be. But that is not to say that it must remain static. The fact that it is the law of the land which we shall to the letter respect should not lull us into the attitude of considering that every "I" is dotted and every "T" is

crossed. Because it was fairly applicable or essential to our land in one age is not to say that it is equally essential today. That need not necessarily be the case and I think it can be defended that it is not the case. The Government record as far as the fostering of education is concerned stands up very well since we have been the Government. The scales of salaries have been increased seventy-five per cent. We have given aid to professional training, along many lines and my colleague in education here can give the exact figures, but aids have been increased very considerably. School buildings have been increased in the vote by one hundred per cent since 1949, and in 1949 the vote stood at an all-time high at that point. In addition, Sir, we have provided a token beginning for university construction and for technical education which any one will admit is an expensive undertaking. But we are doing our part and making our commitments on all these broad fronts. Under the capital vote for educational services, we have provided five hundred thousand dollars for high school buildings alone, which gives some indication of the frame of mind and the approach of the Government of Newfoundland to this wide and many-sided question of education. It is an indication that the Government feel that some special attention should be given to the consolidation of our work into larger and larger units where there will be better graded teachers and where there will be better facilities.

I could stand here for some time and defend the position of the Government in this respect. I believe it has been impeccably honest in its support of the principle of denominational education, and the present

budget has given pretty robust evidence of its stand in this respect. Now, on the side of the denominations and the public I think we can afford to say that the time is ripe when they might gather together their forces and assess where we have arrived and see where we should go from this point on, not in an essentially new direction but even if a little off the beaten path. I think some time should be spent in collaboration, in getting public reaction and working together in committee on this question of where we should be going in education at the present time. That I think would be a healthy and timely exercise for the authorities. I would say, Sir, that the time is ripe for a commission, not necessarily a Royal Commission of course, but a working committee of the public and the denominational authorities, which might very well be opportune, not to undo anything that has been achieved, that has been proven worthwhile, but to pool our best arrived knowledge on education, to leave no stone unturned, that the defects will be carefully scrutinized and the virtues of the denominational system strengthened in every possible way. We should take, I think, a historical attitude to this whole question; that our people's mode of living is changing, the character of the population is changing, the concentration of our people is changing from the little places to the larger, involving large questions of public policy. I am raising this critical point on the whole question of public opinion on this question of education, I make this recommendation in a somewhat unofficial way because I know there are already promising strides being made by the denominations themselves who are already going a long

way toward collaboration in making the system work as helpfully as they possibly can, and I make my recommendations not in any critical vein but rather to further and to quicken with all the sympathy I possess the strides that have already been made.

Now, Sir, may I refer to another specific question relating to revenue. I cannot let the honourable and gallan independent member away with a critical comment he made on the revenue. He said that whereas we budgeted for five million dollars last year on social security assessment and did not raise quite that amount he could not see any good reason why we budgeted for five million seven hundred thousand this year. This is not an exhaustive answer to his question, Sir, but I would refer him to page 86 of the estimates and there under 405—

MR. SPEAKER: The Honourable Minister must be careful—he is not to discuss the estimates.

DR. POTTLE: Thank you, Mr. Speaker.

Now, the Leader of the Opposition falls into another error when he refers to Old Age Pensions. I do not wish to comment unkindly on his visit to Ottawa, but I do say that some information he received there was defective. He did actually hazard the view that the P.C. Party were sponsoring Old Age Pensions. The facts are that Old Age Pensions were first adopted in Canada in the year 1906-07 which fell within the administration of Sir Wilfred Laurier. Resolutions covering the whole field of Old Age Pensions for persons seventy years of age and over came twenty years after; with the amount of \$20.00 a month to be paid; half the cost to be borne by the Federal

Government. This was passed by the House in 1926 during the administration of Prime Minister MacKenzie King. They were rejected by the Senate, but when the Bill was re-introduced in 1927, it was passed. That was also during the administration of Mr. Mackenzie King. Then a great stride forward was taken in 1950, when a universal Old Age Pension plan was introduced by the Government of Canada for the first time in Canada's history, for persons seventy years of age and over, and a comprehensive scheme of Old Age Pensions shared by the Government of Canada and by the respective governments of the Provinces for persons of 65-69 years was recommended by a joint Parliamentary Committee of the House of Commons. The recommendations became law in 1950. That year fell within the administration of Prime Minister St. Laurent. All three administrations, by some fortunate accident of history, somehow, have been Liberal administrations.

MR. SMALLWOOD: It was no accident.

MR. CASHIN: Old Age Pensions started in Newfoundland such as they were, in 1909.

DR. POTTLE: What our people have been passing through during the last three years have been radical and progressive changes that have affected our social and economic structure to the very depths. I have thought that probably no people in so short a period of human history should be expected to adjust to so much and on such a broad front. Our people have had to grow up practically overnight and the adjustments they have had to contend with, both in the economic and social field,

have been most unusual, to say the least.

Our business as a House—certainly our business as a government—is to help them to get adjusted to the new day and not to confuse them. Our business is to help them to see the principles of public policy which is very important. What our government is doing, time and time again in this House and out of the House, is to try and give the people an understanding as to what our public policy is, where we are going and along what broad lines. The sailor does not need to know where every cove is, but he does need to know where the lighthouses are.

This Government, by its declarations and by its public policy, have shown that they have considerable faith in Newfoundland, and not least of all, faith in Canada, and have backed up that faith with works. Was it not Sir Wilfred Laurier who said "This century will be Canada's century." And he spoke those words at the beginning of the present century. I hope it will not be too presumptuous to say that he could not have foreseen that little Newfoundland would have some important part to play in making this century Canada's century. Strange things have happened before.

If we seem to be going too fast—if we seem to be taking the breath of the Opposition away at times, I say it is because we were so far behind in 1949. Anyone who trod our shores and knew the people of Newfoundland and talked with the people—particularly the older people—people on the North Shore, for instance, and saw reflected in their faces the sufferings of ages—hard ages at that, knows we had so much to catch up with; and

I say, if we have gone so fast it is because we have been trying to do so much in such a short while. Our Government during the past three years have been trying to establish as early as possible what our rights should be in the commonwealth of Provinces. We have been pressing our claims in many instances fairly but firmly. I believe history will record, as far as this Government is concerned, that we have fought resolutely for what we believe to be Newfoundland's legitimate claims; and no charge will be laid upon us in the verdict of history that we have been anything but diligent in the course of our duties to bring before the Government of Canada what the proper place of Newfoundland is. We have sought by every means in our power to make Newfoundland count as a Province of Canada.

Finally, this Budget is a symbol to me that Newfoundland is going to maintain its stature within the family of Canadian Province—a family which has reassuring warmth and strength.

MR. SMALLWOOD: I move that the debate be adjourned until later today. I propose to close the debate after dinner tonight.

MR. SPEAKER: I would like to remind members that they must not discuss estimates at this point, and in this connection I shall make a short quotation—"Matters of detail which should be discussed in Committee of Supply cannot be debated here; nor can debate be permitted relating to grants already agreed to or to resolutions which will be proposed in Committee or to items in the estimates."

I consider that to be very clear and concise English. That is the basis of the rule.

I mention it in case any honourable member might unwittingly offend.

Second reading of Bill, "An Act Further to Amend the Crown Lands Act, 1930."

HON. DR. F. W. ROWE (Minister of Mines and Resources): During the past year we found two serious weaknesses in the Crown Lands Act, 1930. One of these weaknesses dealt with the issue of permits to persons wishing to cut timber on Crown Land. The 1930 Act says that before any person can cut certain types of timber (i.e. saw logs), he must have a permit; the Act also lays down certain conditions applying to those having permits to cut timber in certain categories, excluding firewood and timber for domestic purposes. But we found that no penalty is attached to (a) failure to obtain a permit; and (b) failure on the part of the person holding a permit, to carry out the conditions which may be attached to the permit.

In a number of agreements made between the Government and operators of paper mills and other mills, the Government reserves the right to issue leases or grants of land for agricultural or mining purposes. For example, in Bowater's agreement the Government has the right to grant or lease land for agricultural or mining purposes provided the Company is given the right to remove the timber over the area in question.

Now, we found that there are many other cases where the Government may wish to issue leases or grants where the timber is held by leases—for example, A.N.D. or Bowater's. We found this rather astonishing situation—that is that a company such as Bowater's has the right to the timber

and in the Bowater's agreement the Government has the right to issue a lease or grant. It was an astonishing discovery. As soon as I came across it, I brought it to the attention of the Government and the Government decided that some remedial measure was required. For example, we found, on the huge areas to which Bowater's have timber rights, the Government could not issue to anyone the lease of land for tourist purposes. We found that (and this is another interesting example), when the Department of Defence at Ottawa applied to the Government for the right to have a Rifle Range erected on an area of one of the corporations; we found we did not have the right to give them the right, nor did the Paper Company concerned have the right either.

The second part of the Amendment is designed to give the Government the right to issue leases or grants for any purpose whatsoever on any land which may be held by a Corporation for timber purposes only. We must always keep in mind that on huge areas, for example, Bowater's, on which they have timber rights; they have timber rights and no other rights. They cannot give grants to any other persons for any purposes. Somebody has to have that right and it should not be vested in Paper Companies or any other Corporations. That right can only rest in the Government and so this Amendment gives the Government the right to issue leases and make grants for any purposes which in the opinion of the Government are desirable to issue leases for.

I should add this rider—that the Government through the Department of Mines and Resources, would not ordinarily issue a lease or grant in any such areas without first consult-

ing the Paper Company involved. We are obligated to give the Company the chance to remove the timber. We would not interfere with or jeopardize the operations of the Company itself.

These then are the two amendments in this Bill. (1) Put a penalty where no penalty existed for certain breaches of the Crown Lands Act 1930; and (2) give the Government power to issue leases or grants for specific or general purposes in cases involving land the timber on which belongs to any other person or Corporation.

I move the second reading.

MR. HOLLETT: Generally we have no objection to the Bill. Does this refer to fishermen who want to cut wood for any purpose?

DR. ROWE: No fishermen in Newfoundland has to get a permit from us to cut wood for fuel or fishery or other domestic purposes. This refers only to commercial transactions. If a man has a sawmill and he wants 100,000 saw logs, for example; or if he wants to cut railway ties or light poles, commercially, he must get a permit. The point is, if he failed to get a permit in the past to cut say, 10,000 railway ties on Crown Land, we could cause him to desist, but the courts could not impose a penalty.

MR. HOLLETT: That being so, we have no reason to oppose it.

Bill read a second time and ordered referred to a Committee of the Whole House later on this day.

MR. SMALLWOOD: I rise to move second reading of this Bill which is "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Koch Shoes Limited."



This is the Shoe Plant that is to be built at Harbour Grace. The promoters and owners of this Plant decided deliberately to put the Plant at Harbour Grace because of two facts:

(1) That Harbour Grace has a number of people who have worked at the shoe industry before and have therefore some practical experience in that kind of work and who with the five or six, or six or eight skilled workers brought in from Europe would form the basis of the technical skill required in what is to be a thoroughly modern and up-to-date Boot and Shoe Factory.

(2) Because the main source of supply of leather for the factory that can be bought in nearby Carbonear.

Indeed, one of the factors that influenced the Government to support this industry with financial assistance is the fact that it will provide the Tannery with a market for most, if not all, of its output; and that that market, namely the Shoe Factory will be sufficiently large to enable the Tannery quickly—much more quickly than they would otherwise accomplish—to operate at full capacity, probably requiring three shifts of workers a day.

Indeed, with the Shoe Factory operating at full capacity, I imagine, I believe, that the Tannery will have all it can do; unless it enlarges considerably, to supply the Shoe Factory and at the same time to manufacture sufficient quantities of leather of another type to keep their own leather clothing factory going.

So that the Shoe Factory has the double advantage of providing badly needed employment in Harbour Grace and in giving a very welcome life to the Tannery at Carbonear.

I may say, Mr. Speaker, that this is the third firm with whom we have negotiated for the establishment of a Shoe Factory. The other two were not able to meet our conditions to any reasonable extent. They were anxious to come, but they were not able to comply substantially with the formulae we have established over the past two or three years for assisting these European plants to establish themselves in Newfoundland. This is the first of the three finding itself in a position to do so. The company itself is one for which we have in the Government very considerable respect. The present owner will have associated with him his son. His son is living in Argentina and is quite a prominent business man in Argentina. He will leave Argentina and settle here. His father, having very extensive business interests in Europe, will not reside in Newfoundland but will visit Harbour Grace off and on fairly frequently throughout each year but he will not be the active, resident manager of the company, that position being taken by his son who will come from Argentina for that purpose.

Now, the father is the owner of no fewer than two substantial cement mills in Germany with a combined capacity of three hundred and fifty thousand tons of cement a year. That is to say he is the sole owner of two cement plants having an output of some three and a half times, I think it is, of our cement mill on the West Coast.

MR. HIGGINS: After this year ours will be two hundred thousand tons.

MR. SMALLWOOD: Ours is presently one hundred thousand.

He is part owner of several other industries including a very large printing and lithographing company with plants in Germany and in Holland. We have satisfied ourselves that he is indeed a most substantial and most successful industrialist. He has been for many years in the shoe industry in Germany. He has travelled widely throughout the world and he and his son have both travelled very widely across Canada making a very careful study of the market in Canada for footwear.

When I first considered the possibility of getting a German shoe firm or indeed any European shoe firm to establish in this part of the new world I confess frankly that I wondered whether the styles popular on the Continent of Europe would appeal to our people here in this part of the world. My first visit to Germany allayed any fears I had in that regard because the large shoe factories of Germany are like those of the United States and parts of Canada, thoroughly up to date. Their style departments are in very close and intimate touch with styles and styling practices all over the world. After all it is largely like women's hats or dresses or men's shoes if you have the mechanical facilities and the designing department you can design styles that will appeal to any customer anywhere in the world.

They will install a plant to make a thousand pairs a day with three hundred days to the year which will come to approximately three hundred thousand pairs a year. It is their intention in addition to make what I might call, for lack of a better name, ordinary footwear for the man in the street and also specialized types of footwear, as for example, (and I give it only

as an example) ski boots which, as the House must be aware have become and continue to become even more widely used all across Canada and indeed all across the United States. It is rather astonishing to see the extent to which skiing is practised and increasing and continuing to increase. That of course obviously means an enormous market for a good ski boot. Another specialty they will undertake is a good workers' boot. I don't know if the House is aware of this or not, but in all of Canada today there is no good workman's boot, not one. You get workmen's boots I say but not a good workmen's boot manufactured and as a result of their market survey across Canada they are convinced that there is a very great market for workmen's boots. I mean the sort of boot that a farmer would wear, a construction worker would wear and men at outdoor work would wear. There is really not a good boot of this type made in Canada today.

They will employ practically two hundred or something more. They told me but I have forgotten the number over two hundred, two hundred and sixty or two hundred and eighty or some such figure, but I say approximately two hundred because I have found, Mr. Speaker, in the past two years that virtually all early estimates by these industrialists of the number they will employ have been, to judge by results as of today it is too optimistic. It may not be so in a year or two years from today perhaps but I am prepared to give them the benefit of the doubt and wait and see. I am a little more cautious than I was two years ago. So I say approximately two hundred workers of whom roughly half will be male and half female.

The idea is to commence construction of the plant almost at once. I think it will be next month or early in June. I believe their intention is to do what the ceramics company did at Holyrood, i.e. to do their own building rather than letting a contractor, engaging their own architect, their own construction engineer or foreman and employing, of course, local labour in and around Harbour Grace.

Now, as I have said at the outset, this will be welcome news for Harbour Grace. Harbour Grace has had a lot of misfortunes in the last few years. In addition to the great fires that have destroyed sections and very interesting sections of the town, they have lost various industries that once operated over there and once flourished over there. At the present moment with the fish plant closed down—I have no late news as to the re-opening beyond what I read in the papers a few days ago, a statement to the effect that Mr. Moores has stated to someone that the plant would reopen sometime in the later summer, or at least that he hoped it would—with that plant closed down and the whaling company closed down last year and this year the boot and shoe factory that was operating there by Mr. McKay which was a relatively small plant but which for a number of years operated fairly successfully catering primarily to the Newfoundland market, and with Crosby's establishment closed down for the past three years or whatever it is, there is not in Harbour Grace today a single avenue of local employment. That is a very serious situation for a town the size of Harbour Grace, quite serious. It is true that this year and perhaps next year and certainly last year there existed an excellent chance for quite a large number of men to

get away from Harbour Grace and find employment at Goose Airport and Stephenville and at Seven Islands and on other construction jobs. But there is not much future in that for any town that must depend on transitory work and seasonal work at a great distance. It is an unfortunate condition. If two hundred people or more are given employment in this plant at Harbour Grace it will indeed be a God-send to that town.

Now, the House will not be willing to support a Bill to lend this company seven hundred and fifty thousand dollars to establish a shoe plant merely because Harbour Grace in particular at this moment is in an unfortunate condition from the standpoint of employment. The House will not be willing to accept that as sufficient reason for lending seven hundred and fifty thousand dollars even on security for a period of, I think it is, ten years. The House would want some reason more than that, no matter how sympathetic the House might be on both sides with the present plight of Harbour Grace. The House would want to feel some confidence that this is a good company; that they will provide skilled and experienced management, that the plant will be modern and efficient and that they will be good salesmen. That latter part is at least as important as the former. You can have an excellent plant and skilled management with efficient personnel and turn out an excellent article for sale but if you have not good efficient salesmanship it is all useless. So that all these are required in a plant for it to be successful and profitable enough to pay us back our seven hundred and fifty thousand dollars and the interest on it in the meantime.

This company has all these qualifications, it is highly skilled and experienced both in manufacture and the sale of merchandise. Canada is a large and growing country and Canada is an importer of footwear. Of course Canada produces literally millions of pairs of boots and shoes of all kinds, but Canada also imports millions of pairs. Canada is growing and growing faster, as we all know, than any other country in the world, growing at a pace and an increase of acceleration more than is to be found elsewhere in the world today. In a country, vigorous and expanding rapidly it ought to be sound, it would appear to be sound to establish one more plant making three hundred thousand pairs of boots and shoes a year.

We in the Government are satisfied that we are dealing with good people; we are satisfied that we are dealing with energetic people; we are satisfied that we are dealing with successful people, people who have proven their success in manufacturing and marketing for a good many years past.

There is one other thing, the owner of this plant has been for some thirty years a close and intimate personal friend of the owner of the rubber plant at Holyrood. But apart from that fact of their personal friendship the shoe plant at Harbour Grace will constitute a part market for the products of the rubber plant at Holyrood because, of course, footwear uses rubber for rubber heels, rubber soles and logans have rubber bottoms and leather tops. The two plants can to some extent work together.

Now, there is one final point, Mr. Koch and his son have the ambition, I think, and they have the ability, to open a chain of boot and shoe stores,

I don't say a nation wide chain but at least a chain of more than one boot and shoe store for the sale of Koch shoes and Superior Rubber overshoes, gaiters and the like. Their sales of course will at no time, I imagine, be confined to their own retail outlets, that would be a little ambitious, but what they will sell in their own shops ultimately together with what they will sell to jobbers and wholesalers and retail distributors not their own should, I suggest, make it quite easily feasible to dispose of three hundred thousand pairs of shoes a year. I move the second reading of this Bill.

MR. HOLLETT: Mr. Speaker, I rise, not with any intention of spending much time in opposing or pretending to oppose—we don't intend to oppose this Bill. Generally it is constructed and written along the same lines as all the Bills introduced here and the financing of the factory is to be arranged practically the same as all the others. But just one thing occurs to me—although the Government yesterday in passing the estimates passed an estimate of five hundred thousand dollars whereas before August, 1953, it will be some \$750,000. That is just a slight error or omission or a little forgetfulness. I am afraid they did transfer the five hundred thousand dollars from fur to boots but they will still have to get another two hundred and fifty thousand dollars to put the fur tops on them.

We have had an excellent description of Koch and his son, the son who lives in Argentina where of course they have all the leather they can use, I take it, and the father who is in Germany and has at least three cement plants turning out three hundred thousand tons of cement a

year, I believe he owns a lithographic plant.

MR. SMALLWOOD: Part owner.

MR. HOLLETT: And he is the owner of several other plants, I believe, through Germany and other parts of the world. Yet, Sir, we find as we look at this Act that as soon as he arrives here we have to give him twenty thousand dollars in order to purchase a piece of land over there to start to build on.

MR. SMALLWOOD: He has no dollars.

MR. HOLLETT: No dollars—poor thing—a man with two cement plants and a lithographic plant and several others. Surely he could arrange to finance at least twenty thousand dollars and bring it out here to buy the land. Of course we have heard this story before Sir, it is the same old story—how does the song go? "Tell me the old, old story." The Honourable the Premier has told us the old, old story so often now, Sir, we almost don't look at the Bills, don't bother to read but the first section and we know all the rest. We hope this plant succeeds, we hope it goes in Harbour Grace. We on the Opposition side are not opposing it in any way—we do see the need of some industry in a place like Harbour Grace with its historic associations behind it. Harbour Grace has and was always able to support and hold on to a fine race of people. Unfortunately owing to changes throughout the world and throughout Newfoundland particularly with regard to the fishery, Harbour Grace has fallen on hard times. I do not think for one moment that a little boot and shoe plant turning out three hundred thousand pairs of shoes a year will save the situation entirely, but it will help. The Pre-

mier said it would have two hundred employees. I take it they will earn about three thousand dollars a year and at least six hundred thousand dollars a year would be paid out in wages according to that estimate. They have to make that out of three hundred thousand pairs of shoes and there are a lot of other charges besides the mere labour. I should think that labour would be about one half or probably not one half—to finance the loan and do all sorts of things. We don't like the financing of this shoe factory—we don't think the financing is sound—we don't believe for one moment that a man who owns two cement mills in Germany and a lithographic plant in Holland could not raise twenty thousand dollars to purchase a piece of land in Harbour Grace. We don't think it essential that the Government should raise that twenty thousand dollars, but if the Premier says so we will have to take his word for that.

I won't refer to other sections. We do not oppose it, it has our support in every way and that Koch whoever he may be, I hope he does bring some measure of prosperity to Harbour Grace.

DR. POTTLE: Mr. Speaker, before the debate closes I should like personally to go on record to accent what the Premier has said in a simple way and in doing so to speak for my next door colleague here who is also next door to me in the district I represent. I know if he were here he would like to speak in support of this Bill, but he has been indisposed and had to leave the House. On both our behalf, Sir, I will say in these few words that it is a great measure of gratification to us who represent that part of the country in Conception Bay that this industry is

practically in the making. I have noticed in the press that not only the Harbour Grace people are extremely gratified but Carbonear knowing what it means to them likewise raised its voice in support and are really earnestly praying that the industry will come to Harbour Grace and will be a success.

It may be an old, old story but it is a very heartening chapter for the people of the ancient town of Harbour Grace and I give it my full support.

MR. HIGGINS: Mr. Speaker, the only comment I have to make is the rather rueful one that the climate of St. John's East does not seem to be favourable to industry, even Harbour Grace has finally blossomed forth.

MR. FOGWILL: I presume at some future date we will get the glue factory in St. John's East. However, Sir, in respect to this Bill, I wonder when talking of building a new plant such as this new boot and shoe plant what has happened to the boot and shoe factory we had prior to this. I believe we had four factories and there must be some reason why they had to close up or did close up, anyway they are no longer operating. Whether they had no modern machinery or these people did not turn out the goods cheaply enough or not I don't know. I presume the Premier has gone into this from every aspect and has found that these people will operate successfully. But in all these Bills coming in the Opposition should be supplied with the prospectus of the plants concerned so that they might better understand what the Government is doing. I don't oppose the Bill but I support it with my honourable colleagues.

MR. SMALLWOOD: Mr. Speaker,

I am glad the honourable gentleman who spoke last touched on the question of why the boot and shoe plants of the past had not continued to operate. That is a very interesting question. May I inform him through you, Sir, that the boot and shoe plants that were established in St. John's in 1870 or 1880 were established under very peculiar and interesting circumstances. A group of businessmen got together and formed a company and went to the Government and said; "We are going to start a boot and shoe factory, will you help us?" The Government helped them in two ways (1) by giving a cash bounty free for the first ten years, I think, and (2) by giving a tariff protection. From the beginning to the end they catered to the Newfoundland trade sheltered behind the Newfoundland protective tariff. They never aimed at the Canadian Market. I believe, I honestly believe that there are plants that can succeed catering only to a Newfoundland Market and there are plants that cannot. A boot and shoe plant to succeed must be in a position like the "Hart" shoe company in little Fredericton in old fashioned and backward New Brunswick—must cater to all Canada. The Hart Shoe is sold in every town in Canada and are manufactured in sleepy New Brunswick—my honourable friend has a pair on his feet—you are lucky to get a pair for \$20 or \$25. If they can do it, why can't we if we really go about it in the right way—we should make a go of it and let us hope that we will.

MEMBERS OF THE OPPOSITION:  
Hear, hear.

Bill read a second time, ordered referred to a Committee of the Whole on a later hour this day.

MR. SPEAKER: It is now six o'clock—the House will recess to meet again at 8:00 of the clock.

### NIGHT SESSION

The House resumed at 8:00 of the clock.

MR. SPEAKER: Order!

MR. SMALLWOOD: I think I shall probably be the last speaker in the debate on the Budget. I do not intend to delay the House for any great length of time.

I must, in all sincerity, congratulate the Honourable the Minister of Finance for the magnificent budget. It has not been the privilege of many Ministers of Finance in the long history of Newfoundland to be able to present so pleasing a Budget to this House as he has brought down. No amount of debate or criticism or picking of holes can hide the fact that this is a great Budget. This is one of the two or three greatest Budgets in all the history of Newfoundland. No amount of debate or criticism can hide the fact that this Budget reveals a most satisfactory state of affairs in Newfoundland today. Not a perfect state of affairs; not so satisfactory that we can now rest on our oars and say "all is well; nothing left to do." Far from it. But it is a good state of affairs economically. That is to say, with the numbers of people employed; with the size of the incomes they are receiving; with the growth and expansion of our economy—a state of affairs, economically, that is most encouraging. The Honourable Minister can be proud of his Budget as are his colleagues and friends on this side of the House and as are people, generally, I believe in Newfoundland tonight.

Now, Mr. Speaker, there were one or two points made on the other side of the House to which I think I ought to make some brief reply. My honourable and gallant friend, the Independent member for St. John's West gave us what was 95% a correct accounting of the collection and spending of revenue and a correct accounting of the surplus or Capital Account transactions of this Government, year by year, for the four years. Indeed, factually, it was better than 95%; it was factually, I think, 99% correct, and that is a good batting average for anyone. To be perfect, to be 100%, is not given to too many men.

I say, factually, he related the facts—how much money was collected; how much spent each year on the ordinary affairs of Newfoundland; on Current Account, on ordinary account of the Government. He did that for each of the four years. And then, in addition, he recited how much we had spent in each of the four years on extraordinary works—not ordinary, but extraordinary—Capital Account works over and above the normal carrying on of the normal affairs of Government; how much was spent on special works and how much had been collected into the Capital Account. And again, his figures were almost 100% correct.

But, Sir, it is when he came to give his interpretation of these figures that he went a little wrong; he went a little astray. Now, they say that "figures can lie and liars can figure." That, I suppose, applies to everyone.

MR. CASHIN: "Figures count."

MR. SMALLWOOD: Sometimes they do! It is all a matter of interpretation. My honourable friend from Fortune Bay said he accepted

the masses of figures quoted by my honourable and gallant friend; he said he had to, he had no choice; he could not contradict them. And that if he said there were 479 cross-eyed women in Newfoundland, the honourable and gallant member would have to accept it because he could not deny it. It is not in the recital of figures that we necessarily arrive at the true situation, it is in the understanding we have of these figures, it is in the interpretation of them.

Now, Sir, in fact what is the situation? It is this—that in the first of our four years in power we have a large deficit. What was it— $3\frac{1}{2}$  or  $3\frac{3}{4}$  million dollars? That is to say that the Government in the first year of Confederation spent  $3\frac{3}{4}$  million dollars more than they took in. Or if you like, they took in  $3\frac{3}{4}$  million less than they spent. Why was that? It was, as we all remember so well, because of two things. First, it was a hard year; there was a lot of unemployment, a lot of destitution and the amount of the deficit that year, by a coincidence, only a coincidence, equalled roughly the amount we had to spend that year for relief works.

But the second and most important reason was that in that year we had not yet got our taxation brought into effect and so we were short on revenue. Senator Quinton had to come before the House and report that the Government was short by  $3\frac{3}{4}$  million dollars on its accounts. It had not collected as much as it needed to collect. That was taken from the surplus and paid.

In the second year of Confederation we had a surplus. We did take in as much as we spent and \$650,000 more than we spent. We had a sur-

plus in the second year of Confederation.

In our third year we had another surplus, this time \$1,650,000.

In the fourth year of Confederation—our fourth year of office, which happens to be the fourth year of Confederation (we happened to come in immediately after Confederation)—we have a surplus of \$6,500,000. Or a combined surplus for the three years—\$650,000, plus \$1,650,000 plus \$6,500,000—which, if my very well-known efficient mental arithmetic is correct, is \$8,800,000.00.

MR. HOLLETT: You are only 2 millions out.

MR. SMALLWOOD: From that, of course, we had to deduct  $3\frac{3}{4}$  million dollars. 3.7 subtracted from \$8,800,000. This, as the House will know at once is five million and a few square thousand dollars.

In the four years, we have had a surplus of five million dollars. There is no doubt about that. We all agree on that. That is surplus. That is very good. It was possible only because we have had a rising tide of prosperity, our economy has expanded, lot of people working, wages increasing and things getting better and better economically. Pray God they will continue to get better!

Now, in that same period we have been conducting other large affairs in addition to carrying on these twelve Departments of Government. We have been carrying on our whole school system in Newfoundland; carrying on our whole hospital system in Newfoundland; carrying on our Police system in Newfoundland; carrying on the Judicial system; carrying on Old Age Pensions, Mothers'



Allowances and Dependent Persons' Allowances. We have been carrying on the Civil Service Pensions; carrying on all the hundred and one affairs of Government. In addition to all that, we have been carrying on an entirely different class of affairs, some of them bigger than the ordinary and normal affairs of Government. We have been building new schools, or taking old ones and making them bigger or re-equipping them. We built entirely new hospitals that were not here when we came in. We have carried on all that there were here and in addition we have built many new hospitals altogether. We have maintained the roads, not as good as they need to be maintained, but we have spent many millions of dollars in the maintenance of such roads as we found when we came in; and we built, since we came in, many hundreds of miles of entirely new roads. On top of that we have spent some twenty-odd million dollars (or invested it) of the surplus to help establish new industries in Newfoundland.

You must take your Capital Account side and treat it separately. Not to do so is to get into, economically and financially, "no man's land,"—a strange land. If you do not do that, you will never understand the finances of Government. If you are going to jumble it up and make one picture of the Capital Account, how can you know if you are solvent or not?

Suppose a man owns a house and he finds that to keep the house going, it costs \$1,000 a year; that is to say, keep it painted, repair it, repair the fence, pay water rates and city taxes, to buy fuel for the furnace or stove—generally to keep the house running, it costs \$1,000. That is ordinary account. That is that. Now, sup-

pose that same man decides to build a new house, a second house. That has happened. He does not build one every day or every year, unless he is in the business. The ordinary man who has a house has to keep it up—that is Current Account. If he builds a new house—that is Capital Account. What kind of economics would it be if we follow the example of my gallant friend? If that man has an annual expense of \$1,000 to keep his house going, and he takes in \$1,500; that is really a surplus of \$500 a year. If he now builds a new house out of some special income—say his aunt dies and leaves him some money—and that new house costs \$3,000 (these are just figures plucked out of the air)—he spends \$3,000 on this entirely new house; his expenses therefore are \$1,000 to operate the house he had and \$3,000 to build the new one. Therefore his expenditure would be \$4,000. He has taken in only \$1,500. If you want it to appear that he has a deficit, you add the two together and he has a deficit of \$2,500. That is what my honourable friend has done in his speech. On Current Account and on Capital Account, he says, for the past four years, the Government had this whopping great deficit in its accounts.

MR. CASHIN: You took it wrong.

MR. SMALLWOOD: I hope I took it wrong, for the sake of my honourable friend.

MR. CASHIN: The Capital is gone.

MR. SMALLWOOD: So the Capital is gone? Where did he get the money?

MR. CASHIN: The old aunt died, didn't she?

MR. SMALLWOOD: Yes, but the new house is there. We have to show for the money we spent, a deficit of 3¼ million dollars. That is gone. 3¼ million dollars is gone—spent to meet the deficit in the first year. But are the hospitals we built gone? No. Are the miles of road still there? We still have them. Are the schools still there? We still have them. Are the factories still there? We still have them, whether they are succeeding or not. Then what is gone? Only the 3¼ million dollars in the first year which we had to take from the Surplus and spend to meet our current deficit. We have it yet. True, it is not in the form of cash except the eleven million which is still in cash, on deposit in Ottawa, drawing interest at 2¼% a year. The rest of it, except for the 3¼ millions is still in here, not in cash but in kind—in roads, schools, hospitals, factories and other assets of the people and the Government of Newfoundland. I do not see anything whatsoever wrong with that.

That is a long time to spend on one point. I had one note made—"Deficit."

Now, that is the one and only point of my honourable friends to which I desire to make a reply. No, there was another point made, I believe by the honourable non-professional member for St. John's East. He took the Minister of Finance's figures showing what will go into the pockets of our people this year, that table of 210 millions this year. Now, I do not have the table before me at the present moment nor did I have it when the honourable gentleman was speaking. But I heard some rather startling things and wondered to myself; that cannot be true—I don't believe it is true. According to him out of the \$210,000,000 that will

go into our people's pockets this year two-thirds of it will come from the Government of Newfoundland and the Government of Canada. I said to myself; this is a startling fact if it is true. But I could not believe it was so.

Subsequently I looked at the table and here is what I get: Remember the total is \$210,000,000.

Pulp, Paper and Wood 39.6, Mining 12.0, Fisheries 10.0 (that is just for the fishermen alone not counting the men working around the merchant's premises who are included under another heading) Manufacturing 7.48, Frozen Fish Industry 5.35, Transportation 15.5, Shop and Office Workers 12.0, Construction 8.0, Miscellaneous 5.0. That is \$125,000,000 right off. Now on top of that there is defence 24.5 millions. Then the two Governments together Federal and Provincial, if you like, I prefer the words "The Government of Canada" and the "Government of Newfoundland." We are the Government of Newfoundland as much as they are the Government of Canada as a whole. These two Governments together a total of 54.0 millions i.e. straight salaries 25.0 millions, defence 24.5 millions, dividends and interest etc. 5.0 millions, 2.5 millions under Municipalities, Private Hospitals, Broadcasting, etc. (Now, except for one radio station which is the CBC the others are private enterprise and commercial, so that half of two and a half millions is one and a quarter millions). That makes a total of \$130,000,000 out of the \$210,000,000 as straight commercial and independent income. I think that is pretty good. In fact that is more than the whole amount of money that went into the people's pockets four years ago, if you were to exclude defence

completely what the Governments of Newfoundland and of Canada paid out and including everything independent and commercial, the whole thing did not come to 125 millions. Today for merely commercial and independent income it is more than the total income was four years ago. So that is a pretty remarkable growth in the economy of Newfoundland.

MR. HOLLETT: How much comes out of that for taxation?

MR. SMALLWOOD: I would say out of two hundred and ten millions of dollars the grand total amount which will be collected in taxation by the two Governments that of Canada and of Newfoundland would be a grand total, outside limit, of 30%, which is about the lowest rate of taxation in the whole long history of Newfoundland—30%. I am being generous and saying on the outside 30%. Before Confederation the average amount of taxation taken by the Government of Newfoundland, out of the total income of the people, was an average of 50%. I produced a table in the National Convention beginning with the year 1900 and showing it year by year down to the year before I was speaking in that convention which would be 1947. For 46 years I gave the table. I compiled it myself and worked on it for many weeks showing that from the year 1900 taxes collected by the Newfoundland Government in 1900 took about twenty per cent of all the income and earnings of the people of Newfoundland and in 1946 took 52%, the year before I was speaking. The proportion of all the earnings of the people of Newfoundland rose between 1900 and 1946 from 20% to 52%.

MR. HOLLETT: That is where you got the surplus.

MR. SMALLWOOD: That is largely where we got the surplus, that is so. Now, today with an income of two hundred and ten million dollars going into the people's pockets and an outside maximum of 30% of that going to the two Governments in taxation that makes the lowest rate of taxation for thirty odd years in Newfoundland. Now again, what is the answer to that? What is the reason for that?

The reason is first that the people's income has risen so much and the taxation has not risen as fast as has the people's income. Both have risen in the last four years, taxes have come up and people's incomes have come up but their income came up higher and faster than the rate of taxation. The income is up here, the taxation about here.

MR. HOLLETT: The limit is away up there.

MR. SMALLWOOD: Roughly a third at the outside.

Now, there is something else today; if the Government are taxing as much as one-third or 30%, say, of all the people's income in taxation, look how much more they are giving the people for that much of their income. The Government are giving the people far more today than they did ten, twenty or thirty years ago, far more. If the people pay more taxation they are getting more back for it from the Government. There is no question about that, no doubt about that. In these four years that we have been in look at the number of things that the Government of Newfoundland have been handing back to the people in return for taxation the people paid us, handed them back improved medical services,

there is no doubt about that, no question about that at all; handed them back improved teachers' salaries, that is good for the people as well as for the teachers; handed them back the old age assistance, there is no doubt about that, and widowed mothers' allowances and dependents' allowances. We are today as the Government of Newfoundland rendering the people more services than did any other Newfoundland Government in all the hundred years of history of Government on this Island. As for the Government of Canada, they too are handing back to the people generally including the people of Newfoundland more, far more than any Government ever handed back to the people in the long history of Canada. I don't think that is open to dispute, I don't think anyone can contradict that, it is so apparent, so obvious that everybody in the world or at least in Canada knows it to be true. They grumble about high taxes but they don't grumble about receiving the benefits and they don't really grumble about high taxes too much—death and taxes are both inevitable, neither is popular but you have to accept both.

Now, somebody else in the Opposition rather criticized us about the social security assessment, the 3% tax. I will make the House an offer right now. This Government will wipe out that 3% taxation—

MR. HOLLETT: Hear! hear!

MR. SMALLWOOD: You can quote me on this—we will wipe out the 3% tax if the Opposition will propose that we wipe out Old Age Assistance and widowed mothers' allowances and dependents' allowances, the care of motherless and illegitimate children and the relief of the

sick poor, that these taxes pay for. We will wipe out the tax if the Opposition proposes we will wipe out these things that we pay back to the people out of that very tax. Now, if my honourable friends of the Opposition are not willing to propose to us that we will wipe out or reduce these benefits, but if they are willing to do that then we will reduce the 3% accordingly.

MR. HOLLETT: You paid these before you put on the social security tax.

MR. SMALLWOOD: No, we did not, we paid some of them.

Furthermore the whole of the 3% tax brought us last year less than two-thirds, less than 60c. out of every dollar we spent on social security. This year we hope the 3% tax will bring in a little more than last year. We hope this year it will bring us in almost enough to pay for these benefits, social security benefits to our people in Newfoundland.

Now, it is good debating—in the Opposition always the thing to do is to taunt the Government on the taxes, tell how the people are groaning under the burden of taxation how the Government is squeezing the life-blood out of the poor fishermen—that is very orthodox, very traditional Opposition policy. In Heaven's name! give the Opposition some thing to say, if they want to talk about the fishermen groaning as the screws are put on them by the skirflint Government, if we cannot at least give them that little pleasure would be too boring for them here in the House of Assembly—we must give them room to say something. It is not very original, my honourable friend must not imagine he is it

first who ever sat on that side of the chamber and talked about the taxes the Government are imposing on the people. It is far from being original. My honourable friend did not give it any original twist except to talk about the morsel of food, he might have said the widow passed through her lips; he might have talked about the orphans and the cripples and all the unfortunates, those unfortunates, this unfortunate government—

MR. JANES: Don't tell him.

MR. SMALLWOOD: Maybe I won't—they have to say something, that is what they are there for. Incidentally, in passing, I wonder if the Honourable Leader of the Opposition would tell me now, once and for all, which of his honourable colleagues from St. John's East is the senior and whether the professional member is senior or junior?

MR. HOLLETT: Mr. Speaker, if I may, I think the senior member in any district is the person who has the largest number of votes. I think in that case it is the honourable professional member here.

MR. SMALLWOOD: I believe it is taken according to a man's age, but if the Honourable Leader of the Opposition prefers—however in that case the non-professional member, the member who is not a lawyer, deplored the fact that we have lost the Spanish market for fish. He deplored that fact and so do I, so do we all. But then he went on to say that some people said, he did not say it himself, attributed it to Confederation. Mr. Speaker, anyone who knows why we have lost the Spanish market must have smiled at that. Because unless Confederation was so potent in its effect upon the Spaniards in Spain that a year before Con-

federation ever came at all we did not sell Spain one cod tail, not one, not a cod tail was sold by Newfoundland in Spain a full twelve months before Confederation came at all. Since Confederation came we have sold them a little. That is the answer to that. They are getting over the shock of Confederation.

MR. HOLLETT: I don't think my colleague contributed it to Confederation, did he?

MR. SMALLWOOD: No, he said some people did, but he did not know if it were so or not. I am informing him now that it is not so, that before Confederation came at all we did not sell one quintal of fish to Spain—please do not blame that on Confederation, blame something else but not that.

Now, there are one or two other points—oh yes! I did intend to congratulate my honourable friend the Leader of the Opposition. We don't wish to make a habit of it, nevertheless when my honourable friend is due some congratulations I think we ought to give them freely. He tells us he is now proud he is a Canadian.

MR. HOLLETT: Oh no!

MR. SMALLWOOD: Oh yes! The honourable gentleman said he was proud to be a Canadian, and that he had recently been up to the Mainland, and he has discovered Canada is a great country. He used the words "discovered." Now, that is fine, it is all right. Some people have not discovered it yet but it is better late than never. But my honourable friend has discovered Canada is a great country—really it is a great country—

MR. HOLLETT: You have been there more often.

MR. SMALLWOOD: I have been there more often. But now that my honourable friend has been there he knows that it is a great country, really quite a country, quite a people, quite an economy, quite a nation. He agrees with the Government. Well now what a pity it is that my honourable friend did not go up there three or four years ago, around the time he was fighting the Confederation issue. He might have been right beside me in the battle fighting for that great country from St. John's to Victoria, he might have been one of the fathers of Confederation and there might one day be a monument erected to him in Bannerman Park or Bowring Park or even out in front of the People's House, in front of the Colonial Building, if he had only gone to Canada a few years earlier. Look at the heartache he would have saved himself. Instead of being in the Opposition, on the losing side, he would have been over on the winning side. He would probably have been a Confederate if only he had gone to Canada just a little bit earlier. Anyway I am so glad he went, I am so glad he was impressed. I hope he impressed them as much as they impressed him, I hope it was mutual admiration—it is grand, splendid, we are all so happy over here that my honourable friend has gone up to Ottawa and to the holy city of all, Toronto, and I do hope he stayed over a little in Montreal and got a whiff of the cosmopolitan city, the New Paris of Canada, the Great City of Montreal. I personally prefer Toronto but some people, I find, prefer Montreal, and a fine metropolitan city it is, and a great nation.

Now, my notes are going fast because I want to conclude but before

I do so, I want to say something about the city of St. John's.

I notice that whilst I was absent from St. John's the other day on a visit to the Capital of this Nation a discussion arose in the House here, at least I saw by the newspapers that a discussion arose in the House on the subject of fire protection in the city of St. John's.

MR. HOLLETT: Corner Brook.

MR. SMALLWOOD: No, in St. John's—the question of fire protection in St. John's. Now, Mr. Speaker, in my political and my economic and in my constitutional practice and theory I like before all things to be realistic, I don't like to bluff myself. It is bad to bluff other people, but it is very much worse to bluff one's self. It is far better to have ones eyes wide open and face the stark, solid simple truth and I am going to face the stark, solid, simple truth in this matter here now tonight:

In the city of Sydney which is not as big as St. John's or the city of Halifax which is slightly bigger than the city of St. John's; St. John, New Brunswick, Winnipeg, Calgary, Brandon, Victoria, or any city that you like to mention across the Canadian Nation you will find that in Sydney the city operates the hospitals, owns them and operates them, pays the costs of running them. The city owns the school buildings, builds them, operates them, pays the cost of operating them, the city (I mean the city council) operates the police force, puts uniforms on them, pays them their salaries, maintains the police station and whatever they have. The city maintains fire protection, a fire brigade, hall, engines and equipment and all the rest of it. The city looks after the relief of the in-

digent poor. Very properly all that is carried by the city. So it is also in every city across Canada, and so it is in every city across the American Continent. That is the system they have on the Mainland of North America. We did not create that system, they did. They grew up with it, we did not. That is not our system in Newfoundland.

Now, I agree that gradually in Newfoundland, and I stress the word "gradually" as it is just as well to be realistic about it, it is just as well to face up to the truth—it has got to be gradual—but gradually in the next ten or twenty or fifty years in Newfoundland, gradually the city governments as we continue to have cities, presently we have only two, the city of St. John's and the city of Corner Brook which is now today about the size of St. John's forty years ago, but as we grow to have cities and towns, gradually and ever so gradually, not abruptly, not so abruptly and rapidly as to throw impossible burdens upon them, gradually, I say, the city governments must assume responsibility and at least part of the costs of providing services which universally in the entire Continent of Europe, the entire British Empire, the entire Canadian Mainland, the entire American Mainland, which is universal in the world, so here in Newfoundland also city and town governments must very gradually, slowly and gradually assume their full statute, their full dignity and full responsibility of civic citizenship, of city government, that must come gradually. But that this Government should hurl over to the city of St. John's a burden of approximately a million dollars a year to maintain their town fire protection and their own police, that we should do that suddenly and lay upon them

a burden of increasing their taxation one hundred per cent, which is what they would have to do, is fantastic. I don't care who knows it, I don't care who hears it, I don't care, I hope it is spread through the length and breadth of Newfoundland. I hope everyone north, south, east and west will learn of these words, that it would be a piece of fantastic madness to think that this Government or any other government in Newfoundland are going to hurl at the city of St. John's suddenly and abruptly a burden of one million dollars a year over and above the present burden they have, to maintain their own police and fire services. Still less will we ever force upon them the burden of maintaining schools, the burden of maintaining hospitals, the burden of relief of the poor and indigent.

MR. HOLLETT: So that we will never come within the Confederation pattern?

MR. SMALLWOOD: We are within the Confederation pattern, indeed very much within that pattern, but we retain as much of our own individuality as a province as we desire to retain. That is part of the Newfoundland picture; we have denominational education as they don't in other provinces. We are the only Province in Canada and there is not one State in the American Union, not one, we are the only Province in Canada with full and complete denominational education. That is our Newfoundland system—that is what we did have and that is what we are going to have. That is part of our Newfoundland individuality and we are going to maintain that. I think, however, that gradually and in the slow course of time the municipalities will have to assume more and more of the jurisdiction and the responsi-

bility of and for the maintenance of their own fire protection. In the meanwhile, whether we like it or not, we have given Corner Brook a grant of \$30,000.00 for fire protection. If other municipalities in the Province of Newfoundland ask for it, I do not see how we can refuse them. We continue to give it to St. John's, and then we have given it to Corner Brook, so we cannot make chalk of one and cheese of the other.

My honourable friend from Bonavista South spoke here on this question of roads. My honourable friend, the Minister of Public Works was asked by me a week or so ago, a simple question. I said to him "Ned, would you do something for me?" He said "Sure." I said "Get together all letters and petitions you received in the last three months from all over Newfoundland with regard to roads and bridges." I sent quite a few down to him, myself. Automatically, when they come to me, I send them to him as he is the Minister of Roads and Bridges and Public Works. I said "Get together, for the last three months, all the requests which have poured in upon us from all parts of Newfoundland for roads and bridges and send up to me a list." All the requests that have reached us in the last three months from all over Newfoundland for roads and bridges to be done this year were urgent matters; all matters on record were urgent, serious—citizens all wanted them to be proceeded with in the present year. Do you know what they came to? \$23,000,000.00; definite requests for the present year. Twenty-three million last year, twenty-three million this year, twenty-three million next year. That would make it \$72,000,000 for three years for roads.

In fact, up to the present time we

have been able to spend about five million a year or a little more on roads.

Mr. Speaker, I remember very vividly when the entire revenue of the Government of Newfoundland was just a little more than that. I remember when the Government of Newfoundland took in the grand total of seven millions from all sources. The first thing they had to do out of that seven million was to pay five million as interest on the public debt. There was no Sinking Fund in these days. They never put anything aside for Sinking Fund. Just to pay the interest on the public debt was five millions. That left two millions to run the whole Government—hospitals, schools, courts, pensions, police, wharves and bridges, roads, lighthouses, beacons and buoys, the Newfoundland Railway, Posts and Telegraphs—

MR. CASHIN: They were Supermen.

MR. SMALLWOOD: They would have been Supermen had they been able to do it. They could not do it and landed in the soup.

We have been spending over five million dollars a year on roads. Let me confess this: It is only a flea bite; only a dribble; only a token of what we should be doing if we are to give the people the roads they need and to give them every year the roads they want. Then we would be spending money at the rate of ten million dollars a year on new roads and the enlarging of old ones, for the next five years, to give them all they need, to give them all they want—but that would not be possible. If the Leader of the Opposition only knew how the Government wrestled



with this question of how and where to spend five millions; if he knew that when we meet to discuss this question, each member comes in with blood in eyes, tomahawk ready for action! We sit and consider how can we approach the problem of spending only five millions on roads when we have requests for twenty-five millions. After consideration we proceed. We say to one "You cannot have \$25,000." To another we say you will have to do with \$50,000." "Next year that road will be built," we say to another. We say to another "We will give you \$25,000 this year." We are trying to spread five millions over an area where we would need \$25,000,000. If my honourable friend the Leader of the Opposition knew how we wrestled with that problem, he would resign as Leader of the Opposition. He may feel his chances would be too robust for him; for fear he may ever become Premier. But, of course, if my honourable friend waits until that time, he will be too old to become Premier; he will be drawing the Old Age Pension; he will be too old to work by that time.

MR. HOLLETT: If you had only told the people that some time ago!

MR. SMALLWOOD: We told them that. That is why we are in power. We did tell them. They trust us. I hope they hear it repeated tonight. They will recognize it as a familiar statement. I hope they heard it from every man. We are not children; we are grownups. We know—K N O W. It is as simple as that. It is impossible unless we spend nothing on hospitals, schools, economic development etc.—nothing, only on roads. If we take the entire revenue and spend it on roads for five or six years, we would have all the roads they want. We cannot do it.

Mr. Speaker, I do say in conclusion, that it is a good budget. My honourable friend should be proud of it. Newfoundland is moving ahead; it is on the march—it is a long march; but still ahead. We are opening up and expanding new horizons. Even if the road ahead seems hard, we are on the march! We are moving forward! Newfoundland—not just the Government; the people of Newfoundland are on the march. We have gigantic tasks which require stout hearts. These men in the portraits on the wall had stout hearts. I am proud this Government had these portraits painted. If I am never remembered for anything else, if I am never remembered for anything else, I would like to be remembered for the fact that as head of the Government for the first time in Newfoundland's history, I thought of the idea of getting the portraits of these great men of the past painted and hung on the walls of this Chamber.

We have to have stout hearts. If this Government had nothing else to do but solve the problem of building enough schools to accommodate 5,000 additional children every year for the next ten years—if we had nothing else to do; if that was all we had to do, that alone is a job that takes guts. That one thing alone! We are making a start this year; we are spending one million dollars. I remember as though it were yesterday when the amount rose by half a million dollars for everything in Newfoundland connected with schools and education. It was a remarkable triumph when it rose to  $\frac{3}{4}$  millions. I remember the pride with which Sir Richard Squires, standing here as Premier, announced "this Liberal Government is spending one million dollars on education." We are spending that much on new

schools; and another five or six million on top of that; another 2½ millions to the new University.

One million dollars for the new school buildings is only a token. I believe it is going to be a couple or three million a year; not alone the gigantic problem of getting teachers and paying enough salaries.

Take the problem of new hospitals. What a gigantic problem! Who can say how many people perished in Newfoundland in days gone by, because there was no hospital or no doctor? How many die today for this reason? Not so many. The idea that a person cannot get a doctor—that revolts our conscience in 1953. That a human soul should be called to its Maker far ahead of time, because there is not a doctor, not a midwife, not a nurse there—that is a terrible thought. We have a choice of forty or fifty doctors in St. John's. We have a huge General Hospital. We have many private hospitals also places in Newfoundland and Labrador where people have to travel seventy miles over open frozen ground in the dead of winter to get to a doctor, a hospital or a nurse. There is a task to confront a Government. If we had nothing else to do but solve that, we would still have a large problem.

Then also we have the problem of Economic Development. But we have the stout hearts. We have as bonny a crew as ever trod the deck of a ship; good seamen. They do not get seasick.

**MR. HOLLETT:** You are not pirates, are you?

**MR. SMALLWOOD:** We are buccaneers on poverty. We have the cutlasses. We have the broadswords, the blunderbusses and the powder.

We are modern Captain Kidds, ruthless in our attack on poverty and disease. We are modern Captain Kidds on the evils of the day.

**MR. HOLLETT:** I wonder if the Honourable the Premier could give us some idea of the difference between the value of one million dollars forty years ago and its value today?

**MR. SMALLWOOD:** I am sure I do not know whether one million dollars today is worth half what it was worth twenty or thirty years ago. I do not know the exact proportion. We have had inflation, and what the dollar value was in 1914 in comparison to what it is worth today, I do not know. I would have to look it up. I do not bother to carry it casually in my mind. I appreciate my honourable friend's point, which is I think that whereas one million dollars was spent on education forty years ago, it might be the equivalent of a couple of million today. That fact is appreciated.

Mr. Speaker, we have a lot of business yet to do and with these few relevant and pertinent remarks, I have pleasure in resuming my seat.

Committee of the Whole on Supply:

**HON. G. J. POWER** (Minister of Finance): Mr. Chairman, I submit the following resolutions:

Resolutions read by Clerk.

1. That in order to provide moneys to be used for the control of cancer it is expedient to bring in a measure to provide for the imposition and collection of a tax of five cents upon each adult person attending an entertainment at a place of entertainment.

2. That a Bill be introduced to give effect to this Resolution.

MR. CHAIRMAN: Do these resolutions carry?

MR. HOLLETT: Mr. Chairman, I think at this stage we can make some comment on this, as in committee stage on a Bill, so that I would like to make a few remarks relative to this particular section here now. I think that I have some moral support here and we are going to hang her down a bit.

Sir, this resolution is that a tax of five cents is to be imposed upon each adult person from now on forever and a day who attend any entertainment at a place of entertainment. The proceeds of this taxation are to be used in the control of cancer.

Let me say at the outset that we are all agreed that cancer is a dreaded disease, one perhaps of the most dreaded diseases. But it appears to us in the Opposition that the mere imposition of five cents or ten cents per head or even a dollar per head for attending any entertainment can do nothing to alleviate not to talk of eliminating the possibility of cancer, if it were so, then we would be happy to agree to such a resolution as this. But on the face of it, Sir, in my opinion at any rate, this five cents per head taxation is nothing but a nuisance tax, purely a nuisance tax. If the Government is anxious to assist in the control of cancer, if the Government, as has been indicated to us all too clearly by the Honourable the Premier can run up a surplus of one million two hundred and fifty thousand, five million dollars I believe it was the Honourable the Premier said for the last four years, it seems to us on this side of the House at any rate it would be more appropriate if the Government is so kind, so anxious to assist the Federal

Government of Canada or the American Nation or all the nations of the world in the control of cancer, it seems to us the proper procedure for the Government would be to allocate a grant out of this huge surplus which they boast of year by year and make that allocation also year by year. Why put on a nuisance tax, Sir? We all know such a tax costs more in many instances to collect than the value of the tax to the Treasury. We have not been told yet just how far this Government means to go in its endeavour to control cancer. We know that the Federal Government spends considerable money on cancer. We believe they allocate certain moneys to each of the Provinces in an endeavour to assist in the control of cancer. Why, therefore, does this Provincial Government have to put on this nuisance tax? Why not make a straight grant from the consolidated revenue fund year by year instead of having this particular nuisance tax? God knows there are enough nuisance taxes now. We get criticized when we talk of the three per cent social security assessment. It got a new name tonight "The SSA." I have heard it called nearly everything else, but "SSA" I think is a very appropriate abbreviation. Storm troupers, a very good implication: I would say, Mr. Chairman, that a few more of the SSA might be employed in an endeavour to make a proper check of this SSA Tax. But I must get back to this cancer taxation of five cents on every person. How it is proposed to collect it? Is it to be attached to every ticket that is bought? I wonder if we could have that explanation before we go any further?

MR. CURTIS: I think, Mr. Chairman, the Minister of Health might

explain before the honourable member proceeds just what is proposed.

HON. P. S. FORSEY (Minister of Health): Mr. Chairman, in speaking to this resolution I feel that there is no need to stress whatsoever the necessity of the tax, the need for it, that should be quite apparent to everybody here. In Newfoundland today our diagnostic facilities for diagnosing cancer are hopelessly inadequate. We have X-ray facilities here which are not of the best, we have deep therapy treatment which is almost outmoded, the building in which we treat cancer is hopelessly inadequate. It is a fact that these people who are today engaged in radiation treatment are exposing themselves to danger because the facilities that we have are totally inadequate to give the necessary hours of treatment. Last year, in spite of the inadequate diagnostic facilities, there were eight hundred new cases discovered in Newfoundland. Indeed in that period two more people died from cancer in Newfoundland than were casualties in France and other theatres of war amongst Newfoundlanders. This year there will be a thousand new cases discovered. This Government feels that it can no longer sit idle and see this disease gain in momentum year by year. The argument will be advanced that if we impose a tax for cancer the next thing we will impose a tax for the control of TB. Such is not the actual truth, nor is it a fact, because although cancer is getting yearly more and more beyond our control this Government in the past four years has brought TB within control. We have doubled the number of hospital beds for the treatment of TB, we have cut down the number of deaths considerably to the point whereas in

1949 there were 132 deaths in the city of St. John's from TB this year past there were some 28.

The argument has been advanced that there is no need for the tax because Ottawa gives a grant. Ottawa does not give any grant as such. Ottawa has a policy of general application applicable to every Province in Canada and out of which it says to Newfoundland: "We have provided for you \$140,000 provided that you spend \$280,000. In other words we would not get one red nickel from Ottawa for the treatment of cancer if we did not provide a corresponding nickel.

Canada as a nation has been in existence for 85 years and various hospital facilities have been extended enormously, and although we have approached somewhat the high standard of health facilities in various avenues of medical treatment in cancer we are hopelessly behind and are lagging behind and are going behind more and more every year.

Not only do we need the funds to match the Ottawa dollars but we are as far behind the Maritime Provinces and the rest of Canada that we need additional finances over and above what can be provided by Ottawa and by us to match Ottawa.

The argument has been advanced that it should be taken out of the ordinary revenue and not by the imposition of a special tax. We think that this is a special problem which requires a drastic measure to meet that problem.

MR. HOLLETT: So does TB.

MR. FORSEY: TB has been brought under control.

MR. HOLLETT: Not by a five cents taxation.

MR. FORSEY: No, not by a five cents tax but it was attacked very realistically by the Commission of Government and by us, and since Confederation the grant for TB has been far in excess of that for cancer. Indeed we got the grant for TB at the outset of Confederation.

To say that we should take the money for cancer control out of ordinary revenue is blindfolding the devil in the dark. It is just like my honourable friend the Leader of the Opposition's idea to give a subsidy to the fishery—if you give a subsidy and take money out of ordinary revenue it is merely saying, increase taxation. The special tax imposed on these theatres is exactly the same as if we took it out of ordinary revenue, we would have to find additional money or impose general taxation to meet it, because it is no use for us as a Government to think or no use for people of Newfoundland to think, and no use for anybody to think that we can extend health facilities to give people better roads unless we are prepared to be realistic enough to impose taxation to meet the expenditure also. But the argument is that this taxation is being collected in special areas: That to me is not a valid argument inasmuch as we have moving picture shows all over Newfoundland. Even if it were a valid argument, even if the tax were imposed in St. John's and highly industrialized areas it would then be imposing on that portion of our population who get most out of the revenue and who are more sophisticated and should be more responsible citizens and should be most happy to contribute to the cancer victims of this country.

Mr. Chairman, the mechanics of collection are very simple. The Department of Finance will select tickets

and all those who propose to sell entertainment to the public will buy the number of tickets they need from the department at five cents, paying five cents for each ticket, and that five cents will be added to the cost of the entertainment ticket.

My honourable friend, the Leader of the Opposition, calls it a nuisance tax. I don't agree that it is, but if it were would he prefer to pay a nuisance tax or to do as many unfortunate people are doing in Newfoundland tonight, waiting for an untimely visit from the grim reaper. Mr. Chairman, I have much pleasure in recommending this resolution to the Committee.

MR. SMALLWOOD: Mr. Chairman, five of us in this room tonight will die of cancer.

MR. HOLLETT: Not tonight surely?

MR. SMALLWOOD: Five of us in this room tonight will die of cancer—is that funny? Has the Honourable Leader of the Opposition any friends who die of cancer, any relatives?

MR. HOLLETT: Don't point at me—I may not die of cancer.

MR. SMALLWOOD: If the Honourable Leader of the Opposition knew English and Grammar he would know the simple truth of the statement that of the fifty people in this room tonight five will die of cancer.

MR. HOLLETT: What is wrong with that?

MR. SMALLWOOD: I heard of a public man in Newfoundland not many years ago who upon being told that the Labrador natives were dying of TB said "So what, let them die."

My honourable friend is in about the same class when he says that.

MR. HOLLETT: What are you going to do about it?

MR. SMALLWOOD: That is what the Bill is about.

Cancer is about the most dreaded disease of all in the world. If you are about to develop a bad heart you get symptoms that tell you that you may be getting a heart condition and a doctor can tell you what to do and you have a fair chance, if you take the right steps, that you will survive and do your work. But by the time you know you have cancer you are next to dead—if you have cancer that is it—it is the most dreaded disease in the world. Eight hundred Newfoundlanders, some of them Tories, last year were diagnosed as suffering from cancer, and not all who suffered from cancer were diagnosed, hundreds of Newfoundlanders can't afford to have that. Now, we have cracked our dent in the problem of TB but we have a worse one now, cancer, there is nothing funny about it. I shudder every time I think of it, if I happen to think of it whilst I am in bed I cannot sleep. I don't know but I have it now, and the honourable gentleman does not know, it is a deadly disease, does not give any warning but creeps up on you, you don't know you have it before it is incurable and the only hope there is to have diagnostic facilities set up, and we are going to do it, it is our duty to do it, and we are going to pay for it out of money taken from the Newfoundland people who are going to be glad to pay. If the honourable gentleman wants to make politics out of it he can. If I am any politician, if I know anything about politics and about the New-

foundland people I assure my honourable friend he is barking up the wrong tree, when he says this is a nuisance tax.

This is exactly what we are going to do in the five hundred places in Newfoundland where movies are shown. It is a luxury and nobody is going to persuade me it is not a luxury and we are going to tax that luxury, we are going to get a quarter of a million a year, not for our own pockets, but to spend it to try to find for our Newfoundland people some better facilities for diagnosing and treating cancer, the deadliest and most insidious disease of all, our second killer now. Heart trouble kills more Newfoundlanders than anything else and next to that cancer.

MR. HOLLETT: Let us have five cents tax on hearts too.

MR. SMALLWOOD: Of all the stupid comments I have heard, that is the most utterly stupid. "If you need a quarter of a million dollars why not vote it." Vote it out of what? Out of the money for hospitals? Are we going to take it from the vote for roads or schools? Are we going to take it from hospitals so that we can tackle cancer? We are going to build roads and hospitals, and on top of that we are going to get the people to do it. When you pay that nickel, you will probably not like it, but you can hope when you pay that nickel that the quarter million dollars a year may save your own life; or if not your own life that of your wife, your child or one of your immediate family or friends. At least, some Newfoundlanders is going to have his life saved by your nickel. Go out and put it to the people. Have an election on it.

MR. HIGGINS: We all know how

serious cancer is. We all know the Government is doing the right thing when it is going to fight against cancer. There is no need to tell us of the horrors of cancer. I had someone close to me who died of cancer. I realize it. But I say, sir, that the particular means by which the Government proposes to raise this tax for cancer is not justifiable for a variety of reasons. It is all very well for the Premier to say it is an auxiliary tax. The purpose of the tax is to benefit the whole population. The tax is going to be collected, in the main, from three major centres. The Premier says, and I accept his assertions, that there are five hundred places in this Province where movies are shown for profit. I make the statement that there are not five hundred places where movies are shown twice each night of the week, and once each afternoon of the week for profit. In places outside St. John's, Corner Brook, Grand Falls, and possibly Buchans, the percentage of the people attending movie shows with any regularity is small—very small. That is one aspect.

The second is one that, I think, should commend itself, particularly to this Government. The Government is well aware that with the coming of Confederation, the tax set-up changed materially, particularly in St. John's. But that observation holds good of any other Town Council in the country. Under Confederation a lot of the tax fields that had hitherto been open to Municipalities, particularly St. John's, were cut off. This type of tax—entertainment tax—that was peculiarly municipal; and the Government now proposes to invade that field. At the moment, it is not of such great importance, but if the position does come later that the municipalities want to collect a tax, it will be an additional

tax, and this is going to cause dissatisfaction in the very municipalities which the Government has helped to create. If the Municipalities lose that tax field, the Government may very well find itself gathering in the money in one way and maybe giving it out in another, as a result of clamour from the Municipalities. That is a valid argument. I am not concerned if it is justified—it is justified and there should be some other way of collecting that tax other than collecting it from a restricted area. It is not for the Opposition to suggest to the Government where. The Government has the brains to find the best ways of getting revenue; but I suggest that a government who has demonstrated it can control Tuberculosis without any special tax, can well demonstrate the same ingenuity and ability to tackle cancer by some tax, but not by some which could not be held a form of taxation.

MR. HOLLETT: If I may speak again. I spoke on the principle of this thing because I am opposed to that proper tax for the control of cancer. Heaven knows we all ought to think of the community. We all know the fear of cancer. I thought a year ago that I had it myself, but found I was oversmoking and did not get the cancer. Apparently I have not got it. But that does not justify a five cent ticket to a movie or show. That does not justify it. The mere fact five of us are going to die with cancer that does not give the right to collect a tax on it this way. I was just suspicious enough to have that fear. We say why not make a straight vote of six and a half millions from the surplus. We can allocate \$250,000; you can give \$300,000 or \$700,000 to someone who wants to start a shoe factory in Harbour Grace—

MR. SMALLWOOD: He is confusing Capital with Current again. This will be used on Current Account. Capital facilities will come out of Capital Account.

MR. HOLLETT: Cancer is "capital account," after as far as a year is concerned. Any money expended for Capital Account to build proper buildings and bring in proper machinery to control cancer—

MR. FORSEY: If you look at the expenditures on Capital Account, in addition to two persons from cancer control; a quarter of a million is provided for building this year of a new Radiological building attached to the General Hospital. That is coming out of the supply for cancer.

MR. HOLLETT: Where did you get it. Where do you get the surplus out of?

MR. SMALLWOOD: Do you want us to pay it ourselves?

MR. HOLLETT: It is the principle of the thing which I am talking about. As the honourable gentleman said, you have Tuberculosis and it is controlled without any special tax. I ask you to go to the Sanatorium and see how much control you have; it is better controlled than if it was done by a 5c. entertainment tax. You have the money in the till, why not make a straight grant for cancer control? You had fifty million dollars (half of it was thrown away, of course) but you still have a surplus. If you want to give \$250,000 for cancer control, do it. Put it in here and we will support it. We do not believe the people want a nuisance tax every time you want to control something. The little bit you would collect, that would not be any great help to cancer. This Can-

cer Tax is ludicrous. Put \$250,000 in here and let us vote on it here, and not this Cancer Tax. If this 5c. tax is imposed, it will cost money to collect it—it will cost another couple of cents to collect it. Let us give a straight grant for cancer control. I am against this Cancer Tax.

MR. SMALLWOOD: We would be willing to change the name of it—Road Tax or School Tax.

MR. HIGGINS: Why not Radio Tax?

MR. SMALLWOOD: I have not gone into it. You are suggesting other sources of revenue. This Government (strange as it may appear) in common with governments around the world must tax people. It is unfortunate. It would be a pleasure for us, if we could spend the money for diagnostic and treatment services in respect of cancer without taxing the people; if we could build schools, roads, pay old age pensions, look after orphan children—if we could do that without taxation, it would be a pleasure; if we could conjure it out of the air, it would be pleasant. But we are in the unfortunate position where we must impose taxes—whether we impose it as 5c. admission into a movie show or on radios or on cars—and these sources are still open—

MR. HIGGINS: Not for cancer.

MR. SMALLWOOD: We must have revenue, and the people intend, we intend to tax them and they are satisfied to pay it. Of course it is the only part of the world where the government imposes taxes. We are peculiar that way. We are the only government in the world that imposes taxes—this Liberal Government. No other government does it. We are the only government that imposes taxes.



MR. HOLLETT: Who said that?

MR. SMALLWOOD: I said it. All other governments provide benefits and services without taxing the people. This Smallwood administration is peculiar that way. The only way we can find the money to provide these benefits to the people is by getting it from the people. We are not bright enough to find mysterious ways that other governments do. This tax is one more of a series we are putting on the people—this one—this particular one which is to cope with cancer.

MR. HIGGINS: The Honourable Premier is begging the question. There are other ways they have not exhausted. The question I raise is why, when other means are still open, why put it on one part of the population—on a small percentage? Why not take sources of general application which are still open?

MR. FORSEY: In repetition of the argument I deduced—the \$250,000 as represented in Capital expenditure is to be used for cancer.

MR. FOGWILL: The government has or could have sufficient on current account expenditures. It is the policy of the government to have a surplus on current account. They should operate on current account and pay current expenditures if they have a surplus.

MR. FORSEY: What you are saying is that the \$250,000 we are proposing to collect is the \$250,000 we will spend on new radiology.

MR. FOGWILL: I said the government had or should have sufficient on current account to pay current account expenditures. I say the \$250,000 will be used on capital ex-

penditures. That is the policy laid down.

MR. CHAIRMAN: There is a tendency rising to use the personal pronoun "you." The Chair would prefer if the Opposition said "the Government" and the Government said "the Opposition."

MR. FORSEY: The \$250,000 in the estimates is for capital expenditures; another \$250,000 in the current revenue which will not be used to finance capital expenditure, but rather will be used to get the maximum vote from Ottawa. That answers my friend's argument. As far as this tax of special application goes, it will be used generally in getting diagnostic facilities for Notre Dame Bay and St. Anthony hospitals and for the various Cottage Hospitals. It is proposed to build a new building which will cost half a million dollars. We will spend \$250,000 this year and the various types of treatments and diagnostic facilities we get from Ottawa will be put in that building. We have to raise an amount in order to get the vote from Ottawa. One-third of the people will be on the Avalon Peninsula. I would venture to bet 90% of the victims treated in the new building will come from the Avalon Peninsula. A big proportion of the \$250,000 will be raised on the Avalon Peninsula; but more will be spent on victims from the Avalon Peninsula than will be raised on the Avalon Peninsula.

MR. SMALLWOOD: I said there are 500 places where movies are shown. The Opposition said that may be so but that the vast majority of movie-goers are in the city of St. John's, in Grand Falls and Corner Brook. That is not so. Here is the fact—in the city of St. John's the

average person—taking the entire city—is fewer than once a week. The same thing applies to Grand Falls and Corner Brook. That is statistically so. We know what the attendance is at the various movies, and it averages fewer than one person per movie, per week. That is in St. John's, Corner Brook and Grand Falls.

Take the other 497 places in Newfoundland—there is at least one show per week in these 497 places and virtually the entire population turns out for that show. That is so. There may be one or two a week. There are many itinerant travellers from place to place and each place gets one show a week or two. It is well known that the entire population, virtually, turns out for the show; so that the average attendance at movie shows in those places, in the aggregate is almost exactly the same in the small outports as it is in the city of St. John's. That will not please the Minister of Health. He would like the tax put on the Avalon Peninsula, who he says pay the bulk. He is well known for his liking for those parts of Newfoundland off the Avalon Peninsula. I am afraid the facts do not fit his argument. The fact is the amount that will be collected in the 497 places other than St. John's Grand Falls and Corner Brook will come to more than will be collected in these places. It is a fair tax. It will be imposed upon two-thirds of the entire population of Newfoundland.

MR. HOLLETT: Nobody on the Government side has answered the question relative to taxation fields. I am sure the Attorney General would be qualified to say if a tax on amusements is in the field of municipalities, or in the field of Provincial taxation

or if it could be in the field of Federal taxation?

MR. CURTIS: It could be any one of the three. I may say that during the last war (with which my honourable friend is familiar) the Federal Government levied a tax on all entertainments and took it off after the war.

MR. FOGWILL: That was Income Tax.

MR. HOLLETT: That was an emergency.

MR. CURTIS: I may say that during the last war the Federal Government levied a tax on all entertainment and took it off after the war.

MR. HOLLETT: That was an emergency. Section 40 of the Terms of Union—Welfare and Other Services—subject to these terms Canada will extend to the Province of Newfoundland on the same basis and subject to the same interpretation and conditions as in the case of the other provinces of Canada, the welfare and other public services provided from time to time by Canada for the people of Canada generally, which, in addition to the veterans' benefits, unemployment insurance benefits, and merchant seamen benefits set out in Terms thirty-eight, forty-one and forty-two respectively, include family allowances under the Family Allowances Act, 1944, unemployment insurance under The Unemployment Insurance Act, 1940, sick mariners' benefits for merchant seamen and fishermen under the Canada Shipping Act, 1934, assistance for housing under The National Housing Act, 1944, and, subject to the Province of Newfoundland entering into the necessary agreements or making the necessary

contributions, financial assistance under The National Physical Fitness Act for carrying out plans of physical fitness, health grants, and contributions under the Old Age Pensions Act for old age pensions and pensions for the blind.

In other words Canada at the time of Confederation assumed responsibility for most of these things and one of these is health. Surely the cancer tax we are now putting on is a special taxation for the control of cancer. Now, let us go ahead and carry the game further, let us put on a special tax for the National Fitness Act, let us put one on for unemployment insurance and veterans' benefits etc. That is what you are doing if you are going to put one on for cancer, why not put it on for the control of everything. I say there is no need for this particular nuisance tax at this particular time because over and above your annual expenses, Sir, you have a surplus away over and above that amount.

MR. CHAIRMAN: The Government's surplus—no such thing as "you."

MR. HOLLETT: The Government has an annual surplus of roughly around one million and a quarter dollars average for the past four years. If you want two hundred and fifty thousand dollars in there or five hundred thousand dollars for the control of cancer we on the Opposition side will vote for it, we will vote for it, for a million we will say now—

MR. SMALLWOOD: Would my honourable friend mind my asking him a question? Does my honourable friend know of a Province in Canada that does not impose an entertainment tax for this, that or the other thing. It may not be for

any particular purpose, it may be for just general revenue, but all Provincial Governments impose an entertainment taxation and most municipalities do too. On that point—I don't want to take my honourable friend's place I will make the point when he is through—

MR. HOLLETT: I am just about through. I merely oppose the principle of putting a nuisance tax or what I would call a nuisance tax which will cost more than you will get out of it in nuisance to the people. But actually only you as a Government will be criticized. I would not like to see you criticized, I think it would be terrible for you to be criticized for imposing a nuisance tax, such a nuisance tax that the people who control the theatres have to collect your three per cent social tax now which might be considered a nuisance. From the point of view of the grocers they are fed up with you for the work they have to do which costs them a lot of money.

MR. SMALLWOOD: Including the bootlegger grocers too?

MR. HOLLETT: Yes, and we have them, you can make political stuff out of that if you want to, make all the political capital out of it, I don't care two hoots in Halifax, I may have cancer before the next election, Mr. Speaker.

MR. SMALLWOOD: I hope not.

MR. CHAIRMAN: This debate might be more relevant rather than this exchange of pleasantries—if the committee would confine itself to the point.

MR. HOLLETT: If we can exchange pleasantries at 10:20 in the night we should be congratulated.

DR. ROWE: You would think in listening to my honourable friend we were doing something unprecedented in the annals of government by putting on a special tax, a nuisance tax, which it is not. Anyone who goes to the Paramount Theatre and pays 55c. at the present time if this tax goes through will have to pay 60c. that is the extent of the nuisance. But to go back to the first point, one would think we were doing something no other government ever contemplated. When I lived in the Province of New Brunswick on every package of cigarettes I bought during the period I spent there I paid 2c. on that package and it was stated on it "TB Tax 2c."

In the period that I spent in the Province of Quebec in the 1940's I frequently had to eat at restaurants and on the slips passed out to me for the price of meals and under the total an amount of either 3c. or 5c. specifically stated as "hospital taxation." You even paid the tax on dinners as you were going through from one province to another although the taxes varied on the meals. We then are not the first to do it.

Now then the simple fact of the matter is that this Government believes that cancer is probably the most serious medical problem in Newfoundland today. It may not kill quite so many people as heart disease kills, although I think that may be open to question, certainly it is the most serious from the standpoint of treatment and lack of diagnostic facilities, it is the most insidious disease we have, it is the one that creates and gives our people the most suffering. Because in the past (everyone knows this) once you got a diagnosis of cancer it was virtually a death sentence for two reasons (1)

it was usually too late to do anything about it and (2) we did not have the facilities here in Newfoundland to do anything even if we found out in time. And the great majority of our people did not have the money to go to Boston or Montreal or any medical centre for treatment.

Now, the question is, why did we not do something about it four years ago? By the same token one could say that to any Government—why did not the Government of Sir Robert Bond tackle the problem of TB which existed then? Why wait for the Commission of Government or this Government? The simple fact of the matter is that whilst we knew, all of us, that cancer was a serious matter four years ago we did not know as much about it as we do today. It has been only during the past year or two we have really found out how extensive the incidence of cancer is.

MR. HOLLETT: In the Mines and Resources Department, is that where you find out about it?

MR. SMALLWOOD: We—the honourable gentleman said "we."

DR. ROWE: I do not know if my honourable friend is being facetious or not. If I had the same attitude on life as my honourable friend I perhaps would.

The simple matter is, Sir, that we have a serious problem in Newfoundland, and the Government has decided to do something about it. We can quibble today as to how we get the money, as to how we get the money for it—we propose to put an entertainment tax on of five cents, probably a nuisance tax, and it may not be, that is slightly irrelevant—all taxation is a nuisance. There are perhaps a dozen other ways we could

tax the people of Newfoundland. The argument that we are taxing a certain section of the population in order to give general services to the people has no bearing whatever. By the same token ten years ago and to some extent today the income tax in Newfoundland applied probably to five per cent of our people but the money was spent all over the then country.

Mr. Chairman, the people of Newfoundland want this Government to do something about cancer. The all important principle involved here is that the Government has made up its mind to take some active, some immediate steps to deal with that matter. Now, I would submit that whether we taxed gasoline or entertainment or anything else that one could think of is utterly immaterial at this stage, the all important thing is that we are going to do something about it.

MR. CASHIN: Mr. Chairman, what is being done about this is what I would like to know. Are you going into research here in Newfoundland? Are you establishing a clinic?

MR. SMALLWOOD: Not research—we could not afford that, but diagnostic facilities and treatment.

MR. CASHIN: Fortunately I did not have cancer but last year when I was operated on I do know that the doctor said he had good news for me—I did not have cancer. I know there are millions of dollars being spent in the United States and Canada trying to find something to arrest cancer—now are we going to do anything like that? What is the money to be used for?

MR. SMALLWOOD: Diagnosis and treatment. We are putting up a half million dollar building and—

MR. CASHIN: I see last year you got \$85,000 from the Federal Government.

MR. SMALLWOOD: We could not accept it, we had not the facilities. Consequently we have to spend money to get it from them, we have to match it. That is what we are hoping to do, we are trying to get a cobalt bomb, we are hoping to get all the modern diagnostic and treatment facilities and that will cost money.

MR. FORSEY: This treatment for example, the X-ray equipment is totally inadequate as are other forms of treatment. We can't even use radium. If we used radium the building is so inadequate that the people operating it are exposing themselves to radiation and possible death. The only kind of treatment here now is surgery, open a fellow up, find cancer, close him up and send him home to die—we have not the facilities.

MR. FOGWILL: Why have you not got them?

MR. FORSEY: We have not the money.

MR. FOGWILL: And the Government has a surplus of five million dollars over the five year period.

MR. FORSEY: The problem was not brought to our attention until last summer when a group of experts came from Ottawa and at their own expense made a survey and gave us the result. We could not act upon something we did not know.

MR. FOGWILL: You have a surplus on current account for six millions this year.

MR. HOLLETT: As we went through the estimates you showed \$750,000 for a boot and shoe factory—

MR. SMALLWOOD: That is too cheap.

MR. HOLLETT: That is two hundred and fifty thousand short and you are going to collect two hundred and fifty thousand from this nuisance tax.

MR. CHAIRMAN: Order—the honourable member is definitely out of order.

MR. SMALLWOOD: That is definitely not worthy of the honourable gentleman.

MR. HOLLETT: The question I would ask is who is the money for?

DR. ROWE: What answer do you want?

MR. HOLLETT: I have the floor, when I sit down you may get up, I don't want to be interrupted. I do think it is a bad thing for the Government to start putting five cents on a theatre ticket, you are making a joke out of it.

MR. SMALLWOOD: A quarter of a million dollar joke.

MR. HOLLETT: You are going to cause more cancer by putting on this five cents—

MR. JANES: I think, Sir, we are making a mountain out of a mole hill. The resolution I think calls for a tax of five cents upon each ticket sold in places of entertainment. As a representative of Fogo District I ask myself how much is this going to cost the people of Fogo District. I have worked it out that they will pay around \$2,080 a year, as worked out for ten thousand people roughly 20c.

per head. I feel certain if I went around Fogo tomorrow to collect 20c. per head as a contribution towards cancer I would find I would not have very much difficulty in getting it. That is all the tax which the Government is imposing upon the people of Fogo District.

MR. SMALLWOOD: Perhaps it is not big enough. Perhaps it should be 10c.

MR. JANES: As far as the nuisance that depends upon the method of collecting. If it is five cents on a ticket going into the theatre the people will pay as the ordinary price of admission. The operators will have already paid for it in advance, I presume, that is how it will go.

As far as the spending of the money is concerned, I would have this to say: In the outports we have had the feeling that a lot of the taxation collected in the past has gone towards producing services in the more populous centres. When we look at our narrow roads and when we are waiting a month for mails you can't blame us for feeling that way. If this tax is collected as it will be collected and a cancer centre established here in the capital which is the proper place for it and it would be the wish of the people in the cottage hospitals that these diagnostic and treatment facilities would also be there and that they would not have to travel all the way to St. John's to be told they have cancer. I hope some sort of service would be provided, if not we are merely paying a tax to build another centre here in the capital and we would not have only to pay the tax but also transportation. I wish the people of St. John's when they think of all their facilities would remember that we are out there help-

ing to keep these things going and that we have to come in here for a lot of things we have not out there.

MR. HOLLETT: We have been here a long time.

MR. JANES: We have been down there a long time too. There is nothing in this tax to be afraid of. The people of Fogo District will hear the news tomorrow and hear of the big tax being imposed and the arguments the Opposition have been giving to us about the nuisance tax and how they are going to strangle the economy of Newfoundland. As far as they are concerned it is going to amount to 20c. per head and I don't think we have anything to complain about.

Carried.

MR. POWER: I move that a Bill be introduced to give effect to these resolutions.

Carried.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered and passed certain resolutions and have instructed me to report the same. The Committee asks leave to sit again.

Resolutions read a first time and read a second time.

Committee ordered to sit again tomorrow.

MR. CURTIS: Mr. Speaker, I give notice that I will on tomorrow ask that the rules of this House be suspended on all matters now before or to come before the House.

MR. COURAGE: Mr. Speaker, I was about to make the motion to that effect. Would that include the Bill which I introduced here a couple of days ago?

MR. SPEAKER: No. The suspension of rules of which notice of motion has been given applies only to first, second and third reading and Committee of the Whole on Bills and does not apply to the rules of debate nor private Bills.

MR. COURAGE: Mr. Speaker, I give notice I will on tomorrow ask the House to suspend rule 166. The idea behind that is that I would like to have the Committee on Miscellaneous Private Bills meet on Monday in the afternoon to consider the Architects' Bill. I assure the House that if there is any clause in it that is controversial—

MR. SPEAKER: I think the honourable member possibly means Standing Order No. 67 as No. 166 would not be the slightest use to him.

MR. COURAGE: No. 67, yes, Mr. Speaker.

MR. CURTIS: Mr. Speaker, I move the remaining Orders of the Day do stand deferred.

I would move, Mr. Speaker, that any rule to the contrary, notwithstanding that, the House meet on tomorrow, Saturday morning, at 11:00 of the clock.

Moved and seconded the House at its rising do adjourn until tomorrow, Saturday at 11:00 of the clock.

The House then adjourned accordingly.

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MONDAY, May 18th, 1953

The House met at 3:30 of the clock in the afternoon, pursuant to adjournment.

### Presenting Petitions

HON. C. H. BALLAM (Minister of Labour): I beg leave to present a petition signed by some twelve hundred voters of the Humber District asking that the Government consider these Resolutions. These petitioners are members of what is known as "the Dissatisfied Motorists' League," and they maintain that the roads between Corner Brook and Stephenville, between Corner Brook and Deer Lake and between Corner Brook and Curling are grossly neglected; and they ask that the policy of the Government insofar as these roads are concerned, be completely revised. They also request that the road between Corner Brook and Deer Lake be completed in accordance with the specification. They further ask that the section between Deer Lake and Cormack to Big Falls be efficiently maintained.

They also ask that Corner Brook East, Broadway, Corner Brook West to Mount Moriah be given an adequate secondary road.

I might say, Mr. Speaker, I know the conditions of the roads in these areas about which they speak: I know they are in a very bad and disgraceful condition, as are other roads all over the country. These roads carry a tremendous amount of traffic from Cormack section, from Lomond and from Bonne Bay. The only link is the Deer Lake road and that road carries a tremendous amount of traffic and it is very difficult, as we know, to keep the road in good repair because of the tremendous transportation problem that is there.

I may say that the request of the Petitioners for a link between Corner Brook and Deer Lake, in accordance with specifications, is already the pol-

icy of the Government; and the Government had decided that work would start this year in bringing a part, at least, of that road up to the required specifications. This had been agreed to by the Government some time ago.

With regard to the other petition—the widening of Broadway—it is very essential, in my opinion. As we know, the street is very narrow and is the only link between Corner Brook and Curling right out through the South side of Bay of Islands. Because of some error in the past, the road was made very narrow and now since there have been so many fires, this section should be widened.

I agree with this heartily and I am very glad to give my support to their petition. I ask, therefore, that this Report be received, laid on the Table of the House, and handed to the Department concerned.

Moved and seconded that this petition be received and referred to the Department concerned.

Carried.

HON. P. J. LEWIS (Minister without Portfolio): I beg leave to present a petition very largely signed, I may say, by residents of Harbour Main-Bell Island asking that repairs be made to Hickey's Road which leads from Riverhead, Hr. Main, to the interior of the country, and which gives access to a very large area of berry ground. The road is already in existence, but is in a bad state of disrepair. The petitioners request that the Department of Public Works turn its attention towards its improvement.

I have very great pleasure in supporting it and ask that it be given consideration.



Moved and seconded that this petition be received and referred to the Department concerned.

Carried.

#### Presenting Reports of Standing and Select Committees

HON. DR. H. L. POTTLE (Minister of Public Welfare): I beg leave to lay on the Table of the House a draft copy of the Annual Report of the Department of Public Welfare, ending March 31st, 1953. The Report is now in the hands of the printers and will be laid on the Table of the House subsequently.

HON. S. J. HEFFERTON (Minister of Supply): In accordance with section 321 of the St. John's Municipal Act, 1921, I table the Municipal Accounts ending December 31st, 1952.

#### Giving Notice of Motions and Questions

HON. L. R. CURTIS (Attorney General): I give notice that I will ask that the third reading and passing of the following Bills be rescinded and that the said Bills be re-committed:

"An Act Further to Amend the Revenue and Audit Act, 1951."

"An Act Further to Amend the Highway Traffic Act, 1951."

"An Act Further to Amend the Summary Jurisdiction Act, 1950."

"An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."

"An Act to Amend the Newfoundland Teachers' Association Act, 1951."

I may say that the errors in these are just nominal ones, and there is

nothing involved in any of those, except perhaps the first one.

"An Act to Amend the St. John's Shops Act, 1942."

I give notice that I will later introduce a Bill entitled, "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

HON. MYLES P. MURRAY (Minister of Provincial Affairs): I give notice that I will ask leave to introduce a Bill entitled: "An Act Respecting Lists of Electors for Elections to be held under the Election Act, 1913."

MR. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, I take it the Rules of the House have been suspended, and there would be no objection to my asking a verbal question?

MR. SPEAKER: It is in order.

MR. HOLLETT: I beg leave to ask if there is any further statement to be made relative to the plans for the rehabilitation of the fisheries? I would ask the Minister of Fisheries if there is anything further to add to what has already been stated, in view of the visit of the Honourable the Premier and the Honourable the Attorney General to Ottawa recently?

MR. CURTIS: There is very little I can add to what my colleague, the Premier, has already stated in this House. We did have conferences last Wednesday with a Committee of Cabinet Ministers and some aspects of the Report and plans to be followed were considered. No final decision was made. Nothing transpired to enable me to make a statement at this time.

HON. J. R. CHALKER (Minister of Education): With regard to the question tabled by the Honourable

the Leader of the Opposition, I would say that the Government does not buy any school desks whatsoever. It is done by the various denominations.

MR. HOLLETT: I wonder if the Minister could answer the other part of the question, about tenders?

MR. CHALKER: I do not know if it would be my business. I understand one party purchased some desks. I could ask them about it. As far as I can understand, the price was in the neighbourhood of what desks would cost if imported from the mainland. I could get it.

#### Orders of the Day

MR. SPEAKER: Item 2. Second reading of Bill, "An Act Further to Amend the Civil Service Act, 1947."

MR. HEFFERTON: This Bill covers two Amendments. One amendment arises, briefly, from the fact that some time ago the Government was approached by the Newfoundland Tuberculosis Association who asked if it were possible to amend the existing legislation whereby ex-TB patients who had recovered, might be employed in the Civil Service, as an established or unestablished civil servant. Under existing legislation this was not possible, so the Government agreed to make provision to take care of that position. Ex-TB patients can now become established civil servants under this Amendment.

The second point deals with the position of people coming into the Provincial Civil Service who might have been employed previously in the Federal Service, for instance. It sometimes happens that a civil servant having withdrawn from the Federal Civil Service, coming into the Provincial

Service, his service previously cannot be counted. This amendment provides that, providing his annual premiums have not been returned, then it is possible his services might be considered when total years of service is considered in the Provincial Civil Service.

Moved and seconded that this Bill be read a second time.

Carried.

Read a second time and ordered to be referred to a Committee of the Whole House presently.

MR. CURTIS: I would move that third reading of "An Act Further to Amend the St. John's Shops Act, 1942", be rescinded and that the Bill be re-committed presently.

Carried.

MR. CURTIS: I would make the same motion with respect to, "An Act Further to Amend the Revenue and Audit Act, 1951."

Carried.

MR. CURTIS: I would make the same motion with respect to, "An Act Further to Amend the Highway Traffic Act, 1951."

Moved, seconded and carried that it be referred to a Committee of the Whole House presently.

MR. CURTIS: The same motion with respect to, "An Act Further to Amend the Summary Jurisdiction Act, 1950."

Carried.

MR. CURTIS: The same motion with respect to, "An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."

Carried.

MR. CURTIS: The same motion with respect to, "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

Carried.

MR. CURTIS: I move that the House go into Committee of the Whole on these five Bills and also on, "An Act Further to Amend the Civil Service Act, 1947."

Carried.

Mr. Speaker left the Chair, Mr. Courage took the Chair of Committee.

MR. CHAIRMAN: "An Act to Amend the Civil Service Act, 1947,"

Clause 1,

Carried.

Clause 2:

MR. HOLLETT: Clause 2. 7A "Subject to this Act and with the approval of the Minister of Finance, a person who is unable to furnish a medical certificate of good health . . ." I understand this change was made principally to assist former TB patients to be taken into the Civil Service. I may be wrong, but I was under the impression that when a person had received the necessary treatment at the Sanatorium, he was then in comparatively good health. Wherein, then, does this Act apply?

MR. HEFFERTON: Ex-TB patients can obtain a medical certificate of good health, but they are not given a certificate stating unqualifiedly that there will not be a recurrence of the disease.

MR. HOLLETT: A person spends two or three years in the Sanatorium and then is discharged as having re-

covered from TB, surely then that person has the unqualified right to be taken into the Civil Service. How do you expect industry to take them in? What I am trying to get at—I do not want to see any hint of a suggestion that there should be discrimination against any person because he or she has been in the Sanatorium. Having been through the necessary course of treatment—one to three years—when they come out with a certificate, they should be treated on the same grounds as anybody else. I see no reason for this legislation. I see no reason why, if I am in there two or three years, I should not make application in the same manner as anybody else and that my application should be treated the same.

MR. HEFFERTON: This makes it unnecessary for them to furnish a certificate.

Committee of the Whole on Bill, "An Act Further to Amend the Civil Servants Act, 1947."

Amendment: Section 3 (iii) After the word "employment," line 3, delete the word "the" and substitute the word "such."

Bill passed with some amendments.

Committee of the Whole on Bill, "An Act Further to Amend the St. John's Shops Act, 1942."

MR. CURTIS: Mr. Chairman, when this Act was last before the Committee, the Government pointed out that it had been recommended to it that Monday during the months of July and August should be a whole holiday. We accepted that recommendation made to us in good faith and incorporated it into the Bill now before the House. But the Govern-

ment, Mr. Chairman, is not wedded to Monday and feels that possibly Monday may not be the day of the week most suitable to both the employers and the employees, and we therefore propose the following amendment: Page 4 of the Bill at the present time reads, "Monday of each week during July and August except where there is another whole holiday in the same week." And (c) "One day in each week, to be agreed upon between the Importers' and Employers' Association and the Retail Clerks' International Association and in default of agreement to be fixed by the Lieutenant Governor in Council, except during July and August and the Christmas period and except when there is another whole holiday in the same week."

Now, Mr. Chairman, I move to strike out (b) and (c) and to follow the wording largely of (c) "One day of each week to be fixed by the order of the Minister of Provincial Affairs upon the joint recommendation of the Importers' and Employers' Association and the Retail Clerks' International Association and in the absence of such recommendations to be fixed by proclamation of the Lieutenant Governor in Council, but a day shall not be so fixed during the same period or when there is another whole holiday in the same week."

Then in the second column the words "No open hours,"

I would move that amendment, Mr. Chairman.

Clause as amended carried.

MR. CURTIS: I move the Committee report having passed the Bill with some amendments.

Committee of the Whole on Bill,

"An Act Further to Amend the Summary Jurisdiction Act, 1950."

MR. CURTIS: The amendment, Mr. Chairman, is a small one—on page 2 of the Act, section 5 deals with service of summons, subpoena, distress warrant, order and every other process whatsoever issued by a magistrate or justice under this Act in any civil action or other civil proceedings may be served or executed by (a) a constable; (b) a deputy sheriff," after the word "sheriff" I move that the words "who has been" be stricken out. The same wording also in (c). If these six words were stricken out it would make the Bill read a little better, and I move that these words be deleted in both sections.

MR. HOLLETT: I wonder if the Honourable the Attorney General would explain why—is it that there is a redundancy there, has it some other implication?

MR. CURTIS: No, it is just a revision of the drafting, there is no real difference but just a correction of the drafting, I may say every time we read a Bill, Mr. Chairman, we can improve it.

MR. HOLLETT: We sure did improve the Shops Act.

MR. CURTIS: You can read it a dozen times then read it once more time and find room for improvement in it.

Act passed with some amendments.

Committee of the Whole on Bill, "An Act Further to Amend the Revenue and Audit Act, 1951."

MR. CURTIS: This too, Mr. Chairman, is a very, very minor amendment. It will be remembered that the wording is: "Any stocks,

debentures or securities of the Province of Newfoundland acquired with any such moneys may be cancelled in which case an order shall be entered and interest earned on such stock will"—we want to strike out the word "will" and insert the word "shall." I move that amendment, Mr. Chairman.

Bill passed with some amendments.

Committee of the Whole on Bill, "An Act Further to Amend the Highway Traffic Act, 1951."

HON. E. S. SPENCER (Minister of Public Works): Mr. Chairman, there are two, possibly three, very minor amendments in this particular Act.

Section 2 (3) Where the issue of a restricted driver's license is ordered under sub-section (2) the driving of a motor vehicle to be done under the license may be limited to driving as an employee of another person of a specified class of person (insert a comma after the word "person.")

Page 4—Section 6—"124A-1" In the last line but three, the word "there-upon" be stricken out. And in the side-title, the word "roads" be stricken out and the word "roadways" inserted.

MR. HOLLETT: There is just one thing, Mr. Chairman, I believe the Honourable Minister was absent when this was up the last time, and I recall asking for an explanation of the restricted driver's license. I would like to have the Minister explain this section.

MR. SPENCER: I think I was present on that occasion when this went through Committee, but I explained that it was the first time that the Bill had come to my hand, and I was not too familiar with it. However, I have since inquired and I

learned that the idea of the restricted driver's license is merely a case of where a driver may be engaged as an operator on some vehicle for some employer; for example, in the city of St. John's the Municipal Council may have drivers employed driving vehicles, they might be ordinary motor vehicles or heavy equipment vehicles and the fact that such drivers would have a license to operate that heavy equipment does not permit them to drive an ordinary motor car, a family car for example, for pleasure or any other purpose. In that sense the department recommended that a restricted driver's license be given. There is another example which I might cite for the benefit of the Committee, that is the one where we have in the city, for example, the Fire Department about which we hear so much nowadays and their operators have to drive motor vehicles and they are permitted to do so under the Act, but are not licensed drivers. Because they drive a fire department wagon, or a ladder wagon through the city in case of a call, does not permit them to take a private car and drive over the highway. The Act would apply to them; ordinarily they would be found driving a car without a license so that the word "restricted driver's license" would be applicable. But that does not prevent them from getting an ordinary driver's license. I think that is all the explanation the honourable member requires.

MR. HOLLETT: Thank you.

Carried.

MR. SPENCER: There is one other amendment in section 6 (3): After the word "trestle" the word "or" to be stricken out and the words "and any" to be inserted.

Carried.

MR. SPENCER: I move the Committee report having passed the Bill with some amendments.

Committee of the Whole on Bill, "An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."

MR. CURTIS: There has been a new printing of this Bill, Mr. Chairman. This new printing makes some corrections in the old Bill. I should like to detail these corrections to the Committee.

(1) On line 5 of the original Act "Schedules to those Act shall . . ." Then we put in the words "from the time when such powers were conferred."

(2) In line 6 the words "when it is advanced" in the original printing come out.

This is simply dressing up the drafting and there is no difference in this and the original interpretation.

Clause 2 as amended moved and carried.

MR. CURTIS: The next amendment, Mr. Chairman, is to strike out the first three items in clause 3 as there are special Bills to cover these, and there is no need for them to be in this Bill. If it went through as it is we could give them another \$1,650,000 and we don't intend to do it. Then at the end of the clause insert "Newfoundland Asbestos Limited \$40,000." The facts surrounding this item are that since the House was in session we were approached by this company. It will be remembered that we gave the Company \$250,000 to erect the mill and actually put it in operation. What actually happen-

ed though was that the estimate was a little short of what it cost due largely to the fact that the road to the mine was not completed and during a great part of the year it was absolutely impassable. My friend the Honourable Minister of Public Works can probably tell you more about that than I can, but I know it was so bad the supervisor came down here and could not get into the mine. However, work is going to commence on the road shortly and it is hoped that during the present year, we will be able to make some progress there. In the meantime, all the equipment for the operation of the mine is on the premises, and everything is ready and they are now forging ahead. They are short of money, as I said, having overspent the amount we gave them. So that they came back to the Government and asked us if we could give them more money. We said that before they come to us we would prefer they went out and tried to get it privately, but we did agree to guarantee their account up to forty thousand dollars so that they could pay any arrears they have and clean up their debts, but we refused to give any more until they have gone on the market. We understand they are now reorganizing the company and are hoping to get enough money to operate, if not indeed to pay us off altogether and take over the operation.

Mr. Chairman, I move these amendments.

MR. FOGWILL: Mr. Chairman, the total government interest in this outfit is now \$375,000 that is including the purchase of shares of which the government bought \$75,000 worth in this asbestos company and including the \$250,000 owing them originally over the guaranteed loan, now

we are to have an additional amount, is that correct?

MR. CURTIS: Yes, \$75,000 preferred shares and this is just a guarantee of \$40,000.

MR. HOLLETT: Mr. Chairman, I am quite sure it is evident that the Government are not quite sure what they have loaned these people. I think the Honourable the Attorney General said they came to them and said they did not have enough money and that the government agreed to advance them more or a guarantee of a loan. I am quite sure the Government is well used to that. We have only to look at the industries so far introduced, the Cement Plant, the Gypsum Plant, and the Birch Plant where advances have been made to the industries. I could go on and cite others, but this is as far as I care to go. It must, however, be an unfortunate position for the Government to find itself in. Here they go and loan people certain moneys to build certain factories and put them in operation and lo and behold before they get anywhere they are back again for another loan for a road or machinery, or what not, or anything at all. My honourable friend here on my left asked a question as to just how much is owed or has been guaranteed and loaned to the Asbestos Company. Of course, I see that the Honourable Minister of Finance is not here, and we don't expect the Honourable the Attorney General to remember the figures relative to these mining outfits.

There is another point, sir, to which I wish to draw the attention of the House, that is the rush with which these Bills are introduced here. I think we were a half an hour today reading the Minutes of the House for two sittings of the House, and I was

amazed at the amount of material gotten through by the House. I need not have been amazed when I looked here to see that we actually voted out \$1,650,000 more than necessary with the consent and approval of the Government, then today it is brought to the attention of the House. Sir, we should not be rushing legislation. It is all very well to close the House and go to the Coronation, but after all, we are sent here by the people to do a certain job, and I don't think the Government should rush any of these items here. Probably, the Opposition may not have seen that in the first place, but I am not excusing the Opposition, but am just charging the Government with rushing the Opposition, rushing the whole Legislature. Unfortunately, those things have to be done, I suppose, Mr. Chairman. I believe we are on section 3 now, Mr. Chairman? Well, I have said what I want to say, thank you very much!

MR. CURTIS: Part of what my honourable friend said is actually true, we did do an awful lot of work on Saturday. But I would like to say to my honourable friend and to any member of the House, we have all had a week to ponder over everything we did, and I know that in my office we have been going through all these Bills, every one, with a finetooth comb, and it was only because we knew that we would have that opportunity of absolutely making sure that everything was all right that I was willing to be a party to having the work completed so that we could all have the last week away from the House. I think it will be admitted, Mr. Chairman, as we all had a whole week during which we could revise those Bills, and as we know that any Bill the Opposition would like to refer back to, we would be only too happy

to do so. We have not desired to rush things at all. We are here now, we can be here tomorrow and Wednesday and stay beyond that. We are not trying to rush legislation, but we are trying to work together to do what has to be done in order to get out of this.

**MR. HOLLETT:** Mr. Chairman, I am glad the Honourable the Attorney General would be happy to refer back to anything, the only thing is that it would be practically useless, if we referred back to this legislation, sir, and asked that some little change be made in it, I am quite sure we would not get very far with it. I am not sure our contribution would be considered very much. It is all right for the Government to refer back and amend an error of \$1,650,000.

**MR. CURTIS:** When I saw it I was worried about it.

**MR. HOLLETT:** The Honourable Minister has been worried now for a whole week over this, I hope he was worried about the changes in the Shop Act.

**MR. CURTIS:** When I saw it I was worried about it.

**MR. HOLLETT:** I hope the Shops Act worry will be taken from the Government.

**MR. FOGWILL:** Before the Clause carries, would it be pertinent to ask the Attorney General if he could inform the Committee, now that we know the total interest the Government has—\$365,000.00 would he inform the Committee how much capital the Company has put into this mining venture, separate and apart from the part the Government has in it?

**MR. CURTIS:** I cannot say that because, as I understand it, the Com-

pany was incorporated and took over from many people who had claims in that locality. The owners of these claims received shares for their land. If the honourable member would ask the gentleman on his right, whose brother is one of the shareholders, he might have more information than I have.

**MR. HIGGINS:** I am not my brother's keeper.

**MR. CURTIS:** You are lucky. There is a mine there on which was spent hundreds of thousands of dollars—I think in the neighbourhood of four or five hundred thousands of dollars. They had reached a certain stage in the work, when for some reason, they stopped. It cannot be shown and we cannot say that the Newfoundland Asbestos have put a lot of money's worth in it. There were sums of money spent on the property which these people did not take over.

**MR. FOGWILL:** It would appear that when this Company started operations on the West Coast; as from the time they began operations, it appears to me that they did not have any money. The Government in the first instance purchased preferred shares to the value of \$75,000. The Government guaranteed a loan of \$100,000, plus \$40,000; and now we have this Guarantee Act. It appears to me that the \$365,000 is all the money that has gone into it.

**HON. DR. F. W. ROWE** (Minister of Mines and Resources): I cannot remember, but I have seen the Balance Sheet of the Company as of a few weeks ago. I do know that there is more than \$365,000 gone into the operation.

**MR. FOGWILL:** The Opposition would like to know.



MR. HOLLETT: Not only the Opposition, but the country should know. We are just as much interested as the Government in industrialization and mining.

I am going to ask another question on that point. If the Honourable the Attorney General cannot answer it, I am sure the Minister for Public Works can. There was \$40,000 spent on roads. I wonder if that is a local road or a secondary road?

MR. SPENCER: There is nothing to say that it was spent on roads.

MR. CURTIS: The costs of the road were higher because there was no road there and the means of communication from Point au Mal was just a pathway to the site.

MR. SPENCER: It was just a rabbit trail and there was no way of getting the machinery into the mine.

MR. HOLLETT: There is a road there now?

MR. SPENCER: The actual position regarding the delay is that there was no road there. Last year by agreement with the Federal Government, the mine owners and the Provincial Government, we started to build a road to the mine, but we were driven out by weather conditions. The Company had to use tractors and heavy equipment to haul their machinery into the plant site which is on top of the mountain some distance West of Fox Island River. We completed the road to the river and put a bridge across it. The army people went over and installed it for us. From the riverside we bulldozed out a trail to the mine site, five or six miles, possibly more. That road has not been resurfaced yet. It is our programme to finish it this year, because they now have

their equipment in. It is the Company's hope to be able to haul their produce out. They have a floating mill there. They hope to begin shipping late this year. It is the hope of the Provincial Government to be able to assist them by finishing the road. It has nothing to do with this loan. Some of the costs were due to the delay in getting equipment in.

MR. HOLLETT: The Government is building a road in there?

MR. SPENCER: The Federal Government, the Provincial Government and the mine owners.

MR. HOLLETT: Approximately how much will it cost?

MR. SPENCER: It is difficult to say. Up to now we have spent possibly something equivalent to \$50,000.

MR. HOLLETT: Or \$150,000?

MR. SPENCER: That is pulling a figure out of the air. It is a three-way agreement between the Federal and Provincial Governments and the mine owners, to put a road in to assist the production of the mine.

MR. HOLLETT: Any special amount set down in the Estimates for that this year?

MR. SPENCER: No.

MR. HOLLETT: Is the money coming out of the air too?

MR. SPENCER: The Committee is endeavouring to satisfy the Leader of the Opposition, but I am aware he is trying to push this thing along a little more—ordinarily I might use the word "antagonize" but I would like to assure the gentleman that it is the policy of the Government to endeavour to complete the road so that the Mining Company can get

into production. It has not been explained that people are working there throughout the year—all throughout last winter and buildings for the mining have been set up and machinery installed. Fortunately, nature helped us to provide a road as frequently happens in this section when we get frost and snow, but to say we would have to pull a rabbit out of the hat is far-fetched. The honourable gentleman knows certain moneys are voted on bloc for improvement, reconstruction and maintenance of new roads. Unfortunately, it falls to the lot of this poor humble servant to appreciate that.

MR. HOLLETT: I was not trying to antagonize. But these people discover a mine in the interior; they open it up; they find asbestos; they try to process it; they separate ore from rock; they bring in heavy machinery. Then they discover they have to build a road. How long is the road?

MR. SPENCER: Eight or nine miles.

MR. HOLLETT: They got all their machinery in; started to separate ore from rock and suddenly discover they have to build a road.

MR. SPENCER: When the honourable member says, "they suddenly discover they have to build a road," he is wrong. That was discovered and provision made for it.

MR. CHAIRMAN: Would the honourable members please take turns when speaking.

MR. HOLLETT: That is one way to get the member to sit down and get the Government to start talking from their seats—I mean, from a sitting position.

Carried.

"An Act to Amend the Newfoundland Teachers' Association Act, 1951."

MR. CHALKER: This Amendment was put through Saturday night. They advise us that they are sending this back for some new legal phraseology to be incorporated in the Bill.

Clause 2 amended.

Mr. Speaker resumed the Chair.

Chairman of the Committee reported that the following Bills were passed with some amendments:

"An Act Further to Amend the Revenue and Audit Act, 1951."

"An Act Further to Amend the Highway Traffic Act, 1951."

"An Act Further to Amend the Summary Jurisdiction Act, 1950."

"An Act Further to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."

"An Act to Amend the Newfoundland Teachers' Association Act, 1950."

"An Act Further to Amend the St. John's Shops Act, 1942."

"An Act Further to Amend the Civil Service Act, 1947."

Amendments:

Third Readings:

Revenue and Audit Act, 1951—passed.

Highway Traffic Act, 1951—passed.

Summary Jurisdiction Act, 1950—passed.

"Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."—passed.

Newfoundland Teachers' Association Act, 1951—passed.

St. John's Shops Act, 1942—passed.

Civil Service Act, 1947—passed.

MR. SPEAKER: No. 1 on the Order Paper. Second reading of Bill, "An Act to Amend the Local Government Guarantee Act."

MR. HEFFERTON: In 1952 we passed the Local Government Guarantee Act under which guarantee was made to certain Towns who had requested guaranteed bond issues in connection with the provision of water and sewerage. Within the last few months the Town of St. Lawrence has made application for a bond issue for the purpose of providing water and sewerage. This makes provision for a \$375,000 bond issue to be raised during the next few months.

MR. HOLLETT: For what Council? Could you tell us the name of the Council?

MR. HEFFERTON: The only additional one is St. Lawrence.

MR. HOLLETT: Thank you.

Read a second time and ordered to be referred to a Committee of the Whole House, presently.

MR. CURTIS: I ask leave to introduce a Bill entitled, "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

Bill read a first time.

MR. CURTIS: I move the second reading of this Bill, which is a simple Bill to extend the right to take and receive Affidavits, declarations and affirmations within or without Newfoundland, by every person holding a

commission as an officer in the Canadian Forces.

Only yesterday morning we got a communication from Ottawa asking for this legislation and as we are about to close the House, we rushed it through. I do not think there is anything contentious about it and I move the Bill be read a second time.

Bill read a second time and ordered to be referred to Committee of the Whole.

MR. MURRAY: I ask leave to introduce, "An Act Respecting List of Electors for Elections to be held under the Election Act, 1913."

Bill read a first time.

MR. MURRAY: I ask consent to have it read a second time. The purpose of this Bill is to correct a somewhat unusual position with regard to the taking a list of Electors. Under the Terms of Union, paragraph (2) of Term 15, the list of electors then existing would be the list of electors until permission was given by the Legislature to take another list. The position is that we are operating under a List of Electors taken in 1947, which has become antiquated and we want to make provision for the taking of the List of Electors as was done formerly.

MR. HOLLETT: We of the Opposition side have not quite grasped the reason for passing such legislation. We did understand that an Election Act was to be brought in, but I see no vacancy in the House. I see no vacancies in the various constituencies. We have no objection to it, but would you explain why it is being brought in now?

MR. SPEAKER: Does any other member wish to speak?

MR. CURTIS: I may say that the Honourable the Independent member for St. John's West has intimated the other day that he probably was making his last speech, and from that it is not impossible he may be withdrawing his company from us, in which event there would be a vacancy. If there is, we cannot fill it unless we use the 1947 list. In case it becomes necessary to have a by-election, we think it is just as well to have temporary provision until the new Election Act comes in. The new Election Act is in the course of preparation. It has been printed, but it needs considerable revision. Some points might be contentious. I do not think it would be fair to bring it up at this late hour. This is merely a temporary measure and should there be a vacancy, we would not be tied by the provision of the Terms of Union. If we do not pass this, we will have to proceed with the 1947 Voters List forever.

MR. HIGGINS: I take it there will be no list taken unless or until a vacancy should occur? It seems incredible that this Government is going to have a list of electors taken, because any honourable member has announced directly or indirectly that he may be vacating his seat. The reason for it has been assumed and is not very great.

MR. MURRAY: I do not know that I have very much further to add. As the Attorney General has said we did have a draft of the Election Act. There is something like 195 sections in it. As to the point made by the member for St. John's East, this Bill gives us the right to have a new list of electors taken; the one in existence is antiquated. It enables a new list to be taken, if so requested.

Bill read a second time.

MR. CHALKER: As acting Minister of Health, I ask leave to introduce a Bill, "An Act to Amend the Dental Act, 1934."

Bill read a first time.

MR. CHALKER: I may say this is a precautionary measure taken by the Government in case the Dental Board should resign. It then passes to the Minister of Health the authority assigned to that Board, so that we will be sure of having a sufficient supply of Dentists in the Province. As I say, it is an Act put forward in case the Dental Board should resign.

MR. HIGGINS: The standard of dentistry obtaining in certain other countries on the other side of the water is not as high as that to which people in this Dominion and in the great republic to the south of us are accustomed and a lowering of the standard would result in a consequent danger to the public. I must say, Mr. Speaker, if this amendment, as it now is worded, goes through, you are going to perpetuate the danger that presently exists, not only perpetuate it, but legalize it, unless we have greater clarification. I grant the Honourable Minister of Education can do no more than he has done; he is only acting as a deputy for his colleague, but until such time as the Government can give further details as to whether or not the complaints mentioned in the press are correct we don't feel happy about this thing at all.

MR. HOLLETT: Mr. Speaker, I can only back up the statements already made by my honourable colleague. It is a strange coincidence that only in this morning's press (I am not going to refer in detail to it, Mr. Speaker) there came to my knowledge and I expect to the know-

ledge of everybody here practically for the first time that there was any nigger in the wood pile, the nigger this time seems to be the dentists of Latvia in the wood pile.

Now, this afternoon on the eve of the closing of the House when the rules have been suspended the Government are bringing in this Bill and asking for the support of this House. Definitely to me there appears to be something either to cover up, something which has been done already and perhaps should not have been done, or one which would tell these gentlemen exactly where they could get off if they oppose the will of the Government.

Mr. Speaker, we are definitely opposed to the Bill. Surely in this Dental Bill there are provisions made for the re-election or re-appointment, as the case may be, of a new Board, if the Dental Board should resign or cease to exist, or as it says here, fails to carry out any duty imposed upon them by the Acts. I feel quite sure, Mr. Speaker, that in the original Act, there should be provision for that, and if that be so, surely there is no reason whatsoever why an amendment should not be brought in if the Board should fail to exist, or carry out any duties—To me, sir, this is a high handed piece of legislation, and one which this Government should not tolerate, certainly we in the Opposition oppose it, because it is definitely not right that any one individual, be he Minister or otherwise, should be given the authority to over-rule the will of a whole organization like the Dental Organization, which is governed really, by a Board which it elects, I take it, and which must carry on its functions under rules and regulation laid down by the Dental Act.

I am surprised, Mr. Speaker, to think this piece of legislation should be brought in to the House at this late stage in the session, and at a time when something has arisen between the Dental Board and the Minister or the Government, as the case may be, of which we have not been told. We only know what we have seen in the daily press. To my way of thinking as an ordinary individual, from what I did see in the press, it certainly smells rather high. But this piece of legislation will surely allow the Minister to dictate to the Dental Board, who apparently have refused to register a foreign dentist who may be very well qualified, may be properly qualified, but the Board has refused to register that person on their own grounds, which undoubtedly are to be found in the Act, in their opinion and according to the Act, and according to the Canadian Dental Society, the person is not qualified, in that he or she, as the case may be, has not attended two years at a Canadian or American Dental Clinic or University. Certainly if the Board did this, they were justified. If they failed to carry out one of their duties and they resigned in protest or otherwise, or failed to carry out their duties, then all the powers of the Dental Act are to be comprised in the minister, and he may go ahead and do exactly as he pleases. I don't think, sir, that is necessary at all. If there is any quarrel between the Dental Society and any party, surely it could be ironed out, but I do not think any Minister should seek the authority asked for here. The Dental Board has laid down rules for the election or re-election of the Dental Board, and I maintain it is none of the business of this House to put somebody in instead of

that Board. We certainly oppose this Bill, Mr. Speaker.

MR. FOGWILL: Mr. Speaker, I likewise do oppose this Bill. There are two points I am going to make (1) in my opinion, sir, and I think most people will agree, the Dental Board has done a good job and has performed its duties well over the years. There has been very few complaints. We do know, however, that there has been a shortage of dentists, but the Board, as everybody will agree, have done a good job. The other point is that if this amending Act goes through now, the interpretation of the duties of the Board will be the function of the Minister so that it would be as well to wipe out the original Act altogether, if the duties of the Board laid down in the parent Act and in this amending Act are to be interpreted by the Minister, and if they fail, in his opinion, to carry out any duties imposed by the Act the Minister, in his wisdom or otherwise, says they have not done so, and interprets it as he sees fit and takes all the functions of the Board over—That is all I have to say, sir.

MR. CURTIS: I have been interested in hearing my honourable friends on the opposite side, but I would remind them, sir, that the situation in this country with regard to dentists is very serious. We have one dentist in Newfoundland for every fifteen thousand people. St. John's is a little better off than some of the other places of the community, much better off, in fact, but even in St. John's one has to wait three or four weeks for an appointment with a dentist.

Now, for some time past the Government has had the view that the dental board is acting more as a trade

union board than as a public body to protect the people. In other words, we think the dentists are looking after their own ends and are not paying as much attention to the public interest as one would expect of a board of that kind. I have heard, Mr. Speaker, of cases where people have applied to our board here for permission to practise. I understand one of them was a college professor in a dental school and applied and was turned down. This is a matter, Mr. Speaker, of too great importance to the country to be looked at from the point of view of the dental board only. It is true that these European dentists may not have the same qualifications as those on the Mainland of Canada and on the American Continent, but they may be better equipped in other respects. There is a difference of opinion as to whether or not some of the medical practitioners and others in Europe are not as good as they are on this side. I know I can speak from experience as I have been over there and have had to have an operation and I know just how good and efficient they are, certainly in Switzerland. I feel that if the dentists are good enough for Europe—for all the countries in Europe where a lot of our specialists go to get training—Mr. Speaker, we have specialists here in Newfoundland who finished their courses in Europe and now we are told that European doctors and dentists are not as good as ours.

MR. FOGWILL: Nobody said that.

MR. CURTIS: Well we want to improve the situation as far as Newfoundland is concerned. I could put you in my shoes, Mr. Speaker, when last year down in my district, I met a woman with a child crying by her side with a toothache. I took him up

to Lewisporte to see the doctor, and he was out in the Tavern, and I had to bring him home again, and that poor little child was crying all night because the nearest dentist he could get was a medical practitioner and he was too drunk to pull out a tooth. Now, Mr. Speaker, we want to get some relief for our people who have one dentist for fifteen thousand people which is much more than any one dentist can look after, and the time has come that if we don't get people with qualifications locally we must do with the next best who may be, incidentally, better or not than our local dentists, Mr. Speaker, it makes me hot under the collar what some of the local dentists have been doing and are doing. I remember a couple of years ago one fellow pulling out every tooth in a patient's head to sell a plate whether they were had or not. Some of the wealthy people in this Province, Mr. Speaker, don't get their work done in St. John's by St. John's dentists, if you want to know the truth, but many of them go to Montreal and Toronto and elsewhere to get their dental work done.

MR. HOLLETT: Why?

MR. CURTIS: They get better work done up there. We want to see that people get a chance to get dental attention if they need it. If a person is willing to go to a person with a certificate from a university in Latvia, a high standard university, I don't see why they should be stopped by any dental board.

Now, the purpose of this Bill is purely precautionary: If the dental board should resign, which consists only of dentists, and another board won't take its place, there are a number of dental students coming into the country next year who would not

be able to register and it would be unfair to them to have their registration held up, and unfair to any other Newfoundland dental students who should come back and be unable to register because there is no board to register them. I don't think for a minute it is coming to that pass that the dental board is going to resign, but just as all acts provide, that in case the board should resign somebody should take their place so too this Bill asks that in the event of the resignation of the dental board the Minister will act as the Board. It is the same as in the Department of Education when the school board resigns the Minister becomes the board, it is the same in other organizations. That is a usual provision and that should have been put into the Act when it was drafted as there should be a provision in all such Acts to provide for the occupancy of the office in case of resignations. The object of this Act is just to provide such an out should there be no board.

MR. CHALKER: Mr. Speaker, I feel that the Board won't resign actually, but there is a case in point there. During my time as Minister of Health, approximately four years, we started a dental survey on the St. Barbe Coast and I think the amount of children in that area found with defective teeth ran somewhere around eighty per cent. We sent a doctor in there with the help of the Federal Government for about four months of the year. I may say there is no difficulty in getting dentists for St. John's but to get them situated in Lewisporte or further along the coast is very difficult.

Now, I think this board themselves should see the reason why the Government here are trying to get people into this profession in Newfoundland,

as a matter of fact the person they are turning down now would be admitted to England under their dental association. Last year we asked permission to have a lady dentist registered out in Corner Brook and her reputation as a dentist was perfect.

I think, Mr. Speaker, there is very little doubt about the record of the board, and they have been of great assistance to the department as a Board. But I recommend this Bill, just in case.

Bill read a second time.

MR. CURTIS: I move, Mr. Speaker, Committee of the Whole on several Bills which are outstanding.

MR. SPEAKER: Committee of the Whole on various Bills:

A Bill, "An Act Respecting Lists of Electors for Elections to be held under the Elections Act, 1913."

A Bill, "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

A Bill, "An Act Further to Amend the Dental Act."

A Bill, "An Act to Amend the Local Government Guarantee Act."

Committee of the Whole:

On Bill, "An Act to Amend the Local Government Guarantee Act."

Passed without amendments.

On Bill, "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

Passed without amendments.

On Bill, "An Act Respecting the List of Electors for Elections to be held under the Election Act, 1913."

Passed without amendments.

On Bill, "An Act Further to Amend the Dental Act, 1934."

MR. HOLLETT: Mr. Chairman, I did not hear any "ayes" I heard some "nays" but no "ayes."

MR. CHAIRMAN: Does the honourable member wish a division?

MR. HOLLETT: I would like it to be understood that the motion was followed by "nays" and there were no "ayes" whatsoever.

MR. CHAIRMAN: Would the honourable member care to ask for a division?

MR. HOLLETT: No. We will vote against it, that is all.

Carried.

Passed without amendments.

MR. CURTIS: I move the Committee rise and report having passed the Bills without amendments.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have passed the following Bills without amendments:

A Bill, "An Act Respecting Lists of Electors for Elections to be held under the Elections Act, 1913."

Ordered read a third time now, read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

Ordered read a third time now, read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act Further to Amend the Dental Act."



Ordered read a third time now, read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act to Amend the Local Government Guarantee Act,"

Ordered read a third time, ordered passed and title be as on the Order Paper.

MR. CURTIS: I move, Mr. Speaker, that all remaining Orders of the Day do stand deferred.

MR. CURTIS: In moving the adjournment of the House, Mr. Speaker, I would like to say that as far as I understand we have cleared our legislation programme for the year and there is no other matter to come before the House. It is the intention of His Honour the Administrator to prorogue the House on Wednesday the 20th day of May.

At the same time, Mr. Speaker, I would prefer not at this moment to move the adjournment of the House until Wednesday but rather until tomorrow, Tuesday at 3:00 of the clock.

But it is not likely, Mr. Speaker, that there will be any session tomorrow afternoon, and I ask you, Sir, if there is no quorum to adjourn the House for want of a quorum but if we do sit everybody will be notified by telephone, so I think we can assume we will have no further sitting until His Excellency the Administrator prorogues the House, but in case there should be anything crop up of which we have no knowledge now, I move the adjournment of the House until tomorrow, Tuesday, at 3:00 of the clock.

Moved and seconded this House do now adjourn until tomorrow Tuesday at 3:00 of the clock.

Carried.

The House then adjourned accordingly.

TUESDAY, May 19, 1953.

The House met at 3:00 of the clock in the afternoon.

There being no quorum His Honour the Speaker adjourned the House until tomorrow Wednesday at 3:00 of the clock.

WEDNESDAY, May 20, 1953.

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

SERGEANT AT-ARMS: May it please Your Honour, His Honour the Administrator has arrived to close this session of the 30th General Assembly.

MR. SPEAKER: May it please Your Honour, the General Assembly of this Province has at its present session passed certain Bills to which, in the name of and on behalf of the General Assembly, I respectfully request Your Honour's assent.

List of Bills read by Clerk.

1. "An Act to Amend the Judicature Act."

2. "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Atlantic Gloves Limited."

3. "An Act Further to Amend Chapter 111 of the Consolidated Statutes (Third Series) Entitled "Of the Registration of Deeds and Other Documents."

4. "An Act Further to Amend the

Exploits Valley (Closing Hours) Shop Act, 1938."

5. "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Superior Rubber Company Limited."

6. "An Act Further to Amend the Wild Life Act, 1951."

7. "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951."

8. "An Act Further to Amend the Forest Fires Act, 1933."

9. "An Act Further to Amend the Mothers' Allowances Act, 1949."

10. "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

11. "An Act Further to Amend the Blind Persons' Allowances Act, 1951."

12. "An Act Further to Amend the Timber Licenses (Reversion to Crown) Act, 1951."

13. "An Act Further to Amend the Local Government (Elections) Act, 1951."

14. "An Act Further to Amend the Old Age Assistance Act, 1951."

15. "An Act to Amend the Community Councils Act, 1952."

16. "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

17. "An Act Respecting the Application and Effect of Certain Acts passed in the Present Session of the Legislature upon the Revised Statutes of Newfoundland, 1952."

18. "An Act to Amend the Western Memorial Hospital Corporation Act, 1947."

19. "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

20. "An Act Further to Amend the Crown Lands (Mines and Quarries) Act, 1951."

21. "An Act Further to Amend the Workmen's Compensation Act, 1950."

22. "An Act Further to Amend the St. John's Municipal Act, 1921, and for other purposes."

23. "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) Entitled 'Of Companies.'"

24. "An Act Respecting the Grading of Livestock and Meat."

25. "An Act to Provide for Urban and Rural Planning."

26. "An Act Further to Amend the Slum Clearance Act, 1950."

27. "An Act to Create a Farm Loan Board and to Provide Loans for Farm Development."

28. "An Act Further to Amend the Public Utilities Act, 1949."

29. "An Act to Incorporate the Association of Registered Nurses of Newfoundland and for Other Purposes in Connection therewith."

30. "An Act to Amend the Food and Drugs Act, 1950."

31. "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the issue of Bonds."

32. "An Act Further to Amend the Local Government Act, 1949."

33. "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited."

34. "An Act to Approve and Give Statutory Effect to an Agreement between the Government and International Forest Products Limited."
35. "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco Limited."
36. "An Act to Incorporate the Association of Newfoundland Land Surveyors and for Other Purposes in Connection Therewith."
37. "An Act Further to Amend the Insurance Companies Act."
38. "An Act Respecting the Imposition and Collection of a Tax to Provide Moneys to be Used for the Control of Cancer."
39. "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Koch Shoes Limited."
40. "An Act Further to Amend the St. John's Shops Act, 1942."
41. "An Act Further to Amend the Crown Lands Act, 1930."
42. "An Act Further to Amend the Alcoholic Liquors Act, 1949."
43. "An Act Further to Amend the Motor Carrier Act, 1951."
44. "An Act to Amend the Assignment of Book Debts Act, 1950."
45. "An Act to Confirm in Her Majesty in Right of Newfoundland Title to Several Parcels of Land on the Topsail Highway in the Electoral District of Harbour Main-Bell Island."
46. "An Act to Approve and give Statutory Effect to an Agreement between the Government of Newfoundland and Hanning Electric Limited."
47. "An Act Respecting the Civil Service Commission of Newfoundland."
48. "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."
49. "An Act Further to Amend the Rural District of Placentia Act, 1945."
50. "An Act Further to Amend the Registration Act, 1892-99."
51. "An Act Respecting the Solicitor General of Newfoundland."
52. "An Act to Amend the Change of Name Act, 1952."
53. "An Act Relating to the Keeping of Dogs."
54. "An Act Further to Amend the Education Act, 1927."
55. "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."
56. "An Act Further to Amend the Department of Public Works Act, 1950."
57. "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) Entitled 'Of Trustees'."
58. "An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."
59. "An Act Further to Amend the Summary Jurisdiction Act, 1950."
60. "An Act Respecting the Correction and the Prevention of Delinquency."
61. "An Act to Authorize the Lieutenant-Governor in Council to Enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild & Sons."

62. "An Act Further to Amend the Newfoundland and Labrador Corporation Limited Act, 1951."

63. "An Act to Amend the Shop Hours (St. John's Barbers) Acts, 1938."

64. "An Act to Assure the Maintenance of a Telephone Service for the People of Twillingate."

65. "An Act Further to Amend the Highway Traffic Act, 1951."

66. "An Act Further to Amend the Co-operative Societies Act, 1939."

67. "An Act Further to Amend the Revenue and Audit Act, 1951."

68. "An Act Providing for the Supervision and Control of the Expenditure by Local Authorities of Moneys Raised by Loans Advanced or Under Guarantees made by Her Majesty."

69. "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

70. "An Act Respecting Lists of Electors for Elections to be held under the Election Act, 1913."

71. "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

72. "An Act Further to Amend the Dental Act, 1934."

73. "An Act to Amend the Local Authority Guarantee Act, 1952."

74. "An Act Further to Amend the Civil Service Act, 1947."

HIS HONOUR THE ADMINISTRATOR: In Her Majesty's Name I assent to these Bills.

MR. SPEAKER: It is now my agreeable duty on behalf of Her Majesty's Dutiful Subjects and Faithful Commons of Newfoundland to present to Your Honour the Bills for the

amount of supply granted in the present session.

List of Bills read by Clerk.

1. "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."

2. "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-four, and for Other Purposes Relating to the Public Service."

3. "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-four, and for Other Purposes Relating to the Public Service."

HIS HONOUR THE ADMINISTRATOR: In Her Majesty's Name I thank Her Loyal Subjects for their benevolence and assent to these Bills.

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

It was the sad duty of His Honour the Lieutenant-Governor, on behalf of the Government and people of the Province, to tender an expression of sincere sympathy to Her Majesty the Queen and the Royal Family on the death of Her Majesty Queen Mary, whose nobility of character, dignity, profound sense of duty, sympathetic understanding and common touch,

deepened through the trials and bereavements sustained in her own family life, engendered genuine esteem and affection in the hearts of her people. The tribute paid by the late great Laureate of Queen Victoria could as appropriately be applied to Her Majesty Queen Mary: "A thousand claims to reverence closed in her as Mother, Wife and Queen."

His Honour the Lieutenant-Governor accompanied by my Prime Minister and Minister of Education will be attending the Coronation of Her Gracious Majesty Elizabeth II. We all trust that with the Divine blessing and guidance the reign of our young Queen, who will shortly dedicate her life to the service of the people whom she has been called upon to rule, will be a long and happy one.

In releasing you from your duties I have to thank you for the careful attention you have given to the various Bills introduced by my Ministers. In a short period of time much important public business has been dealt with.

My Ministers are gratified that the outcome of the financial year which ended on the 31st March last showed a surplus of over six and one-half million dollars, nearly one-quarter of a million dollars more than estimated. The financial condition of our Province and people was never better and I am sure that the maintenance and improvement of this gratifying position is the earnest wish and objective of all.

Two significant pieces of legislation have been given your approval. Some time ago my Ministers decided to increase the authorized capital of Newfoundland and Labrador Corporation, Limited, often referred to as "Nalco," and to permit the sale of the majority

of its shares to private interests, thereby terminating its status as a "Crown Corporation." The Crown will continue to be a large shareholder in this Corporation and will therefore continue to participate in its management and in any profits. It is hoped that the introduction of this fresh non-Government capital will give this Corporation the additional backing, initiative and drive to bring success to its efforts. This Corporation has been successful in introducing at least two substantial mining interests into the Province—Newmont Mining Corporation of Canada Limited and American Zinc, Lead and Smelting Company, both of which are planning to make very substantial expenditures on their respective concessions.

My Ministers were authorized to enter into an Agreement with N. M. Rothschild and Sons and the British Newfoundland Corporation Limited. Under this Agreement it is anticipated that extraordinary efforts will be made to ascertain what natural resources remaining in the Crown in the way of timber in the Labrador and water-powers in the Province may best be developed. It is also anticipated that all remaining mineral areas, not otherwise committed, will be carefully examined and that profitable development of any minerals that may be located will result. Under the terms of the proposed Agreement the Government of Newfoundland will, in addition to normal taxes, participate substantially in any profits. This Agreement has already been signed by Rothschild's and the Corporation in London; it will be executed by the Government during the next few days. Steps have already been taken by the Corporation to initiate exploratory work this season.

Two other important mineral agreements which may lead to extensive development have been approved. Canadian Amco Limited have been given a concession area of twelve hundred square miles in Northern Labrador, and a concession of some five hundred square miles on the Burin Peninsula has been given to Newfoundland Fluorspar Limited, whereby this Company may be enabled to increase its production. All in all the next few years should be eventful so far as the investigation and possible development of our natural resources are concerned. Indications are that a search of vigorous and unprecedented proportions will be undertaken. Success of one or more of these groups might well revolutionize the financial and economic position of the Province.

In the field of forestry an agreement between the Government and International Forest Products Limited was approved under the terms of which the Company will engage in timber and pulpwood operations in the Sandwich Bay area of Labrador.

In pursuance of the economic development programme of my Government, Agreements have been approved with Superior Rubber Company, Limited; Hanning Electric, Limited; Koch Shoes, Limited and Atlantic Gloves Limited. Construction of plants for Superior Rubber Company, Limited and Hanning Electric, Limited is well under way and, in the cases of the other two Companies, negotiations for suitable sites are proceeding.

In addition to amendments to the Crown Lands, Wild Life and Forest Fire Acts, new Legislation was approved for the grading of livestock and meat and for the setting up of

a Farm Development Loan Board to provide loans for improving and developing the agricultural industry of the Province.

The enactment of the Corrections Act at this Session marked a progressive step in the field of penal reform. Its unanimous approval by the House and its favourable reception by the public are very gratifying.

The Act enabling Urban and Rural Communities to undertake a systematic planning of street, water system and building projects in their respective areas, will facilitate the provision of additional housing required as a result of the expansion of population in places where new industrial enterprises and particularly the centralization and modernization of fish production operations are in progress.

In the Estimates for Education an amount of one million dollars has been provided for the construction and equipment of schools. This amount is much larger than would normally be voted because half of it is earmarked for the establishment of Central or Regional High Schools, in accordance with a policy yet to be determined. This will constitute an important step in the attempt to successfully solve the problem presented by one-room schools.

Within recent weeks my Ministers have received the Report of the Newfoundland Fisheries Development Committee. This Report, based on a thorough investigation into all phases of the fisheries, submits a programme of development which has been enthusiastically welcomed by both my Ministers and the Government of Canada. It has been impossible, in the short time that has elapsed since the Report was presented, to give it the

detailed study that its importance warrants but negotiations have already been initiated between my Ministers and the Government of Canada in relation to the steps that may immediately be taken to implement some of the recommendations and a substantial grant has been provided to cover the cost involved.

I thank you for the ample provision that you have made for the Public Service and I feel sure that the amounts voted will be expended wisely and economically and in the best interests of the Province.

I thank you for your continued devotion to duty and trust that, with all the people of the Province, you will enjoy a full measure of happiness and prosperity in all your undertaking.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, it is the wish of His Honour the Administrator that this House will prorogue until Wednesday, July 8th.

MR. SPEAKER: The House is now prorogued until Wednesday, July 8, 1953.





Journal and Proceedings  
of the Third Session  
Thirtieth General Assembly  
of Newfoundland

BEGUN and holden at St. John's in the Province of Newfoundland on Wednesday eleventh day of March, Anno Domini, Nineteen Hundred and Fifty-three in the Second 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.

WEDNESDAY, March 11th, 1953

His Honour the Lieutenant Governor having fixed the hour at which he proposed to open the present Session of the Legislature at three of the clock in the afternoon of this Wednesday, the Eleventh day of March, the Members of the House of Assembly met in the Assembly Chamber at three of the clock in the afternoon, when Mr. Speaker took the Chair.

At three of the clock the Sergeant-at-Arms announced that His Honour the Lieutenant Governor had arrived.

His Honour entered the Assembly Chamber preceded by the Sergeant-at-Arms.

Mr. Speaker left the Chair.

His Honour the Lieutenant Governor took the Chair.

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

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

In common with British subjects throughout the world, our people are looking forward with keen and pleasurable anticipation to the Coronation of Her Majesty Queen Elizabeth II which takes place in Westminster Abbey on Tuesday, June the Second. In response to an official invitation extended to Newfoundland to be represented at the solemn and historic ceremony, I, accompanied by my Prime Minister and my Minister of Education, am arranging to attend. A detachment of Newfoundland war veterans will form part of a contingent of the Canadian Legion invited to be present. This day has been proclaimed a Public Holiday throughout the Prov-

ince. Preparations for suitable celebrations are well advanced. Particular care is being taken to ensure that our children are impressed with the significance of the event and are afforded every opportunity of participating in the rejoicings which the occasion will evoke in Her Majesty's loyal subjects in Newfoundland.

I am sure that we all rejoice over the continuing, and indeed expanding, prosperity of the Province. Newfoundland has never before experienced such prosperity, and the prayer of all is that this condition will be maintained.

It is generally known that the principal feature of my Ministers' policy is economic development. This has taken the form, for the most part, of encouraging the establishment of new mills and factories. My Ministers consider that the time has come, and that they are now ready, to proceed with other features of their policy, namely the development of the natural resources of the Province. These are the fisheries, minerals, water-power, forests and soil.

Foremost amongst these are of course the fisheries, and their development must inevitably be the principal objective in such a policy. Nearly two years ago my Government and the Government of Canada agreed upon the need for a far-reaching investigation into the fisheries of Newfoundland for the purpose of determining the full nature of the problem and especially of recommending a specific programme designed to effect a successful solution. A Fishery Development Committee was accordingly created by the two Governments and intensive research and investigation into the fisheries has since been carried out by that Committee. Their

report and recommendations are expected very soon to be laid before my Government and the Government of Canada. My Ministers earnestly hope that the report and recommendations will constitute the chart and compass of a great new fishery development programme for this Province, and are determined, if this hope is realized, to seek the active participation of the Government of Canada, and to undertake jointly and energetically such development. My Ministers are convinced that it should be practicable so to develop the fisheries as to make them yield to the fishermen a much higher standard of living than they have ever known in the past. They hope in the present Session to lay the report and recommendations of the Committee before you and to afford you an opportunity to give them the careful consideration which their importance warrants.

Since their assumption of office my Ministers have given close study to the possibility of the development of our mineral and water-power resources. You will recall the various surveys and investigations carried out at considerable cost in these fields during the past several years. These expensive field surveys were instituted with a view to gathering certain general basic information without which it would have been merely a waste of time to approach important electrical and mining companies with proposals for more intensive prospecting and surveying activities leading to development. As foreseen, and has now proven to be the case, this view was the correct one, for the investigations undertaken led to negotiations with interested investors which should have the effect of bringing about development in these particular fields.

Legislation will be laid before you designed to broaden the character and scope of Newfoundland and Labrador Corporation Limited, the better to enable it to perform the great task entrusted to it when it was created by legislative enactment two years ago.

I am sure that our people were deeply pleased to learn that my Prime Minister had succeeded in arousing the interests of British concerns of world-wide repute in the natural resources of Newfoundland and Labrador, and that negotiations have been proceeding for some months past with a view to bringing a combination of these interests into the Province to conduct a vast programme of exploration and prospecting leading to development of these natural resources. My Ministers hope to lay legislation on these matters before you in the present Session.

My Government are acutely conscious of the immense importance of forest development, and particularly aware of the urgent need for a close and careful investigation of the forest resources remaining in the Province with a view to ascertaining whether the most economic use is made of them. My Ministers propose creating a Forest Development Committee to investigate and to recommend plans for conservation and development. This Committee would have the assistance of an outstanding Forestry expert.

We have long heard and read of the importance of agriculture in this Province, but it is the simple truth to say that Government policy in agriculture, down through the years, has been somewhat erratic and more than a little inconsistent. Here again my Ministers feel the need of a consistent and practical programme, and

they propose to create a Farm Development Committee charged with the responsibility of investigating and recommending a programme which, if approved, would be implemented with energy and resolution.

In general, my Government are determined to pursue energetically a policy of economic development in the field of natural resources. They are convinced that by such development on a broad and comprehensive scale the standard of our people's living can be raised to new and enduring heights.

The need for a new Election Act has long been felt, and the relevant legislation will be laid before you in due course.

There will also be presented for your approval a Bill relating to improved correctional treatment for juveniles and adults committed to Training Schools and penal institutions respectively. My Ministers believe that this legislation represents a distinctly forward step particularly in the field of penal reform.

When tidings of the appalling loss of life and property caused by the storms which ravaged the coasts of Britain, Belgium and Holland last month were received in Canada, His Excellency the Governor General immediately formed a Committee, on which my Prime Minister was appointed the representative of Newfoundland, charged with the responsibility of raising funds to enable the Red Cross Society to come to the immediate relief of the sufferers. Although unable to attend a meeting of the Committee in Ottawa, my Prime Minister nominated a representative thereon, and took prompt steps to form a local committee to launch an appeal for aid. The response to this

appeal was immediate and phenomenal. Within the space of three weeks over \$100,000 was subscribed by our people and this amount is being augmented daily. I avail myself of this opportunity of thanking the subscribers and expressing appreciation of their prompt and generous response to the appeal.

May Divine Providence bless and guide your deliberations.

His Honour left the Assembly Chamber.

Mr. Speaker resumed the Chair.

Hon. the Premier introduced Hon. Frederick W. Rowe, Member for the District of Labrador and Hon. Myles P. Murray, Member for the District of Ferryland to Mr. Speaker.

The said Members took their seats in the House.

Hon. the Attorney General asked leave to introduce a Bill entitled "An Act Further to Amend Chapter 111 of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and other Documents.'"

On motion of Hon. the Attorney General the said Bill was read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Mr. Speaker announced that His Honour, the Lieutenant Governor, had been pleased to make a Speech to the Members met in General Assembly and that for greater accuracy he had obtained a copy.

The Clerk then read the said Speech at the table.

It was moved by Mr. Morgan and Seconded by Mr. Brown that an Address of Thanks be presented to His

Honour in reply to the gracious Speech with which he had been pleased to open the present Session of the Legislature and that a Select Committee be appointed to draft such address in Reply.

It was ordered accordingly and the following gentlemen were appointed to such Committee :

Mr. Morgan  
Mr. Brown  
Mr. Higgins

The following resolution was moved by Hon. the Premier, seconded by Hon. the Leader of the Opposition and unanimously adopted :

RESOLVED : That this House desires to record the expression of its deep sorrow at the death of the late Honourable Walter Stanley Monroe, D.C.L., LL.D., as one time a Member of this House, as one of the representatives for the District of Bonavista, a Member of the Legislative Council, and Prime Minister and Minister of Education of Newfoundland.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government of Newfoundland and Atlantic Gloves Limited."

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 Societies Act, 1939."

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Approve and give Statutory Effect to an Agree-

ment between the Government and International Forest Products Limited."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Judicature Act."

Mr. Cashin gave notice of Questions.

Mr. Hollett gave notice of Questions.

Mr. Fogwill gave notice of Questions.

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

The House then adjourned accordingly.

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WEDNESDAY, March 18, 1953.

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

Hon. the Minister of Public Works tabled "Regulations Re Highways."

Hon. the Minister of Finance tabled "Public Accounts of the Province for the Year ending March 31, 1952, together with the Auditor General's Report thereon."

Mr. Morgan on behalf of the Select Committee appointed to draft a Reply to the Speech of His Honour the Lieutenant Governor, presented the Report of the Select Committee as follows :

To His Honour the Lieutenant Governor, Sir Leonard Cecil Outerbridge, Knight Bachelor, C.B.E., D.S.O.  
May it please Your Honour,

We, the Commons of Newfoundland, in Legislative Session assembled, beg to thank Your Honour for the Gracious Speech which Your Honour has addressed to this House.

(Sgd.) C. S. BROWN,  
JAMES D. HIGGINS,  
A. B. MORGAN,  
Chairman.

Assembly Room,  
March 19, 1953.

On motion it was ordered that the debate on the Address in Reply be deferred until a later hour in the day.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Superior Rubber Company Limited."

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act Further to Amend the Wild Life Act, 1951."

A Bill "An Act Further to Amend the Forest Fires Act, 1933."

Hon. the Minister of Provincial Affairs gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938."

Mr. Higgins gave notice of Questions.

Mr. Fogwill gave notice of Questions.

Mr. Hollett gave notice of Questions.

The Address in Reply was debated and on motion was adjourned for further debate on tomorrow.

Mr. Higgins tabled a copy of the "Sunday Herald" dated March 22, 1953.

Pursuant to notice and on motion of Hon. the Attorney General, in the absence of Hon. the Premier, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government of Newfoundland and Atlantic Gloves 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 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 Minister of Mines and Resources, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and International Forest Products Limited" was read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Hon. the Minister of Fisheries and Co-operatives informed Mr. Speaker that he did not intend to introduce the Bill entitled "An Act Further to Amend the Co-operative Societies Act, 1939" and asked that the said Bill be removed from the Order Paper.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that

when the House rises, it adjourn until tomorrow afternoon, March 29th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, March 19th, 1953.

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

Petitions were presented by:

Mr. Morgan from Burlington re Road.

Mr. Brown, on behalf of Mr. Speaker, from the District of St. Barbe, re Bridge.

Mr. Drover from the District of White Bay re Medical Service.

Hon. the Premier tabled "Annual Report of the Newfoundland and Labrador Corporation."

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 Minister of Provincial Affairs, the Bill entitled "An Act Further to Amend the Exploits Valley (Closing Hours) Shop 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 Minister of Mines and Resources, the Bill "An Act Further 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 notice and on motion

of Hon. the Minister of Mines and Resources, the Bill entitled "An Act Further to Amend the Forest Fires Act, 1933," 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 Approve and Give Statutory Effect to an Agreement between the Government and Superior Rubber Company, Limited" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The Second Reading of the Bill entitled "An Act Further to Amend Chapter 111 of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Other Documents,'" was debated and on motion was deferred for further debate on tomorrow.

The Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government of Newfoundland and Atlantic Gloves, Limited" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The Bill entitled "An Act Further to Amend the Judicature Act" was read a second time and it was ordered that the 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 tomorrow afternoon, March 20th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, March 20th, 1953.

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

Petitions were presented by:

Mr. Courage from Harbour Mille, re Road.

Mr. Brown from Canning's Cove, re Road.

Mr. Hollett from St. Phillip's, re Road.

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 and Labrador Corporation Limited Act, 1951."

Hon. the Minister of Provincial Affairs gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Shop Closing Act, 1940."

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 following Bills:

A Bill "An Act to Approve and Give Statutory Effect to an Agreement Between the Government of Newfoundland and Atlantic Gloves Limited."

A Bill "An Act Further to Amend the Judicature Act."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee

reported that they had considered the 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 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 III of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Other Documents,'" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on 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 23rd, at three of the clock.

The House then adjourned accordingly.

MONDAY, March 23rd, 1953.

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

Petitions were presented by:

Mr. Brown from Salvage, re Bridge.

Hon. the Minister of Municipal Affairs and Supply, from Island Cove, re Road.

Hon. the Minister of Municipal Affairs and Supply from Hillview, re Road.

Hon. the Minister of Labour tabled:



Report on the matters transacted by the Minister of Labour during 1952, under the provisions of the Labour Relations Act, 1950.

Report of Newfoundland Labour Relations Board 1952.

Report of the Proceedings of the Minimum Wage Board established under the Minimum Wage Act, 1950, covering the year 1952.

Hon. the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951."

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act Further to Amend the Local Government (Elections) Act, 1951."

A Bill "An Act to Amend the Community Councils Act, 1952."

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act Further to Amend the Old Age Assistance Act, 1951."

A Bill "An Act Further to Amend the Mothers' Allowances Act, 1947."

A Bill "An Act Further to Amend the Blind Persons' Allowances Act, 1951."

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 Boiler and Pressure Vessel Act, 1949."

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce the Bill entitled "An Act Further to Amend the Timber Licenses (Reversion to Crown) Act, 1951."

Hon. the Minister of Finance gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act Further to Amend the Insurance Companies Act."

A Bill "An Act Further to Amend the Accident Insurance Companies (Licensing) Act, 1939."

Hon. the Minister of Fisheries and Co-operatives tabled:

Second Annual Report of Fisheries Loan Board of Newfoundland for the Period ended March 31, 1952.

Second Annual Report of Co-operative Development Loan Board of Newfoundland for the period ended March 31, 1952.

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.

Mr. Hollett tabled a copy of "Time Magazine" dated March 23, 1953.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Tuesday afternoon, March 24th, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, March 24th, 1953.

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

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Wednesday afternoon, March 25th, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, March 25th, 1953

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

The following Resolution was moved by Hon. the Premier, seconded by Hon. the Leader of the Opposition and adopted unanimously:

RESOLVED: That this House wishes to record its Profound Sorrow and regret on the death of the Dowager Queen Mary.

The House stood in silence for two minutes.

Petitions were presented by:

Hon. Mr. Lewis from Colliers, re Road.

Mr. Courage from St. Bernard's, re Road.

Mr. Hollett from Glendale, re Telephone Service.

Hon. the Minister of Finance gave notice that he would on tomorrow move the House resolve itself into Committee of the Whole to consider the granting of Supply to Her Majesty.

Mr. Hollett gave notice of Question.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further 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 Premier, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government of Newfoundland and Atlantic Gloves 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 Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend Chapter III of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Other Documents.'"

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 notice and on motion of Hon. the Attorney General the Bill entitled "An Act Further to Amend the Newfoundland and Labrador Corporation Limited 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 Provincial Affairs, the Bill entitled "An Act Further to Amend the Shop Closing Act, 1940" 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 Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for 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 Amend the Public Utilities (Acquisition of Lands) 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 Municipal Af-

fairs and Supply, the Bill entitled "An Act Further 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 Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Community Councils Act, 1952," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Old Age Assistance 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 Mothers' Allowance 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 Labour, the Bill entitled "An Act Further to Amend the Boiler and Pressure Vessel 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 Mines and Resources, the Bill entitled "An Act Further to Amend the Timber Licenses (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 Minister of Finance, the Bill entitled "An Act Further to Amend the Insurance Companies Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Finance, the Bill entitled "An Act Further to Amend the Accident Insurance Companies (Licensing) 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 notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Blind Persons' Allowance 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, March 26th, at three of the clock.

The House then adjourned accordingly.

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THURSDAY, March 26th, 1953.

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

Hon. the Premier made a statement Re an Agreement between the Government and Fishery Products, Limited.

A Petition was presented by Mr. Canning from Woody Island, re Road.

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into Committee of Supply to consider the Granting of Supplementary Supply to Her Majesty.

The debate on the Address 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 III of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Other Documents,'" was read a third time and passed and it was ordered that the said Bill be 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 Mines and Resources, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and International Forest Products 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 Provincial Affairs, the Bill entitled "An Act Further to Amend the Exploits Valley (Closing Hours) Shop 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.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, March 27th, at three of the clock.

The House then adjourned accordingly.

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FRIDAY, March 27th, 1953.

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

Mr. Cashin 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 to Approve and Give Statutory Effect to an Agreement Between the Government and Superior Rubber 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.

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 30th, at three of the clock.

The House then adjourned accordingly.

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MONDAY, March 30th, 1953.

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 Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Mr. Hollett gave notice of Question.

Mr. Fogwill gave notice of Question.

Hon. the Minister of Finance informed the House that he had received a Communication from His Honour the Lieutenant Governor which Mr. Speaker read to the House as follows:

The Honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, recommend that, pending the Tabling of the Estimates for the Financial Year 1953-54, a Vote on account of \$5,722,000, calculated on the basis of approximately one-sixth of the Vote for the year 1952-53 be provided by the Provincial Legislature to meet essential Public Services.

(Sgd.) LEONARD OUTERBRIDGE,  
Lieutenant Governor.  
March 7th, 1953.

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 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-four and for Other Purposes Relating to the Public Service," was read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the said Bill was read a second time and it was ordered that the said Bill be read a third time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year ending the thirty-first day of March One Thousand Nine Hundred and Fifty-four 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.

Hon. the Minister of Finance informed the House that he had received a communication from His Honour the Lieutenant Governor, which Mr. Speaker read to the House as follows:

The Honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, recommend that a Supplementary Vote of \$1,291,600, required to meet essential Public Services relating to the

Financial Year 1952-53, be provided by the Provincial Legislature.

(Sgd.) LEONARD OUTERBRIDGE,  
Lieutenant Governor.

March 27th, 1953.

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 Supplementary 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 Supplementary Interim Supply to Her Majesty and recommending that a Bill be introduced to give effect to the same.

The said Resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year ending the thirty-first day of March One Thousand Nine Hundred and Fifty-four and for Other Purposes Relating to the Public Service" was read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the

said Bill was read a second time and it was ordered that the said Bill be read a third time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year ending the thirty-first day of March One Thousand Nine Hundred and Fifty-four and for Other Purposes Relating to the Public Service," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act Further 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 Attorney General, the Bill entitled "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951" was read a second time and on motion it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Tuesday afternoon, March 31st, at three of the clock.

The House then adjourned accordingly.

TUESDAY, March 31, 1953.

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

Petitions were presented by:

Mr. Morgan from Lushes Bight, Re Road.

Mr. Morgan from Harry's Harbour Re Road.

The Sergeant-at-Arms announced that His Honour the Lieutenant Governor had arrived.

His Honour took the Chair.

Mr. Speaker addressed His Honour as follows:

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 Bills 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-three 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-four 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 the Lieutenant Governor left the Assembly Chamber.

Mr. Speaker resumed the Chair.

Mr. Cashin gave notice of Question.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for 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 Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Local Government (Elections) 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 Mines and Resources the Bill entitled "An Act Further to Amend the Forest Fires Act, 1953" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Community Councils Act, 1952" 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 Old Age Assistance Act, 1949" 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 Blind Persons' Allowance 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 Further to Amend the Mothers' Allowance 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 Labour, the Bill entitled "An Act Further to Amend the Boiler and Pressure Vessel 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.

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 Mines and Resources, the Bill entitled "An Act Further to Amend the Timber Licenses (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.

The second reading of the Bill entitled "An Act Further to Amend the Insurance Companies Act" was debated and on motion was deferred 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 afternoon, April 7th, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, April 7, 1953.

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

Hon. the Minister of Labour tabled "Annual Report of the Workmen's Compensation Board of Newfoundland for 1952."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Western Memorial Hospital Corporation Act, 1947."

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act Further to Amend the Crown Lands (Mines and Quarries) Act, 1951."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Newfoundland Fluorspar Limited."

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 Urban and Rural Planning."

Mr. Cashin gave notice of Question.

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 House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1948."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Superior Rubber 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 Bill entitled "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1948" and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Superior Rubber 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 Wednesday afternoon, April 8, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 8, 1953.

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

Mr. Cashin gave notice of Question.

Hon. the Minister of Finance tabled Certified Copies of Minutes of the Honourable the Executive Council.

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 Lieutenant Governor was adopted.

The Bill entitled "An Act Further to Amend the Exploits Valley (Closing Hours) Shop 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 Attorney General, 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 Superior Rubber Limited."

A Bill "An Act Further to Amend the Wild Life Act, 1951."

A Bill "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951."

A Bill "An Act Further to Amend the Forest Fires Act, 1933."

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 Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Superior Rubber Limited," with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee further reported that they had passed the following Bills without amendment:

A Bill "An Act Further to Amend the Wild Life Act, 1951."

A Bill "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951."

A Bill "An Act Further to Amend the Forest Fires Act, 1933."

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 Thursday afternoon, April 9th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 9th, 1953.

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

A Petition was presented by Mr. Courage from Pool's Cove, re Road.

Hon. the Minister of Public Welfare tabled "Policy Manual of the Department of Public Welfare."

Mr. Hollett gave notice of Question.

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Correction and the Prevention of Delinquency and Crime."

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 Superior Rubber 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 Mines and Resources, the Bill entitled "An Act Further 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 Amend the Public Utilities (Acquisition of Lands) 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 Mines and Resources, the Bill entitled "An Act Further to Amend the Forest Fires Act, 1933" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act to Provide for Loans to encourage the development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

A Bill "An Act Further to Amend the Local Government (Elections) Act, 1951."

A Bill "An Act to Amend the Community Councils Act, 1952."

A Bill "An Act Further to Amend the Old Age Assistance Act, 1951."

A Bill "An Act Further to Amend the Mothers' Allowances Act, 1949."

A Bill "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

A Bill "An Act Further to Amend the Blind Persons' Allowance Act, 1951."

A Bill "An Act to Amend the Timber Licenses (Reversion to Crown) 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 Bill entitled "An Act to Amend the Timber Licenses (Reversion to Crown) Act, 1951" with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee further reported that they had passed the following Bills without amendment :

A Bill "An Act Further to Amend the Local Government (Elections) Act, 1951."

A Bill "An Act Further to Amend the Old Age Assistance Act, 1951."

A Bill "An Act Further to Amend the Mothers' Allowances Act, 1949."

A Bill "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

A Bill "An Act Further to Amend the Blind Persons' Allowance 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 entitled :

A Bill "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

A Bill "An Act to Amend the Community Councils Act, 1952."

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 Further to Amend the Accident Companies (Licensing) 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 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 Attorney General the Bill entitled "An Act to Amend the Western Memorial Hospital Corporation 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 notice and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act Further 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 notice and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Newfoundland Fluorspar 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 Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Provide for 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.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Friday afternoon, April 10th, at three of the clock.

The House then adjourned accordingly.

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FRIDAY, April 10th, 1953.

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

Mr. Hollett gave notice of Question.

Mr. Fogwill gave notice of Question.

A Petition was presented by Hon. the Minister of Public Works from Buchans, re Road.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies'."

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the St. John's Municipal Act, 1921 and for Other Purposes."

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco Limited."

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 Association of Newfoundland Surveyors and for Other Purposes in connection therewith."

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, 1950."

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 (Elections) 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 Health, 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 Labour, the Bill entitled "An Act Further to Amend the Boiler and Pressure Vessel 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 Blind Persons' Allowance 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 Mines and Resources, 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 Minister of Public Welfare, the Bill entitled "An Act Further 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 Attorney General, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

A Bill "An Act to Amend the Community Councils Act, 1952."

A Bill "An Act Further to Amend the Accident Companies (Licensing) 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 with some amendment:

A Bill "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

A Bill "An Act to Amend the Community Councils Act, 1952."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had passed the Bill entitled "An Act Further to Amend the Accident Companies (Licensing) Act, 1949" 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 Provincial Affairs, the Bill entitled "An Act Further to Amend the St. John's Shops Act, 1942" 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 Health, the Bill entitled "An Act to Amend the Western Memorial Hospital Corporation 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.

Pursuant to order and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act Further 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.

Pursuant to order and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar Limited" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The second reading of the Bill entitled "An Act to Provide for Urban and Rural Planning" was debated and on motion was deferred for further debate on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Respecting the Correction and the Prevention of Delinquency" 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 Monday afternoon, April 13th, at three of the clock.

The House then adjourned accordingly.

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MONDAY, April 13, 1953.

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

Mr. Speaker informed the House that His Honour the Lieutenant Governor would be pleased to receive the Address in Reply presently.

Accordingly Mr. Speaker and Members of the House proceeded to Government House and being returned to the Assembly Chamber, Mr. Speaker informed the House that His Honour had received the Address of Thanks and had been pleased to reply thereto as follows:

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

I thank you for the Address in Reply to the Speech with which your Present Session was opened.

Hon. the Premier tabled: "Annual Report of the Board of Commissioners of Public Utilities for the Year Ending December 31st. 1952."

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Grading of Livestock and Meat."

Pursuant to order and on motion of Hon. the Premier the Bill entitled "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland

and to Create a Tourist Development Loan Board for 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 Community Councils Act, 1952" 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 Accident Insurance Companies (Licensing) 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 House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act Further to Amend the St. John's Shops Act, 1942."

A Bill "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

A Bill "An Act to Amend the Western Memorial Hospital Corporation Act, 1947."

A Bill "An Act Further to Amend the Crown Lands (Mines and Quarries) Act, 1951."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement be-

tween the Government and Newfoundland Fluorspar 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 Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

A Bill "An Act to Amend the Western Memorial Hospital Corporation Act, 1947."

A Bill "An Act Further 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 following Bills, namely:

A Bill "An Act Further to Amend the St. John's Shops Act, 1952."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar 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 Tuesday afternoon, April 14th, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, April 14, 1953.

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

Mr. Hollett gave notice of Question.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act 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 Attorney General, the Bill entitled "An Act to Amend the Western Memorial Hospital Corporation 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 Minister of Mines and Resources, the Bill entitled "An Act Further 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.

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 Further to Amend the St. John's Shop Act, 1942."

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 Municipal Affairs and Supply, the Bill entitled "An Act to Provide for Urban and Rural Planning" 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 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 order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the St. John's Municipal Act, 1921 and for Other Purposes" 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 Mines and Resources, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco 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 order and on motion of Hon. the Minister of Public Works, the Bill entitled "An Act to Incorporate Association of Newfoundland Surveyors and for Other Purposes in connection 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 Minister of Labour, the Bill entitled "An Act Further 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 on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act Respecting the Grading of Livestock and Meat" 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 Wednesday afternoon, April 15, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 15, 1953.

The House met at three of the

clock in the afternoon, pursuant to adjournment.

Hon. the Minister of Fisheries and Co-operatives tabled "Report of Newfoundland Fisheries Development Committee."

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Crown Lands Act, 1930."

Hon. the Attorney General, gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Shop Hours (St. John's Barbers) Act, 1938."

The second reading of the Bill entitled "An Act Further to Amend the Newfoundland and Labrador Limited Act, 1951" 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 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 Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the St. John's Municipal Act, 1921 and for Other Purposes" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Labour, the Bill entitled "An Act Further to Amend the Workmen's Compensation Act, 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.

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 16th, at three of the clock.

The House then adjourned accordingly.

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THURSDAY, April 16, 1953.

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

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Slum Clearance Act."

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act Respecting the Correction and the Prevention of Delinquency" 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 Friday afternoon, April 17th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 17, 1953.

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 Alcoholic Liquors Act, 1949."

Hon. the Attorney General, on behalf of the Minister of Health, gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Food and Drug Act, 1950."

Hon. the Attorney General, on behalf of Hon. the Minister of Municipal Affairs and Supply, gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Local Government Act, 1949."

Pursuant to order and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco 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 Mines and Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar 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, 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 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 Urban and Rural Planning."

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 Monday afternoon, April 20th, at three of the clock.

The House then adjourned accordingly.

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MONDAY, April 20th, 1953.

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

A Petition was presented by Mr. Courage from Bay D'Espoir, re Road.

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 Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

Hon. the Minister of Health gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Incorporate the Association of Newfoundland Nurses."

Second Reading of the Bill entitled "An Act Further to Amend the Newfoundland and Labrador Corporation Limited Act, 1951" was debated and on motion was adjourned for further debate on tomorrow.

The remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Tuesday, April 21st, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, April 21st, 1953.

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

Petitions were presented by:

Mr. Drover from Roddickton, re Road.

Hon. the Attorney General from Herring Neck, re Road.

Mr. Drover from Pacquet, re Snow Mobile Trail.

Mr. Drover from Quirpon, re Hospital Rates.

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Create a Farm Loan Board and to Provide Loans for Farm Development."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Public Utilities Act, 1949."

Hon. the Attorney General gave notice that he would on tomorrow move the following as an additional Standing Order.

60 (a) When a Bill has been read a third time and passed, the third reading and passing may be declared null and void and the Bill then recommitted but if a Bill has received Royal Assent, it can only be amended by bringing in another Bill for that purpose.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act Further to Amend the Newfoundland and Labrador Corporation Limited 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 Mines and Resources, the Bill entitled "An Act Respecting the Grading of Livestock and Meat" 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 Mines and Resources, the Bill entitled "An Act Further to Amend the Crown Lands

Act, 1930" 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 Shop Hours (St. John's Barbers) Acts, 1938" 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 Slum Clearance Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Finance, the Bill entitled "An Act Further to Amend the Alcoholic Liquors 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 Health, the Bill entitled "An Act Further to Amend the Food and Drugs 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 Local Government 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 Municipal Affairs and Supply, the Bill entitled, "An

Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Health, the Bill entitled "An Act to Incorporate the Association of Newfoundland Nurses," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Provide for Urban and Rural Planning."

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 Attorney General, the House resolved itself into a Committee of the Whole to consider 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 Workmen's Compensation Act, 1950."

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.

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 22nd, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, April 22nd, 1953.

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

A Petition was presented by Hon. the Minister of Public Works from Buchans, re Road.

Hon. the Attorney General gave notice that he would ask leave presently to introduce a Bill entitled "An Act to Authorize the Government to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons."

Pursuant to notice and with unanimous consent the said Bill 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 Further to Amend the Newfoundland and Labrador Corporation Limited 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, 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 Minister of Mines and Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar 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, had made some progress, and asked leave to sit again on tomorrow.

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

Pursuant to notice and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act to Create a Farm Loan Board and Provide Loans for Farm Development" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Public Utilities Act, 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 House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the St. John's Municipal Act, 1921 and for Other Purposes."

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.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn un-

til Friday afternoon, April 24th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 24, 1953.

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

The second reading of the Bill entitled "An Act to Authorize the Government to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons" was debated and on motion was adjourned for further debate on tomorrow.

Hon. the Premier made a Statement Re Bait Services.

Pursuant to order and on motion of Hon. the Minister of Mines and Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Grading of Livestock and Meat."

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 that 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 notice and on motion of Hon. the Attorney General the

following addition was made to the Standing Orders:

60 (a) When a Bill has been read a third time and passed, the third reading and passing may be declared rescinded by majority vote and the Bill then recommitted; but if a Bill has received Royal Assent, it can only be amended by bringing in another Bill for that Purpose.

Pursuant to order and on motion of Hon. the Minister of Mines and Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco 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, 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.

The following Resolution was moved by the Hon. the Premier, seconded by Hon. the Minister of Municipal Affairs and Supply, and carried unanimously:

RESOLVED: That the Legislature of the Province of Newfoundland, mindful of our people's proud boast as Britain's Oldest Colony, having heard of the Honour of Knighthood



bestowed by Her Majesty the Queen on Britain's Prime Minister, places on record its great satisfaction that an outstanding career of great Public Service is being duly honoured, together with the hope that Right Honourable Sir Winston Churchill, will for many years live to enjoy the continued respect and admiration of his Sovereign and the peoples of the Commonwealth.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, April 27th, at three of the clock.

The House then adjourned accordingly.

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MONDAY, April 27, 1953.

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

A Petition was presented by Mr. Courage from the Architects of the Province, Re Incorporation.

On motion it was ordered that the said Petition be referred to the Committee on Standing Orders.

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into Committee of Supply and Committee of Ways and Means.

On motion of Hon. the Premier that the Bill entitled "An Act to Authorize the Government to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons" be read a second time, the House divided. The motion passed in the affirmative and 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 Hon. the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Newfoundland and Labrador Corporation Limited 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 Minister of Mines and Resources, the Bill entitled "An Act to Create a Farm Loan Board and to Provide Loans for Farm Development" 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 Public Utilities 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, on behalf of Hon. the Minister of Health, the Bill entitled "An Act to Incorporate the

Association of Registered Nurses of Newfoundland and for other Purposes connected therewith," 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, on behalf of Hon. the Minister of Municipal Affairs and Supply the Bill entitled "An Act Further to Amend the Slum Clearance Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn, until Tuesday afternoon, April 28th, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, April 28, 1953.

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

A Petition was presented by Mr. Brown from Princeton, Re Cutting of Pulpwood.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Provide for Urban and Rural Planning" 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 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 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 Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the St. John's Municipal Act, 1921 and for Other Purposes" 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 Mines and Resources, the Bill entitled "An Act Respecting the Grading of Livestock and Meat" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into a Committee of the Whole to consider the following Bills :

A Bill "An Act to Authorize the Government to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons."

A Bill "An Act Further to Amend the Public Utilities Act, 1949."

A Bill, "An Act to Create a Farm Loan Board and to Provide Loans for Farm Development."

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 Bill entitled "An Act Further to Amend the Public Utilities Act, 1949" without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee further reported that they had passed the following Bills without amendment:

A Bill "An Act to Authorize the Government to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons."

A Bill "An Act to Create a Farm Loan Board and to Provide Loans for Farm Development."

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 Municipal Af-

fairs and Supply, the Bill entitled "An Act Further to Amend the Local Government 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 Municipal Affairs and Supply, the Bill entitled "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the issue of Bonds" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Premier, on behalf of Hon. the Minister of Health, the Bill entitled "An Act Further to Amend the Food and Drugs 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 Municipal Affairs and Supply, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Slum Clearance Act."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the 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.

On motion the remaining Orders of the Day were deferred.

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 Motor Carrier Act, 1951."

A Bill "An Act to Amend the Assignment of Book Debts Act, 1950."

It was moved and seconded that when the House rises, it adjourn until Wednesday afternoon, April 29, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, April 29, 1953.

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

A Petition was presented by Mr. Drover from St. Anthony, Re Water System.

On the motion that the House resolve itself into Committee of Ways and Means, Hon. the Minister of Finance delivered the Budget Speech and concluded with the motion that the Speaker leave the Chair.

On motion of Hon. the Premier it was ordered that the debate on the said motion be deferred until tomorrow.

Hon. the Minister of Finance informed the House that he had received a message from His Honour the Lieutenant Governor, which message Mr. Speaker read to the House as follows:

Government House,  
St. John's,  
Newfoundland.

The Honourable  
the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, transmit estimates of sums required for the public service of the Province for the year ending 31st March, 1954, 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.  
29th April, 1953.

On motion of Hon. the Minister of Finance it was ordered that the message together with the Estimates, be referred to the Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

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

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Thursday afternoon, April 30, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 30, 1953.

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

A Petition was presented by Hon. the Attorney General from Twillingate, Re Road.

Hon. the Attorney General gave notice that he would on tomorrow move that the third reading and passing of the Bill entitled "An Act Further to Amend Chapter 111 of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Other Documents,'" be rescinded and that the said Bill be recommitted.

Hon. the Attorney General gave notice that he would on tomorrow move that the Third Reading and passing of the Bill entitled "An Act Further to Amend the Accident Insurance Companies (Licensing) Act, 1939" be rescinded and that the said Bill be recommitted.

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce the Bill entitled "An Act to Amend the Local Government Guarantee Act."

Mr. Cashin gave notice of Question.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act 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 Mines and Resources, the Bill entitled "An Act to Create a Farm Loan Board and to

Provide Loans for Farm Development" 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 Slum Clearance Act" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Motor Carrier 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 Assignment of Book Debts 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 Public Works, the Bill entitled "An Act to Incorporate the Association of Newfoundland Surveyors and for other Purposes in connection therewith" 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 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 Newfoundland Fluorspar Limited."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and International Forest Products."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco 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.

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into Committee of the Whole to consider the following Bills :

A Bill An Act to Incorporate the Association of Registered Nurses of Newfoundland and for Other Purposes in connection therewith."

A Bill "An Act Further to Amend the Food and Drug Act, 1950."

A Bill "An Act Further to Amend the Local Government Act, 1949."

A Bill "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the issue of Bonds."

Mr. 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 Bill entitled "An Act to Incorporate the Association of Registered Nurses of Newfoundland and for Other Purposes in Connection therewith" with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee further reported that they had passed the following Bills without amendment :

A Bill "An Act Further to Amend the Food and Drugs Act, 1950."

A Bill "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the issue of Bonds."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act Further to Amend the Local Government 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 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 Friday afternoon, May 1st, at three of the clock.

The House then adjourned accordingly.

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FRIDAY, May 1, 1953.

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 the following Bills:

A Bill "An Act to confirm in Her Majesty in Right of Newfoundland Title to several Parcels of Land on the Topsail Highway in the Electoral District of Harbour Main-Bell Island."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Hanning Electric Limited."

A Bill "An Act to Approve and Give Statutory Effect to an Agree-

ment between the Government and Koch Shoes Limited."

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Change of Name Act."

Hon. the Attorney General gave notice that he would on tomorrow move that the Third Reading and Passing of the Bill entitled "An Act to Amend the Exploits Valley (Closing Hours) Shops Act, 1938" be rescinded and that the said Bill be re-committed.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Newfoundland Fluorspar 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 Attorney General, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and International Forest Products" 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 Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco 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 Health the Bill entitled "An Act to Incorporate the Association of Registered Nurses of Newfoundland and for Other Purposes in connection 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 order and on motion of Hon. the Minister of Health, the Bill entitled "An Act Further to Amend the Food and Drugs 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 Municipal Affairs and Supply, the Bill entitled "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the issue of Bonds" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act Respecting the Correction and Prevention of Delinquency."

A Bill "An Act Further to Amend the Local Government Act, 1949."

A Bill "An Act to Incorporate the Association of Newfoundland Survey-

ors and for Other Purposes in connection therewith."

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 Bill entitled "An Act Respecting the Correction and Prevention of Delinquency" with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act Further to Amend the Local Government 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.

The Chairman from the Committee further reported that they had passed the Bill entitled "An Act to Incorporate the Association of Newfoundland Surveyors and for other Purposes in connection therewith" 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 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.

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Rural District of Placentia Act".

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 Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of 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, May 4th, at three of the clock.

The House then adjourned accordingly.

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MONDAY, May 4, 1953.

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

Pursuant to order and on motion of Hon. the Attorney General, the Bill

entitled "An Act to Incorporate the Association of Newfoundland Surveyors and for Other Purposes in connection 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.

The Budget Speech was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Supply.

Mr. 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 Tuesday afternoon, May 5th, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, May 5, 1953.

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

A Petition was presented by Mr. Courage from the lower part of Fortune Bay, Re Medical Doctor.

Mr. Courage on behalf of the Committee on Standing Orders, reported that they had considered the Petition of the Architects of the Province, Re Incorporation, and had found that the Rules of the House Respecting Private Bills had been complied with.

On motion this report was adopted and it was ordered that a Bill be introduced to give effect to the same.

Pursuant to order and on motion of Mr. Courage, seconded by Mr. Janes, the Bill entitled "An Act to Incorporate the Association of Architects and to Regulate the use of Architect Designations in Newfoundland," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Registration Act, 1892-99."

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 at a later hour in the day.

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.

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 Wednesday afternoon, May 6th, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, May 6, 1953.

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

A Petition was presented by Mr. Drover from Seal Cove, White Bay Re Road.

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce the Bill entitled "An Act Relating to the Keeping of Dogs."

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 Civil Service Act, 1947."

A Bill "An Act Further to Amend the Education Act, 1927."

A Bill "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

A Bill "An Act Further to Amend the Highway Traffic Act, 1951."

A Bill "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

A Bill "An Act Further to Amend the Department of Public Works Act, 1950."

A Bill "An Act Respecting the Solicitor General of Newfoundland."

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 Summary Jurisdiction Act, 1950."

A Bill "An Act Respecting the East Coast Telephone and Telegraph Company Limited."

A Bill "An Act Respecting the Civil Service Commission of Newfoundland."

A Bill "An Act Providing for the Supervision and Control of the Expenditure by Local Authorities of Moneys raised under loans or guarantees made by Her Majesty."

Pursuant to order and on motion of Mr. Courage the Bill entitled "An Act to Incorporate the Newfoundland Association of Architects and to Regulate the Use of Architects Designations in Newfoundland" was read a second time and it was ordered that the said Bill be referred to a Committee on Miscellaneous Private Bills.

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 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 Thursday afternoon, May 7th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, May 7, 1953.

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

The following Bills were introduced and read a first time and ordered to be read a second time on tomorrow.

A Bill "An Act to Amend the Local Government Guarantee Act."

A Bill "An Act to Confirm in Her Majesty in Right of Newfoundland Title to Several Parcels of Land on the Topsail Highway in the Electoral District of Harbour Main-Bell Island."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Hanning Electric Limited."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Koch Shoes Limited."

A Bill "An Act to Amend the Change of Name Act."

A Bill "An Act Further to Amend the Civil Service Act, 1947."

A Bill "An Act Relating to the Keeping of Dogs."

A Bill "An Act Further to Amend the Education Act, 1927."

A Bill "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

A Bill "An Act Further to Amend the Highway Traffic Act, 1951."

A Bill "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

A Bill "An Act Further to Amend the Department of Public Works Act, 1950."

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 Summary Jurisdiction Act, 1950."

A Bill "An Act Providing for the Supervision and Control of the Expenditure by Local Authorities of Moneys Raised Under Loans or Guarantees made by Her Majesty."

A Bill "An Act Respecting the East Coast Telephone and Telegraph Company Limited."

The following Bills were introduced and read a first time and ordered to be read a second time at a later hour in the day:

A Bill "An Act to Amend the Rural District of Placentia Act."

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 Further to Amend the Registration Act, 1892-99."

A Bill "An Act Respecting the Solicitor General of Newfoundland."

The debate on the Budget Speech was continued and on motion was adjourned until a later hour of the day.

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 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 Further to Amend the Alcoholic Liquors 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.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act Respecting the Application and Effect of Certain Acts passed in the Present Session of the Legislature upon the Revised Statutes of Newfoundland, 1952."

A Bill "An Act Further to Amend the Revenue and Audit 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 Societies Act, 1939."

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Friday afternoon, May 8th, at three of the clock.

The House then adjourned accordingly.

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FRIDAY, May 8, 1953.

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

Petitions were presented by :

Hon. the Minister of Education from Shearstown, Re Road.

Hon. the Minister of Labour from Lark Harbour, Re Wharf.

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 Raising of Funds for Schools in certain areas."

Pursuant to notice and on motion of Hon. the Attorney General, the Third Reading and Passing of the Bill entitled "An Act Further to Amend Chapter 111 of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Other Documents'" were rescinded and it was ordered that the said Bill be re-committed.

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 notice and on motion of Hon. the Attorney General, the Third Reading and Passing of the Bill entitled "An Act Further to Amend the St. John's Shops Act, 1942" were rescinded and it was ordered that the said Bill be re-committed.

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.

The debate on the Budget Speech was continued and on motion was adjourned for further debate at a later hour in the day.

Pursuant to order and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act Further to Amend the Crown Lands Act, 1930" was read a second time and it was ordered that the said Bill

be referred to a Committee of the Whole House at a later hour in the day.

Pursuant to order and on motion of Hon. the Premier, the Bill entitled "An Act to Provide and Give Statutory Effect to an Agreement between the Government and Koch Shoes Limited" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House at a later hour in the day.

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 and had passed the following Resolutions:

1. That in order to provide moneys to be used for the control of cancer it is expedient to bring in a measure to provide for the imposition and collection of a tax of five cents upon each adult attending an entertainment at a place of entertainment.

2. That a Bill be introduced to give effect to this Resolution.

The said Resolutions were read a first and second time and adopted by the House.

On motion it was ordered that the Committee of Ways and Means have leave to sit again on tomorrow.

On motion of Hon. the Minister of Finance, the Bill entitled "An Act Respecting the Imposition and Col-

lection of a Tax to Provide Moneys to be used for the Control of Cancer" was introduced and read a first and 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.

Hon. the Attorney General gave notice that he would on tomorrow move that the Rules of the House be suspended.

Mr. Courage gave notice that he would on tomorrow move that Standing Order 67, relating to Private Bills, be suspended.

It was moved and seconded that when the House rises, it adjourn until tomorrow morning, May 9th, at eleven of the clock.

The House then adjourned accordingly.

SATURDAY, May 9, 1953.

The House met at eleven of the clock in the forenoon, pursuant to adjournment.

Pursuant to notice and on motion of Hon. the Attorney General, the Rules of the House were suspended.

Pursuant to order the following Bills were read a third time and passed:

A Bill "An Act Further to Amend Chapter III of the Consolidated Statutes (Third Series) entitled 'Of Registration of Deeds and Other Documents.'"

A Bill "An Act Further to Amend the St. John's Shops Act, 1942."

A Bill "An Act to Authorize the Government to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons."

A Bill "An Act Respecting the Correction and Prevention of Delinquency."

A Bill "An Act Further to Amend the Newfoundland and Labrador Corporation Limited Act, 1951."

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

Pursuant to order 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 their consideration of the estimates.

On motion this report was received and adopted.

Pursuant to order the House resolved itself into Committee of the Whole to consider the following Bills:

A Bill "An Act Further to Amend the Local Government Act, 1949."

A Bill "An Act Respecting the Imposition and Collection of a Tax to Provide Moneys to be used for the Control of Cancer."

A Bill "An Act Further to Amend the Crown Lands Act, 1950."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Koch Shoes Limited."

A Bill "An Act Further to Amend the Alcoholic Liquors 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 with some amendment:

A Bill "An Act Further to Amend the Local Government Act, 1949."

A Bill "An Act Respecting the Imposition and Collection of a Tax to Provide Moneys to be Used for the Control of Cancer."

A Bill "An Act Further to Amend the Alcoholic Liquors Act, 1949."

On motion this report was received and adopted.

On motion the said Bills were read a third time and passed and it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

The Chairman from the Committee further reported that they had passed the following Bills without amendment:

A Bill "An Act Further to Amend the Crown Lands Act, 1950."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Koch Shoes Limited."

On motion this report was received and adopted.

On motion the said Bills were read a third time and passed, and it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

Pursuant to order the following Bills were read a second time :

A Bill "An Act Further to Amend the Insurance Companies Act."

A Bill "An Act to Amend the Motor Carrier Act, 1951."

A Bill "An Act to Amend the Assignment of Book Debts Act, 1950."

A Bill "An Act to Confirm in Her Majesty in Right of Newfoundland Title to several Parcels of Land on the Topsail Highway in the Electoral District of Harbour Main-Bell Island."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Hanning Electric Limited."

On motion it was ordered that the House resolve itself into a Committee of the Whole to consider the said Bills.

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.

On motion the said Bills were read

a third time and passed and it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

Pursuant to order the following Bills were read a second time :

A Bill "An Act Respecting the Civil Service Commission of Newfoundland."

A Bill "An Act Further to Amend the Rural District of Placentia Act, 1945."

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 Further to Amend the Registration Act, 1892-99."

A Bill "An Act Respecting the Solicitor General of Newfoundland."

On motion it was ordered that the House resolve itself into Committee of the Whole to consider the said Bills.

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 the Civil Service Commission of Newfoundland."

A Bill "An Act Further to Amend the Rural District of Placentia Act, 1945."

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 Respecting the Solicitor General of Newfoundland."

On motion this report was received and adopted.

On motion the said Bills were read a third time and passed and it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act Further to Amend the Registration Act, 1892-99" and had passed the said Bill with some amendment.

On motion this report was received and adopted.

On motion the said Bill was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order the following Bills were read a second time:

A Bill "An Act to Amend the Change of Name Act, 1952."

A Bill "An Act Relating to the Keeping of Dogs."

A Bill "An Act Further to Amend the Education Act, 1927."

A Bill "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

A Bill "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

A Bill "An Act Further to Amend

the Department of Public Works Act, 1950."

A Bill "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees.'"

On motion it was ordered that the House resolve itself into a Committee of the Whole to consider the said Bills.

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 Change of Name Act, 1952."

A Bill "An Act Relating to the Keeping of Dogs."

A Bill "An Act Further to Amend the Education Act, 1927."

A Bill "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

A Bill "An Act Further to Amend the Department of Public Works Act, 1950."

A Bill "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees.'"

On motion this report was received and adopted.

On motion the said Bills were read a third time and passed, and it was ordered that the said Bills be printed, being entitled as above, and that they

be submitted to the Lieutenant Governor for his assent.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act to Amend the Newfoundland Teachers' Association Act, 1951" and had passed the said Bill with some amendment.

On motion this report was received and adopted.

On motion the said Bill 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 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 passed Certain Resolutions Granting Supply to Her Majesty and recommending that a Bill be introduced to give effect to the same.

On motion this report was received and adopted and the said Resolutions were read a first and second time.

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-four, and for Other

Purposes Relating to the Public Service" was introduced and read a first, second and third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Attorney General, it was ordered that the third reading and passing of the Bill entitled "An Act Further to Amend the Accident Insurance (Licensing) Act, 1939" be rescinded and that the said Bill be deleted from the Order Paper.

On motion of Hon. the Attorney General, the third reading and passing of the Bill entitled "An Act to Amend the Exploits Valley (Closing Hours) Shops Act, 1938" 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 adopted.

On motion the said Bill 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 Respecting the Application and Effect of Certain Acts passed in the Present Session of the Legislature upon the Revised Statutes of Newfoundland, 1952," was intro-

duced and read a first and second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Revenue and Audit Act, 1951" was introduced and read a first and second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Hon. the Attorney General gave notice that he would presently ask leave to introduce a Bill entitled "An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."

Pursuant to notice the said Bill was introduced and read a first and 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, the Bill entitled "An Act to Assure the Maintenance of a Telephone Service for the people of Twillingate" 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 Supply the Bill entitled "An Act Providing for the Supervision and Control of the Expenditure by Local Authorities of Moneys raised under Loans and Guarantees made by Her Majesty" 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 the Bill entitled "An Act Further to Amend

the Summary Jurisdiction Act, 1950" 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 notice 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 introduced and read a first and 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, a Bill entitled "An Act Further to Amend the Highway Traffic Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Pursuant to order and on motion of Hon. the Premier, the House resolved itself into Committee of the Whole to consider the Bill entitled "An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by 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 the said Bill without amendment.

On motion this report was received and adopted.

On motion the said Bill 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.

And it being after eleven of the clock, it was ordered that the House do not adjourn.

Pursuant to order and on motion of Hon. the Minister of Provincial Affairs, the Bill entitled "An Act to Amend the Shop Hours (St. John's Barbers) Acts, 1918", was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Pursuant to order the House resolved itself into Committee of the Whole to consider the following Bills:

A Bill "An Act Respecting the Application and Effect of Certain Acts Passed in the Present Session of the Legislature upon the Revised Statutes of Newfoundland, 1952."

A Bill, "An Act Further to Amend the Revenue and Audit Act, 1951."

A Bill "An Act to Assure the Maintenance of a Telephone Service for the people of Twillingate."

A Bill "An Act Providing for the Supervision and Control of the Expenditure by Local Authorities of Moneys Raised under Loans or Guarantees made by Her Majesty."

A Bill "An Act Further to Amend the Summary Jurisdiction Act, 1950."

A Bill "An Act Further to Amend the Co-operative Societies Act, 1939."

A Bill "An Act Further to Amend the Highway Traffic Act, 1951."

A Bill "An Act to Amend the Shop Hours (St. John's Barbers) Acts, 1938."

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.

On motion the said Bills were read a third time and passed and it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

On motion the remaining Orders of the Day were deferred.

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

The House then adjourned accordingly.

MONDAY, May 18, 1953.

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

Petitions were presented by:

Hon. the Minister of Labour from Humber District, Re Road.

Hon. Mr. Lewis from Harbour Main, Re Road.

Hon. the Minister of Public Welfare tabled "Annual Report of Department of Public Welfare for the Year ending 31st of March, 1953."

Hon. the Minister of Municipal Affairs and Supply tabled Accounts of the St. John's Municipal Council 1952."

Hon. the Attorney General gave notice that he would at a later hour in the day move that the third reading and passing of the following Bills be rescinded and that the said following Bills be recommitted:

A Bill "An Act Further to Amend the Revenue and Audit Act, 1951."

A Bill "An Act Further to Amend the Highway Traffic Act, 1951."

A Bill "An Act to Amend the Summary Jurisdiction Act, 1950."

A Bill "An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."

A Bill "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

A Bill "An Act Further to Amend the St. John's Shops Act, 1952."

Hon. the Attorney General gave notice that he would at a later hour in the day ask leave to introduce the following Bills:

A Bill "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

A Bill "An Act Further to Amend the Dental Act, 1934."

Hon. the Minister of Provincial Affairs gave notice that he would at a later hour in the day ask leave to introduce a Bill entitled "An Act Respecting Lists of Electors for Elections to be held under the Election Act, 1913."

Mr. Hollett gave notice of Question.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Civil Service Act, 1947" 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 notice and on motion of Hon. the Attorney General the third reading and passing of the following Bills were rescinded:

A Bill "An Act to Amend the Revenue and Audit Act, 1951."

A Bill "An Act Further to Amend the Highway Traffic Act, 1951."

A Bill "An Act Further to Amend the Summary Jurisdiction Act, 1950."

A Bill "An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."

A Bill "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

A Bill "An Act Further to Amend the St. John's Shops Act, 1942."

On motion it was ordered that the said Bills be recommitted presently.

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill "An Act Further to Amend the Civil Service Act, 1947."

A Bill "An Act to Amend the Revenue and Audit Act, 1951."

A Bill "An Act Further to Amend the Highway Traffic Act, 1951."

A Bill "An Act Further to Amend the Summary Jurisdiction Act, 1950."

A Bill "An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."

A Bill "An Act to Amend the New-

foundland Teachers' Association Act, 1951."

A Bill "An Act Further to Amend the St. John's Shops Act, 1942."

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.

On motion the said Bills were read a third time and passed and it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend the Local Authority Guarantee Act, 1952" 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 notice the following Bills were introduced and read a first and second time and ordered to be referred to a Committee of the Whole House presently:

A Bill "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

A Bill "An Act Respecting Lists of Electors for Elections to be held under the Election Act, 1913."

A Bill "An Act Further to Amend the Dental Act, 1934."

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 Local Authority Guarantee Act, 1952."

A Bill "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

A Bill "An Act Respecting Lists of Electors for Elections to be held under the Election Act, 1913."

A Bill "An Act Further to Amend the Dental Act, 1934."

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.

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Tuesday afternoon, May 19th, at three of the clock.

The House then adjourned accordingly.

TUESDAY, May 19, 1953.

There being no Quorum present at quarter past three of the clock in the

afternoon, Mr. Speaker adjourned the House until Wednesday afternoon, May 20th, at three of the clock.

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WEDNESDAY, May 20, 1953.

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

The Sergeant-at-Arms announced that His Honour the Administrator had arrived.

His Honour the Administrator 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 Judicature Act."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government of Newfoundland and Atlantic Gloves Limited."

A Bill "An Act Further to Amend Chapter III of the Consolidated Statutes (Third Series) Entitled 'Of the Registration of Deeds and Other Documents.'"

A Bill "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938."

A Bill "An Act to Approve and Give Statutory Effect to an Agree-

ment between the Government and Superior Rubber Company Limited."

A Bill "An Act Further to Amend the Wild Life Act, 1951."

A Bill "An Act to Amend the Public Utilities (Acquisition of Lands) Act, 1951."

A Bill "An Act Further to Amend the Forest Fires Act, 1933."

A Bill "An Act Further to Amend the Mothers' Allowances Act, 1949."

A Bill "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

A Bill "An Act Further to Amend the Blind Persons' Allowances Act, 1951."

A Bill "An Act Further to Amend the Timber Licenses (Reversion to Crown) Act, 1951."

A Bill "An Act Further to Amend the Local Government (Elections) Act, 1951."

A Bill "An Act Further to Amend the Old Age Assistance Act, 1951."

A Bill "An Act to Amend the Community Councils Act, 1952."

A Bill "An Act to Provide for Loans to Encourage the Development of the Tourist Industry in Newfoundland and to Create a Tourist Development Loan Board for Newfoundland."

A Bill "An Act Respecting the Application and Effect of Certain Acts Passed in the Present Session of the Legislature upon the Revised Statutes of Newfoundland, 1952."

A Bill "An Act to Amend the Western Memorial Hospital Corporation Act, 1947."

A Bill "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

A Bill "An Act Further to Amend the Crown Lands (Mines and Quarries) Act, 1951."

A Bill "An Act Further to Amend the Workmen's Compensation Act, 1950."

A Bill "An Act Further to Amend the St. John's Municipal Act, 1921, and for Other Purposes."

A Bill "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies.'"

A Bill "An Act Respecting the Grading of Livestock and Meat."

A Bill "An Act to Provide for Urban and Rural Planning."

A Bill "An Act Further to Amend the Slum Clearance Act, 1950."

A Bill "An Act to Create a Farm Loan Board and to Provide Loans for Farm Development."

A Bill "An Act Further to Amend the Public Utilities Act, 1949."

A Bill "An Act to Incorporate the Association of Registered Nurses in Newfoundland and for Other Purposes Therewith."

A Bill "An Act to Amend the Food and Drugs Act, 1950."

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

A Bill "An Act Further to Amend the Local Government Act, 1949."

A Bill "An Act to Approve and Give Statutory Effect to an Agree-

ment between the Government and Newfoundland Fluorspar Limited."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and International Forest Products Limited."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Canadian Amco Limited."

A Bill "An Act to Incorporate the Association of Newfoundland Surveyors and for Other Purposes in Connection Therewith."

A Bill "An Act Further to Amend the Insurance Companies Act."

A Bill "An Act Respecting the Imposition of a Tax to Provide Moneys to be Used for the Control of Cancer."

A Bill "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Koch Shoes Limited."

A Bill "An Act Further to Amend the St. John's Shops Act, 1942."

A Bill "An Act Further to Amend the Crown Lands Act, 1930."

A Bill "An Act Further to Amend the Alcoholic Liquors Act, 1949."

A Bill "An Act to Amend the Motor Carrier Act, 1951."

A Bill "An Act to Amend the Assignment of Book Debts Act, 1950."

A Bill "An Act to Confirm in Her Majesty in Right of Newfoundland Title to Several Parcels of Land on the Topsail Highway in the Electoral District of Harbour Main-Bell Island."

A Bill "An Act to Approve and Give Statutory Effect to an Agree-



ment between the Government of Newfoundland and Hanning Electric Limited."

A Bill "An Act Respecting the Civil Service Commission of Newfoundland."

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 Further to Amend the Rural District of Placentia Act, 1945."

A Bill "An Act Further to Amend the Registration Act, 1892-99."

A Bill "An Act Respecting the Solicitor General of Newfoundland."

A Bill "An Act to Amend the Change of Name Act, 1952."

A Bill "An Act Relating to the Keeping of Dogs."

A Bill "An Act Further to Amend the Education Act, 1927."

A Bill "An Act Further to Amend the Education (Teachers' Pensions) Act, 1950."

A Bill "An Act Further to Amend the Department of Public Works Act, 1950."

A Bill "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) Entitled 'Of Trustees.'"

A Bill "An Act to Amend Certain Statutes Relating to the Advance and Guarantee of Loans by Her Majesty."

A Bill "An Act Further to Amend the Summary Jurisdiction Act, 1950."

A Bill "An Act Respecting the Correction and the Prevention of Delinquency."

A Bill "An Act to Authorize the Lieutenant Governor in Council to enter into an Agreement with British Newfoundland Corporation Limited and N. M. Rothschild and Sons."

A Bill "An Act Further to Amend the Newfoundland and Labrador Corporation Limited Act, 1951."

A Bill "An Act to Amend the Shop Hours (St. John's Barbers) Acts, 1938."

A Bill "An Act to Assure the Maintenance of a Telephone Service for the People of Twillingate."

A Bill "An Act Further to Amend the Highway Traffic Act, 1951."

A Bill "An Act Further to Amend the Co-operative Societies Act, 1939."

A Bill "An Act Further to Amend the Revenue and Audit Act, 1951."

A Bill "An Act Providing for the Supervision and Control of the Expenditure by Local Authorities of Moneys Raised by Loans Advanced or Under Guarantees made by Her Majesty."

A Bill "An Act to Amend the Newfoundland Teachers' Association Act, 1951."

A Bill "An Act Respecting Lists of Electors for Elections to be held under the Election Act, 1913."

A Bill "An Act to Amend the Armed Forces (Taking of Oaths) Act, 1951."

A Bill "An Act Further to Amend the Dental Act, 1934."

A Bill "An Act to Amend the Local Authority Guarantee Act, 1952."

A Bill "An Act Further to Amend the Civil Service Act, 1947."

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 Bill entitled:

A Bill "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-four, and for Other Purposes Relating to the Public Service.

His Honour then said "In Her Majesty's name I thank Her loyal subjects and assent to this Bill."

His Honour the Administrator was then pleased to make the following Speech:

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

It was the said duty of His Honour the Lieutenant Governor, on behalf of the Government and people of the Province, to tender an expression of sincere sympathy to Her Majesty the Queen and the Royal Family on the death of Her Majesty Queen Mary whose nobility of character, dignity of bearing, profound sense of duty, sympathetic understanding and common touch, deepened through the trials and bereavements sustained in her own family life, engendered

genuine esteem and affection in the hearts of her people. The tribute paid by the late great Laureate to Queen Victoria could as appropriately be applied to Her Majesty Queen Mary: "A thousand claims to reverence closed in her as Mother, Wife and Queen."

His Honour the Lieutenant Governor accompanied by my Prime Minister and Minister of Education will be attending the Coronation of Her Gracious Majesty Elizabeth II. We all trust that with the Divine blessing and guidance the reign of our young Queen, who will shortly dedicate her life to the service of the people whom she has been called upon to rule, will be a long and happy one.

In releasing you from your duties I have to thank you for the careful attention you have given to the various Bills introduced by my Ministers. In a short period of time much important public business has been dealt with.

My Ministers are gratified that the outcome of the financial year which ended on the 31st, March last showed a surplus of over six and one-half million dollars, nearly one-quarter of a million dollars more than estimated. The financial condition of our Province and people was never better and I am sure that the maintenance and improvement of this gratifying position is the earnest wish and objective of all.

Two significant pieces of legislation have been given your approval. Some time ago my Ministers decided to increase the authorized capital of Newfoundland and Labrador Corporation, Limited, often referred to as "Nalco," and permit the sale of the majority of its shares to private interests, there-

by terminating its status as a "Crown Corporation." The Crown will continue to be a large shareholder in this Corporation and will therefore continue to participate in its management and in any profits. It is hoped that the introduction of this fresh non-Government capital will give this Corporation the additional backing, initiative and drive to bring success to its efforts. This Corporation has been successful in introducing at least two substantial mining interests into the Province—Newmont Mining Corporation of Canada Limited and American Zinc, Lead and Smelting Company, both of which are planning to make very substantial expenditures on their respective concessions.

My Ministers were authorized to enter into an Agreement with N. M. Rothschild and Sons and the British Newfoundland Corporation, Limited. Under this Agreement it is anticipated that extraordinary efforts will be made to ascertain what natural resources remaining in the Crown in the way of timber in the Labrador and waterpowers in the Province may best be developed. It is also anticipated that all remaining mineral areas, not otherwise committed, will be carefully examined and that profitable development of any minerals that may be located will result. Under the terms of the proposed Agreement the Government of Newfoundland will, in addition to normal taxes, participate substantially in any profits. This Agreement has already been signed by Rothschilds and the Corporation in London; it will be executed by the Government during the next few days. Steps have already been taken by the Corporation to initiate exploratory work this season.

Two other important mineral agreements which may lead to ex-

tensive development has been approved. Canadian Amco Limited have been given a concession of twelve hundred square miles in Northern Labrador, and a concession of some five hundred square miles on the Burin Peninsula has been given to Newfoundland Fluorspar Limited, whereby this Company may be enabled to increase its production. All in all the next few years should be eventful so far as the investigation and possible development of our natural resources is concerned. Indications are that a search of vigorous and unprecedented proportions will be undertaken. Success of one or more of these groups might well revolutionize the financial and economic position of the Province.

In the field of forestry an agreement between the Government and International Forest Products Limited was approved, under the terms of which the Company will engage in timber and pulpwood operations in the Sandwich Bay area of Labrador.

In pursuance of the economic development programme of my Government, Agreements have been approved with Superior Rubber Company, Limited; Hanning Electric, Limited; Koch Shoes, Limited and Atlantic Gloves Limited. Construction of plants for Superior Rubber Company, Limited and Hanning Electric, Limited is well under way and, in the cases of the other two Companies, negotiations for suitable sites are proceeding.

In addition to amendments to the Crown Lands, Wild Life, and Forest Fire Acts, new Legislation was approved for the grading of livestock and meat and for the setting up of a Farm Development Loan Board to provide loans for improving and de-

veloping the agricultural industry of the Province.

The enactment of the Corrections Act at this Session marked a progressive step in the field of penal reform. Its unanimous approval by the House and its favourable reception by the public are very gratifying.

The Act enabling Urban and Rural Communities to undertake a systematic planning of street, water system and building projects in their respective areas, will facilitate the provision of additional housing required as a result of the expansion of population in places where new industrial enterprises and particularly the centralization and modernization of fish production operations are in progress.

In the Estimates for Education an amount of one million dollars has been provided for the construction and equipment of schools. This amount is much larger than would normally be voted because half of it is earmarked for the establishment of Central or Regional High Schools, in accordance with a policy yet to be determined. This will constitute an important step in the attempt to successfully solve the problem presented by one-room schools.

Within recent weeks my Ministers have received the Report of the Newfoundland Fisheries Development Committee. This Report, based on a thorough investigation into all phases

of the fisheries, submits a programme of development which has been enthusiastically welcomed by both my Ministers and the Government of Canada. It has been impossible, in the short time that has elapsed since the Report was presented, to give it the detailed study that its importance warrants but negotiations have already been initiated between my Ministers and the Government of Canada in relation to the steps that may immediately be taken to implement some of the recommendations and a substantial grant has been provided to cover the cost involved.

I thank you for the ample provision that you have made for the Public Service and I feel sure that the amounts voted will be expended wisely and economically and in the best interests of the Province.

I thank you for your continued devotion to duty and trust that, with all the people of the Province, you will enjoy a full measure of happiness and prosperity in all your undertaking.

His Honour the Administrator left the Assembly Chamber.

Mr. Speaker then said :

It is the will and pleasure of His Honour the Administrator that this General Assembly be prorogued until Wednesday the eighth day of July next, and this Assembly is prorogued accordingly.

## NEWFOUNDLAND HOUSE OF ASSEMBLY

1953

Hon. Reginald F. Sparkes, Speaker.

## List of Members with Political Affiliations

Note: L.—Liberal; P.C.—Progressive Conservative; Ind.—Independent.

| 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.             | Ind. 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                |