



Proceedings
of the
House of Assembly

During the Second Session
of the
Thirty-First General Assembly
of Newfoundland

1958

Speaker: Hon. J. R. Courage

Volume I

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Monday, January 20, 1958 (Afternoon Session)

The house met at three o'clock.

Sergeant-at-Arms: Mr. Speaker, I have the honour to inform this house that His Honour the Lieutenant-Governor has arrived to open this second session of the 31st General Assembly of Newfoundland.

Mr. Speaker: Admit His Honour the Lieutenant-Governor.

His Honour the Lieutenant-Governor took the Chair.

SPEECH FROM THE THRONE:

His Honour the Lieutenant-Governor read the Speech from the Throne as follows:

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

As this is the first occasion on which you have been called together since I was appointed Lieutenant-Governor of the Pro-

vince of Newfoundland, I greet you in the name of Her Majesty the Queen.

I am deeply conscious of the honour that has been conferred upon me and with all humility I am firmly resolved to maintain and uphold the time-honoured traditions and dignity of this high office.

I wish to assure you, Mr. Speaker and members of this house, that it will be my earnest and constant endeavour to do everything in my power to assist my Ministers in the many problems with which, from time to time, they may find themselves confronted.

My Ministers, since they first assumed office, have been strongly moved by the desire to bring about the establishment of another paper mill in this Province. In common with all Newfoundlanders, the Ministers of my Government are fully aware of the great benefits conferred upon the people by the operations of the two great pulp and paper mills already established on this Island. They have long felt that the establishment

and operation of a third such mill would greatly strengthen and broaden the base of the Province's economy, and open up new opportunities for thousands of our young men and women. My Ministers have, therefore, lost no opportunity to bring about the establishment of the third paper mill.

As the Premier has already announced by press and radio, my Government have lately been successful in attracting the interest of a large and powerful pulp and paper company in the timber resources of Newfoundland and Labrador. This is the Crown Zellerbach Corporation, whose main business headquarters are in San Francisco. This very important Corporation, which ranks amongst the greatest in the pulp and paper industry of the world, has expressed to my Ministers, its desire to expand its activities, and to do so somewhere on the eastern side of the North American Continent. My Ministers have made an agreement with the Corporation looking to the establishment of a newsprint paper mill, and of a large pulp mill, in this Province, provided a study reveals the soundness of the project. The agreement will be laid before you for your consideration, and should you give it your approval the Crown Zellerbach Corporation will shortly thereafter embark upon a concentrated effort designed to establish whether the facts are favourable for the launching of so great an enterprise. I am quite sure that the people of our Province will follow with intense interest the deliberations of your house while this matter receives your careful and patriotic consideration.

It must be clear to most Newfoundlanders that the greatest hope for the economic development of our Province lies, and must lie, in the existence and the development of natural resources. Newfoundland will experience sound progress if she has the minerals, the forests, the water power, the fish, and the soil to support a growing population who demand a rising standard of living.

Mr. Speaker, Newfoundland has now completed the first eight years of her history as a Province of Canada. These have been momentous years indeed. In a financial sense, although the first era of Confederation is over, it cannot yet be said that the next era has begun. Newfoundland's case for a notable upward revision of the financial Terms of Union has been laid before

the Royal Commission appointed by the Government of Canada. The Royal Commission itself has taken evidence, and is expected soon to present its report and recommendations to the Government of Canada. The Premier and several other Ministers recently attended a joint conference of the Government of Canada and the Governments of the ten Provinces. As a result of this Conference, the Atlantic Provinces are to receive special adjustment grants from the Treasury of the Government of Canada, in recognition of the backwardness of the four Atlantic Provinces in relation to the rest of Canada in matters financial and economic. Later in the present calendar year it is expected that there will be a resumption of the sessions of this same Dominion-Provincial Conference, at which there will be further consideration of the project to revise upward, the existing financial arrangements between the Government of Canada, on the one hand, and the Governments of the respective Provinces on the other. My Ministers are confident that this will result in an important upward revision of the existing arrangements common to all the Provinces that have entered into them, and such an upward revision, if it materialized, would constitute a third source of additional revenue accruing to the Government of the Province.

My Ministers are confident that these three sources will provide a substantial additional sum of money annually to our treasury, and thereby launch the Province upon the second great phase of the Union of Canada.

That second era will be characterized, my Ministers believe, by two main aspects; the one, a notable expansion and improvement of the levels and standards of the public services of the Province; and the other, a notable expansion of economic development of our natural resources.

In the first nine years of union with Canada my ministers have striven, within the limits of the financial arrangements that have existed between Ottawa and St. John's, greatly to expand and improve these levels and standards of public service. They have, they believe wrought notable improvements in the fields of education, public welfare, public health, municipal development, public housing, and construction of roads designed to link up hundreds of Newfound-

land settlements which, down through the centuries, were unconnected except by sea. My Government, if their hopes should materialize for considerable increases in the sums of money coming to the treasury from Ottawa, plan a program of considerable enlargement and improvement of the levels and standards already reached. You will be invited to consider some of these matters in the present session. In particular, the Premier has announced the decision of the Government to make important extensions in the fields of Public Health and Public Welfare. These measures, for which you will be asked to vote large increases in Supply, are designed to meet the medical needs of our children and the welfare needs of our older citizens and of those families whose breadwinner has been removed by death or is incapacitated.

One unfortunate result of the Tax Rental Agreement which the Government of Newfoundland entered into with the Government of Canada is the one in which the Government of Newfoundland has been rendered incapable of collecting proper taxes from the operation of the great iron mines of Bell Island. Except in the case of Crown Lands, Provinces entering into the Tax Rental Agreement with Ottawa are not permitted to collect a royalty on minerals developed within the Province. They are permitted to collect nothing more than a percentage of profits earned by mining companies. This has resulted in the receipt of no payments whatsoever from the Bell Island company, on the grounds that that Company has shown no profits during the period in question. My ministers will lay before you legislation designed to remedy this serious deficiency, and your attention will be invited to it.

You will be asked also to give consideration to legislation enabling my Government to create and operate a system of Forest Management in this Province. My ministers are hopeful that the successful operation of this plan will have beneficial effects generally on the forest resources of the Province.

You will be asked at this session to give enactment to a full Charter of the City of Corner Brook, held over from your last session.

My ministers are concerned over the somewhat rapid fall in the number of schooners and other vessels engaged in the

fisheries and coasting trade of Newfoundland. It was always the hope of Governments in the past that the ship-building bounties would be sufficient official encouragement to ensure the continued building and operation of schooners in our local waters. This has not proved to be so, and my ministers will lay before you their proposals for a plan to pay bounties for the repair of local vessels, in the hope that this will aid at least in holding the local fleet at its present number.

Since your last meeting our Commonwealth has been strengthened by the birth of a new Dominion, the Dominion of the Caribbean. Newfoundland has already expressed her great satisfaction over the announced intention to create the new Dominion, and you will, I am sure, wish to express now our warmest congratulations to the people of these West Indian Islands, who have been brought together in the newest federal union of our Commonwealth and Empire.

Various other matters requiring legislation will be laid before you in this session. I know that I can with confidence leave these and other important matters to your sound judgement and patriotic action. I will later request you to vote Supply to Her Majesty. I ask God's blessing upon your deliberations. His Honour left the Chair.

Mr. Speaker resumed the Chair.

NEW MEMBER INTRODUCED:

Hon. M.M. Hollett (Leader of the Opposition): Mr. Speaker, I have great pleasure in rising to introduce to you the newly elected member for the District of St. John's South, Mr. George Rex Renouf. Mr. Renouf was duly sworn this morning, and I was a witness to the swearing in of the hon. member.

Mr. Speaker: I have much pleasure, as your Speaker, in welcoming Mr. Renouf to this hon. House of Assembly.

I have to inform hon. members that at three o'clock this afternoon His Honour, the Lieutenant-Governor, was present and opened the second session of this 31st General Assembly of the Province of Newfoundland. At that time His Honour was graciously pleased to deliver a Speech from the Throne, of which for greater accuracy I have obtained a copy. Is it the will and

pleasure of the house that Mr. Clerk read this Speech?

Hon. J.R. Smallwood (Premier): Dispensed.

Mr. Speaker: Is it then agreed that the reading be dispensed with?

On motion, reading of the Speech from the Throne was dispensed with.

Hon. L.R. Curtis (Attorney General): Mr. Speaker, I beg leave to move a Bill entitled, "An Act to Amend the Commissioner of Oaths Act, 1954" be read a first time.

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

THRONE SPEECH DEBATE:

Mr. E. Winsor (Labrador North): Mr. Speaker, I rise for the purpose of moving that a committee be appointed to draft an Address in Reply to the Speech from the Throne, with which, His Honour, the Lieutenant-Governor, has been pleased to open this 31st General Assembly. It is indeed a great honour for me, Sir, to have this privilege, and I feel it is a great tribute to the people of Labrador North, whom I have the honour to represent.

Following the pattern of past years and with your permission, Sir, I shall take advantage of this opportunity to comment briefly on some of the various matters referred to in the Speech from the Throne. It must be indeed a joy to all of us that this Government has attracted the interest of such a great company as Crown Zellerbach to consider seriously the establishment of a third paper mill in this Province. I am sure that all hon. members of this house join with me in expressing our admiration for the way in which the hon. the Premier and his colleagues have succeeded in bringing this Province and its resources to the attention of that great paper-making company.

It is worthy of note, Mr. Speaker, that the two paper mills operating in this Province today had their beginning under Liberal Government. The Anglo-Newfoundland Development Company through the efforts of that great Liberal Leader, Sir Robert Bond, began to make its influence felt on the economy of the Province in the years 1905 and 1909 when the first roll of paper was produced. In an equally successful

manner, through the efforts of Sir Richard Squires, a Liberal Leader of renown, approximately twenty years later the wheels of industry began to turn in Corner Brook. It would be almost natural, Mr. Speaker, for the people of this Province to expect this Government, under another outstanding Liberal Leader, to continue the trend and establish still another paper mill.

It would be difficult indeed, Mr. Speaker, to visualize what this Province would be without the mills of Grand Falls and Corner Brook. At the same time it is not difficult to realize the boost that a third mill would give to the present economic life of this Province. The economy of every individual throughout the length and breadth of Newfoundland and Labrador would be influenced for the better. Heretofore people of that vast region of Labrador have derived very little benefit from the influx of economic progress in this Island of Newfoundland.

In relation to the establishment of a third paper mill, Mr. Speaker, the proposed operation will depend in a large measure on the successful utilization of large areas of Labrador's vast timber resources. Labrador, for the first time in history, will be converting its timber resources to the economy of this Province and will in turn be receiving what we all sincerely hope will be a boom of prosperity for its own people, a people who down through the years have often been deprived of the bare necessities of life. I am certain, Mr. Speaker, that many, many people here on this Island of Newfoundland have no idea at all of the wonderful size and wonderful wealth of Labrador. Even those who can tell us without having to stop to think that Labrador has one hundred and ten thousand square miles of territory, do not really have any true understanding or appreciation of what a vast area Labrador is. It is not far short of being three times as big as Newfoundland itself. We could put five Provinces the size of Nova Scotia in Labrador and still have room for three or four the size of Prince Edward Island. It has a coast line — if you follow the bays and coves and harbours — almost as long as the United States Atlantic Ocean coast line.

I have heard the hon. the Premier more than once refer to Labrador as a great storehouse of natural wealth, and I fully

believe it. I am one Newfoundlander, Mr. Speaker, who will be greatly surprised if, in my own lifetime, Labrador does not become one of the truly sources of developed wealth in all the Dominion of Canada. She has what is absolutely the greatest single source of hydro-electric power that you could find anywhere in Canada today. I refer to the Hamilton River, which contains the Grand Falls, or as it is beginning to be called, the Hamilton Falls. I understand that something like four million or five million horse power of electricity can be developed on this one falls alone, not counting the power that can be developed from other parts of that same vast watershed, a watershed as big as the Island of Newfoundland itself.

As for minerals, most of the world knows by now that Labrador has some of the mightiest deposits of iron ore so far discovered on our earth. The time is not far distant when thirty or forty million tons of iron ore will be shipped from Labrador every year. And iron ore is not the only mineral wealth down there, where already, after a bare two years of exploration, the British Newfoundland Corporation have discovered a uranium mine which should be in production before many more months have passed. I refer, of course, to the new uranium discovery inside Makkovik in Kippokak Bay. Those best equipped to know are quite convinced that very important discoveries of base metals will be made before many more years. But, Sir, when all is said and done, we have to admit the forests of Labrador constitute one of the most wonderful sources of wealth in this Province of Newfoundland today. As the hon. the Premier pointed out in his New Year's statement to the people, Crown Zellerbach can expect to take about a quarter of a million cords of pulp wood from the Island of Newfoundland each year for that paper mill which is proposed to be built. That is about as much as can be found in Newfoundland today, over and above the pulp wood stands owned by the existing paper companies. When it comes to the proposed mill, a quarter of a million cords a year will not go very far towards meeting the need when this mill reaches its maximum. The vast and unbelievable quantity of one million cords a year will be required. This vast quantity of pulp wood can be obtained in Labrador. More than that, Mr. Speaker, it can be obtained in

only one section of Labrador, namely, the South-east corner of that great territory. I refer to Sandwich Bay. But that is only one part of Labrador, for on the shores of that great sea known as Hamilton Inlet many more millions of cords of wood can be obtained. The aerial photographic survey made of that area, checked and double-checked by certain spot surveys made on the ground, show a total stand of over forty millions cords of growing timber. That is alone one-third more than the combined stands of Bowaters and the AND Company here on the Island of Newfoundland, nor are these areas the only sources of pulp wood in this vast Peninsula of Labrador.

Further, Mr. Speaker, a word must be said about the wonderful quality of this timber. Because of the fact that it is nearly all black spruce and is rather slow to grow, Labrador pulp wood has a very high degree of density. The result is to give Labrador pulp wood an extremely excellent fibre, and of course fibre is what the paper-makers look for. A cord of Labrador wood yields much more pulp wood than that of Nova Scotia or New Brunswick, or even Newfoundland pulp wood would yield. There is no doubt the people of Newfoundland would be very fortunate indeed to have these great stands growing on the soil of this island, that is if there was room on this island to contain them. But, Sir, they do not grow on this Island of Newfoundland but on the soil of Labrador. Down on that vast peninsula, we have living a race of hardy Newfoundlanders very little different from ourselves; just as brave, just as intelligent, just as good as the best of us here in Newfoundland. They, too, are Newfoundlanders. They are Canadians. They too are British subjects. I, for one, am pleased and delighted that they will share rightly in the development of Labrador wealth.

I say, therefore, the people of Newfoundland must not regard the wealth of Labrador as merely something to enrich and benefit them. Labrador must not be treated as just a source of wealth to be brought to the Island of Newfoundland. Labrador must be developed for the welfare of the people of Labrador just as much as for the wealth and welfare of the people of Newfoundland. I am sure that this Liberal Government, which has received such wonderful support from all the people of Labrador,

will stand by those people when Labrador's wealth comes to be developed. I am equally sure, Mr. Speaker, that the hon. the Premier, who received such wonderful support from the people of Labrador in his great battle for Confederation, will stand by them now when Labrador comes under development.

It may be thought that I am counting the chickens before they are hatched. I do not think so. I have very little doubt that Crown Zellerbach will find in Labrador the quality of timber they are looking for. But even if they do not I will not despair, for I am fully convinced that some day the timber of Labrador will be turned into wealth of one kind or another. Mr. Speaker, I am convinced that the hundred and ten thousand square miles of Labrador have a vast potential which requires only capital and initiative for its development. We are happy indeed that the hon. the Premier has succeeded in making this a possible reality.

It has been said, Mr. Speaker, that the short navigable season of Labrador will make the successful operation of transportation of timber a difficult one. With larger and faster ships and more modern methods and aids to navigation, I have no doubt that this difficulty can easily be overcome. We are all eagerly anticipating, Mr. Speaker, the final decisions and recommendations of the Royal Commission. We all believe this Province is entitled to an upward revision of the financial terms of union. As a result, especially of the decisions of the conference of the Atlantic Provinces we know that special adjustment grants, in conjunction with the upward revision, will give this Government an opportunity to expand and increase still further the educational, health, social welfare and other public services of this Province, which we all know are still many years behind the rest of Canada.

I know, Sir, all the people of this Province will be pleased to note the reference in the Speech from the Throne to the Government's proposed expansion in the field of Public Health. With the advances in medical science in the past years, the parents of all Newfoundland children, irrespective of financial circumstances, will be happy to hear they will be able to avail themselves of the best of these facilities without the worry of heavy financial burdens.

It is a great pleasure to me personally, Mr.

Speaker, to note that in the Speech from the Throne there is a special reference to the expansion of the ship-building bounty policy. I believe, Sir, that the dwindling of our local fishing and coastal fleet has resulted in a large measure from the high cost of ship-building and repair. I feel sure that, as the Speech suggests, this will help to hold the present fleet as it now stands. But, Sir, if we want to hold the reputation of the best small boatmen in the world, I believe it will be necessary for both the Provincial and Federal Governments to give serious consideration to this particular aspect of our way of life, and give every encouragement to many who have found the going difficult to get back once again into their sphere of activity. Mr. Speaker, I move a committee be appointed to draft an address in reply to the Speech from the Throne. Thank you.

(Applause).

Mr. E. Jones (Burin): Mr. Speaker, it gives me great pleasure to second the motion so ably proposed by the hon. member for Labrador North. In this, which may well be the most momentous year in the history of Newfoundland, it may be more than mere coincidence that the member from the most southerly district should join with the hon. member for the most northerly district in proposing and seconding this motion.

The Speech from the Throne has outlined the plans and proposals of Her Majesty's Government to bring to Newfoundland another paper mill, as well as another pulp mill. This development will draw from the resources of the North for its wood, and our still untapped hydro potential of the South, to develop an industry which cannot fail to benefit us all, whether we be from the north, south, east or west. Mr. Speaker, it behoves us all, as true Newfoundlanders, regardless of whether we view this undertaking from your left or from your right, to see that we do or say nothing which might hinder or hamper the steps which are being taken to create this new development of our resources. God knows we need it.

In the history of Newfoundland there have been four really big industrial developments. These consist of the pulp and paper mills at Grand Falls and Corner Brook, and the mines at Bell Island and Buchans. There have truly been other in-

dustrial developments, but the four I mention are the really great ones in our Island's history. It would be impossible, I think, to tell the full benefit brought to the people of Newfoundland by these four great industrial enterprises. We just could not imagine what Newfoundland would be like today if the great pulp and paper mills had never started at Grand Falls, and this is even truer of the still larger mills at Corner Brook. These two enterprises have paid out many hundreds of millions of dollars to Newfoundlanders in the form of wages and salaries, and in the purchase of local materials, and no tongue will ever tell the good that these two great Liberal industries have brought to our people.

That is why the people heard with such wonderful satisfaction the Premier's announcement on New Year's Day that he and his Government had succeeded in interesting the famous pulp and paper mill company, Crown Zellerbach, in the vast timber resources of Newfoundland and Labrador. The coming of this Corporation, provided they build the pulp and the paper mill that they speak of, will put the finishing touches on Newfoundland's modern industrial development and as the Speech from the Throne points out, opportunities will be opened for some thousands of our people — opportunities for jobs, opportunities for promotion, opportunities to earn good wages in one of the big industries of the world.

It has already been pointed out that the pulp and paper industry, especially the newsprint-paper section of it, is presently in a condition that falls somewhat short of flourishing, and this situation is already being used by a few skeptics to suggest that the prospect for the third paper mill is a slender one. To this there are two answers that will appeal to all reasonable-minded men. In the first place, the Crown Zellerbach Corporation are not dependent on newsprint paper, for three quarters of the paper they make and sell is not newsprint at all, but consists of about four hundred different grades and types of paper. In the second place, even if the newsprint industry is presently slowing down somewhat, who can doubt that the remarkable upward trend of the last quarter of a century will be continued in this industry after the present hesitation is past. It would take two years or

more to get the new paper mill built, and ready for construction, once the decision is made to proceed with the building. If it takes Crown Zellerbach the best part of two years from now to make the decision to proceed with construction, this means that it will be four years or possibly even a big longer before the actual production of paper would commence in the new mill. By that time the demand for paper will have caught up with the supply, and passed it. This is not my opinion, for the house would not be too much interested in my opinion on so technical a matter, it is rather the opinion of the greatest authorities and experts there are in the whole pulp and paper industry of North America.

The remarkable progress of the last twenty-five years has not been a steady, unbroken, upward march. Rather, it has had its hesitations and brief periods of marking time, but always the upward march was resumed, and there is no reason in this world to doubt that the great upward march will be resumed again and that the market for newsprint paper and all other kinds of paper will boom once more in the world by the time these new pulp and paper mills can be constructed and ready for operation.

I would be less than human, as the member for a South West Coast District, if I did not find particular pleasure to learn from the Premier's statement on New Year's Day that the location of the new mill will almost certainly be somewhere on the South West Coast, at the head of Placentia Bay, or somewhere in Fortune Bay or Bay D'Espoir. Goodness knows, the people of the South West Coast need these mills, and they are praying, as one man and as one woman, that the Premier's plans will come to pass and that he will bring them this great blessing, as he has already brought them the countless blessings of Confederation itself.

Mr. Speaker, reference has been made in His Honour's Speech to this house that legislation will be introduced to provide substantial assistance for the repair of locally-owned coasters and fishing vessels. All members of this house will readily agree that such a measure is long overdue. We have all viewed with concern the disappearance of our fleet; first the Labrador fleet, then the banking fleet, and now the coasting fleet. But such a programme of assistance can be only successful if we have adequate

docking facilities within the Province. As long as our fleet of small boats are required to go long distances to obtain docking facilities, any benefits derived from the plan will be lost. For this reason it is my intention to continue to press for the early construction of docking facilities in or near the communities where our chief maritime enterprises are centered.

It is my considered opinion that the Speech from the Throne certainly has not exaggerated the great benefits which will follow upon the implementation of the Children's Health Plan. The future of the Province depends almost entirely on the health and education of her children, and if, in the past, the Government has been criticized for money spent in trying to provide jobs for the fathers, let no one under heaven criticize us for what is being done for the children. For those who are not too familiar with our outport life, it is very easy to take a detached view of the problems of the Newfoundland family, which is obliged, through no fault of its own, to live in semi-isolation on a subsistence income. But, it must be of real consolation to the fathers and mothers of Newfoundland to know that, at last, their children can, and will receive adequate medical and hospital care, not as a privilege granted, but as a right under the law.

In this whole field of Children's Health, Mr. Speaker, the present Government of Newfoundland have gone further than any other Government in Canada. The Children's Health Scheme is the most advanced and progressive that you can find in any part of Canada today. One or two other Provinces have Provincial Health Schemes something like our own Cottage Hospital Plan, or even more elaborate; but no other Province in Canada has moved so far ahead as to give completely free medical and hospital care to every child up to the age of sixteen. Even after the great new National Health Insurance plan is brought in, starting around the 1st of July — a scheme in which all the Provinces of Canada will undoubtedly take part — there will still be a unique and distinctive Newfoundland feature of health development in this great Canadian nation. I feel that the Government of Newfoundland deserves the warmest thanks of all the people in this Pro-

vince for this magnificent great development for the welfare of the scores of thousands of her citizens who are under the age of sixteen.

Speaking of this great Children's Health Scheme, Mr. Speaker, I think it only fair to make brief reference at least to the great new increases the Government have recently made in practically all the welfare payments under its Welfare Programme. The rates of relief payments have been considerably increased, the rates for needy families, such as crippled and other dependant persons, have been increased, several other rates have been increased, and finally with the co-operation of the Government of Canada itself, the rates have been increased for those who receive Old Age Assistance. I am not one who would say one word against the Government of Canada for having increased the Old Age Pension, and for having offered to share half the cost of increasing Old Age Assistance. I do not share the political views of the new Government in Ottawa, but there is no reason why I should not give them credit for the increases they have recently put into effect. It is only fair play, at the same time, to remind ourselves that out of the total fifty-five dollars now being paid to Old Age Pensioners in Canada, the Liberal Government only brought it up to a total of forty-six dollars a month. They should get full credit for only forty-six dollars a month, and at the same time we must give full credit to the new Government for the additional nine dollars a month that they are paying.

With regard to all these payments that our people are now receiving, and all the other payments that they will receive in the years to come, there is one thing that needs to be said, one thing that must never be forgotten. Indeed, Mr. Speaker, I am quite sure it will never be forgotten by our Newfoundland people, and that is the fact that all these benefits are flowing into Newfoundland from Ottawa because of one thing that the people of my district fought for, and the people of my coast fought for so hard, namely, Confederation itself. What Old Age Pensions could be paid today in Newfoundland but for Confederation? What Old Age Assistance would be paid today but for Confederation? What benefits would the hundreds of thousands of our

people be receiving at the present time if Newfoundland had not gone into Confederation nine years ago? My hon. friends across the floor of this house may not be happy to hear this statement made, but I feel quite sure that the people of Newfoundland are well aware what they must thank for these great blessings.

When, later in the present session, the affairs of Newfoundland come under debate, I hope to bring before this house some of the problems of my own district, of Burin, but today is not the right time for me to do so. My district, as you know, Mr. Speaker, has been very hard hit by recent events, and I know that this house will hear with sympathy the facts that I will be bringing before it in the course of the next week or two.

Mr. Speaker: It has been moved and seconded that a committee be appointed to draft an Address in Reply to the Speech from the Throne.

Hon. M.M. Hollett: (Leader of the Opposition): Mr. Speaker, in rising to support the motion so ably made by the hon. member for Labrador North and also so ably seconded by the hon. member for Burin — the district where I was born, I wish to say that I do not want to take up too much of the time of this house, because, as we all know, we are guests of Your Honour, as soon as we get out of this place. So it is not my intention to keep you very long. But I do want to congratulate the two young hon. members for their excellent speeches. They read them just as well as did His Honour the Lieutenant-Governor. I was delighted to hear the things they said and their comments in regard to the Speech from the Throne. I was not so concerned with the remarks made about Confederation. I have been aware of the fact that we have been in Confederation for eight or nine years, and I am quite sure the people of Burin District, the district where I came from, are quite familiar with the fact we are in Confederation and a part of Canada, as anyone within the radius of CJON Television would know who has seen the hon. The Premier a few days ago elaborating on the merits of Confederation in Ottawa. I will have something to say about that at a later time.

First I would like to go on record, as Leader of the Opposition, and I know our

friends on the opposite side of the House are delighted to have with us today the newly appointed Lieutenant-Governor, the hon. Campbell McPherson. The McPhersons are Newfoundlanders. They came here away back, I believe it was about one hundred and fifty years ago. Peter, I believe his name was — the original McPherson — came here and settled in Port De Grave. From them we have had a long line of McPhersons who have contributed very, very much, Mr. Speaker, to the welfare of the people of this country. McPherson is an hon. name, not only in Scotland where they came from, but here in Newfoundland. Today the presence of His Honour, the Lieutenant-Governor, here to read the Speech from the Throne, indicates the esteem in which the McPhersons are held, not only by the people of Newfoundland, but by Canada, to which we now belong. I am very happy to be present here today, to see a member of a one-hundred-and-fifty year old family come in here and read the Speech from the Throne.

Mr. Speaker, also I would like to convey to you, Sir, our gratitude to the Almighty for bringing you safe and sound back from the trip you made. I believe you visited Indonesia, Pakistan and God knows where you have been. Evidently you have been in the sunshine, judging from the complexion you have today. We are very happy, Sir, to see you back, and on this side of the house we will endeavour to support the various rulings you make in the coming session.

I am also very happy, Sir, to have had the pleasure to introduce the hon. member of St. John's South, George Rex Renouf, to you as the member for that District. I am quite sure the Renouf family too is one which is familiar to all Newfoundlanders, and the bearers of that name down through the years have contributed much to this country. I am very happy to introduce him for the district of St. John's South.

While on this I might say too, Sir, I am very happy to see opposite me the Liberals who got fog-bound up there. As a matter of fact, all the Liberals in Canada were fog-bound ever since June 10th. We are happy to have seen the twenty-six hon. members on the opposite side emerge from the foggy land of Canada to come into the wonderful Province which we inhabit. I do not think we have ever had any better weather than we

had in this last month or so — a little fog occasionally, but we are used to that. I am glad now to see these Liberals back. Imagine twenty-six hon. members from the opposite side of the house went away off to Ottawa to lend their support to the election of the new Leader of the Liberal Party. I do hope they voted the right way. Make sure they did not all vote for Mr. Pearson. I know that some voted for the other man, Paul Martin. You know Liberals do not always stick together like that, but we are glad to see them back. If they had not been back, Sir, you would not be sitting there now and I would not be standing here. However, we welcome them back. We are going to cross swords with them. There are only a few of us; I know they are not going to be too severe. The hon. the Premier, wants us to be as severe as we can. He loves a fight — he loves a row, and whenever that opportunity occurs, we will be glad to give in to him.

Coming now to the Speech from the Throne. I am not going to take up any time. Surely anybody who read the Daily News this morning has seen practically what is here in the Speech. There is nothing in it except the Zellerbach deal, which we have heard of since the first of the year. That is important. That is one of the most important things, I think, this Government has brought before this house for a long time. I want to know what the results are to be. I am quite sure the hon. the Premier does not know. He hopes, and everyone in this building and every man and woman in Newfoundland today hopes, that Crown Zellerbach and subsidiary companies will be able to open up a new mill somewhere in Newfoundland. As my hon. friend from Burin District said, he hoped it would be somewhere in the vicinity of Burin District. Well, we all hope something will come to that part of the coast. It appears not too much has been done for the fisheries up there.

I believe the Liberals have been in power in this country, Sir, eight years and I fail to see very much being done up there for the fisheries. As a matter of fact I am not blaming the Government for that so much — it is the situation we find ourselves in as the South Province. I will go into that later. I do hope if there is a new industry established in regard to pulp and paper, that it will be near the Burin Peninsula and Fortune Bay.

There is one other thing in the Speech

from the Throne to which I would like to refer, which has already been referred to by the seconder of the motion, i.e. the bounty in connection with repairs to schooners. Sir, unless something is very soon done to encourage the owners of small fishing vessels and schooners and coastwise vessels to enable them to keep their ships in repair, shortly we will have no small schooners to go around between the twelve hundred, more or less, ports in the Province. We cannot expect the Canadian National Railway to send ships to every port in this Province, and we need these boats to convey freight and bring away fish, and oil, and so on, if we are going to rehabilitate our fisheries.

Well, Sir, I said I was not going to say very much, but I do want to say too, in connection with Crown Zellerbach, that we, on this side of the house at any rate, feel that we are with the Government on this thing, in that it is my belief that we of the Opposition last year had done our best to persuade the Government that the selling of the NALCO shares to another Corporation was a dangerous procedure. Then, I think possibly we would not have had any Crown Zellerbach coming into this Province, I am afraid. I am very grateful to the Government for considering the opposition which we did put up, and more than that I am very grateful to the members of the Cabinet who endeavoured in their wisdom to see to it that we held on to that twenty-five thousand square miles of territory which NALCO has in Newfoundland and Labrador — for, Sir, if we had not held on to that land and the timber rights on the concession which they own, then I doubt if we could have persuaded, or if anybody could have persuaded, Crown Zellerbach or anybody else to come in and make investigations into our timber resources.

I am grateful to the Government for the notice they took of the fight we put up last year. It just shows it does pay to have an Opposition. It just shows an Opposition is really a part of the Government, and that sometimes an Opposition with a small number can really sway the Government.

Of course, I am not going to talk Federal politics. I am surprised to hear certain things in the air in connection with the recent convention which the Liberal Party had. It seems to me we are in hard times — these Tories are in again — They have been

in seven months and they have increased the unemployment, Sir, almost double. That is the song we heard, the theme song from Ottawa last week. It is awful, Sir, and I do hope, Sir, that you will do your best to persuade these Tories to try to alter the trend of things so we may have more employment, more work, more capital expenditure. Sir, it is pitiable — There is one exception — I must say — I will say this for the hon. the Premier; he did not dwell on that — He did not dwell on that to any great extent. I say that, in that connection, he was very wise, and I was glad that he did not say very much, but some of the others almost upset my very strong stomach, to hear them talking about the terrible times being brought about already by the impact of the Tories — What is it called by them? Hard time Tories, or something like that.

Now, Sir, I am not going to stay any longer on this. Again let me congratulate the two hon. members — I am glad to see the young men take part, an active part. It is the young men, Mr. Speaker, who have to carry on, and have to be supported by the people of this country if we are to succeed as a tenth Province of Canada. Again, Sir, I congratulate them, and thank you for bearing with me so long.

(Applause):

Hon. J.R. Smallwood (Premier): Mr. Speaker, I would like to join the hon. Leader of the Opposition in an expression of congratulations to His Honour the Lieutenant-Governor on his appointment to that very, very high office in this Province. To be the personal representative of the monarch is truly the highest honour to which any Newfoundlander can aspire within this Province. Of course I speak entirely of the constitutional, political, public field. As the hon. Leader of the Opposition said, the family from which the new Lieutenant-Governor comes is a very distinguished Newfoundland family, a family which has been notable for public services rendered. I have no doubt at all, as most of us have no doubt, that the new Governor will be an exemplary person who will fulfill his duties admirably, impartially, and that he will be a successful Governor.

I should like to add a word about the out-going Lieutenant-Governor, Sir Leonard Outerbridge, who was, I believe, the most distinguished Governor New-

foundland has ever had. We have had some very famous men as Governors of Newfoundland in the first hundred years or so, and the appointment as Governor of Newfoundland was regarded as one of the plums for very high-ranking officers of the British Navy. That is why, for most of that one hundred years some very, very famous British Admirals — names famous in naval history, the naval glory of Britain, were happy and glad to accept the position of Governor of Newfoundland. But in that long roster of Newfoundland Governors, filled by distinguished military men of high rank, no one ever served Newfoundland in that office with greater distinction than did Sir Leonard Outerbridge.

I have served now under two Lieutenant-Governors and I am about to begin service under a third. For over eight years I have served under Sir Leonard Outerbridge, and I can speak with personal knowledge — with very intimate personal knowledge, of his great ability, of his deep loyalty to Newfoundland, and of his intense patriotism. In him, Newfoundland had a great Governor. He was, if I may dare say it, probably the greatest Lieutenant-Governor in the last decade. I think he would have made a magnificent Governor-General of this nation. I think that would have been extremely acceptable to all the people of Canada, had he been willing to accept the appointment of Governor-General of this nation. I think all the more kindly of Sir Leonard because he was one of the original Confederates. I will always think with kindness of any Newfoundlander who took an open stand, as Sir Leonard Outerbridge did, as an ardent advocate of union of his own country with the great Canadian nation.

I should like to add my voice to those who have already expressed congratulations to the new member of the house, the hon. gentleman who represents St. John's South (Mr. Renouf). He comes too from a family extremely well-known in Newfoundland, honoured and distinguished; a family with a record of fine public services. It is his second attempt to get in here — his second — I am quite sure that he will add to the dignity of this house and to the strength of debates here. I believe he is going to be a fine addition not only to the Opposition but to the house as a whole.

I would pass on to express my very warm congratulations to the two hon. gentlemen who moved and seconded the motion we are presently debating, that a committee be appointed to draft an Address in Reply to the gracious Speech from the Throne. The hon. member for Labrador North is one of our best known mariners in Newfoundland, and the hon. gentleman, the member for Burin, was one of our best known magistrates. The ranks of this party have been greatly strengthened by the coming of these two hon. gentlemen here to this house. I think we are all quite impressed by the speeches they delivered.

I regret the absence today of some half dozen of the gentlemen who occupy seats ordinarily on this side of the house, because of that same fog. My hon. colleague and close friend the Minister of Highways, the Minister of Public Works, the Minister of Provincial Affairs and Solicitor General the member for Ferryland district (that my hon. friend from St. John's South will know all about) are absent, as is the hon. Minister without Portfolio, the member for Harbour Main. I see one hon. gentleman has taken his seat while I have been speaking; I did not see him come in — the member for Green Bay.

Yes, Mr. Speaker, we were in Ottawa. We did attend the Liberal Convention. We were up there representing Newfoundland and playing our part in selecting the next Prime Minister of Canada.

(Applause from the Government side).

For the next few years my hon. friends opposite will be buoyed by the knowledge that for a while their party did occupy actual power. It has been too long since they occupied office. It has become a sort of dim tradition. At one time, I believe, there was a rumor that the Tories did hold office in Canada. Now it is an enormous triumph that for the last seven or eight months, or until there is an election, they hold office, and for years to come the Opposition will be strong and buoyed by the fact that as recently as 1957, about halfway through this present century, they did manage to get in again for a few months. That will encourage them and they will put up a better fight than ever here in this house, and generally in this Province.

The hon. Leader of the Opposition has his terms a little mixed. Their term is not "hard time Tories". I never heard it that way before. The expression is "Tory Hard Times"; that is well-known — that is traditional. We Newfoundlanders know all about that — "Tory times are hard-times". The people of Canada indeed are not unfamiliar with it, and they are being reminded daily of that classic statement in Canadian history and in Newfoundland history, not by the Liberals who speak of it, but by three-quarters of a million, who, as announced by the Minister of Labour himself the other day, are seeking jobs. I think personally, that we ought not to be talking about it. I am sorry the hon. gentleman mentioned it. I do not think politics ought to be made of unemployment, it is too tragic to the unemployed.

Mr. Hollett: It was played up in Ottawa.

Mr. Smallwood: Some may have done it.

Now I want to say just a word in passing about Crown Zellerbach and comment on what the hon. gentleman, the Leader of the Opposition said, when he said some things which I could not quite follow in connection with the coming of Crown Zellerbach to Newfoundland; about the quick action of the Opposition last year in opposing the sale of NALCO shares to Canadian Javelin. Of course there is no connection. The timber in which Crown Zellerbach are interested is not at all the timber that NALCO has. NALCO has a concession, from this Legislature, of timber — primarily on the Kenamu River on the south shore of the Hamilton Inlet. BRINCO has another great timber concession on the south shore in the area of North West Arm, but the timber in which Crown Zellerbach are interested, the timber they would use as a source of supply for their proposed pulp mill, is in Sandwich Bay and Alexis Bay, many hundred of miles removed in distance from the NALCO timber.

It is true that we have decided to add as well, later in the session, when the legislation is brought down, a third section to the proposed Crown Zellerbach concession; a concession in the north east corner of the Hamilton Inlet, generally in the direction of the Hamilton Inlet, up on the north east corner where Baine Johnston once controlled some timber, which reverted to the

Crown, due to action of this Legislature, since we have been in office. That having reverted to the Crown, we have now decided to pass it over to form a part of the Crown Zellerbach stands. So there is no connection in the world, none at all, not in the slightest, between the Crown Zellerbach proposal and NALCO timber holdings. I am sorry to disappoint my hon. friend, but there is no connection whatsoever. He may have been right or wrong in opposing the sale of NALCO shares, but it has nothing whatsoever to do with the Crown Zellerbach's proposal any more than the Brinco timber holdings.

I was a little surprised today to hear the hon. Leader of the Opposition deprecate what this Government has done for the fisheries on the South Coast and the District of Burin. We have advanced something like \$12 million to fishery development in this Province to assist plants, to enlarge or expand plants already existing, or to enable plants to be built or started in the fish industry, and then later on to help some of these plants, that we helped to be established, to further expand. Altogether, I think it was some \$12 million. Now the plants we helped to get established, or else helped to expand, were in St. Anthony and in Englee and in Seldom-Come-By and Fogo and in Greenspond and in Bonavista and a couple in Trinity Bay, at Dildo and Hearts Desire, and at Carbonear and in Bay Roberts and in Renew and in several other spots along the Southern Shore, and in Tre passey, and also in Burin, Grand Bank, Fortune, Gaultois and Burgeo, five of the main towns of the South West Coast. We have advanced to Gaultois \$500,000 to enable them to establish a fish plant, build one in the first instance and operate it; and a half a million to Burgeo, or \$650,000 to Fortune, \$450,000 to Grand Bank. That is practically \$3 million, of the twelve advanced by this Government, for fishery development in these five extremely important South West Coast settlements. How then, can the hon. Leader of the Opposition suggest that this Government have done nothing to encourage or to aid the fishery development on the South West Coast in the district of Burin. There are three of the plants in Burin district, Burin, Grand Bank and Fortune.

Mr. Hollett: What have you done for the salt fishery?

Mr. Smallwood: This is hardly the occasion for it. I was merely replying in passing to the general observation made by the hon. Leader of the Opposition, that the Government had done nothing for the fishery. I would remind him that the fresh fish industry is an integral and necessary part of the fishery of Newfoundland, and I understand most people agree that the more the fresh fishery has been developed, the more safe, and the more sound are fishermen of Newfoundland. I think that is certainly agreed, and certainly we have endeavoured to encourage a turn over to fresh frozen fish as distinct from salt, although on the salt fishery, I could give a long story of the degree to which we have aided that industry as well.

Well, Mr. Speaker, it begins to look at though this will be an extremely pleasant session. It looks as though there will be virtually nothing controversial to come before the house. The main piece of legislation is Crown Zellerbach, and I can scarcely imagine that the Opposition will wish to say a single word that will make any difficulty or make any doubt in that picture. I think they will follow the lead of the hon. Leader of the Opposition who expressed himself in a patriotic and very sensible and very practical manner, when he said that everyone in this house, and indeed in Newfoundland, is hoping and praying that this Crown Zellerbach deal is going through.

May I be very frank and say I do not know any more than does the hon. Leader of the Opposition as to whether Crown Zellerbach will decide to build a paper and pulp mill. I do not know. I have faith that they will and I certainly have hope that they will. All of that I have, and I have a little more than hope — I have some faith that they will. You see I have had the advantage of sitting down and discussing the matter with them face to face. We spent a week going daily to their offices and discussing the matter with them. In addition to listening to the words they used, you listen also to the words they do not use, and you look at the expression on their faces, and listen to the tone of their voices; and you do your best to size up their feelings, to get a realistic impression of what they are really getting at. We all did that, the Attorney General, the Minister of Education, and Mr. Pushie the Director General of Economic Development, the four of us

and when we attended dinners and luncheons and the like, we sat with different directors at different times, and we tried to sound them out a little, a little stray word here; and a little stray word there, put by us, and something said by them, sometimes enabled us to read between the lines; always of course with the possibility there that they said these words so that we would read between the lines. But we were always trying to size up what their intentions were; and we came to the firm conclusion, all four of us, that Crown Zellerbach are indeed highly interested and are very, very sincere about it. They are an extremely big concern, very, very big, but they cannot grow any more, they can only grow appreciably bigger if they come to the Atlantic Seaboard of this Continent. They own enormous empires of growing timber in British Columbia, in the State of Oregon, in the State of Washington, in the State of California. They are perhaps the biggest timber owners today in North America on the Pacific Coast and they have some fifteen paper and eighteen pulp mills.

Look how Bowaters has grown since the war — Bowaters, since the war, has expanded the great mill at Corner Brook, they have built a huge mill in Tennessee, they have just bought a paper mill in Nova Scotia — I do not know what they have done in England nor I do not know what they have done in Scandinavia, but they are growing very rapidly. So also is Crown Zellerbach. They are somewhat larger than Bowaters, but not as large as International Paper and Paper. They have been growing at a great rate but they cannot grow any more unless they move to the great new source of raw material, and these can be found only on the Atlantic Coast of this Continent, and on that Atlantic Coast, really only in Labrador. Let us all thank God as Newfoundlanders that we own that. Let us thank God it was not sold for ten million dollars. Let us thank God we had that heritage and did not give it away but still have it. It is still ours; it is probably the only great stand left on the eastern half of this Continent, the only great stand of undeveloped timber, that should be the basis for a very great development, spread over a number of years. Now, I would like to think they are going to bring the paper mill to five hundred tons, and the pulp to 2,000 tons a day, in the next four or five years. I would like to think that. But I

do not think they will move that fast. I dare say it will be ten or twelve or fifteen years. They can take longer by their agreement. I think they will take ten or twelve or fifteen years to get up to these maximum stages. But that they are coming to Newfoundland, that they are going to build these mills, I have no doubt whatever. I may be wrong. I may turn out to be wrong. I have been wrong before and will be wrong again, but based on the knowledge I have I am firmly convinced Crown Zellerbach are coming in here, and if they do, it will be a gift from God to the people of Newfoundland who need it so badly.

Mr. Speaker, may I say one thing finally: It looks now as though we are going to get some pretty substantial increases in the amount of monies coming to us from Ottawa. As His Honour's Speech said, we are going to get the Revision of Term 29 — We have asked for fifteen millions. I do not know whether we are going to get fifteen millions, but we will get a substantial amount. We are going to get our share of the Atlantic Provinces Adjustment Grant. I believe from what knowledge I have that it will be six or seven millions a year. The four Provinces have agreed on a formula, fixed, at a fixed level. Mr. Marshall and Professor Goundry went to represent Newfoundland at Halifax and Nova Scotia, New Brunswick and Prince Edward Island had their representatives present, as also did the Dominion of Canada. They agreed on the formula. Whatever the total would be it was, to be distributed as follows: 30% of it to Newfoundland, 30% of it to Nova Scotia, 30% of it to New Brunswick and the remaining 10% of it to Prince Edward Island. We have some reason to think that the amount is to be \$25 millions a year, which would give us \$7 million each between the three, and to Prince Edward Island the balance. Now, that would meet the extremely important point that the grant ought to be made on the basis of physical need, to him who needed it most; it should go along that line. Newfoundland, with a population of 430,000 gets the same amount as Nova Scotia, with a population of upward of 700,000, and the same as New Brunswick with a population of around 600,000. We would get the same amount — a clear recognition of the physical need.

Then finally, unless there is a general

election and the Dominion Provincial Conference is put off — and the Prime Minister has given no indication whatever in reply to questions put to him in the House of Commons as to when the Dominion Provincial Conference will resume, this month, next month or when. He has not given any indication at all. If it is resumed this winter it is extremely likely there will be a general upward revision of all provinces; that would be over and above the Atlantic Provinces Adjustment, and over and above what we get as our contact relationship under the Terms of Confederation. As a result of all these, we should have before the coming of the financial year is over, the year beginning on April 1st. we should have before that year is over, pretty substantial increases in the amount we will be receiving from Ottawa.

Now I want to say this, and this is the thought I have been heading up to — If the Government of Newfoundland can receive much more money, and spend much more money on public services, it is all to the good — Newfoundland needs it. But if we do not get another paper mill or pulp mill or another mine or two or three more mines, if we do not get development of our fisheries, our forests, our mines, our soil, we cannot all live on new roads, we cannot all live on new hospitals, we cannot all live on new schools, we cannot all live on new hydro-development or new water or sewerage systems. These things are good. These things are necessary. But these are not the things to "make the mare go"; industry does that. So that what we must, as a people, as a house, as a Legislature, concentrate on is the discovery and development of our natural resources. As His Honour so rightly said in his Speech, there and there alone lies our only hope for real progress and real and lasting prosperity in Newfoundland.

(Applause).

Mr. Speaker: The motion is that a committee be appointed to draft an Address in Reply to the Speech from the Throne; Carried.

I name the following to be that Committee: The hon. member for Labrador North (Mr. Winsor), the hon. member for Burin (Mr. Jones), the hon. Leader of the Opposition (Mr. Hollett).

NOTICE OF

Hon. Mr. Curtis (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill "An Act Respecting the Designation of Beneficiaries Under Pensions and Other Plans."

Hon. S.J. Hefferton (Minister of Welfare): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Blind Persons Allowances Act;" also a bill, "An Act Further To Amend that Old Age Assistance Act."

Hon. C.H. Ballam (Minister of Labour): Mr. Speaker, I give notice I will on tomorrow beg leave to introduce a Bill, "An Act Further to Amend the Workmen's Compensation Act."

Hon. Dr. F.W. Rowe (Minister of Education): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Vocational Education Act."

Mr. Smallwood: Mr. Speaker, in moving the adjournment of the house, may I say that it is our hope that the Opposition will be ready to resume on Wednesday after the customary adjournment. If they are ready to go forward with the debate on the Address in Reply, well and good; if they are not, they might be ready to go forward with the second reading of some of these Bills, the Bills we have given notice of today. They are not too terribly important but we might be ready to go forward with them Wednesday and advance them a stage or so, so that we could occupy ourselves until we get into the proper swing, and the Opposition has had ample opportunity to study the Speech from the Throne and decide what position they are going to take in these matters. We might in the meantime occupy ourselves with some less important legislation until we all get properly warmed up and into proper swing.

NOTICE OF QUESTIONS:

Mr. J.D. Higgins (St. John's East): Mr. Speaker, might I ask if we had any question period today at all?

Mr. Speaker: Well the floor was open for notice of questions after notice of motion, when there was a pause.

Is it agreed the hon. member be allowed to give notice of questions?

Agreed.

Mr. Higgins: Mr. Speaker, it is the first time I have asked a question in about four years and I had to miss it. I give notice I will on tomorrow ask the hon. Minister of Municipal Affairs, or other appropriate Minister to lay on the table of the house the following information: (See Appendix).

Mr. A.M. Duffy (St. John's Centre): Mr. Speaker, I give notice of questions on tomorrow.

Mr. G.R. Renouf (St. John's South): Mr. Speaker, I give notice of questions on tomorrow.

Mr. Hollett (St. John's West): Mr. Speaker, I give notice of questions on tomorrow.

On motion, the house at its rising adjourned until tomorrow, Wednesday at three o'clock.

Mr. Speaker: I would be very pleased if hon. members, their wives and other distinguished visitors will join my wife and me in the next room, presently, after the rising of the house.

Wednesday, January 22, 1958
(Afternoon Session)

The house met at three o'clock.

Hon. Dr. J. M. McGrath (Minister of Health): Mr. Speaker, I would like to rise to a point of personal privilege. This morning's newspaper, The "Daily News" contained an article headed "Old Age Pensions Require a Year to Study." That was a communication, I believe, from Canadian Press. This article dealt with amounts paid to individuals under the Old Pension Age Scheme and contained certain statements by Professor Gordon Huson, who appeared to be on a fact-finding Committee dealing with Old Age Pensions. Professor Huson said, in the last paragraph: "Newfoundland's Health Minister consi-

dered the present \$55 a month pension high for pensioners in his Province, but it might not be considered so in central Provinces where living costs may be relatively higher."

I want to state here flatly, that to repute such a statement to me is quite untrue. I would like to make it quite clear I am not blaming the newspaper nor the correspondent. I assume they reproduce the news as given them. I do say such a statement is embarrassing and damaging to any public man in Newfoundland. I never made any such statement nor any statement resembling it. The statement quoted does not remotely resemble my views on the matter.

So far as I am aware I have never in my life met Professor Huson nor made any statement to him. I have cabled Professor Huson requesting an explanation from him. I feel that in justice to myself I should make this statement here in this house.

Presenting Petitions:

Mr. C. A. Sheppard (Harbour Grace): Mr. Speaker, I rise to present a petition from the residents of Harbour Grace South and Byrant's Cove in the district of Harbour Grace. The petition deals with some matters that are of more interest to the Federal Government than they are to us; but they have asked that this hon. house ask the Federal Government to have the matter forthwith attended to. The first prayer of the petition is that steps be immediately taken to prevent the removal of sand and gravel from the part of Harbour Grace known as King's Beach. I have been in touch with the Department. They further pray that this hon. house and the department of the Provincial Government concerned may intercede with the Federal Government to have King's Beach Pond dredged and made a safe anchorage for the increasing number of valuable fishing boats in the area. They further pray that this hon. House of Assembly, and the department of the Provincial Government concerned may intercede with the Federal Government to have the wharf on the south side of Harbour Grace repaired, as said wharf is in such a state now as to be unfit for practical use. They further pray that this house and the department of the Government concerned may bring this matter to the appropriate authority in Ottawa. I present this petition, Mr. Speaker,

and ask that it be referred to the department of our Provincial Government concerned. On motion, petition received, ordered referred to the department to which it relates.

Reports of Standing and Selecting Committees:

Hon. J. R. Smallwood (Premier): Mr. Speaker, the house would be willing to hesitate for a moment while the Chairman of the Committee appointed to draft an Address in Reply, requests the signature of one of the members of that Committee?

Mr. Speaker: Very well, if agreed we will go on with the notices of motion.

Giving Notices of Motions:

None.

Giving Notices of Questions:

Notices of Questions on tomorrow given by Mr. Higgins:

ANSWERS TO QUESTIONS:

Question No. 1.

(See appendix for Questions and answers).

Question No. 2

Question No. 3

Premier Smallwood: Mr. Speaker, the question is divided into five parts. I can give the answer to the fifth part. The answer is that the firm in question has been paid \$47,097.00. Invoices have been received from them, but the amount not paid for (\$28,694).

With regard to the first part of the question; it has not been the practice hitherto in this house to answer.

Question No. 4.

Mr. Smallwood: Mr. Speaker, with regard to Question No. 4, asked by the hon. Leader of the Opposition, with regard to the number of shares etc. There has been no change in the information already tabled in this house. That is (1)

With regard to (2) the answer is the same: No change.

With regard to (3) the answer is the same: The position is the same, there has been no change.

The answer to (4) is none. There are no members of the Cabinet presently directors of Canadian Javelin Limited.

The answer to (5) is June 28th, 1957.

The answer to (6) is that I do not know. I know only that all the bonds have been redeemed, all have been cancelled. The guarantee of the Government has never been withdrawn.

With regard to (7) the answer is not completed. I am sure the hon. gentleman means, rails laid and ready for use; in that sense, no miles.

Regarding (8) the position is exactly the same as when last answered in the House.

The answer to (9) is none.

A. M. Duffy (St. John's Centre): Mr. Speaker, may I ask if there is any time allotted for further questions?

Mr. Speaker: The hon. member wished to give notice of questions? Very well: I called notices of questions before balling answers to questions.

Mr. Duffy: Mr. Speaker, I give notice of questions on tomorrow.

Mr. Hollett: Mr. Speaker, I give notice of questions on tomorrow.

While I am on my feet I would like to thank the members of the Cabinet for being so prompt in answering the questions we tabled on Monday. I am quite sure if the session proceeds along that line we are not going to be here very long with questions.

Mr. Speaker: The committee appointed to draft an Address in Reply has brought in the following report: (addressed to His Honour the Lieutenant-Governor)

We thank Your Honour for the gracious speech with which Your Honour has opened the present session.

It is signed by Earl Winsor and Mr. Hollett. That is sufficient, two signatures are sufficient.

The motion is that this report to be received and adopted.

(Applause from the Government side of the House).

THRONE SPEECH DEBATE:

Mr. G. R. Renouf (St. John's South): Mr. Speaker, it falls to my lot to be the first speaker from this side of the house following the Speech from the Throne. That assignment has been made very pleasant in-

deed, because in my preamble I wish spontaneously to offer to you, Mr. Speaker, my personal congratulations, which previously I gave to you in a private capacity. I wish now to formally place on record my congratulations on your appointment of Speaker to this hon. house. Tribute has already been paid, deservedly, to your talents and to your wisdom and your discretion for this hon. position. I wish you well in your future conduct of affairs in this house.

My second pleasure, Mr. Speaker, is to convey to the mover of the Address in Reply, the hon. member for Labrador North (Mr. Winson), and likewise to the hon. member for Burin (Mr. Jones), both of whom so ably proposed and seconded that motion for an Address in Reply to the Speech from the Throne, my sincere congratulations. The speeches were very well prepared and delivered in a very earnest and interesting manner. They were a sincere expression of the wishes and hopes of all the people of these districts, and the wishes and hopes of all Newfoundlanders. I think that the members of the younger generation, such as the two in question, have the destiny of this country in their hands. We trust that during this session we shall hear more than that from the two hon. gentlemen.

I likewise think it fitting and proper to say a word of my satisfaction in hearing the Speech from the Throne read by our esteemed new Lieutenant-Governor. I have no doubt that he will uphold the constitutional role with all the needed dignity and honour which the ancient office has. I think, in the natural sequence of these remarks I would wish also to refer to our previous Lieutenant-Governor, Sir Leonard Outerbridge, whose prestige in service to this country is so well remembered by the members of this house.

I also wish to assure this hon. house of the honour which I feel has evolved upon me in being a member of this historic chamber. I wish at this time to assure you, Mr. Speaker, that I shall do everything in my power to uphold the dignity and traditions of this Assembly.

In a modern day, Mr. Speaker, it is a temptation for a new member to paint a

verbal panorama of this country, from the time it was discovered, up to the present time. I am going to resist that temptation because as far as history is a storehouse of wisdom and knowledge nevertheless I feel that the problems of today and the problems of the future are our main challenges. I am also going to resist another temptation and that is the indulgence in a reminiscence, having read some time ago in the Journals of the Assembly of about eighty years ago where a fiery rebellious ancestor of mine, of the name of Major Henry Renouf, did the unconstitutional act of either proposing or seconding a motion of nonconfidence in the Government of that day, on the motion on the Address in Reply to the Speech from the Throne. Oddly enough I believe that motion was passed. What happened after I would not be quite sure. I wish to assure Your Honour that history will not repeat itself on this occasion.

We all realize how difficult good Government has become of recent days. The every growing demands for the material standards of living has put pressure upon the Government of the day and the duties of Government have become correspondingly hard in trying to assess how far these demands can be met and what breaks should in wisdom be put upon them. The present Liberal administration has much to its credit. It is true that at times the achievements were a little clouded by propaganda. On the other hand a great deal has been done; development has been taking place, services have been expanded and such things as the BRINCO development are a very great achievement which holds a great future and great promise for the area of Labrador and the country in general.

I do feel, however, that we members of the Opposition, likewise, have to scrutinize and point out to the public what we consider to be some of the faults and defects in the Government as regards its policy and conduct. We have noted some trends that we do not appreciate. We feel that a Government in the majority should not take the position that it has the licence to do things which depart from constitutional Government. One instance we deplore is the practice which seems to have come into effect—the recruiting of members of the civil service

for elections, and their reinstatement in their former positions should they be defeated. We make record of that practice as being, we consider, against the best principle and tradition of the civil service. We likewise place on record, with the greatest of hesitation and the greatest of distaste, the departure from the principle of ministerial responsibility which in recent times has been made evident.

We feel none too assured that the present Liberal administration has been as careful or frugal or economic as it might be. We feel in certain aspects the apparatus of Government has been somewhat overloaded with some extravagances. We doubt very much that the enlargement of the Cabinet and consequent expense is warranted. We feel some boards and committees and authorities have been created without any necessity of it having been done. We feel, too, experts have been brought in to make surveys and reports which have involved a very great deal of expense and which, in our opinion, could quite as well and easily have been done by our own Auditor General.

Now at the moment, the topic closest to my heart and mind is the district of St. John's South, which I have the honour to represent, and which formerly was represented by that courageous gentleman, Mr. W. J. Browne, our present minister at Ottawa. I feel that this district comprises a very important segment of this Province of Newfoundland. It comprises the territory of the waterfront of St. John's or a very great portion of it, and a few old and new sections of St. John's West. It includes the dock, the railway, the Northside waterside premises and all the Southside which goes along the way to Cape Spear, Blackhead, Petty Harbour and the important section of the Goulds and Kilbride and part of Mount Pearl. The people of that district are very hardworking. They are independant minded people. They are however, particularly in the farming sections, up against very great difficulties. The factors that make it difficult are the problems of the farmers, the cost of increased freight rates and possibly more than anything else, the flow of imported vegetables from the Mainland and elsewhere, some of which has been subsidized or partly subsidized.

Now, I quite well realize that farming problems cannot be over simplified. I realize there are factors that have no easy solution, but I feel that there is need to be more energetically behind the problem of saving the farming areas of this country both North, East, South and West. In particular, I would make a plea here and now that the Government take note, Mr. Speaker, of what I consider to be the urgent problem of the farmers and dairymen of this country. If we do not put some push into the farm policy we will have "Mother Earth" absolutely deserted by the discouraged farmers of the present day. I think we should help them by an immediate formation of a commission, or committee group, that will vigorously attack the problem. I know the Department concerned has done a lot. They have worked hard. They have progressed far, but I still feel it is not a full-scale program, involving the efforts of good salesmen, good sales promotion, practical farmers themselves; in other words a full scale attack before farming fades off the map in Newfoundland.

In imagination for a few moments, I am going to usurp the prerogatives of the Minister of Highways and the Tourist Director by letting my imagination run for a moment in a selling job, again for the district of St. John's South. Now, Cape Spear, as you know is the most easterly point between here and Ireland. It has, very close to St. John's, great attractions both for tourists and for other purposes. Cape Spear can be reached by road, up Blackhead and out over the hill to Cape Spear. Branching off this road to Cape Spear is a road which years ago connected with Maddocks Cove, which in turn connected with Petty Harbour. This road in question needs very little to have it in working order again because it is level, the road bed is there and clearly it is merely a matter of light machinery work. I was very amazed last summer, when I had occasion to visit the district, at the number of hundreds of car owners who make that area their destination for picnics and outings. I saw Americans by the score going with their cameras, up to a novelty like the lighthouse. I feel that a little attention to this area by the Highroads Department would not cost it a great deal, and would provide as well as an attraction for tourists relief now from the

dangerously overcrowded highroads that we have under the traffic conditions of today.

Mr. Smallwood: I think there is a suggestion of putting a tea room in the old light-house which still stands there beside the new one. I do not know how far anyone has gotten with it. Rather than tear it down I understand there is a thought of renting it for a tea room for visitors.

Mr. Renouf: I think that is a good suggestion, and I think that is an inspiration to be followed. Thank you. Now leaving more parochial matters for the moment, I think it is rather surprising that the Government has not taken more active steps to study the unemployment situation this season. We do not want to stress unemployment, but we cannot be like the ostrich and ignore the position entirely. St. John's, of course, is one of the areas that is badly affected, and it seems to me that it is time that whatever is available from federal sources or otherwise, would now be vigorously undertaken. In this connection there was a question from the hon. member for St. John's East in the federal house, asked a few days ago, on December 17th. I believe, when he asked the Minister of Public Works what he was doing about the proposed federal project for the erection of forty-six housing units for working class people in the centre of the city; one unit for forty-six, I believe and another for one hundred and fifty. The minister stated that this program had been planned for the working class people for low rate accommodations back in 1956. There had been nothing heard of it since the project was announced with a blare of trumpets at that time.

Arising from that question, the minister said that at the time one tender had been received and rejected, but that the project had been held over or stalled at the request of the Government of Newfoundland. Now there may be some explanation for that. But, Sir, I would stress the point that now is the time, when employment is at rather a low ebb, that steps should be taken to see if that project could be implemented. The hive of industry that would result in the centre of this town is not hard to imagine. I

think the ring of hammers and industry and activity is much to be desired, and I hope that something will be done to implement that idea. I believe \$15,000 was given by the federal Government for the clearing of the area. That, I believe, has been done, so that we earnestly look forward to more news in that direction.

Now, the Speech from the Throne had a number of omissions, but we were somewhat disappointed to find no great outstanding reference to the fishing industry of Newfoundland. We know that, traditionally, the fishing industry has been beset with a great many complications and a great many problems and difficulties which are not easy to solve. The present Minister of Fisheries enjoys the confidence and the respect of the fishermen of this country and members of the fishing trade. He has been working very hard, no doubt, to try and keep the fishing industry afloat. The people engaged in this industry are made up partly in the fresh fish trade and partly in the salt fish industry. I believe something like 100 million pounds of fish are sold by Canada to the United States and elsewhere, and possibly half of that amount would be supplied by this Province. I think the fishing industry would need more constructive comment at a time when it might be concentrated on without any second distraction. I hope that the industry will pick up from the depressed and uncertain conditions of 1957. There may be some indications that the fresh fish industry will improve from now on. In the salt fish section, I hope that there will be some effort made to retain the small part that is left of that particular branch of our industry.

One thing that appears to me, Mr. Speaker, is that it appears to the laymen that, with the fresh fish business the main concern these days, the main effort should probably be not only in production, which is sometimes not hard to keep up with, but in the sale of it, which needs a great deal of work and effort and influence to keep it going. I wonder in that direction whether the Department of Fisheries and the Government in general had availed sufficiently in the past of the services of the Department of Trade and Commerce. The Department of Trade and Commerce is made up of a number of experts in all lines of trade, and

the fishing industry which they have represented in various parts of the world. It was a high-powered and well-organized department under the former minister C.D. Howe in the last Liberal Administration. In the new Federation of the West Indies may lie some hope of keeping the salt fish sales going. We hope that the Department of Fisheries will be on the qui vive to let no opportunity slip for the survival of the branch of the industry.

The Speech from the Throne had other omissions as well. We heard nothing of the Tourist Board activities, the tourist industry, as one might call it that. We feel somewhat disappointed, but we are not quite sure whether the policy of tourist promotion was too fast or whether it was generally misdirected in the type of tourist accommodations and attractions for this country. Some of the efforts of the tourist board were good. The director is an able, energetic man. He has drawn up a number of rules and regulations relating to the tourist industry, the matter of hotels and different establishments catering to tourists. But with the road situation so far retarded, it is questionable if it was wise to adopt the policy of building a number of glorified taverns in places, some of them ill-chosen, some close to already existing ones. It is a question whether it would have been wiser to have held off on the actual promotion of the tourist industry and concentrate perhaps on one unit in some part of the country which would at least be able to cater to, let us say, the influx of conventions which we hear are already willing and anxious to come to this Province.

The main part of the Speech from the Throne which rang a note of omission in my ears was again an absence of the words farmers or farms. I am not going to elaborate on that unduly now, because I have already covered it, in part at least, under the section relating to my own district.

The high-light, of course, was the Crown Zellerbach deal, and I will have a few remarks to make about that in a moment. We know that the Government has plans in other directions for dealing with the expansion of welfare programs. We know that education is not being overlooked. That

particular topic is one of such complexity that I would not care to analyze it or pass comment at the moment. We are fortunate however in having a Minister of Education who is a practical educator himself. I think it may be the first time since the late, lamented Dr. Barnes, that we have had a professional educator as head of the Education Department.

Mr. Smallwood: No, the Minister of Welfare.

Mr. Renouf: That is correct — I forgot that at the moment. It is also a tribute in a general way to the present incumbent of the ministry because the task is a colossal one for this Province. We know from a birds-eye view of the hundreds and hundreds of small schools that are spread throughout the Island, these one room schools and two room schools, and the struggle that the teachers are having to educate the children of this Island; we know it is going to call for huge sums of money; we know that the whole education policy will have to be promoted and pushed in a very vigorous manner. However, we feel that the efforts in this direction will and should pay dividends. The emphasis on education, of course, cannot be overdone. We have certain flaws in that. We know that there was a blueprint for education, issued some time back, which embodied what is hoped to be the ultimate goal of the education policy of the Government; the promotion and activity in the building of schools and training of teachers to bring them up to the necessary standards, so many of whom are unfortunately lacking in the necessary standards, without other problems, in itself to overcrowd the present teaching training facilities of the university. That in turn is going to lead to accommodation problems for these same teachers. We feel that it will have to be a program that will have to be worked out carefully and cautiously over the next few years.

We are anxious to learn something of the plans in view for the opening of our new university. Some time ago it was announced that the new building, so badly needed, would be commenced in the northern area of the city. Perhaps before the session is over we may be able to learn something of the authorities' plans in that direction.

I am not going to keep the house unduly long in this introductory speech of mine but I cannot let pass my remarks without mentioning the Crown Zellerbach deal which we will be asked in this session to study and to analyze. I am very well pleased at the manner in which this important project was announced. There was a tone of restraint and conservatism about the announcement which was very refreshing. We are given a balanced view of what was hoped for, what could be expected, and we sincerely trust that, when we examine the agreement, we will find that everything will be in order and that the deal will be in the best interest of this Province. We shall analyze and assess this agreement in as thorough a manner as we possibly can. We will scrutinize it, we will criticize it, anything that we find worthy or necessary to criticize, without the least hesitation.

In all matters of legislation coming before this house we will, courageously, and without fear or favour of anyone, support to the fullest extent all measures introduced by the Government which we deem to be to the advantage of Newfoundlanders. On the other hand, however, we will in matters which we deem worthy of criticism attack tooth and nail. We will fire our broadsides to the best of our ability against any legislation which we think is detrimental to the rights, liberties and advantages of our people. I will, Mr. Speaker, close my remarks now. I wish to thank all hon. members for the kind attention which they have given to me. I wish them success in their administration.

(Applause from both sides of the house).

Hon. Dr. F.W. Rowe (Minister of Education): Mr. Speaker, in rising to speak to the motion I am afraid I have to open my remarks with an apology. During the past few hours a developing head cold is going to make it perhaps a little difficult for me to be understood this afternoon.

My first duty, I think, is to express my congratulations to the hon. gentleman who has just spoken; to congratulate him first of all on his election to this House of Assembly and secondly to congratulate him on the excellency of the speech which he has just given us. The hon. member for St. John's

South comes from a family which is famous in Newfoundland's public life. But as has been said recently of a distinguished Governor, in public life he does not need to stand in the shadow of his predecessors, because he himself, as this house must be aware, has made signal contributions to the culture and to the economy of this city in particular, and of the Province in general. I think I speak for all members on this side when I say that, without any way depreciating the capacity of the other gentlemen who sit with him, the general ability and capacity of the Opposition and indeed of the house itself will be benefitted greatly by his coming into this Chamber.

Mr. Smallwood: Here; Here.

(Applause)

Mr. Rowe: I want also at the beginning of my remarks to express my congratulations to the two young gentlemen, young hon. gentlemen, who spoke.

Mr. Hollett: Hon. members not "hon. gentlemen."

Mr. Smallwood: Oh yes.

Mr. Rowe: The member for Labrador North (Mr. Winsor) has been a friend of mine, and I have been actively associated with his family for a number of years. So that I am sure the house will pardon me if I say it gives me particular pleasure to be able to sit here and listen to him speak in the able and convincing way that he did at the opening of the session. That hon. member comes from a family that has distinguished itself for a hundred years in the life of Newfoundland, particularly in our seafaring activities. Then too it is a matter of great personal pleasure to me to be able to listen to the hon. member from Burin (Mr. Jones), who did such an excellent job in seconding the motion. Here too I have had some personal connection with him. I am sure the house will recall he was formerly a member of the teaching profession, and on one occasion we worked very closely together. I feel, Sir, that I am speaking for all members of the house when I say we are looking forward to future contributions from these two men.

Mr. Hollett: Here, here.

Mr. Rowe: Mr. Speaker, in the short time that I intend to speak I would like first of all to make some fairly brief reference to my district, which is that of White Bay South. This is the second session of the house that it has been my honour and privilege to represent that district and to speak for the people who live in that part of our Province.

This year, as it happens, I cannot speak in such optimistic terms as last year as far as economic terms are concerned. That district, in company with a great many other districts in Newfoundland, is very seriously affected by recent declines in the pulp wood activities in the Province. I suppose two-thirds of the district of White Bay South is actively connected with logging, or with some phase of the paper industry. Consequently, the very serious curtailment in this past year has had a most detrimental effect on a great many of the residents of this district. The whole Baie Verte Peninsula is a logging area, and from that area Bowaters have cut wood which has gone into Corner Brook Mills, and many thousands of cords have been exported to the old country. The prospect at the present time is not so bright, and indeed the prospect for the next year is in some doubt. However, there is no doubt whatsoever but that this is a passing phase. As it has already been pointed out here in this house, I believe the great paper industry, looking at it from the standpoint of the world markets, is subject to fluctuations, as any other industry. It is only a few years ago since there was a surplus of paper in the world markets, but about three years after that — in fact since my coming into this Government — there has been a great shortage of paper; so much so that paper mills all over Canada were trying to work seven days a week on a twenty-four hour basis. Well, we know that within the past two years a number of great mills have come into production, particularly in the southern part of the United States, so that temporarily there is a surplus of paper in the world markets. We may consequently expect that within the next two years—I have here the word of some of the greatest authorities in the paper industry—within another two years or so, there will again be a shortage of paper throughout the world. We then may take

heart in this respect that, although there is something of a recession in paper and logging activities in this Province, that is only a temporary phenomenon; we in common with the rest of Canada, and the world for that matter, will eventually have this readjustment which will bring us back to the foremost rank of prosperity in this particular industry.

In the district of White Bay South, the greatest single need has been that of communications, of being linked up with the rest of the Province. I am very happy to be able to say that already we have made a start in linking up a number of those places with the rest of the Province. At the invitation of the Premier, in common with all other members, I submitted to the Government a four year program of road-building which, when implemented, will mean that the great majority of the settlements of that district will be linked up with the rest of Newfoundland.

I would like at this time, Mr. Speaker, to draw attention to two or three other needs of that part of the Province. This past year, the people of White Bay South lost many tens and perhaps many hundreds of thousands of dollars because of the bait situation. From a great many people I have received representations requesting that some attention be given to that matter. As this house knows, it is not something coming within the province of the Government of Newfoundland, but I am speaking of it here because I feel that this should be brought to the attention of the public and to the attention, particularly, of the people in the Government of Canada who are concerned with these matters; this need of bait depots which I know has been brought to the attention of the authorities in Canada by my hon. friend, the Minister of Fisheries, amongst others; this need seems to be of paramount importance if the fishery of Newfoundland is to continue to be of any particular material significance to our people.

I would like also to make brief reference to the problem of unemployment insurance amongst the people of White Bay. I would say that of all the many hundreds of letters that I have received from people since I became the member for White Bay, that by

far the greater number had dealt with unemployment insurance. I say, not as a criticism of the unemployment insurance people, not as a criticism of any persons but rather indicating that in some way or another the program, the implementation, the techniques used are defective; otherwise there could not be so many misunderstandings and so many frustrations, and so many resentments amongst our people. I do not know what the solution of this problem is, but urge that an unemployment insurance office ought to be established at other places in the Province. Some of us, in fact most of us, have been fighting for that during the past few years. However, we must recognize this fact, that it is out of the question to establish regional offices in every small part of the Province, in every district or in every bay. The overhead would be tremendous, and the need is not there. My suggestion is, and I have already made it in other quarters, that the people in Ottawa who are responsible for unemployment insurance ought to make it possible for officers to visit, periodically, various parts of the Province—strategic parts of the Province—particularly at the time when the demand for services is at a peak. In that way much of the misunderstanding could be eliminated at the source, and certainly this interminable correspondence which takes place could be avoided. We do know of cases, and what I am saying now I am sure is true of all members of the house, we know of cases where there has been correspondence back and forth spread over weeks and months, in an attempt to find a solution. In the meantime, the people making application have suffered, and often they have been forced to apply for Government assistance during the interim period. That, of course, is a matter of great distaste to a man who has worked hard and accumulated stamps he thinks necessary, and who firmly believes he is entitled to unemployment insurance. It is a matter of great distaste to him to have to apply for Government relief.

I would like to make a brief reference also to the mining prospects of White Bay South. What I said a moment ago about the paper industry throughout Canada applies with even more force to the mining industry. We know that a great many mines in Canada

and the United States have closed down. We know that the prices of base metals have gone down to a point below that which the greatest pessimist thought two years ago. We know, for example, that mining shares which were selling at \$5 a share are now listed today at fifty-three cents. Seriously, Mr. Speaker, I want at this point to place on record my conviction that the great mining activity of Tilt Cove, which is not in White Bay South, but which is 22 miles from it, and near enough to draw most of its labour from White Bay South — I want to place on record my conviction that this mine will be an unqualified success. I had the opportunity last summer of spending the day at Tilt Cove, going right through the plant and other developments there. I left it with the feeling, as I am sure anyone else who visited must have, that there is no doubt at all about the ultimate success of Tilt Cove.

The prospect for an asbestos development at Baie Verte is still as bright as when I spoke here almost a year ago. Unfortunately in that particular development, like so many other things, it has been cut down in this tight market, this money squeeze. As a result the people who were developing or helping to develop the asbestos holding in Baie Verte have had to defer some of their plans. There too I think it is only a matter of time. We know that the deposits are there. We know these deposits are extremely rich and we know that in the ordinary course of events it is purely a matter of time before these great deposits, which are right at tide water, are developed. I am brought up to date on one aspect of their asbestos development. The hon. the Premier has just informed me he has heard from Mr. Boylen to the effect that, in order to bring about development there, it will be necessary for him to give, the absolute control which he has hitherto exercised over these holdings. I understand that is to be done in the near future. The prospect is therefore that there will be development in the asbestos holdings of Baie Verte and vicinity in the not too distant future.

Mr. Hollett: Will the hon. Minister say why he has to give it up?

Mr. Rowe: Mr. Boylen, for my knowledge of it, Mr. Speaker, hoped all along that he

would be able to hold all control over these developments in his own hands. Unfortunately, the difficulties he has encountered in trying to finance it, an undertaking which I believe would require upward of \$20 million, apparently makes it impossible for him to finance that enterprise and still hold on to the control of it. I would think, Mr. Speaker, that what has actually happened at Baie Verte has happened in a great many other cases. The general market situation, the falling off in prices, uncertainty in the market and a few other things like that have all played their part in deferring development in that area.

Mr. Speaker, I want to say a few words with reference to the Speech which the hon. member for St. John's South, gave us a few moments ago. May I repeat what I said at the beginning, that I regarded that speech as one of the finest, and certainly one of the fairest that has been made in this house since I have been here. It indicates to me a sincere desire on the part of the hon. gentleman to see both sides of the picture, to give a certain amount of credit, at any rate, where credit is due. Believe me that is something we do not always find in Government. So often we run against people like the character in "Pilgrims' Progress." They see no good because they do not want to see any good.

Mr. Hollett: In Government? I am sorry to hear that. He meant the Opposition, I presume. There is an odd one here and there.

Mr. Rowe: I was surprised to find that my hon. friend voiced objections to some of our practices here. He did not elaborate but did make some references to practices or the alleged practice of recruiting from the civil service. I do not know if there has been any law written, or any unwritten law, saying a Government cannot recruit from the civil service. I recall recently reading the memoirs of a very famous civil servant who was amongst other things private secretary to Gladstone. On several occasions Mr. Gladstone requested him to enter the Cabinet. Of course, if you choose to go back and look it up, you will find that many former civil servants in England entered political life. We have example after example of it in the Canadian Government, and

certainly in one of the most brilliant prime ministers Canada ever had (McKenzie King), who was a deputy minister prior to his going into public life. The present Leader of the Opposition (Mr. Pearson), the man who undoubtedly will be the next prime minister, was a civil servant before going into public life. I do not know who had found the law nor who had made the law that said a civil servant should not be recruiting into active political life. Certainly we should try to get the best men possible into public life, active political life. If we accept that, then there should be no barrier, nothing to say a man, because he a magistrate or a deputy minister or whatever else, should not be admitted into public life. I cannot and do not see that the Government has been guilty of any great crime in that nothing to say a man, because he is a magistrate or a deputy minister or whatever else, should not be admitted into public life. I cannot and do not see that the Government has been guilty of any great crime in that matter.

I was particularly interested also in what my honourable friend had to say about what he called "omissions" in the Speech from the Throne. He spoke of the failure on the part of the Speech to make any great reference to the fishery. That same argument was used last year, if I recall correctly. I do not see how any Speech from the Throne can deal with all the aspects of Government activities year after year. Certainly I think if the hon. gentleman would go back and look at previous Speeches from the Throne in the life of this Government, he would find the majority of them made more than passing reference to the fisheries, and the same thing holds true of tourist development. The fact that any one item is omitted from the Speech from the Throne — for instance there is a passing reference, almost a casual reference in the Speech from the Throne to education — does that mean the Government now ceases to regard education of any great importance? The hon. gentleman complained that there was no reference to farming. There has been in the past many references to agriculture. In fact, this Government thought enough about it to set up through this house, a Royal Commission on Agriculture, and to do a great many other things. While I am on that, Mr. Speaker, I

jotted down from memory two or three things that came into my mind, the time he used the expression, I believe — "fading off the map" — farming was fading off the map in Newfoundland. The simple fact of the matter is that no Government in Canada — I am going to make a categorical statement now: — No Government in any Province of Canada has done more, proportionately speaking, for agriculture than the present Government of Newfoundland has done for agriculture in this Province. You need only to think, for example, of the bovine anti-tuberculosis campaign. You might say that was a health measure. It also was a measure affecting every farmer who had a cow in Newfoundland. We went the whole hog in that. We compensated every farmer in Newfoundland who lost an animal, one animal or a dozen, we compensated him for the loss of these animals. Certainly our program of land-clearing is as generous as anybody can find across Canada. Our program of land fertilization through the use of limestone is as generous as anything any other Province has done. Our program of bonusing purebred stock, of encouraging farmers to buy purebred stock, including I might say, even \$10,000 bulls — I invite all my hon. friends here to go out and see it. I have seen it.

Mr. Hollett: Where is that one now?

Mr. Rowe: It should be in a museum. Our program of veterinarian services to farmers is as generous as anything you will find. So I could go on. What I am heading up to, Mr. Speaker, is this: It is very easy for any person to get up and say that nothing is being done for our farmers or not enough, or that farming is in a precarious condition; the fact of the matter is that — and we may as well face up to it — we have to, there is no Province in all Canada and certainly very few countries or states in the world where it is as difficult to carry on farming as in Newfoundland. There are so many things stacked up against a person, whether it is climate of soil conditions or fertilization of our soil, or lack of fertility, or markets and all the other things, they are all stacked up against our farmers. Mind you, in spite of that, Mr. Speaker, I think this should be said; that while we have fewer people growing vegetables today yet it is possible my

hon. friend who just spoke does not realize that at this very moment there are more people in Newfoundland, more families in Newfoundland making a living, and some cases a very good living, out of farming than ever before in our history. I think when we are critical of the Government's program in agriculture we ought to keep that in mind. The fact of the matter is that this Government has done as much as could be reasonably expected from any Government to help agriculture. We have not solved all the problems. We have not solved all the ills. Perhaps nobody could ever do it. But certainly we have gone a long way to make it possible for a great many farming families in this Province to make a livelihood out of the work. The fact that they are doing so at this very moment is proof of what I have said. I understand, Mr. Speaker, the ladies responsible have coffee ready outside. If agreeable I would ask for a recess.

Mr. Speaker: We have only one stenotypist and that is the reason why we usually recess at this time. If agreeable, the house will recess for ten minutes.

The house stands recessed for ten minutes. Mr. Speaker resumed the Chair.

Mr. Rowe: Before we recessed I was referring to two of the alleged omissions in the Speech from the Throne, I believe I was on the point of making some comment on education.

At this point I would like to thank the hon. gentleman (Mr. Renouf) for his complimentary reference to me in connection with my department and the educational program of Newfoundland. I appreciate his remarks. I think any person in public life is only too happy when he hears some compliments, so rarely does he get them. But I would like to make this point clear, Sir — No minister in this Government to my knowledge, has ever been responsible for any Governmental program. At the most, he has been able to make recommendations. Any program, whether it is about health or welfare or municipal development or education has been the deliberate decision of the Government as a whole, and the fact that I was able to speak recently as I did in such optimistic terms about the future of education in this Province is merely a reflec-

tion of the attitude of this Government toward the importance of educational development in Newfoundland. It is in a sense almost an accident, purely incidental, that I happened to be holding the portfolio at this time. The Government has never at any time been lacking in its responsibility for education. The facts and figures are there to prove it. It has been purely a matter of economics. This Government, for several years now, has been spending more on education, proportionately speaking, than any other Government of the other ten Provinces of Canada. The fact speaks for itself.

That brings to mind, Mr. Speaker, the allegation which is so frequently heard against us that we are a bunch of spendthrifts; that we have taken millions and millions of dollars and we have squandered this much and that much. I would like some day for somebody to put these things down in black and white and show us how it is true, as it has been frequently argued. Some of the money has been spent to develop new industries, in an effort to get more jobs. Some of that money was not wisely spent. That has been argued over and over. It is not my purpose at this point to debate the pros and cons of that. I will say, however, that in the Government program, they had one main purpose in mind, and that was to provide a livelihood for Newfoundlanders. Those people who allowed their hatred of this Government, and particularly their hatred of the leader of this Government, to lead them into making statements calculated to injure those industries, have a great weight or guilt on their consciences because they have not injured the head of this Government, they have not injured this Government. The injury has been to the families of Newfoundlanders who have been getting a livelihood out of those industries. But to go back to what I had in mind there, Sir, when we hear these charges of extravagance — I think the word used by my hon. friend in his comments here — these charges of waste — I would like sometime for somebody (because I have gone over it myself very carefully) to show where we have wasted \$200, \$300 or \$400 million for industries. We spent more, I think, on education than on any other item of current revenue. Now, how many millions of that were wasted? I cannot see that

any millions were wasted. I do not know where \$100,000 was wasted in education, giving the present system we have. We did not make the system. It is a good system. By and large I believe it is. What part of the millions we spent in the last eight years on education were wasted? The charge is heard over and over again against us.

Mr. Hollett: On education?

Mr. Rowe: A Tory spokesman said "Oh, another \$7 or \$8 million for the Government to waste." The charge was made on money coming from Ottawa, not education; but that is a blanket charge made against us over and over again. I would like to know where these extravagances and wastes have been. For example, the \$70 or \$80 million we spent on public health — how much of that was wasted? I dare say if you went into some institution, the Sanatorium, the Mental Hospital, any institution, you can find waste, duplication, unnecessary overhead, and you will find dishonesty, because no one has yet discovered any means of carrying on great enterprises, employing hundreds of persons and have assurance that everyone of them is 100 percent honest 100 percent of the time. Nobody has ever discovered that. So that if one went into any institution one would undoubtedly find some example of these things. Take the extreme case of graft — You will find that anywhere in the world. The head of one of the greatest firms in Canada told me they lose \$2 million a year from employees through pilfering alone, and they are one of the most efficient.

One of the \$70 or \$80 million spent in public welfare, how much was wasted? There again I dare say some applied and got allowance to which they were not entitled. You will find that in every social measure on earth. You will find some old-age pensioner got his pension illegally by lying about his age, or somebody got unemployment insurance he was not entitled to — but by and large, can anybody argue that the money spent on welfare in Newfoundland was wasted, or the money spent on mineral development was wasted? The point is, Mr. Speaker, that it seems to me that many of our critics are not so much concerned with painting a true picture, not so much con-

cerned with public morality, as they are with attacking the Government, either collectively or individually, and particularly individually. There is a disease which I would call "Smallwood Hatred." There is a band in Newfoundland of "Smallwood Hatred" who are motivated, actually, by nothing but malice against the Leader of the Government.

Hon. M.M. Hollett (Leader of the Opposition): Mr. Speaker, I want to ask if the hon. gentleman is directing remarks at the Opposition of the house.

Mr. Rowe: Mr. Speaker, I am speaking in the debate on the Address in Reply, and I feel that I have every right to make broad and general statements in a debate of this kind.

Mr. Hollett: By accusing us of "Smallwood hatred" to which I object very much —

Mr. Speaker: Order. The hon. gentleman spoke of critics of the Government. He did not refer to the Opposition or to anybody in the house. He just referred to critics of the Government — they could be anybody.

Mr. Hollett: Thank you, Mr. Speaker.

Mr. Rowe: Mr. Speaker, I am dealing with the Government program in general, and criticisms levied against that program from time to time. I say there are people in Newfoundland who have reached almost a psychopathic condition in their hatred of the Leader of this Government (Mr. Smallwood), and nothing in this world that he could do, for that matter this Government could do, would ever change them. Sometimes, Mr. Speaker, I regret to say, this hatred has resulted in irresponsible actions which have had the result, deliberately or otherwise, of injuring Newfoundland as a whole. We do know that, from time to time, attacks have been made on the credit of this Province, and that, if some of these professional hater had their way in order to get at the Premier of this Province, they would destroy our credit. It was tried before with some success. I may say it failed this time, but it was tried just the same. It must stand, I think, to the credit of this Government and to the Premier, that at no time in the history

of Newfoundland's credit has our credit been higher.

For example, this past year the Government deliberately refrained just as did other Governments across Canada and just as the state of Texas decided not to float a \$50 million bond issue which they started and withdrew; and just as did state after state and municipality after municipality in the United States and Canada decide not to take advantage of authority to float bond issues to the full. The fact that this Government refrained deliberately was used by its critics and enemies as an indication on the Government's credit was gone, the Government could not borrow the money, in spite of the fact that each time we did float a bond issue it was over-subscribed, and is I believe at the moment selling at a premium. It stands to the credit of the Premier and this Government, and the policy of this Government that in spite of these malicious attacks attempted to injure our credit with the hope of thereby embarrassing and perhaps destroying the Government, it stands to our eternal credit that at no time was the overall credit of this Province higher in financial circles than today.

I spoke earlier of the industrial development which the Government has attempted from time to time. In the minds of many people, that industrial development was concerned primarily with so-called new industries. Actually that was only a phase, a not-too-important phase of it. Proportionately, comparatively-speaking, it was not the most important phase of the Government's attempt to develop industry in this Province, always with one aim in mind, always with this in mind — to make it possible for our people to enjoy a higher standard of living and make it possible for our people to be more secure in jobs, to make it possible for us to improve education, welfare, and health standards in the Province. It seems to me one has to re-emphasize this, to re-assert this simple fact, no community, no province can live on roads or welfare or health or education. These things are of primary importance of course, but no province or community can live on them. There has to be this other thing — We know that the curse of Newfoundland down through the ages, down through the centuries has been

the uncertainty of our people, the fact that one year they could live in comparative abundance and the next year be in starvation. We know of periods of our history when our economy leaned almost entirely on the fishing industry; in 1865 two-thirds of all people in Newfoundland lived on indian meal and molasses. In 1840 it was the same thing and again in 1900. So such is the duty of any Government and must in this Province of ours where we have so many obstacles — so many difficulties — in bringing about industrial development; because the necessity is so great, the need to bring it about must, at times, be unorthodox. We hear from time to time from our friends, sometimes factiously — sometimes serious, criticisms for example about the amount of travel. But I say this, if we have done more travelling than most other Governments it is because we have had greater problems than most other Governments.

Mr. J.D. Higgins (St. John's East): And want to get away from them.

Mr. Rowe: My hon. friend must be careful. He once made a break before in a similar connection. The Premier and members of this Government from time to time felt it necessary to travel. Now, I do not know how many of my colleagues like travel. I happen to be one of those who just do not like it. But I would submit this to you, Sir, (and by the way I cannot resist interjecting this) that last year a colleague, if I may refer to it, of my friends on the other side, shook a finger across at me about all the travelling I was doing. He has, since June 10th, not been in one spot for two days in succession.

Mr. Higgins: See how catching the virus is.

Mr. Rowe: He is the second "misguided missile", I would say. I have lost count but I think he has made nine trips from Ottawa back and forth, and is now coming again, and from there to Siam and so on. The simple fact of the matter, Mr. Speaker, again seriously, if Crown Zellerbach put a mill in Newfoundland, and we believe they will, and that is something which this Government has been working on certainly every year since I have been in the Government and I am sure before; It is a project which forced the Premier and other minis-

ters here to travel almost to the far corners of the earth, in Europe and North America and because we know, we must know, we must realize this fact; that the economic salvation of tens of thousands of Newfoundlanders not yet born lie in the hope of a third mill in Newfoundland. If Crown Zellerbach puts a third mill or mills in Newfoundland, then the value of that to the province will equal 1000 trips to San Francisco and 1000 to Rome, and all the travelling done by every member of this Government since 1949, multiplied many times over again and still more.

I say, Mr. Speaker, that this attempt at times to discredit the Government savours of irresponsibility, irresponsible conduct. I spoke of the attack of our credit. At times this attack reaches, shall I say, personal proportions. Every now and then somebody gets up in public and says we need honest men in politics in Newfoundland. We need men who will devote themselves to the good of the Province and so on. The inference being, of course, that these we now have are not conducting themselves to the good of the Province. How can we expect people in our present stage of political immaturity to look forward with any degree of equanimity to a political career? That is not meant as a criticism of my hon. friends. They are themselves victims of what I am getting at now, as anybody over here is, in our present stage of political immaturity — how can we expect people to want to serve in public life? The other day I asked somebody, (and I think this will go for others here and perhaps on this side) if he would go into politics. He said, "yes", but that he would wait until his family grew up. The simple fact of the matter is that, in Newfoundland, our politics might almost be described as psychopathical, and it reacts on our families. I heard the other day of a lady who had made a great contribution to life here in this community and who is married to a very brilliant man who has himself made a great contribution to Newfoundland, (she is the daughter of a former member and minister of this house); because of the experiences of her childhood she had made her husband promise at the time of their marriage that he would never under any conditions enter politics in Newfoundland.

I submit, Mr. Speaker, that is a tragedy. The people of Newfoundland seem to lack a

degree of political maturity in that we allow — and I am not trying to limit this to any one political school — we allow our enthusiasms and sometimes our political hatred to carry over into every-day life and prejudice the welfare of people both in public life and out of it.

Mr. Speaker, I want to take advantage of this moment now to once more say a few words about the philosophy behind this Government. We call it liberalism. I am sure the cynic will say there is no such thing as a philosophy behind any political party. In my opinion, what is happening to Canada right at this moment is the natural reflections at the political philosophy behind the present party in power in Ottawa. This is not the time to elaborate on that, but I say that to point up that every political party has some kind of a basic philosophy, some fundamental philosophy which actually motivates them in carrying on. We are happy to call ourselves Liberals. We belong to the liberal school of thought — those of us the other day who attended that great convention on Ottawa, which the commentators said was the largest convention ever held in Canada. By the way, Mr. Speaker, speaking of travel, I noticed a question today, I believe by one of the hon. members on the other side about the travelling of ministers over here. I am quite sure I do not need to say this, when the answer to that question is given, it will be found that no person on this side of the house has charged up his travelling to the Liberal Convention. That is going to be a bit of a disappointment perhaps, but we are not that stupid.

Mr. Hollett: It would be foolish to think that. They would not get away with it. That is not part of our philosophy.

Premier Smallwood: The question was just coincidental.

Mr. Rowe: Those of us who attended that convention, Mr. Speaker, from this side and outside members of the Liberal Party in Newfoundland, found that, in spite of all the apparent frivolity (and there was a good deal of that as there always is on these occasions) they came away strengthened and convinced in the greatness of the cause which we represent, which we exemplify in practical politics, the philosophy of

Liberalism in Canada. That philosophy very briefly can be summed up by saying; in spite of the blunders, in spite of the mistakes, in spite of the actions that are sometimes taken that do not meet with approval, in spite of the sins of both kinds, those we commit and those we do not commit —

Mr. Higgins: And would like to commit.

Mr. Rowe: In spite of all these, Mr. Speaker, liberalism has its roots in the needs of the people. I will submit that that is the reason why, throughout the ages going back now several hundred years and almost throughout the world, liberalism gets its support from the ordinary people. It does not get it from the vested interests, it does not get it from people who are basically concerned with their rights and what they consider to be the privileges God in his infinite wisdom conferred upon them to the exclusion of all others. Liberalism gets its strength from the ordinary people, and that is why the ordinary people of Newfoundland, and the ordinary people of the United States of America, and of England, and of Canada, are the ones by and large who support liberalism. That is why I believe that, under liberal Government, whether here or anywhere else, the trend is always up. The standards have risen incalculably in recent years. In all countries in the world the standards of the ordinary people rise when liberalism is in power. It may not be called liberalism. It may have some other word, but it is liberal in the sense that it is motivated by the needs and aspirations of ordinary people.

Mr. Speaker, I want at this time to reaffirm my faith in the development of this Province and in our growth and in our progress. I want to reaffirm what I said here the first time I ever spoke — my confidence in the leadership and head of this Government and my confidence that Newfoundland will go on from strength to strength.

(Applause from both sides of the house).

Mr. J. Forsey (Humber East): Mr. Speaker, I rise at this time to move the adjournment of the debate.

On motion, the Debate on the Speech from the Throne adjourned.

ORDERS OF THE DAY:**LEGISLATION PROPOSALS**

Second Reading of Bill, "An Act To Amend the Commissioners of Oaths Act, 1954."

Hon. J. R. Smallwood (Premier): Mr. Speaker, our ranks are rather depleted today by sickness. A lot of hon. members are in bed with one kind of physical ailment or another. That includes the Attorney General, who I think, was going to move this, at all events he did give notice of an Act to Amend the Commissioners of Oaths Act, 1954. The whole of it is contained in Clause 2, which proposes that there be inserted immediately after Section 5 or the Act the following as Section 6: "All welfare officers appointed under the Department of Public Welfare Act, Chapter 18 of the Revised Statutes of Newfoundland 1952, are, while they hold office and by virtue of their offices, commissioners for oaths and shall be so styled and may exercise within Newfoundland the powers conferred by this Act, and each of them shall write or stamp below his signature on every affidavit, affirmation or certificate made before or given by him the words, "A Commissioner for Oaths in and for Newfoundland, being a Welfare Officer appointed under the Department of Public Welfare Act." In other words, Mr. Speaker, it is a quite simple Bill and proposes only that welfare officers while they are welfare officers, that is to say, while they continue to hold that office, shall be also, in addition to that, commissioners of oaths and will sign their names accordingly. I do not know if there is anything else that I can add to this. I think it is pretty well self-explanatory, and I move the second reading.

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

Hon. L.R. Curtis (Attorney General): I ask leave to introduce a Bill, "An Act respecting the Designation of Beneficiaries Under Pensions and other Plans."

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

Hon. S.J. Hefferton (Minister of Welfare): I ask leave to introduce a Bill, "An Act

Further to Amend the Blind Persons Allowances Act."

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

Mr. Hefferton: I ask leave to introduce a Bill, An Act Further to Amend the Old Age Assistance Act."

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

Mr. Hefferton: I ask leave to introduce a Bill, "An Act Further to Amend the Old Age Assistance Act."

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

Hon. C.H. Ballam (Minister of Labour): I ask leave to introduce a Bill, "An Act Further to Amend the Workmen's Compensation Act."

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

Hon. F.W. Rowe (Minister of Education): I ask leave to introduce a Bill, "An Act to Amend the Vocational Education Act."

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

Premier Smallwood: Mr. Speaker, all of these, I believe, are quite formal Bills, brought in pending the time when the heavier and more substantial legislation is printed and ready for distribution. I wonder if my hon. friends opposite would be agreeable to have all or anyone or more receive second reading. By getting Bills of this type out of the way we are clearing the floor for the more substantial business of the house. I do not urge it strongly, but if my hon. friends would care to do that — it is only 5:20, I see.

Mr. J.D. Higgins (St. John's East): Mr. Speaker, I appreciate the hon. the Premier's point, but there are two of these Bills on which I think we might ask for a little explanation; i.e. Bill No. 2, "The Designation of Beneficiaries under Pension and Other Plans" but more important still Bill No. 5, "An Act to Amend the Workmen's Compensation Act."

Mr. Smallwood: I did not ask, and do not now, for the house to pass second reading,

but to enter into the debate, which is only lawful if the house agrees — not necessarily to pass second reading, but just to begin the debate. The minister in question might explain the Bill and then from the opposite side there might or might not be comment.

Mr. Higgins: Mr. Speaker, the hon. minister introducing Bills No. 2 and 4 is not here; perhaps the house might consider taking rather No. 5 or No. 6.

Mr. Smallwood: These two we could explain, and they may be simple enough to warrant my hon. friend's passing them. If not they could be held over.

Mr. Higgins: Agreed.

WORKMEN'S COMPENSATION LEGISLATION:

Mr. Speaker: IS it unanimously agreed that the house now give second reading of a Bill, "An Act Further to Amend the Workmen's Compensation Act"? The motion is that this Bill be now read a second time.

Mr. Ballam: Mr. Speaker, this amendment is made necessary because in the first instance the Act states "aid in training to injured workman"—We find that workmen have been injured and have been restored to their health but in many cases cannot resume their former occupations, and we feel that we should be able to give such a person some vocational training in order to enable him to resume his former employment. We had nothing in our Act to permit this sort of thing, so that this amendment, Mr. Speaker, is being presented here for that purpose. Clause 2 of the Act states that the expenses of such rehabilitation shall be borne out of the Accident Fund. As a matter of fact we do have in our original Act an amount of, I think, \$15,000 for the treatment of injured workmen but that is only for medical purposes. We want, and it is shown here in Section 2, to increase the amount of \$25,000 in any or every calendar year in order to provide rehabilitation for members as stated in 18(a). Section 31 "The Lieutenant-Governor in Council shall appoint a secretary, a chief medical officer who shall perform such duties as the Board

prescribes." Heretofore, before the Board could hire on any help whatsoever, that had to have prior approval of the Lieutenant-Governor in Council. Now that was not always practical and it could not be done, and we had to allow them to hire on such junior help as stenographers and replacements and so on; but it was not covered by Statute. So that this amendment here will give the Board permission to hire on such help up to the level of the secretary and assistant medical officers, who shall be appointed by the Lieutenant-Governor in Council. All other persons appointed could be appointed by the Board or hired, if you like—

Hon. M.M. Hollett (Leader of the Opposition): If I may, I do not read it that way — Is it not a fact the Lieutenant-Governor in Council appointed the medical officers and so on?

Mr. Ballam: Yes, follow on and read the other ones.

Mr. Hollett: Read it yourself.

Mr. Ballam: Section 4 says the Board may make appointments under Subsection 3 to posts which the Board has established with the approval of the Lieutenant-Governor in Council.

Mr. Hollett: That does not apply to all medical officers.

Mr. Smallwood: To all except the chief medical officer and one or more assistants. These appointments are by the Governor-General in Council, and all others are by the Board.

Mr. Speaker: Order, it does seem the house is now anticipating the committee stage.

Mr. Ballam: Mr. Speaker, there is just one other section here I would refer to and that is that the Board shall fix the salaries of the persons referred to in subsections (1) and (3) in accordance with a scale approved by the Lieutenant-Governor in Council, and may pay those salaries out of the accident fund. That is what the Lieutenant-Governor in Council shall approve — the scale of salaries of all those people whom the Board shall appoint to any particular post. Mr. Speaker, I move the second reading of the Bill.

Mr. Smallwood: Mr. Speaker, I would like to make just one word of explanation before my hon. friend intervenes. The position up to this moment is that everyone employed by the Workmen's Compensation Board is appointed by the Lieutenant-Governor in Council — stenographers, clerks, everyone. We feel that it is not really necessary. We feel that the Lieutenant-Governor in Council ought to retain the right of appointment of the members of the Board and then these employees of the Board, the secretary, the chief medical officer and one or more assistant medical officers. All other posts ought to be the direct appointment of the Board itself, and the fixing of rates of salaries of course ought to be done by the Lieutenant-Governor in Council; but the actual selection and appointment of all staff should be done by the Board without reference to the Lieutenant-Governor in Council. In other words, it is designed to give the Workmen's Compensation Board far more autonomy than they now have in selecting and appointing their own servants and employees. Of course naturally the rates of pay, even though the pay comes out of the funds, the fixing of the rates of pay must remain, obviously, with the Lieutenant-Governor in Council.

Mr. Higgins: Mr. Speaker, I must say that I welcome this amendment, this addition of the proposed Section 18(a), because in the former Section 18 the provision that was made for assistance and rehabilitation for injured workmen obviously did not go far enough. With your permission, Sir, I would quote Section 18 or the Act. "Providing the aid in getting injured workmen back to work and assist in lessening or removing any handicap resulting from injuries, the Board may take such measures and make such expenditures as it may in its discretion deem necessary" — but it then goes on to point out that the fund and total expenses were limited to \$15,000. Now, this proposed new section goes further, and I think it properly should go further, to cover the cost of a man who is not able to get back to his former work as a result of an injury suffered. I am just wondering whether the wording here is quite complete. "Where as the result of an injury, a workman is unable to return to his former employment, or is able to do so only if he undergoes a period

of training or retraining, the Board may take such measures and make such expenditures as it may in its discretion deem necessary or expedient to provide that workman with such academic or vocational training as in the opinion of the Board may be necessary to enable him to resume his former employment or to enter new employment." Now I am not at all sure — perhaps some of the draftsmen on the other side can too express an opinion, as to whether that does cover the situation where a man who has worked in one trade receives an injury, and as a result is so physically incapacitated, (say if he were working in a mine) he would never again be able to return and he has to get other work. Does the wording of this section cover that situation? Does that cover it if he cannot go back to work to his former employment but is still able to take employment? Is he protected under this thing? Is it clear? That is the first point. There could be no dispute? But speaking for this side of the house, Sir, I think the idea is a good one. As far as this Workman's Compensation Board is concerned, not only in the section just passed but in other ones I congratulate the Minister of Labour on that Board. I think it is one of the achievements of the present administration in which they are entitled to take legitimate pride. It has done a lot of good for the people of this country.

Mr. Smallwood: "Province".

Mr. Higgins: It was not intentional really — it is, Mr. Speaker, one Board which I think has been administered in a most efficient manner, and whoever has had anything to do with Mr. Fogwill or other members of that Board, or indeed any officials down there, can vouch for the fact they certainly know their work and are most obliging to deal with, I think. Speaking for myself, Sir, I support the amendment.

Mr. G.R. Renouf (St. John's South): I too, Mr. Speaker, wish to be associated with my hon. friend in supporting the principle here. One thing I would like to draw attention to is the amount set forth there. I was about to ask a question whether \$25,000, under present day condition of costs and so on, might be sufficient or not.

Mr. Speaker: I think that point might be dealt with in Committee.

Mr. Hollett: Mr. Speaker, generally, as my hon. and learned colleague stated, we are in agreement with this amendment. But as yet we have not been told why the change in Section 31, why that change?

Mr. Ballam: It says "subject to the approval".

Mr. Hollett: No, subject to the approval, they may fix the salaries. I am asking the Minister, Mr. Speaker, if they would give us some idea as to why the change, why make Government appointments out of this. They set up this Compensation Board — Unless they are lending too much money to the Government — and I shall have something to say to that later — if they have such a competent board, why take away from them the right which they had to appoint a secretary and medical officers, and pass the right over to the Lieutenant-Governor in Council, in other words makes them political jobs. I cannot say I am fully in accord with that particular part. But that section, in regard to the rehabilitation of injured workmen, everybody must be in accord. We would like to have an explanation on that particular point. Why has the Board been deprived of the right to appoint its own secretary? Evidently the Government trusts the Board. There are three men there. We all know Mr. Fogwill is an honest and courageous man. Up to the present time, that Board has appointed the secretary and chief medical officer. Why, I want to know, why does the Government now plan to take away that right from the Board? If that is answered satisfactorily, then I am in accord with the whole amendment.

Mr. Ballam: Mr. Speaker, the interpretation that we had on that section of the Act from the Attorney General's Department was that all appointments previous to this amendment had to be approved by the Lieutenant-Governor in Council — and it is quite the reverse from what you are thinking — As the Act is now, all appointments had to be approved by the Lieutenant-Governor in Council.

Mr. Hollett: Where did you read that?

Mr. Speaker: I think I might as well point out right at the beginning of the session that

honourable members should not use the pronoun "you" and "your" because that leads to personalities. Honourable members should never use the words "you" and "yours". The honourable member may resume.

Mr. Ballam: Well, that was the interpretation from the Attorney General's Department, and it has been going along ever since the Act was passed. All appointments had to be approved by the Lieutenant-Governor in Council.

Mr. Hollett: To a point of order, Mr. Speaker — May I ask the honourable minister to read section 31 of the Act.

Mr. Speaker: I do not think that is a point of order.

Mr. Hollett: Well, Mr. Speaker, I do not get that interpretation the hon. minister has put on it. Perhaps I could be given permission to read that.

Mr. Speaker: The honourable member has already spoken.

Premier Smallwood: The Honourable Leader of the Opposition's interpretation of that should be regarded with great caution.

Mr. Speaker: The Bill can be taken clause by clause while in Committee stage. The honourable member will resume.

Mr. Ballam: I haven't anything further to say, Mr. Speaker, I still say the interpretation we had on that particular clause was that all appointments had to be approved by the Lieutenant-Governor in Council. In order to clarify the situation and in order to have no doubt about it and so on, we brought in this amendment.

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

Second Reading of Bill, "An Act to Amend the Vocational Education Act."

Hon. F.W. Rowe (Minister of Education): Mr. Speaker, this is what, in my layman's opinion, the lawyers told us we should get.

The amendment simply changes the term "Minister of Fisheries and Co-operatives" to the term "Minister of Fisheries." That is the only change. That of course is necessitated legally and technically by the fact that since the original act was passed here, the Department of Fisheries and Co-operatives has changed to the Department of Fisheries.

Mr. Speaker, I move the second reading of the Bill.

Mr. Higgins: A rose is a rose is a rose.

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

Premier Smallwood: Mr. Speaker, I move that the remaining orders of the day do stand deferred and that the house at its rising do adjourn until tomorrow Thursday at three o'clock.

Thursday, January 23, 1958

(Afternoon Session)

The house met at three o'clock.

STORE CLOSING: ST. JOHN'S:

Hon. J. R. Smallwood (Premier): Mr. Speaker, I am reliably informed that the Retail Section of the Newfoundland Board of Trade held a special meeting yesterday afternoon to decide what action they would take in connection with the Saturday closing decision of the Government. I am informed that the Water Street retail merchants decided, with some members of the trade refusing to agree to the decision, that they would defy the Government of Newfoundland, and would open their shops on Saturday. I am further informed that three well known shops refused, at this meeting, to join in this decision. They will not defy the Law. Since the meeting several other important shops have decided not to defy the law, and shops will not open on Saturday. One large firm decided, somewhat reluctantly, to go along with the majority decision to defy the law by opening for part of the day on Saturday.

I am further reliably informed that one of the most active advocates of defying the

Law of the land was a certain hot headed young gentleman, connected with a large Water Street firm, whose name received considerable publicity in Newfoundland, and indeed all across Canada a year or so ago. When at yesterday's meeting, it was pointed out that defiance of the law could not hope to have very much success, this same impetuous young gentleman remarked that "at least we will embarrass Smallwood." This same young gentleman is the individual who, a few years ago, waited personally upon the Attorney General of Newfoundland with a strong request that the Government should make Saturday closing compulsory for all shops in the City. He has evidently changed his mind on his issue also. The young gentleman in question was accompanied on that occasion by a top ranking officer of the Retail Clerks' Association, who joined in his demand for the Saturday closing.

Speaking today as the Leader of Her Majesty's Government in Newfoundland I wish to say that the Government will not stand by while the law is defied by impetuous or other merchants of Water Street. Insofar as the Police Force of Newfoundland can act, and the Courts of Justice permit us to do so, we will compel these gentlemen to obey the law. It may become necessary in this present session to amend the law to provide for much heavier penalties than the Statute presently provides.

This question of Saturday closing was settled in the most democratic fashion that has ever been employed under the British Flag, namely, by direct reference to the people. Following upon the utter failure of management and employees to agree amongst themselves on the question of the weekly holiday, the Government submitted the matter to the people in a secret-ballot last Autumn. By a vote of more than two to one, the decision favoured the Saturday closing. The shop and office workers of the firms that actually attempt to defy the law of the land will find themselves in a very embarrassing position. They and their families are known to be overwhelmingly in favour of the Saturday closing, but it would be very unfair to expect them to endanger their jobs by refusing to report for work if ordered to do so by their lawless employers. I wish, however, to assure them, and all other shop

and office workers, and the public in general, that the law will be carried out.

Hon. M.M. Hollett (Leader of the Opposition): If I may, Mr. Speaker, before you go on?

Mr. Speaker: No.

Mr. Hollett: I cannot add my word?

Mr. Speaker: A Ministerial Statement cannot be debated.

Mr. Smallwood: I would be glad if the honourable gentleman in question were to ask a question.

Mr. Speaker: The honourable Leader may ask a question but it cannot be debated unless by special permission of the house.

Mr. Smallwood: I think, Mr. Speaker, as I have made the statement, we might on this extremely important matter accord to the honourable Leader of the Opposition the courtesy of replying if he cares to do so — I think that would be the wish of the house.

Mr. Speaker: Well the Speaker is ruled by the house — Is it the wish of the house that the honourable Leader of the Opposition be allowed to speak at this time?
Agreed:

Mr. Hollett: Mr. Speaker, I do not intend to take up very much time of the house. The honourable the Premier said he has been reliably informed — there may be some error — there may be some mistake — but I want to assure the Premier and I want to assure you, Mr. Speaker, as Leader of the Opposition, and I think I speak for my colleagues, if there is any attempt by any individual or any group of individuals to defy the law then the house must stand against it and must defend the law. There are a lot of people who are not in favour of this Saturday closing true, and undoubtedly there are a lot of people who are in favour of Saturday closing but the law has been made, the law has been signed by the Lieutenant-Governor and proclaimed, and it is the law, and therefore I want to assert myself at any rate as being in favour of carrying out the law — sink or swim we have to abide by the law. If any shopkeepers defy the law and

open up on Saturday when that law is on the Statute Book, then they ought to be punished. I would back up the Government in carrying out the law, 100%. That is all I have to say. Mind you, I am only speaking after the honourable the Premier because he has only said he is "reliably informed." It is not a fact that these people referred to have defied the law. When they do they can only expect unity between Government and Opposition. These are the remarks I wished to make and I am quite sure my colleagues wish to agree with me.
(Applause from the Government side of the house.)

Presenting Petitions:

None.

Presenting Reports of Standing and Select Committees:

Hon Dr. J. McGrath (Minister of Health): Mr. Speaker, I am not sure if this is the correct time to table the report of the Department of Health for 1956. Copies have been made available for any members of the house or press who wish to get them.
On motion, reports received.

Giving Notices of Motion:

PROPOSED LEGISLATION:

Hon. W.J. Keough (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 (Mines and Quarries) Act, 1958."

Hon. B.J. Abbott (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Community Councils Act."

Premier Smallwood: Mr. Speaker, I give notice I will on tomorrow on behalf of the Minister of Welfare who is still in bed with the flu, that I will on tomorrow ask leave to introduce a Bill, "An Act Entitled the Social Assistance Act, 1954."

Hon. F.W. Rowe (Minister of Education): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the School Attendance Amendment Act."

I further give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Education (Teacher's Training) Act."
I further give notice I will on tomorrow ask

leave to introduce a Bill, "An Act to Amend the Local School Tax Act, 1957."

Notice of Questions:

Notice of questions on tomorrow given by Mr. Duffy, Mr. Renouf, Mr. Hollett.

ANSWERS TO QUESTIONS:

Mr. Speaker: Here I must say that in future I intend to follow the practice at Westminster — If a member is absent I shall not call the question in his name. So I will call Question No. 7.

Hon. M.M. Hollett (Leader of the Opposition): Mr. Speaker, before you go on to questions, I intended to ask the honourable the Premier a question — I wonder if the Premier could make a statement as to whether or not any approach has been made by his Government to the Federal Government relative to the power resources in this country and the erection of transmission lines.

Hon. J.R. Smallwood (Premier): Mr. Speaker, the moment I was informed that the Government of Canada had tabled in the House of Commons notice of motion or notice of resolutions to bring electricity in on thermal plants, I telegraphed the Prime Minister asking if he would include Newfoundland in the proposed legislation. I sent him this telegram, and he was kind enough to read it aloud in the House of Commons. He did not read aloud his reply to me, but he was kind enough to send me a written reply, not a telegram.

I said in my telegram that if he felt he had to use the word Thermal for any reason, he could include Newfoundland by inserting or by adding the word "hydro", because the word "hydro" did not appear in the legislation. What did appear was the word "thermal", mentioned sometimes as steam-electricity. I pointed out in my telegram that if the legislation were not amended to include "hydro electrical power" it would be useless to Newfoundland — It would be quite useless — and I asked him therefore to amend the Act by just inserting the one word "hydro". The Prime Minister replied, and if I had known my honourable friend was going to raise the matter I would have brought the Prime Minister's reply. The Prime Minister wrote me saying that he had received my telegram and that he had no

doubt he would pass it over to his colleagues, the Minister of Northern Affairs (I forget the full title of the office). At any rate his colleague, who was piloting the legislation through the house. He said he would pass my request over to him and he felt that doubtlessly his colleague would be able to somehow get Newfoundland included, or something to that effect — It was not all spelled out that he would accede to my request to put hydro-electricity in the Bill, but he only said in general terms that he felt his colleague would somehow be able to meet Newfoundland's case, or see the Act was made applicable to Newfoundland.

Sir, the Act has been made applicable to Newfoundland. It does apply to Newfoundland. That has been done. But it is useless — It is no use to Newfoundland. It is as useful to make that particular Act apply to Newfoundland as making it apply to Tanganyika. It does not fit our needs. It does not suit our case at all. I am in hopes that the Government of Canada (I am not discussing their politics) I feel that the Government of Canada as long as they are the Government of Canada are not at all desirous of discriminating against one of Canada's Provinces, and we are one of them, and if we do not come under that particular Act, or if that Act is of no real value to us, I am sure some other way will be found by the Government of Canada to assist Newfoundland in the development of hydro-electricity. We are not interested — We are not interested in thermal plants. There are three in Newfoundland. There is a thermal plant across here on the South-Side, built by the Newfoundland Light and Power Company, just to supplement the need at peak demand in the city. When demand reaches a peak and there is not quite enough electricity from hydro sources, they can turn on the thermal plant and feed some additional power. I believe Bowaters have a thermal plant and feed some additional power. I believe Bowaters have a thermal plant at their mill for the same purpose, to supplement their hydro electricity, and I believe that the AND Company has a thermal plant inside their building at Grand Falls for the purpose of supplementing their hydro electricity supply. But, generally speaking, thermal plants are of no interest to us in Newfoundland, but only hydro electric plants.

I may say that what we want to do is this — We want to develop small hydro electric plants at St. Anthony, Springdale, the North side of Bonavista Bay, say around the area of Wesleyville and north and south of Wesleyville, the Burin Peninsula, which badly needs it, and the District of Port Au Port and St. Georges, which are desperately in need of electricity. There has been some suggestion that the electrical power can be supplied to these areas by means of transmission lines. Sir, a transmission line would be a very long line and a very expensive one to carry power, if it existed, if there was power to carry, all the way to St. Anthony. It would cost probably \$20 or \$30 million to build and probably \$40 million to carry transmission lines to St. Anthony. It would be much cheaper to develop the hydro power that is there, potentially. Similarly throughout the District of St. Georges there is no power to carry to St. Georges' District by means of transmission lines. If that transmission or distribution line were built there is still no power. The power must still be developed. It is a question of hydro.

Now, I have no disposition to quarrel with the Government of Canada, none at all. If an election comes I will play my part as a Liberal in the election, but while they are the Government, the Government of Canada, the disposition of this Government, (and I think our lack of words have proved it since June 10th.) and while they are the Government my intention is to treat them with all the courtesy I can give them. I must say they have treated me with the same courtesy. They do not agree with my politics anymore than I with theirs, but we are the two Governments. They are the Government of Canada and we are the Government of Newfoundland.

Mr. Hollett: What kind of power are you talking of now?

Mr. Smallwood: We are not going to say a word on this question that my honourable friend directed to me that will in the least endanger our chances, Newfoundland's chances, of getting power where it is needed. I will just recite them again: The outstanding places where power is needed now, where there is a clamorous demand for power is in St. Anthony, Springdale — (Now I am leaving out the Baie Verte Peninsula because I think that will be taken care of

by BRINCO and M.J. Boylen who are actively negotiating in the matter) — There is St. Anthony, Springdale — I am leaving out Lewisporte and that area because power will be brought there soon — I like that word "soon" — by the Newfoundland Light and Power Company who are presently developing power at Rattling Brook. I think that will take care of Lewisporte and Gander, Middle Brook, Dark Cove, Gambo to Hare Bay South to Glovertown will, I believe, be supplied by Union Electric, so I leave that out. I repeat, St. Anthony, Springdale — I will leave out the Southern Shore as far as Trepassey because that is a question either of developing the power at Trepassey, and there is power there to develop at a very fine site, at Northwest Brook, is it? Does someone remember the name of the brook up at the head of Trepassey, a very fine potential site there. It is a matter of either carrying transmission lines a pretty considerable distance at a pretty considerable expense southward from the vicinity of Renew's to Trepassey or else, and what is probably cheaper and therefore profitable, to develop the power in Trepassey.

Then there is St. Mary's Bay where again it will be a question of developing sites in St. Mary's Bay or carrying a transmission line a considerable distance at considerable expense up into that area. Then there is the Burin area, which is a question of developing the power. There is nowhere to bring power from, not only develop the power that is up there now undeveloped. Finally the Port Au Port Area and the St. George's Area. We are hoping, if we cannot get it under this Act, for some reason I do not understand — I have here the debate in the House of Commons. I listened to a lot of it from the gallery when a plea was made to bring Newfoundland under that. They would not do it. I do not know why they would not. But that is not the end of the story, I do not think. I refuse to believe the Government of Canada is just going to shut Newfoundland off in this regard. I do not believe it. If they do this we won't be the last Government there will be in Newfoundland and some Government in Canada will include Newfoundland if the present Government does not, and I believe the present Government will include Newfoundland.

Mr. Hollett: They had one there before.

Mr. Smallwood: This matter only came up in recent months. It came up in Mr. Harris's Budget Speech last spring.

Mr. Hollett: Thank you, Mr. Speaker.

Question No. 7.

Hon. J.T. Cheeseman (Minister of Fisheries): Mr. Speaker, I beg to lay on the table of the house the answer to a question directed to me yesterday by the honourable member for St. John's South, (Mr. Renouf): (See appendix for questions and answers).

Question No. 8:

Hon. E.S. Spencer (Minister of Finance): Mr. Speaker, there are on today's Order Paper some eight questions which were directed to the Department of Finance. With your permission I am tabling the one answer that I have. There is just one that I have here today. The other answers are in course of preparation. I have in my hand, Mr. Speaker, the answer to Question No. 11. I am not going to read it in detail. It shows there were three Minutes of Council which formed part of the answer to this question — and a note by the Deputy Minister says that no action has been taken by the Department of Finance to implement these three minutes. Provisions will be made in the revised estimates for these expenditures. (See appendix for questions and answers).

Question No. 9:

Hon. G.J. Power (Minister of Highways): Mr. Speaker, since the appointment of a Deputy Minister is the prerogative of the Premier I think you will agree that question should be asked him.

Mr. Smallwood: Mr. Speaker, I thank my honourable colleague. The selection of every Deputy Minister who has been appointed by this Government has been made by me. That is customary, I think, in all Governments in the British system. I did choose Mr. Charles Granger to be Deputy Minister of Highways, not however before inviting the present Deputy Minister of Public Works, Mr. Manning, to become the Deputy Minister of the new department. Mr. Manning chose not to undertake the very heavy burden, in association with the new Minister, of creating the Department of Highways. He preferred to continue in office where he was.

I chose Mr. Granger because of the very high class qualifications which he possessed. Mr. Granger had been in Ottawa for eight years, first as special confidential secretary and executive assistant to Senator Bradley, when he was Newfoundland's Minister in the Government of Canada, and then in the same capacity with Mr. Pickersgill when he succeeded Mr. Bradley. So that, for these eight years Mr. Granger acquired an enormous amount (and I use the word advisedly) an enormous amount of administrative experience and training and knowledge. Furthermore, he acquired a very wide circle of acquaintances and friendships with permanent civil servants of Canada, and we felt that if we could get him — He was made an offer, of course, to remain in the public service of Canada, but he preferred to come back when he was invited to do so, he preferred to come back to Newfoundland and enter the public service in Newfoundland because of the change of Government — Everybody knows that the particular position as confidential secretary to a Minister is a political appointment in Ottawa, and the new Minister was not going to want to have Mr. Granger as his confidential secretary. He would want a political friend. Indeed, all Ministers in Ottawa want political friends as their confidential secretaries. They do not want the political friends of another party. So that Mr. Granger, who could have gone elsewhere in the services of Canada, was glad to accept my invitation to come and serve in Newfoundland, his native land, which he had never been out of except for that purpose. We are extremely happy to have Mr. Granger. He is an extremely able Deputy Minister. I do not know how long we are going to be able to hold him. I do not know how long Mr. Granger is going to be willing to serve as Deputy Minister. Certainly I take full responsibility. It was my responsibility to select a Deputy Minister as it is my responsibility to select a Minister. It must not be forgotten the Deputy Minister is exactly what it says. He is the Minister's Deputy or Deputy Minister, and the person who selects the Minister is obviously the one to select the Deputy Minister. Now as to the third part of the question. I am sure my honourable friend does not want a long dissertation on that. That is not the sort of thing that can be answered orally and by

way of a simple answer to a simple question.

Mr. A.M. Duffy (St. John's Centre): May I ask a supplementary question — I want to make it quite clear I have no objection at all to Mr. Granger.

I do not know anything about his qualifications. I asked the question for the obvious purpose of ascertaining his qualifications for that particular job. I take it that particular place in the department would require some technical knowledge, to some extent at any rate and administrative ability.

Mr. Smallwood: Where is the supplementary question?

Mr. Duffy: I am going to ask it now — The third part of the question was with reference to the procedure of promotion or appointments within the civil service. May I ask the Premier, in the event of any suitable or eligible person in the department besides Mr. Manning, I ask the question was there any eligible man? It seems to me if there was and if he was willing to accept —

Mr. Smallwood: Where is the question? It is not opinion or advice, but a question.

Mr. Speaker: Order. I think at this time I might for the benefit of all our members just say a few words about questions. A question is just that, a question. It must not convey information. A question must not give information — it must not criticize nor comment upon information just given. A question must merely ask a question. I think the honourable member who just had the floor is asking the longest question I have ever heard.

Mr. Duffy: Mr. Speaker, may I ask the question now? The honourable the Premier, in his opinion, does he not think it rather frustrating for gentlemen in the civil service who are eligible for positions not to be invited to take those positions when the opportunity arises?

Mr. Smallwood: I have not any doubt that lots of people are frustrated when not invited to become Deputy Ministers. Look at how many men are frustrated when they seek election to this house and do not get it, or having sought election find themselves in Opposition and not in the Government. Look how many men elected on the Government side do not find themselves in the

Cabinet. I have no doubt lots of men are disappointed when they do not become Deputy Ministers. May I say this though. Quite a few men in the public service today are gentlemen who came right out of the departments in which they are now Deputy Ministers. I can think of several myself. I can think right off of Mr. P.J. Murray, Deputy Minister of Resources who came up through the ranks from within the department. I selected him and as a matter of fact I procured his promotion from one position to another and finally selected him to be Deputy Minister, and I think it is a very good selection. I selected Mr. Grover to be Deputy Minister of Mines and before him I selected Mr. Claude House to be Deputy Minister from within the department. There has been a number of them. In the case of the Department of Highroads I selected Mr. Granger. I selected other men from outside Newfoundland's civil service. I brought other men from Ottawa. Mr. Granger was not the first.

Now it is true he does not know how to build roads. Mr. Granger would not pretend to know. The honourable Minister of Highways does not know how to lay eggs, but I guarantee you there is not much he does not know about eggs. He cannot lay eggs but knows a lot about them. Similarly, Mr. Granger cannot build roads but he is an extremely able administrator and good office manager. Now, as assistant Deputy Minister we have a road engineer, an experienced road engineer, and in addition to that we have other engineers and technical men — but the Deputy Minister does not go out and get this hands dirty building roads any more than does the Minister.

Mr. Speaker: Are there any other questions?

Mr. Cheeseman: I have several answers, Mr. Speaker — I beg to lay on the table of the house the answer to **Question No. 14** directed to me yesterday by the honourable Leader of the Opposition.

(See appendix for question and answer)

Hon. W.J. Keough (Minister of Mines and Resources): Mr. Speaker, there are three questions on today's Order Paper addressed to me — If I might go back, seeing the

honourable member for St. John's East is in his seat.

Question No. 5.

(1) \$64,990.57

5 (2) Since April 1st. last there were several hundred of acres of bog lands drained and 100 acres seeded. There was actually no grain grown over there. There was 100 acres seeded down last year. We had something over 50% for pasture for sheep and hay was cut of the rest. The hay is in storage over in the Colinet area.

5 (3) The vegetables included 14 tons of cabbage, 60 sacks of potatoes, 100 sacks of turnips and trial quantities of peas, onions, cauliflour, lettuce, parsnips. The potatoes have been stored for seed, and since the Government did not want to enter into competition with local farmers the others were fed to the sheep.

Mr. J.D. Higgins (St. John's East): The reason I asked is that I saw a huge head of cabbage one day out at the Velvet Horn when going through, a great big head of cabbage. I wondered how it got there. It must have been visiting there, I suppose.

Mr. Smallwood: What would the honourable member be doing in the Velvet Horn?

Mr. Higgins: They serve good sandwiches.

Mr. Smallwood: Having a meal, oh.

5 (4) There have been no loans made to Fur Farmers Association — Loans made to the Newfoundland Fur Farmers Feed Co-operative Society, cash loan of \$60,000.

5 (5) Now this section, I presume is not to be taken literally. This asks for a listing of all loans made by the Government since 1953. Would the honourable and learned gentleman have in mind the loans made by the Farm Loans Board? That information was supplied to the end of 1956 in Question No. 80 on the Order Paper of April 19th, 1957 asked by the honourable Leader of the Opposition, and since that time there have been no loans made.

Mr. Higgins: None since, thank you.

Mr. Keough: Now while I am on my feet, Mr. Speaker.

Question No. 13: Since the honourable the Premier is most familiar with that I would

like to refer the question to him for an answer.

Question No. 6 directed to me by the honourable Leader of the Opposition — With regard to the first part of the question, I am not in a position to give the answer as yet because the detailed and complete information is not in the Department. That information comes in periodically from field men in their reports, and is compiled as it comes in. The full information will not be in the department for another month, I expect, but I would hope to have it this session if the session continues into March. But as soon as I do have the complete report, I will give an undertaking now to see that the honourable Leader of the Opposition gets it.

In regard to 6 (3) The amount was \$119,187.43.

Premier Smallwood: Mr. Speaker, on **Question No. 13** asked by the honourable Leader of the Opposition — We have made no agreements with them. They have made agreements with each other, but we have not made any agreements with them.

Mr. Speaker, my colleague, the Minister of Finance was asked by the honourable member for St. John's East **Question No. 6** to table any reports which have been made by the Government by Mr. J. Harvey Perry of Canadian Tax Foundation in connection with his services in the field of taxation and whether the recommendations of Mr. Perry were being adopted and how much money is being paid Mr. Perry on account of salary and expenses since December 1956. Since December 1956 he had received in fees \$3,600 and in expenses \$1,114 the total, therefore is \$4,714. No reports have been made to the Government by Mr. J. Harvey Perry and therefore no recommendations are being adopted by the Government as yet. Mr. Perry has communicated quite frequently with me orally here in St. John's and at Ottawa. He met me in Ottawa on two occasions. When I went there he came from Toronto to meet me, and has come several times to St. John's. We sat down and had long discussions on the problems. At the moment, he has gone to the New British Dominion of Gambia to make studies of their financial system for the new Government. He will be there, I think, for two or

three months to come. But Mr. Perry's study is a slow, leisurely one and will spread over perhaps as much as another year before he eventually makes his report to us.

Mr. Higgins: Mr. Speaker, would the Premier allow me a supplementary question? Is there any connection between Mr. Harvey Perry's work here and the reference in the Throne Speech and the possibility of taxes being available from the Bell Island Corporation?

Mr. Smallwood: Mr. Perry has gathered and passed over to me important information on taxation of iron ore in various parts of Canada. If that is a connection there is that connection — he is quite an authority on taxes collected everywhere in Canada.

Mr. Hollett: Mr. Speaker, may I ask a supplementary question — Is Mr. Harvey Perry under any contract with the Government to supply information from time to time? Is there a letter of intent or something — Is there a contract in regard to payment of expenses and so forth?

Mr. Smallwood: I believe so. I believe it was either tabled as a written document in this house or described orally. The Cabinet authorized me, at my own request, to secure someone in Canada to make this kind of study for the Government of Newfoundland. I may say that I negotiated first of all with the retired Governor of the Bank of Canada, and I met with Mr. Towers and discussed the matter. Unfortunately his commitments already made were such that he just could not undertake this additional work. I was greatly disappointed. I then asked very highly placed people in Ottawa, including the Prime Minister and the then Minister of Finance and certain financial institutions in Ottawa, to recommend a man. They all agreed in recommending Mr. Harvey Perry. Well, I then wrote Mr. Perry a letter outlining at great length and in considerable detail just the kind of study I wanted, the thing the Government in the day to day rush of affairs was quite incapable of making, a leisurely, philosophical sort of thing requiring a touch of contemplation. He agreed in reply to make that study. He informed us it would cost us \$4,700, and

it may yet cost us \$4,700, in which case it will be the best part of \$10,000 dollars. I think that is a low cost survey, and even if it is low pressured it is at least low cost.

ORDERS OF THE DAY:

Adjourned debate on the Address in Reply:

Mr. J. Forsey (Humber East): Mr. Speaker, I would like at this time to join with others having taken part in this debate already in extending, Sir, my sincere congratulations to the honourable member of Labrador North (Mr. Winsor) who so ably move the Address in Reply and to the honourable member for Burin (Mr. Jones) who did equally well in seconding that motion. I would like to offer my sincere congratulations to the honourable member for St. John's South. I think in my experience here in this house, which is very brief, it was one of the finest speeches I have ever heard, and it was fair enough to have come from this side of the house. That is the way I felt about it.

Mr. Speaker, I represent a district of complex problems and yet it does not face the problem of isolation too greatly. We are in a district where we are sometimes overshadowed by the high wage earning power of our paper mills, and it is of those that have not the earning power of the men in the mills I think as I stand here today. We have an unfortunate situation, and yet it is from great, unfortunate accidents sometimes come wealth and wisdom. The people who find themselves isolated to a great degree also find that the Bowaters Pulp and Paper Company are withdrawing from that area in the very immediate future. But I understand that they have decided to form a community council. Now that they have made their choice and their decision I wish to publicly assure them that I will give every possible assistance to serving their needs and I shall always be willing to act on their behalf in matters that may require the assistance or the attention of the Government. A district can only be fully healthy if all of us in the area work together as a team — and it is my intention this year and the succeeding year to suggest meetings of the various communities and city councils so that we may discuss from time to time the problems

that we have and hear suggestions which they may have to offer, I can then take these problems and suggestions and bring them back to the Government, if they are on the provincial level.

We have in the Riding of Humber East a considerable number of loggers, and it is a tragic note that, in this year of 1958, when there is a slight recession in the logging operation, the concern seems to be who will control the loggers, and not who will give them the greatest benefits. When I think of the great step forward that has been made through the unions, and through management in forming a pension plan for those employees of the mill on permanent salary, where the working conditions are geared to a 40 hour week and an eight hour day, it seems to me that somehow or other labour that controls the fate of the loggers should get together and decide some sort of a pension for when a logger has reached the twilight of his career. The twilight is long before the age of 65. It is true we have come into the era of the power saw — I was very impressed a few weeks ago when I heard the manager of Bowater's Pulp and Paper, Mr. Martin, refer to the great and increased earnings of the loggers because of the power saw, his daily or weekly earnings — But I would like to have heard, and unfortunately I did not, just how it effected his annual earnings, because I sort of feel it does not effect it too much. There lies the danger of the logger who find the toil of work and labour a lot easier but the time in which to spend his hard earned money, more at his leisure — I do hope that from among the confusion and fights and disagreements amongst the unions there will arise a sincere desire to look after the loggers in their retiring years, because I have heard of nothing at the moment that seems to fill that great need. He is as much a part of the wheels of industry in our paper mills as is the paper-maker himself. He produces the raw material which keeps the wheels of the mill and paper machines in motion. Now, I have heard here in the house a prediction as to the possibility of a recession in the paper industry in our town. I do not see it. There has been no indication that there will be. There has been the indication that there might be, and not then until the month of March. It has probably been for-

unate for us that the situation in British Columbia, which is still on, does not appear to be nearing a settlement. I have also heard our paper companies, not only in Corner Brook but also in Grand Falls, are able to see their way clear much better than they did several months ago.

Now there are many things we could ask for in our district and there are many things we do not ask for because, as a Province, we are no stronger than our weakest link, and we realize that many parts of our coastline and our interior are so far behind us, as we as a Province are behind the rest of Canada. But we do have a great need for roads and road facilities, and we do have a justifiable need for the paving of some 32 miles of Trans-Canada Highroad that links Deer Lake with Corner Brook, because this road is ready for paving, and if it is not paved in the immediate future it is going to have to go through considerable repair to bring it up to paving standards. So we do feel that in 1958 we can look forward to seeing that stretch of highroad paved.

We are concerned with housing. We too have our slum areas and we too have our low income bracket people who, through no fault of their own, are called upon to take jobs of a far less earning power than some of their friends and neighbors. So I know it is the hope of the city fathers, and it is the hope of all of us that we can see a low rental housing project started in the area of Corner Brook and the City of Corner Brook, in the not too distant future.

Mr. Speaker, reflecting back on my short term here, it has been a happy occasion. I have found our friends the honourable members of the Opposition and the honourable Leader of the Opposition, wise in their wisdom, quick with their criticism and loud with their praise, especially the latter. I was never so much impressed as I was today when I saw that this house could stand united when the laws of this land were threatened by those who would abuse them just for the glory of trying to hurt some individual.

My colleague, the honourable member for White Bay South (Dr. Rowe), spoke yesterday of the seeming hatred for one individual on the Government side of the house. I am not too much concerned with

that. Mr. Speaker, because I come in contact with love for that same person. You know they say the lines between hatred and love are very thin, and those professionals or amateurs have failed, probably because they too were in the fog. We sincerely hope that the fog clears up because we think it is to their loss that they have suffered thus.

Now, Mr. Speaker, there are times that we can consume the minutes and hours of this house in long deliberations and debates, but that is not my purpose. My purpose is to try and give to the people, to all the people, those who supported this Government and those who opposed it, and the riding of Humber East the best service possible. I want to thank all those civil servants, particularly the Deputy Ministers, who have been so kind to me and to my district during the past years. Without their support and their co-operation, from the girl on the switchboard up to the Deputy Minister's office, I would not have been able to do the job that I feel I have done. I do not mean to seek out an individual today, in fact I have very few notes because I sort of like to speak as I feel and trust that everybody likes what I say, but because it has come up I want to say to this house now that I probably have had as much contact with the Deputy Minister of Highways as any person on this side of the house or indeed on the opposite side, and he has been such a support and asset to me that I have never had to bother the Minister himself, to the Minister's own joy and satisfaction. So I will say that I am very pleased at the choice the Premier has made, and my district is very pleased. Should he not find himself happy in the Department of Highways I am sure we could find a happy spot for him in the area of Humber East.

Mr. Speaker, in speaking briefly to you and to this honourable house I would like to close my remarks, and I would like to very humbly address these to my honourable friends in the Opposition especially the honourable member for St. John's South (Mr. Renouf). I would like to use the words of Lyndon Johnson, the Democratic Senate Majority Leader of the United States — and I quote: "It is too late to fight the elections of 1956 and too early to fight the elections of 1960. I have not any interest in debating why we did not do something yesterday, the only thing I hope is that we won't have to

debate tomorrow why we did not start today."

Mr. A. Whalen (Harbour Main): Mr. Speaker, first I would like to congratulate the honourable member for Labrador North (Mr. Winsor) who moved the Address in Reply and also the honourable member for Burin (Mr. Jones) who seconded the motion. I must say they both did a very fine job. The speeches were good. I may say they were excellent. I confess I felt a touch of envy at the masterly way they did it, nevertheless I felt very proud and very glad that they did so well. I would like also to congratulate the other speakers. I found their speeches very interesting, and very helpful for the information they contained. I feel too, Mr. Speaker, I should extend a word of welcome to the honourable member for St. John's South who was elected to the Legislature since our last session. I am sure, (and in fact the honourable gentleman has already shown) his contribution to this house, to the business of the Government, and to the Province in general will be of very high standard.

Mr. Speaker, the Speech from the Throne at the opening of this session presented a very favourable impression or picture of the coming year. We have the prospect of a third paper mill. We know this mill cannot be established this year but the fact that it is in the offing gives encouragement at a time when there is a general slow-up in trade and industry. Encouragement is an abstract term, but it can have the tangible effect of greasing economic wheels and lightening the heart of our economy; and in that way may serve a worthwhile purpose even before the mill materializes. I believe it is a very good thing at this particular time to be able to hold forth the almost certain prospect of a third paper mill. Mr. Speaker, we have heard the argument put forth that we have already two paper mills and both of them working below capacity, so why a third? I think, Mr. Speaker, that this is a false concept. Surely, all three paper mills, all three companies, would not put their eggs in one basket. Crown Zellerbach have their own outlets for pulp and paper. They have their share of world markets, otherwise they could not control fifteen paper mills. Even if they too worked below capacity, what does it mean if their capacity is 1000 tons a day

and they produce 700 tons, that is 700 tons that would not be produced at all — If their employment roll is 1500 men and they have only 1200, there are still 1200 less men unemployed. If their payroll is \$2 million a year and they pay out only \$1.5 million, that is \$1.5 million added to our general economy.

Mr. Speaker, we have also the upward revision of the Terms of Union. We have a special adjustment grant given to all Maritime Provinces, and also, Mr. Speaker, later on this year, an upward revision of the financial arrangements between the Provinces and the Federal Government. This should place the Government in a strong position and enable them to carry out their plans of considerable expansion of our public services and the development of our natural resources.

While we are on the subject of natural resources, Mr. Speaker, although the fisheries have not been mentioned in the Throne Speech, I am sure the honourable Minister is as fully aware of his responsibility in this regard as if it had been given first place. We have many problems in our fisheries. We have the problem of bait, of securing salt fish markets and many others which are the direct concern of the Federal Government. Others directly fall upon the Minister. I am sure, Mr. Speaker, in trying to solve some of them he must find things as frustrating as do the fishermen themselves. It is my opinion, Mr. Speaker, that the salt codfishery, with a little encouragement, will play an important role in the economy of this Province for many years to come. There are still a lot of people who prefer salt codfish to frozen fillets. I know, Mr. Speaker, that the task of restoring this industry to its former place on the foreign markets is a monumental one. I suppose that it is the just irony of fate that this Government should be handed the job of trying to redeem a situation that was brought about by the shortcomings of previous administrations.

In agriculture, Mr. Speaker, I believe we have just as important an industry as the fishery. We lose millions of dollars in local circulation each year because we do not produce sufficient agricultural products, i.e. meats, eggs, vegetables. I know it may be a long time before we can supply all our

needs in this respect, but I think we should be able to way-lay some of these monies and keep them floating around at home. I don't think the whole burden of this should be laid upon the Government. I think the people who live in rural areas should be encouraged to cultivate home gardens. After all, a buoyant economy means as much to them as to the Government, and they would reap most of the benefits, and a little encouragement here may go a long way.

Mr. Speaker, there is always a marketing handicap where full time farmers are concerned. We have some well established farmers with standing markets built up over the years with no trouble to sell their products, but the farmer trying to get established, who finds it very difficult to compete with imported products, is the man who needs assistance in marketing. I believe, Mr. Speaker, if we were to develop agriculture to a stage where it would make any considerable contribution to our economy we must make it easy for the farmers to sell. This is half the battle. I think, Mr. Speaker, the idea of establishing farmers marketing places in the larger towns and also community cold storages in sections where there are enough farmers to maintain them would be a step in the right direction. One example, Mr. Speaker, of the need for a community cold storage can be found on the south shore of Conception Bay, in my own district of Harbour Main. Here we have scores of farmers most of whom are butchers as well, and I would say the losses of these farmers on left over meats alone would pay the maintenance of a cold storage. I have seen early cabbage spoil in the field whereas if there were proper storage available it could be stored up and later absorbed into the market.

In the northern end of the district of Harbour Main we have very few farmers but we have other undeveloped resources, Mr. Speaker. In summer time there is an abundance of squid which are often left to rot in the wharves, in the ditches and sometimes dumped in the fields, because existing cold storages were filled and could not take them. There is a need here, Mr. Speaker, for two small cold storages to take squid and blueberries. This small investment could, I believe, be done on a co-operative basis and would utilize the resources of this area and

solve many of their employment difficulties.

Before closing, Mr. Speaker, I would like to say that I have abundant faith in the future of this Province under the leadership of the present Liberal Government. Things have been done by Liberal Governments in the past. They have had many great leaders. The results of their work took a long time to bear fruit, but great as they were, and much as they did, I believe that in time, when the work of this present administration rebounds to the economy of this Province, the present Premier and Liberal Government will transcend them all.
(Applause).

Mr. Duffy: Mr. Speaker, I beg to move the adjournment of the debate. Motion, the debate on the Address in Reply be adjourned, carried.

Premier Smallwood: Mr. Speaker, we are suffering from the difficulty that arising from the fact that the honourable the Attorney General is sick in bed and two or three other men are sick in bed with the flu, including the Minister of Welfare, we will have to do the best we can. With the forbearance and assistance of the Opposition we can perhaps spend our time usefully from now on until six o'clock dealing with the legislation. So, Mr. Speaker, first of all I think we might take Items 2, 3 and 4. Committee of the Whole on Bills Nos. 1, 5 and 6.

On Motion, Mr. Speaker left the Chair.
(Mr. Clarke Chairman of Committee of the Whole)

LEGISLATION:

Committee of the Whole on Bill, "An Act to Amend the Commissioners of Oaths Act, 1954."

On motion, Clause 1 carried.

Mr. Hollett: Mr. Chairman, does that mean they have the full powers of Commissioners of Oath? Does it only apply to the administration of oaths relative to application for welfare?

Mr. Smallwood: My understanding is they are full commissioners for oaths while they hold the positions of welfare officers. Motion, that the Committee report having passed the Bill with amendment, carried.

WORKMEN'S COMPENSATION:

A Bill, "An Act Further to Amend the Workmen's Compensation Act."

On motion, Clause 1 carried.

Mr. J.D. Higgins (St. John's East): Now, Mr. Chairman, subsection (1): Where as the result of an injury, a workman is unable to return to his former employment or is able to do so only if he undergoes a period of training or retraining, the Board may take such measures and make such expenditures as it may in its discretion deem necessary or expedient to provide that workman with such academic or vocational training as in the opinion of the Board may be necessary to enable him to resume his former employment. The point I was making on second reading was this — The subsection provides that whatever training is necessary to resume his employment — should we have "new"?

Mr. Smallwood: Yes, what do you think of it?

Mr. Ballam: This was drafted down in the Attorney General's Department and also has been approved by the Board of Commissioners, and they feel that this will give enough latitude to cover their requirements.

Mr. Higgins: I am quite prepared, Mr. Chairman, to accept the statement that it was drafted in the Attorney General's Department and the board approved it, but I am just wondering — A position could arise where a man worked in one type of job, say as a miner under ground, and suffered an injury, and the only work available is something in the shop, and he needs to get some special training for that, does the wording of this section at the present time allow him to get it? I think there should be some provision in there to protect the workman.

Hon. Dr. J. McGrath (St. Mary's) (Minister of Health): Would the words "new employment" do that?

Mr. Higgins: There is provision in the latter part of the same sub-section, I submit, which should have been written into the beginning as well, because in the last line of the thing it enables him to resume his former, or enter new, employment.

Premier Smallwood: But not necessarily a new type? Mr. Speaker, it seems to me — I

do not want to find myself in disagreement with my colleague, the Minister of Labour. If it did it would be the first time in my life and the first time in his life — nevertheless the point taken by my learned and honourable friend seems to me to be a good one. This clause starts out by talking about a workman — now, keep him in mind. A workman who has been injured — with respect to this same workman, he cannot go back to his former employment or is able to do so only if able to undergo a period of training or retraining. Then the Board may take such measures with regard to him and make such expenditures with regard to him as it may, in its discretion, deem necessary or expedient to provide him. That same workman now with such academic or vocational training as in the mind of the Board may be necessary in order that he continue the same work — and now a new thought — or new work — some new type of employment. Therefore, ought there not to be put in the first line some qualifications in addition to the qualifications there.

Mr. Ballam: It says or enter new employment.

Mr. Smallwood: I think I ought to have been a lawyer.

Mr. Higgins: Particularly that branch of the profession which requires common sense.

Mr. C. Sheppard (Harbour Grace): I would suggest, Mr. Chairman, removing the words "his former" in the second line and it would then read - Where, as the result of an injury, a workman is unable to return to employment or is able to do so only etc.

Mr. Higgins: I will of course accept it as long as you get something in there that covers the position of a man being shifted from one type of work to another.

Mr. McGrath: Mr. Chairman, I would like to say that it seems to be perfectly clear, simple and clear — The man who is unable to enter his former employment is provided for, and if he is not able to enter former employment he may enter new employment. I am unable to see what the honourable member's difficulty is.

Mr. Higgins: Such training should be given as may be necessary to enable him to enter

his former employment or enter new employment. In the first part you give the Board the right to do things. You describe a certain workman unable to return to his former employment or do so only if he takes training. It does not cover the aspect of the man who can take a new type of employment altogether. The wording suggested by the honourable member for Harbour Grace might well be acceptable.

Mr. McGrath: I certainly agree, if there is any doubt at all it should be cleared up.

Mr. Smallwood: Well, the Law Clerk of the house feels that my honourable friend and I are wrong. So perhaps, as this is a difficult thing to settle in this kind of way, we might let the clause stand and have it referred back to the Attorney General's office, and have the Minister of Labour make sure the point is explained.

Mr. Higgins: See how lucky we are the other gentleman is no longer with us.

Mr. Smallwood: I thank God every night of my life — I render due thanks — Now let well enough alone — He is happy where he is.

Mr. Higgins: Mr. Chairman, would the Minister advise us — in the experience of the Board — I note in this section there is an increase of expenditure under this section from \$15,000 to \$25,000. Do the expenses over the past few years indicate that \$25,000 would be enough to meet that type of experience?

Mr. Ballam: This amount is recommended by the Board.

Mr. Higgins: Is the Minister able to say in round figures what does that amount to in the past couple of years, Sir?

Mr. Ballan: Well, the reason for bringing in this amendment is the provision in the original act authorized the Board to rehabilitate the injured workman by medical aid and things of that sort. Since we feel it necessary that, in order to rehabilitate workmen, it would be necessary to give them either academic or training in vocational training school, it is felt that this amount would be required to perform that work. We feel it would be enough for this year at any rate.

Mr. Higgins: That is what I wanted to know, whether it would be enough. Well it is your Department.

Mr. Hollett: Could the honourable Minister inform the Committee as to how much is now to the credit of the accident fund?

Mr. Ballam: If you are asking a question there is a time for that.

Mr. Hollett: This is the time.

Mr. Ballam: In the course of a few days I will be tabling the annual report of the Workmen's Compensation Board, when all of these questions will be answered.

Mr. Hollett: I wonder if the honourable Minister would inform the Committee as to who is the Chairman of the Compensation Board?

Mr. Ballam: The Chairman is Mr. Irving Fogwill.

Motion that Clause 1 stand. Carried.

Motion that clause 2 pass. Carried.

Mr. Hollett: In Clause 3, Mr. Chairman, I am afraid I do not find myself in accord with it because, as I pointed out yesterday, it is transferring the appointment of various officials such as medical officers and indeed clerks and other servants from the Board to the Lieutenant-Governor in Council.

Mr. Ballam: It is the other way around. This is giving the Board the authority to appoint and hire all of their staff except the secretary and medical officer.

Mr. Hollett: Oh, no.

Mr. Ballam: Oh, yes.

Mr. Hollett: If you look at subsection (3): Subject to subsection (4) the Board shall appoint and prescribe the duties of such auditors, actuaries, accountants, inspectors, clerks and other servants, **other servants,** other than those referred to in subsection (1) as the Board deems necessary for carrying out the provisions of this Part. The appointments under Subsection (3) are only to posts which the Board establishes.

Mr. Smallwood: That is the position itself.

Mr. Hollett: The point I took yesterday and take again now is in 3 (1): "The

Lieutenant-Governor in Council shall appoint a secretary, a chief medical officer and one or two more assistant medical officers who shall perform such duties as the Board prescribes." Now, under the original "3 (1)" in the Compensation Act you will see, as I read it, that this power was given to the Board. I see the honourable Minister of Labour shake his head, so I shall read the old section: "The Board shall appoint a secretary, a chief medical officer and one or more assistant medical officers and such others etc., as the Board may deem necessary for carrying out the provisions of this Board and may prescribe their duties, and subject to the approval of the Lieutenant-Governor in Council, may fix their salaries and pay them out of the accident fund." Now, approval of the Lieutenant-Governor in Council did not have to be obtained in order to appoint but only to pay their salaries. The point I am trying to get across is that we saddle (a good word) the Lieutenant-Governor in Council with the duty of appointing medical officers, chief medical officers and, worst of all, a secretary. Surely if you set up a Board and appoint a chairman and commissioners surely you are going to give them authority to appoint their own secretaries and are not going to have it come to the Lieutenant-Governor. We won't suggest who is going to get it. Naturally, it is going to be made a political appointment — that should not be

Hon. E.S. Spencer (Minister of Finance): What would be wrong with that?

Mr. Hollett: Certainly I think it is wrong for anybody to set up a Board and have the Government appoint the secretary. I think that the Board should be given the credit for possessing common sense enough to appoint its own secretary.

Mr. Spencer: You will find a great many cases where that is not so.

Mr. Hollett: This particular one would have a Workmen's Compensation Board set up by the Lieutenant-Governor in Council — remember people of all shades of politics contribute to the Workmen's Compensation fund and not only these great "liberals" you hear so much about — Oh, no, they carry out this big philosophy we hear about from the honourable Minister of Education

(Dr. Rowe). They have a philosophy, those Liberals, and not only those, but also some of those hard-boiled "Tories" are contributing, and I think if we set up a Board we should give it the right to appoint its own secretary. That is the point I am objecting to, Mr. Chairman, and I would like the Minister to consider some amendment there.

Mr. Smallwood: Mr. Chairman, I would be out of order if I were to follow the example of the Honourable Leader of the Opposition in arguing about the principle of this, because it is out of order to argue about the principle of a Bill in Committee of the Whole. The principle was argued about yesterday, and adopted and passed by the house. This is only a Committee of the house. The house yesterday adopted the principle of this Bill and now we, as a Committee of the house, have only the right to enquire into the details. We have no authority to question the principle of the Bill, which the house in its wisdom adopted yesterday. The Bill was given second reading yesterday. The principle was then adopted and we dare not question it now in Committee of the Whole. We are the same individuals, but we are not the house. We are a Committee of the house.

But I would say whatever was the position or whatever is the position in the Act as it stands up to this moment, this is only a proposed amendment to it, whatever the position is in the act as it stands. We in Cabinet discussed the matter, but as it came to us in Cabinet it was not like this at all, it was passed over to the Board the right to appoint everything under the sun except themselves. We said, "no, that is not right. That should not be" — This Board is a creation of the Government. The Government have created this Board, selected the personnel of it and appointed the Board. Now we never intended that the Board, our appointees, should in turn select an official of the Board who is the secretary of the Board, not just a sort of stenographer — typist type of secretary of the Board who is virtually a member of the Board, or at least sits in at all private and confidential meetings of the Board. We felt we had the right and ought to retain the right as a Government governing Newfoundland, because we are the Queen's Ministers, and we felt we had the

duty, the responsibility and therefore we ought to have the right to appoint the top ranking officers of the Board.

Now the Board's employees, 35 or 40 people, are appointed by the Board. We ask only for the right to appoint the three members of the Board, the Secretary and Chief Medical Officer, or any medical officer there may be as assistants — All others are appointed by the Board, but they have not the right to create positions. The posts are still created by the Government. Let us not be forgotten we are the Government, and we have not only the duty to govern but the right to do it, so long as we are the Government, and the Workmen's Compensation Board is nothing more nor less than a creation, in other words, a creature of the Government. The Government created the Workmen's Compensation Board and in creating it we certainly have the right to prescribe what establishments there shall be in that Board, i.e. how many accountants and how many book-keepers and how many inspectors.

Mr. Hollett: You do not pay their salaries.

Mr. Smallwood: Whether we do or not, they are the creation of the Government and the Government controls them and the Government says how many servants and what posts there will be. But we go further here now and say, the Government having established these positions but not the positions of medical assistants, medical officers and secretary. The Government will fill these posts. I think it is a very sensible arrangement.

Mr. Hollett: Mr. Chairman, I still do not agree. I do not think it is wise and I do not think it is right. The honourable the Premier said the Government created the Board. The only people who created the Compensation Board is the workmen of the country. They are the ones who created it by paying in their savings to this particular fund.

Mr. Ballam: Workmen do not contribute, the employer does.

Mr. Hollett: I expect the employer finds the way to take it out of him in some way or another. It all comes out of labour, don't let us have any misunderstanding about that;

and the workmen are the men who have the claim on that Compensation Board for assistance when they are injured and so on. It is true the Government created it under the Act and the Law. I think it is right the Government should set up a Board, but I do maintain that the Board ought to be given the right to appoint its own secretary and appoint the medical officer to serve it. I do not think the Government ought to say — "You cannot have John Jones — he has a touch of Toryism — We will get a fellow who is a good Liberal for you." You see that is what you are doing and that is exactly why you are doing it, making a political appointment out of it. Mr. Chairman, I do not think that is wise for the secretary of the Workmen's Compensation Board, which serves all Newfoundlanders whether Liberal or Tory — I do not think we should take from the Board the right to appoint the secretary and the right to appoint the medical officer — I would like to make an amendment to that Mr. Speaker, that the words in Section 3, of the said Act read: "The said Act is further amended by repealing Section 31 and substituting therefore the following: *The Board shall appoint a chief medical officer and one or more assistant medical officers who shall perform such duties as the Board prescribes."

Mr. Smallwood: I suggest, Mr. Chairman, the honourable gentleman's motion is out of order because it negates the principle of the Bill, one of the two main principles of the Bill, which we have no authority to do in Committee of the Whole.

Mr. Hollett: Mr. Chairman, I disagree — There is one thing I would like to point out here too — This Bill was placed in my hands yesterday about five minutes or less before the Government wanted to have second reading on it, and I do not like to approve that principle — to demand second reading on a Bill just brought in. In any case I do not think it is violating the principle of the Bill just to change one word into another — It is still appointing a secretary and medical officers — That is the principle, but who shall do it does not have anything to do with it at all, who shall appoint them, the Lieutenant-Governor in Council or the Board. I do not think there is anything there against the principle — We are still

going to appoint these people. I maintain, Mr. Chairman, that motion is in order.

Mr. Smallwood: I maintain, Mr. Chairman, that the principle of this Bill, as far as Section 3 is concerned, is that the Lieutenant-Governor in Council shall appoint so and so and the Board for its part shall appoint thus and so — That is the principle as far as Clause 3 is concerned. That was adopted yesterday and we cannot now amend it.

Mr. Clarke: As far as I can see in Section 3 - 31 - 1, if we change the words "Lieutenant-Governor in Council" to the word "Board" it is my understanding of it (that is the principle of the Bill in the minds of some) but it would be my idea that there is very little, and as a matter of fact no change, in the principle of the Bill if this is changed; therefore I agree the amendment as proposed is in order.

Mr. Smallwood: May I ask, Mr. Chairman, what is the principle of the Bill?

Mr. Hollett: Mr. Chairman, I might point out that this is merely an amending Bill, an amendment to the Bill, and the principle of the Bill is in the parent Act.

Mr. Smallwood: We are not passing the parent Act. This is an amendment.

Mr. Hollett: For instance you are going to increase the amount for training from \$15,000 up to \$25,000. Now you are not altering the principle there but just altering the amount — and in the original Bill as it says, the "Board" shall appoint and hire, you are not altering the principle by saying the Lieutenant-Governor in Council shall appoint. You are not altering the principle, the method of operation. I surely do not think we should question the ruling of the Chair along that particular point. I am quite sure we will lose the amendment on this side, but I want it to be made known that I certainly disagree with this making a political appointment. You already have your Board there, political appointments, which are quite in order. But I do think it is derogatory to the Board to say to them; "if you want a secretary or a new secretary let us know and we will get you one — but mind you if he does not suit us we get him fired, you have nothing to do with it. He is not yours. He is ours."

That is what you are saying to this Board, this competent Board in whom we all have every trust and every faith, not even giving them the right to appoint their own secretary. I think this is something the Government ought not to be guilty of. The honourable the Premier said he ought to have been a lawyer. That is what Mr. Pickersgill said. He tried to be a lawyer. But the honourable the Premier has not left office. I am sure when he does, he will find a place to get him registered as a lawyer.

Mr. Higgins: A special pleader.

Mr. Hollett: I think, Sir, if the Government would take time out to consider the implications of that — you are mistrustful of the Board — they have appointed a secretary under the Act — What was wrong with that? Has something gone wrong with that? Has something gone wrong? I do ask the Government to reconsider this and let the Board appoint their own secretary.

Mr. Smallwood: Mr. Chairman, we are not permitted here to discuss the principle of the Workmen's Compensation Act. We are allowed to discuss it, not at committee stage but in second reading stage of this amending Bill. There is a principle in this amending Bill which is a principle entirely different from the Workmen's Compensation Act, which the Bill would amend.

Mr. Hollett: May I ask what is the principle of this amending Bill?

Mr. Smallwood: There are two principles here (1) that the Board may be permitted to train or retrain or re-educate men who find difficulty in returning to their employment.

Mr. Hollett: That is in the original Act.

Mr. Smallwood: It may be in a half dozen Acts. We are dealing with this Bill only. That is one principle, that the Board shall have the right to train or retrain injured workmen who find it difficult to get back to their employment. The other principle is as clear as day — it shall be the Lieutenant-Governor in Council and not the Board — The Lieutenant-Governor in Council shall appoint, and not the Board, the secretary

and medical officers. Now if that is not the principle of the Bill please tell me what is the principle.

Mr. Hollett: The appointment.

Mr. Smallwood: No. The methods of appointment is the principle — the honourable and learned gentleman (Mr. Higgins) who sits beside the Leader of the Opposition sees it, and we all see it—the principle is not that there shall be appointed a secretary and medical officers—The original act already provides for that principle. The principle of this amending Bill is an amendment changing what already exists into a new system. We therefore have to adopt the new principle, and the new principle is that the Lieutenant-Governor in Council shall appoint the secretary and not the Board; the Lieutenant-Governor in Council shall appoint the chief medical officer and assistant medical officers, and not the Board; and that all others shall be appointed by the Board. Now, if that is not the principle what is? If that is not what we adopted yesterday, what did we adopt? It is completely out of order to amend it here now in Committee of the Whole.

Mr. Hollett: I say, Mr. Chairman, the Government is guilty of a cardinal sin to amend a principle of a Bill.

Mr. Smallwood: What Bill?

Mr. Hollett: The Workmen's Compensation.

Mr. Smallwood: That is an Act and not a Bill.

Mr. Hollett: Alright I say, this Act.

Mr. Smallwood: We are amending the principle of that Act in this amending Bill. That is what it is for. Why should we not amend it?

Mr. J.D. Higgins (St. John's East): Mr. Chairman, I beg you to rule that the amendment made by the honourable Leader of the Opposition, or I understand you to rule the amendment made by the honourable Leader of the Opposition was in order?

Mr. Chairman: Yes.

Mr. Smallwood: Mr. Chairman, excuse me — I am going to challenge Your Honour's Ruling. I think Your Honour is wrong — I saw where the Prime Minister of Canada the other day moved that the ruling of the Chairman of Committees be challenged and the Chairman's ruling was overruled by the Committee of the house. I do not just recall, but maybe Your Honour could advise me as to how to go about it. But I do challenge Your Honour's ruling that the amendment is in order. It is an amendment which attacks the principle of this Bill. That is out of order, and I challenge Your Honour's ruling. Your Honour, of course, can put it to a vote of the Committee of the Whole House.

Mr. G.R. Renouf (St. John's South): Mr. Chairman, would the system of appointments be regarded as the principle? Could it not equally be regarded as the mechanics?

Mr. Smallwood: No, because the Bill has to have a principle, otherwise it could not be debated at second reading.

Mr. Renouf: But could not the situation in question be regarded as mechanical, whereby the machinery of appointment is not a chairman, not a Government, not somebody else but merely a Board rather than names? I think there is considerable material for debate. We seem to have left our dictionary at home. In this matter, Mr. Chairman, it could equally be regarded as purely one section of the machinery or mechanics of this question we are talking about; and I contend that the honourable Leader of the Opposition has a point there when he contends it is not mentioned in the principle.

Mr. Smallwood: Would the honourable gentleman help us by telling us what the principle is?

Mr. Higgins: Might I suggest we are wandering in irrelevancy now. Your Honour has made a ruling, the Premier has a right to challenge that ruling, and I think Your Honour now proceeds to the next step.

Mr. Hollett: I do not know why my honour-

able friend on my left is in such a hurry to get rid of this thing. I am standing on principle, not because there is a principle here involved. The Workmen's Compensation Act no doubt has a principle and that is the gathering together of funds to compensate workmen when injured. That is the principle. As my worthy colleague from St. John's South has put it, it is the mechanics that we are on now. We want a secretary, how are we going to appoint him — Is there any principle involved there or is it just the mechanics? In appointing a secretary I disagree with it being a political appointment. I say the Board ought to be given the confidence of the house to the point of appointing their own secretary and stenographers and other officials. Surely a board set up and the members getting \$6,000 or \$8,000 a year or whatever it may be, surely such a board should be competent to appoint a secretary. It is not interfering with the principle of the Bill, Mr. Chairman, in any shape or form. We are going to get the secretary and medical officers however it goes. The methods or mechanics used to get them does not involve the principle. I disagree very much with what the honourable the Premier said relative to that, and I am certainly going to support your ruling, Sir.

Mr. Clarke: The Committee will rise and the matter will be reported to the house.

Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, in the Committee of the Whole on Section 3 (31-1) of a Bill, "An Act Further to Amend the Workmen's Compensation Act" it was moved that the words "Lieutenant-Governor in Council" be deleted and the word "Board" be substituted therefore. The Chairman rules the amendment was in order and his ruling was challenged.

Mr. Speaker: Now at the outset I might say that the Speaker is not called upon to decide on this matter. The appeal is now made from the ruling of the Chairman of Committee to the house; and the motion is "that the ruling of the Chairman be upheld." This motion must be put by the Speaker, and there is no debate allowed. I have merely to put the ruling and then the house, and the Committee of course, are governed

by the ruling of the house because this machinery is set up merely in order that the house itself may decide on the ruling. The Motion is that the Ruling of the Chairman of Committee in this matter be upheld. Those who favour the motion say "aye" and those who oppose the motion say "nay". The decision of the house is that the ruling of the Chairman of Committee be not upheld, and I declare the motion lost.

Mr. Hollett: Could we have a standing vote on that, Mr. Speaker?

Mr. Speaker: If two members ask for a standing vote, a standing vote must be taken.

All those in favour of the motion will stand:

Of course, in this matter the Chairman of Committee will not vote. The names of those who voted will not be entered in the records unless the house is desirous.

For: Mr. Hollett, Mr. Renouf.

Against: Hon. the Premier, Hon. Mr. Keough, Hon. the Minister of Labour, Hon. the Minister of Health, Hon. the Minister of Fisheries, Hon. the Minister of Municipal Affairs and Supply, Hon. the Minister of Highroads, Mr. Smith, Mr. O'Driscoll, Mr. Strickland, Mr. Winsor, Mr. Whalen, Mr. Strange, Mr. Sellars, Mr. W. Smallwood, Mr. Nightingale, Mr. Lane, Mr. Canning, Mr. Higgins.

Mr. Speaker: The division is twenty-two to two: The decision of the Chairman of Committees has been overruled by the house by a vote of twenty-two to two: I might say that this matter would be ruled out of order if it were again revived in Committee of the Whole. I point that out for the guidance of the Committee.

On motion Mr. Speaker left the Chair. Committee of the Whole on Bill, "An Act Further to Amend the Workmen's Compensation Act."

Mr. Chairman: The Committee will resume Section 3 of the Bill. On motion, Clause 3 carried.

Premier Smallwood: Mr. Chairman, would the honourable the Leader of the Opposition be agreeable to let this Bill stand for

referral back to the Department of the Attorney General.

Motion that this Bill stand for referral back to the Attorney General's Department, carried:

Committee of the Whole on Bill, "An Act to Amend the Vocational Education Act."

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

Mr. Smallwood: Mr. Chairman, I move the Committee rise, report progress and beg leave to sit again.

Motion carried.

Mr. Speaker resumed the Chair.

Mr. Clarke: The Committee of the Whole have considered the Bill, "An Act to Amend the Commissioner of Oaths Act,"; and a Bill, "An Act to Amend the Vocational Education Act" and directs me to report same without amendment.

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

Mr. Clarke: Mr. Speaker, the Committee of the Whole also considered Bill No. 5, "An Act to Amend the Workmen's Compensation Act" made progress and asks leave to sit again.

On motion, report received, Committee ordered sit again on tomorrow. Second reading of Bill, "An Act Further to Amend the Blind Persons Allowances Act."

Mr. Smallwood: Mr. Speaker, I greatly regret the absence of the Hon. Minister of Welfare who is, as I have already said before, sick in bed with the flu, quite sick. So it falls to my lot to move second reading. I will be quite candid with the house and say that I am not too certain as to what this Act means. I believe that its principle purpose is to substitute the words "seventy-five per centum" for the words "fifty per centum". I strongly suggest it deals with the recent increase allowed by the Government of Canada to blind persons and old age assistance legislation, and I am sure, therefore, that is an act with which everyone in the house will agree wholeheartedly.

On motion, 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 Old Age Assistance Act."

Premier Smallwood: Mr. Speaker, the principle purpose of this Bill is in a number of respects to substitute — Now there is already a director in the Department of Welfare known as the Director of Old Age Assistance. He is appointed under the existing Act as it stands, not this amending Bill. The Director has certain powers and certain duties. It has been decided in the Department of Welfare, (and the Government concurs in that decision and asks the house now to concur in that decision) that the functions of the Director ought to be a large extent performed rather by a Board, the Board to be departmental and to consist, as to membership, of persons presently employed in the Department of Welfare. The Director who is there now would serve as Chairman of that Board and the members of the Board would be other civil servants within the Department of Welfare; and this Board would have such clerical assistance as it needed, but they too would be persons presently working in the Department, and it would be just adding to their duties and would not involve any additional payment to them nor any additional cost by way of salary.

The purpose of the amending Bill is to enable the Lieutenant-Governor in Council to appoint a Board to be known as the "Old Age Assistance Board" which would consist of no less than three or no more than five members including the Director; and under the Minister of Welfare this Board is charged with the administration of the Act, i.e., the Old Age Assistance Act, which this Bill would amend, and amend only in the way I have just described. The members of the Board, other than the Chairman, who would be the Director, would be appointed for three years and could be reappointed. They would get no remuneration as the side title on Page 2, Subsection 6 shows, and their duties are to receive applications for assistance for old age assistance, and determine eligibility of each applicant to receive assistance, and the amount of assistance and

direct payment accordingly, subject to the right of the Board to rescind, amend, suspend or cancel any determination or direction made by it under this Act and the regulations. Every determination and direction of the Board to be final and not subject to review by any court of law or otherwise. The Act is to come into force on a date to be determined or fixed by proclamation.

It is purely and simply a case of setting up a Board within the Department to be performed by one man, namely, the Director, but the Director himself will be a member of the Board, indeed the Chairman. We agree with the honourable Minister of Welfare that this will make for more efficiency and more satisfaction in the administration of old age assistance within the Department of Welfare. Mr. Speaker, I move the second reading of this Bill.

Mr. J.D. Higgins (St. John's East): Mr. Speaker, I appreciate the explanation as given by the hon. the Premier. The only question I would like to have answered — I take it that the phrase in Section 3 (3) "The Board is, under the Minister, charged with the administration of this Act" must be taken to apply then to subsection (11) which provides that the findings of the Board will be final and not subject to review by any court of law or otherwise — The control of the Minister would be exercised and likewise the Minister would have the right if a finding of the Board were perverse — The Minister is, I understand, by implication, the Government.

Mr. Smallwood: Sure, it is purely a departmental board — I am merely answering the question — as the Director is presently answerable to the Minister, so too would the Board be when the Board took the place of the Director, answerable to the Minister. But the Minister is not only answerable to the Government he is part of the Government and the Government are answerable to the people and house, to the courts and everybody else.

Mr. Hollett: Mr. Speaker, I have not had time to look up the Old Age Assistance Act, so that I would like to adjourn the debate on conclusion of my remarks, but I would like to say I do not like Section (11) there. It is not subject to review. Is it not a fact that 50

percent of the old age pensions come from the Federal Government?

Mr. Smallwood: Yes.

Mr. Hollett: Who contribute 50 percent of the Old Age Assistance, yet has no right to question the Board?

Mr. Smallwood: They question the Minister and the Government. This is surely an inter-departmental committee, within the department — that is all —

Mr. Hollett: Not subject to review.

Mr. Smallwood: Only by the Minister, but the Minister is subject to review by the house and by the courts, and by the Federal Government, insofar as the agreement is concerned.

Mr. Hollett: I do not think any Federal Government, whether Liberal nor Tory would approve of that — “every determination and direction of the Board is final and is not subject to review by any court of law or otherwise” — In other words the Government which supplies 50 percent of social assistance must bow to every determination of the Board.

Mr. Smallwood: No. They can deal with the Minister. There is an agreement, a written agreement between the Governments, and no action of the departmental committee can violate an agreement between two Governments.

Mr. Speaker: I think that I must apologize to the house for my laxity, because for the last ten minutes the house has been in Committee, with one member rising and sitting down and getting up. I think probably this might be a good time to say that at second reading a member speaks only once, and the member or Minister who moves the second reading can speak twice, but when he stands on his feet, if he speaks two words or only one word he closes the debate — I have to observe these rules from now on; and I would ask honourable members to please bear with me. It is very easy when the house skips from Committee of the Whole back into second readings for members to

forget they are not in Committee of the Whole, but I will have to be more stringent in enforcing the rules in future.

Mr. Hollett: In other words, Mr. Speaker, a member can say what he likes when he sits down.

Mr. Speaker: When a member speaks sitting down he does not speak as far as I am concerned, he is just being disorderly. I might stress the point, when an honourable member wishes a point clarified the Minister moving second reading can make a note, and when ending the debate can answer all these points, but if he gets up and speaks before that he automatically closes the debate on second reading. The hon. Leader of the Opposition will excuse my interrupting.

Mr. Hollett: I do not mind, Mr. Speaker, we all have to be interrupted sometimes. Now I am afraid I can't find anything much wrong with the general principle except this point, and I want to have that clarified some way or another, Sir, because I do not think it infringes upon the natural right of a contributor to a fund to question whether John Jones an old man who is looking for assistance has been treated properly or not, if the contributor so desires. But supposing John Jones, eighty years of age, getting social assistance, is not treated properly by the Board, under this Act he is not allowed, or at least he goes to the courts and the courts are not allowed to handle his case.

Mr. Smallwood: That is not so.

Mr. Hollett: That is what it says.

Mr. Smallwood: They are not allowed to query the departmental committee but the Minister can be approached.

Mr. Hollett: The Minister is hard to find nowadays. He may be in Jamaica or some other place and a man might starve to death while waiting for a decision. I do not think we should overrule the right of the court to interfere in anything when John Jones and Bill Smith come in and make a complaint — That is the thing I am not sure on, and I do not think it is wise. It does not look wise to me. I have been disagreed with before in

this house and would not be surprised to be again.

Mr. Smallwood: Don't rub it in.

Mr. Hollett: I would like to have that information, and for that reason I would like to adjourn the debate.

On motion, debate adjourned until tomorrow.

Mr. Smallwood: Mr. Speaker, this, I think, concludes the business we can do, and for that reason I move that all remaining orders of the day do stand deferred and the house at its rising do adjourn until tomorrow, Friday, at three o'clock.

On motion, all remaining Orders of the Day do stand deferred.

On motion, the house adjourned until to-morrow Friday at 3 o'clock.

Friday, January 24, 1958

(Afternoon Session)

The house met at three o'clock.

Presenting Petitions:

None.

Presenting Reports of Standing and Select Committees:

Hon. Dr. F. W. Rowe (Minister of Education): Mr. Speaker, I beg leave to present the Annual Report of the Department of Education for the year ending March 31st, 1957. In doing so, Sir, I would like to point out that the report this year is so much smaller than previous years. This is deliberate on our part, because we have taken out much of the detailed statistics that used to be in the report formerly. Compilation of these statistics is what delayed the issue of this report by as much as 18 months in previous years. We are supplying here the general report with relevant, important, broad statistics. The detailed statistics are sent to the Bureau of Statistics in Ottawa and they are compiling and doing other work with them that will be issued later. Meantime we feel this will make the report much more readable.

Hon. J. T. Cheeseman (Minister of Fisheries): Mr. Speaker, I beg to lay on the table of the house the annual report of the Fisheries Department for the year ending March 31st, 1957.

Giving Notices of Motions:

None.

Giving Notices of Questions:

None.

ANSERS TO QUESTIONS:

Question No. 19:-

Hon. W. J. Keough (Minister of Mines and Resources): Mr. Speaker, the total amounts of loans made during the period to the end of December past was \$12,550. Loans were made to: Abraham Gill of Random, farm equipment; P. Gladney of Portugal Cove Road, farm equipment; James Sparkes of Shearstown, farm equipment; W. J. Russell of Winterbrook, B.B., farm equipment; Wilfred Badcock of Corner Brook, to purchase livestock; Peter Williams of the Goulds, to purchase livestock. The members of the Board are: W. F. Haynes, Chairman, and members: P. J. Murray, A. C. Badcock, J. H. Burrige, A. H. Hutchings. The secretary of the Board is Howard Hillier. The Board was set up June 1st, 1953. The total amount of money advanced, \$527,871.

Question No. 20:

Hon. J. R. Smallwood (Premier): Mr. Speaker, in the absence of the hon. Minister of Public Works (Mr. Chalker) I can say in reply to the first part of the question that the figure is \$120,000 and for the second part of the question, approximately \$4,000 or something over \$4,000 a year. With regard to the third part of the question, I am unable to give the information today. It is in the course of preparation, and when it is handed to me I will be glad to pass it on to the house.

Question No. 21: In course of preparation.

Question No. 23:

THE LITTLE REPORT:

Mr. Smallwood: We have no plan nor intention to table the Little Report. These reports are a thorough and complete analysis of the

business affairs and intimate affairs of each concern and to publish them would be to lay them open to all their competitors and rivals who are making the same type products and competing with them. We consider that, in the public interest, we are not going to do it. The reply to the second part of the question is a little too long to read so I am circulating it.

Question No. 24:

Mr. Smallwood: This question is directed to the hon. Minister of Public Works, who is absent through illness. I have the reply compiled by the Department to pass to the hon. member. Both parts of the questions are answered. (See appendix for questions and answers):

Question No. 30:

Mr. Smallwood: The answer to the first part of the question is—"No". The answer to the second part is—"no"—and the third part "none." To the fourth part I am unable to give an answer. The Director General of Economic Development is in San Francisco, and Mr. Claude Howse, the local liaison between BRINCO and myself, is absent in Montreal and is due back today. If he had been in Montreal I would have telephoned him to get the information, but he is on the way back and will be here, I think, tomorrow afternoon, when I will get the information and will be glad to pass it on to the hon. Leader of the Opposition.

Question No. 31:

Mr. Smallwood: This question is addressed to the honourable Minister of Provincial Affairs (Mr. Murray) who is absent, and in Ontario in connection with civil defense matters. I am told that the answer to Part 2 of the question is June 29th. last. In connection with the first part of the question, Mr. Mahoney of the Attorney General's office is at this moment over at the courthouse building looking at the records to see if there are such agreements, and if so to get copies of them for me. He hopes to telephone me or send a message here in the next half hour or so, saying whether there are such agreements—if there are not we will not need a copy, and I will say so here in the house.

Question No. 22:

Hon. F. W. Rowe (Minister of Education):

Mr. Speaker, I have the answer to these questions, but a word of explanation is due to the hon. member in respect of (2) and (4). In (2) I would like to draw the hon. member's attention to something he probably overlooked at the time he was wording the question—we have the denominational system of education, and by law any monies voted for education must be voted without discrimination. That, in practice, means that each religious denomination receives an appropriate share of any vote made by this House of Assembly. For example, \$1 million is voted for the constructions of schools. Then, the Church of England denomination receives roughly one-third of that amount, and that amount is made available to the denomination. After that, it is the denomination's business where it is spent. The only condition attached is that it must be spent on education. That applies to all denominations. In each case, the department has educational councils or committees, made up usually of the Archbishop or Bishops of the area concerned or in the case of the United Church other bodies of high ranking clergymen and other people interested in church and education. They do not by right have to give us a statement showing what in each case they have done with the money; however, they do by courtesy. In any case I may say the Auditor General must be satisfied that the money has been spent upon education. We do not have, right now, in the Department a detailed list showing where the monies this year were spent by each denomination. That does appear ordinarily in the annual report. I make that explanation, Mr. Speaker, so that the hon. member will understand why I have not been able to answer the two questions.

Under 22 (4): That answer shows \$427,000 was spent since April 1st., 1957. Now that is a very large amount, and calls for an explanation. Actually it is a special and extraordinary vote brought about by the fact that a town was created at Gander and the old schools there were all liquidated, if I may use the word, and as a result a very special burden was placed on that community. The Government of Canada and the Government of Newfoundland jointly agreed to build two new schools at Gander. These schools, incidentally, were

opened during the past year. Now our share of that for the past year, since April 1st, 1957, came to \$427,000 of which 50% will be refunded to us by the Government of Canada.

Question No. 25:

Hon. J. T. Cheeseman (Minister of Fisheries): Mr. Speaker, I regret that I have to inform the hon. Leader of the Opposition that I am unable to table the answer today. It is in course of preparation and will be tabled as early as possible next week. While I am on my feet, Sir, may I have the privilege of tabling the answer to **Question No. 28.** (See appendix for question and answer).

Question No. 26:

Hon. E. S. Spencer (Minister of Finance): Mr. Speaker, the answer to that particular question is in course of preparation, but with your permission I have the answers to **Question No. 8, Question No. 10, Question No. 12, and Question No. 18.**

Question No. 29:

Hon. C. H. Ballam (Minister of Labour): Mr. Speaker, the annual report of the Workmen's Compensation Board is in the process of preparation and will be tabled when it is completed.

Question No. 30:

Mr. Smallwood: Mr. Speaker, I have not got the answer, but as soon as I get it I will be glad to table it. I assume that someone in my office is looking after it, if not I will see that they do. Before entering on the Orders of the Day, Mr. Speaker, I wonder would the house bear with me while I give notice of a Bill, which I forgot to do when that order was called. I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Shops Act"—I forget the full title; perhaps the Clerk of the House would be permitted to fill that in properly. "The St. John's Shop Closing Act" I think it is called.

ORDERS OF THE DAY:

Adjourned debate on the Address in Reply:

Mr. A. M. Duffy (St. John's Centre): Mr. Speaker, I should like in my opening re-

marks to associate myself with the previous speakers in congratulating the mover and seconder of the Address in Reply. I think they did a very creditable job under, what I would term, trying circumstances.

I should like, too, to pay a brief tribute and also to associate myself with others who have spoken of the distinguished term of office of the former Lieutenant-Governor, Sir Leonard Outerbridge. I think the Premier paid a very graceful tribute to Sir Leonard, and one which was very well deserved. I think too that he would lend distinction to that high office in any Province of Canada and indeed in the office of the Governor-General of Canada. I feel sure that everyone would wish that Sir Leonard and his gracious lady may enjoy many happy years of retirement, and I am sure they will be useful years. I should like too, Mr. Speaker, to say that the appointment of Sir Leonard's successor, the Honourable Campbell McPherson, is a very happy one. I feel that His Honour will continue to lend distinction and lustre to that very high and exalted office, and again I, among many thousands I am sure, would wish our new, young Lieutenant-Governor and Mrs. McPherson many happy and useful years at Government House.

Now, with regard to the Speech from the Throne, I think that it can be readily admitted that there is not much contentious matter there. It is not very controversial. The main item in the Speech from the Throne was the reference to Crown Zellerbach and what we hope will be a deal. I think that both sides of the house are as one on that, and I suppose it but remains for the house to examine carefully the ratifications of the agreement in this connection. As the Premier said (perhaps not in these exact words) at the moment it is a rather nebulous thing, but we all hope that it will find some reality in the not too distant future.

Mr. Speaker, I want to refer briefly to the Speech of the Hon. Minister of Education (Mr. Rowe). He is quoted in a daily paper to have said that the failure of the new industries was due in part to the action of the Opposition.

Premier Smallwood: I do not think it is fair to take a newspaper account. It is better to take what was said. The hon. gentleman

here heard him—Why take what another person heard—take what the hon. gentleman himself heard.

Mr. Duffy: To tell the truth, Mr. Speaker, I was not paying too much attention.

Mr. Smallwood: He did not say it.

Hon. F. W. Rowe (Minister of Education): Mr. Speaker, I wonder if the honourable member would yield for one moment for an explanation? I listened to the four radio accounts of my speech. By and large they were correct. I also read the one which happened, in the resume, in the morning paper yesterday. I believe and large they were correct. The one to which the hon. member referred was distorted and largely incorrect, as a reference to Hansard would show.

Mr. Duffy: Mr. Speaker, I must refer to that. I think many people read that article.

Mr. Speaker: Order. I do not think the house should be called upon to decide between a newspaper report of what an hon. member said and the hon. member's own version of what was said. If an hon. member stands up and says he did not say something, then the house must accept it, rather than a newspaper.

Mr. Duffy: I am not suggesting at all that the hon. Minister said that. He said he did not say it. But the point I make is this, many people got this impression. I merely make it for the sake of the record, since he did not say it. That, of course, leaves it upon us of the Opposition to defend itself. I think it is necessary to refer to that, as I have done.

Mr. Smallwood: If the honourable member will allow me. I think he or any other member is out of order quoting any newspaper report about a debate presently proceeding. Whatever order there might be in quoting in this house what a newspaper said about a debate which has concluded, there is no order in quoting a newspaper on a debate still proceeding. That is utterly out of order.

Mr. Duffy: Another matter, I did hear the hon. Minister of Education refer to a new disease that is prevalent. I assure you, Sir, I would not mention it at all because I do not

think it is terribly important except for questions my hon. Leader here asked—that is the new disease called "Smallwood Hatred."

Mr. Smallwood: He is wrong—It is not new at all. It's eight or nine years old.

Mr. Duffy: It was the first I heard of it. Well since the honourable Leader of the Opposition asked the Minister of Education if he included the members of the Opposition—The honourable member did not exclude them, so I take it, it is right to assume he is including them.

Mr. Smallwood: No.

Mr. Duffy: Yes.

Mr. Rowe: Twisted reasoning.

Mr. Duffy: I am going on to say, my honourable and learned colleague the member for St. John's South (Mr. Renouf) I do not think is infected with this virus, and my honourable and learned friend and genial colleague, I do not think, could hate anybody, and the same goes for my honourable Leader. As for myself, I do not know the symptoms of the disease so I cannot diagnose it. I was wondering too if the honourable Minister of Education were the wrong man to mention that, because probably it should have been the Minister of Health. Now I think I am justified in making a little reference to this. As I said, it was not very important, but I resent, and I think my colleagues resent the fact that we have been infected with this prevalent disease, and I am leman is a little sensitive and he has mistaken or confused the symbol and the sinner—There is a distinction you know—and if the symptoms of this disease are disagreement with what I and others, many others, feel are unsound financial policies, well surely we should not be accused of hating the Premier. As a matter of fact I do not know him well enough to hate him or otherwise, but from my casual contact with him I find him quite affable and genial.

Mr. Smallwood: The honourable gentleman ought not to split these hairs too finely.

Mr. Duffy: Now, Mr. Speaker, as I suggested, the Minister of Education has set

views on this, and I suppose I am justified in using the well known words—"I do not like thee Dr. Fell, the reason why I cannot tell"—Or perhaps it should be "I do not like thee Dr. Joe, for reasons which are so and so."

Mr. Smallwood: "But this I know and know full well."

Mr. Duffy: Now one other matter which the Minister of Education brought up too was the question of the extravagance of the Government, and he expressed considerable surprise that anyone should feel that the Government was extravagant. In his disarming and very genial manner he appeared to be genuinely serious when he said that he was not aware of any extravagance.

Mr. Smallwood: The word was "waste".

Mr. Duffy: He used the word "extravagance"—He was just being careful. I would ask the honourable Minister (I suppose it is difficult to be objective from the opposite side) if he is not very concerned over the continued program of loans for the new industries—I do not call them new anymore—that is a misnomer—they are getting a bit frayed about the edges, some of them—but having the sad wisdom, as I am sure the Government has established the fact that a number are hopeless and have no future—yes continuously money is poured down the drain. I refer particularly to one no longer existing at all, the celebrated Superior Rubber Plant. Very shortly before the Rubber Plant closed its doors, or was burned up or whatever happened to it, a substantial loan was advanced. Now I cannot see this at all and I never could get any information to satisfy me. This is an example of many extravagances in the economic program. Despite the fact that the Government may deny that, it does not alter the facts at all. As a matter of fact, in the past year there have been very substantial loans continued to a number of these plants. I know that the Premier has answered a question with regard to the Little Corporation's Report, which I shall refer to a little later.

Again I would ask the Hon. Minister of Education if he does not feel that the Fisheries Development Authority is an extravagance. I think the honourable Minister

of Fisheries would agree there is an overlapping there, a duplication at a tremendous cost to the public treasury. I refer again to a matter I mentioned last year, i.e., in my opinion the unnecessary number of Cabinet Ministers in the Government. Here I would, if I may, make a brief comparison: We have thirteen Cabinet Ministers and our population is in the vicinity of four hundred and sixty thousand, I believe.

Mr. Smallwood: No, four hundred and thirty thousand.

Mr. Duffy: Well I was erring in favour of the Government through a few more thousand.

Mr. Smallwood: The honourable gentleman is being conservative in an unimportant part so he could be extravagant in an important one.

Mr. Duffy: In Alberta the population is slightly over one million and the number of Cabinet Ministers is exactly the number we have here, thirteen. In British Columbia the population is nearly a million and there is one less Cabinet Minister than we have here for four hundred and twenty thousand people. Manitoba has roughly three-quarters of a million population and they have fifteen Cabinet Ministers. So you see I am honest. I am giving the figures. In New Brunswick, they have roughly half a million people and twelve Cabinet Ministers. In Nova Scotia they have six hundred and thirty thousand people, and eight Cabinet Ministers and in Ontario they have four million six hundred thousand, and nineteen Cabinet Ministers. In Prince Edward Island they have a little less than one hundred thousand and nine Cabinet Ministers. Now there is a rather interesting thing to note here, and as I say, I mentioned this before: In each case, without exception or with the exception of Ontario, the Cabinet Ministers salaries are less than ours. Now I am not quarrelling too much with that because as I stated here publically, Cabinet Ministers' salaries are not phenomenally high in these days; but I merely make the comparison.

Mr. Smallwood: Would the honourable gentleman allow me to ask a question? How

does he account for the fact that Ontario, with five million people has just about the same number of Cabinet Ministers as Canada with seventeen million people? Then, in turn, how does he account for the fact that Canada, with seventeen million has about the same number of Cabinet Ministers as the United Kingdom with sixty million people? Does it really go by the population?

Mr. Duffy: Well, Mr. Speaker, I made a point, to take these figures for comparison. I am not concerned: These figures speak for themselves.

Mr. Smallwood: Do the figures I mentioned speak for themselves?

Mr. Duffy: These figures cover all provinces of Canada. I made the point—it is a very valid one. I may say too the sessional indemnity in Manitoba is practically twice the size of ours. In Nova Scotia, which has not quite twice the population, the sessional pay is \$3,600 and in New Brunswick, with half a million people, the sessional pay is \$2,000. Now these, I submit, Mr. Speaker, are extravagances as far as our administration is concerned. When I brought this point up last year the estimates were being passed, and I objected to it. It was intimated that I was not sincere because I would benefit by this increase. I pointed out that my personal feelings did not enter into it at all—The house may be concerned with the validity of my argument. I still say there is another item of considerable extravagance to be chalked up against the Government.

Now, to get nearer home and in a little lesser degree perhaps — I mention it because the honourable Minister of Education seems to be genuinely surprised because anyone would charge the Government with any extravagances — I refer now to a thing of beauty out in front of the House of Assembly, to which the honourable the Premier, in a reply this afternoon, gave the cost to date as \$120,000 and the annual maintenance is \$4,000. Well, I do not think it is prejudice makes me say that I think that is the height of extravagances. Personally I see no reason for it at all, and I certainly think of that as another item of extravagance, not tremendously large as compared

with the millions that have been wasted in loans to industries that have no future, but just another item.

Now I come to the matter of the Arthur D. Little Corporation Report. Public money was spent on this report. After the house closed I waited with considerable interest to hear the result of these reports, because although I know something of some of these industries, I confess that there are others that I know little about, and I looked forward with considerable interest to being brought up to date on the condition of these industries. I might say that I felt from the beginning that the excuses of the Government in refusing to table any information here was merely whitewashing a bad deal. I have no doubt about that at all. Well the Premier himself admitted, at least by inference, that this to some extent was true. When he spoke in the last campaign he so successfully waded about the mistakes he made I am sure was not referring to grammatical mistakes or other mistakes. He was referring to mistakes that we had charged him with. It was so obvious that I think he felt discretion was the better part of valour and he more or less admitted to mistakes. Now public monies were spent on this Little Report. I think I mentioned here in the last session that if there were industries in which public monies were being continued or were continuing to pour into them without hope of success that the Government should have the courage, as any business man would, to wipe them out and take the loss. But it is obvious that the Government has not that kind of courage.

Mr. Smallwood: We did exactly that, did we not? Did we not do it with the Tannery and the Glove Plant at Carbonear — precisely the two plants the Little Report said could not succeed.

Mr. Duffy: Are there others?

Mr. Smallwood: No, we do not think there are others. We think the others have very good chances.

Mr. Duffy: I did not see the report — I must take issue with the Premier. If they are confidential reports these reports should be open to this side of the house. It was the

House of Assembly, I take it, which gave authority for money to be paid to the Arthur D. Little Corporation and not fellow members of the Government only. Members of the House of Assembly, which we are here, have every right, the same right as any member on the other side of the house, and I think it is absolutely intolerable that we members of the House of Assembly should be debarred from seeing these reports.

Mr. Smallwood: May I ask the honourable member a question? Does he think sincerely that the full and intimate details of all costs and all other business secrets, contracts, prices, discounts, commissions of the North Star Cement Company should be handed over to other Cement Companies across Canada or the private intimate affairs of the Gypsum Plant be given to their competitors across Canada; and all the other plants, that all these intimate business details of prices, costs etc., profits and wholesale discounts and the like of the candy factory, the chocolate factory in Bay Roberts should be handed over to rival firms across Canada and in England who they are competing with under such difficulty in Newfoundland. Should they have all that passed over to their rivals, but the corresponding information of their rivals not be made available? Obviously not. Does he think we would do that?

Mr. Duffy: I pointed out that I felt this report should be made available to members on this side of the house.

Mr. Smallwood: That means the whole world. If I tabled it in the house that is public property — I would inform the whole world.

Mr. Duffy: You do not have to do that. You could easily and in confidence show the report without the whole world knowing.

Mr. Smallwood: I did precisely that. I offered information to this house on the basis it would be confidential.

Mr. Duffy: On the Little Report?

Mr. Smallwood: No, on another report, on the same principle that it had been received and paid for by the Government. The Government received the report, the Opposition asked for the report. Now there was not then one member of the present four members there now occupying a seat. It was the same party, the same Opposition.

Mr. Duffy: Not the same report.

Mr. Smallwood: They asked for a report. I said I was sorry but it was not in the public interest to table it but I was willing for the Opposition to have it if they were prepared to receive it on the basis of it being confidential. They agreed, so I tabled it. What happened? I never ceased to hear of it since except in the last year or two. Now I do not blame the present, existing members. They were not members then, but it was the same party, the same Opposition. It was a pretty bitter experience.

Mr. Hollett: What report was that?

Mr. Smallwood: The IBEC Report. It was a scandalous thing.

Mr. Duffy: I am not concerned at all with reports brought in here nor into the Premier's office before I became a member of the house. I had no obligations then — I could not care less, frankly, in that regard — had I been there then, I would have taken the same stand as I take today — We have a responsibility to the people just the same as the Premier and the Government, and I suggest that this excuse now given about this former report does not hold up at all. If he is agreed to carry out the suggestion that we the members on the Opposition side, should be shown these reports in confidence; if he doubts our assurance that we will not make them public. I see no valid reason why we should not see them — Would the honourable the Premier be prepared to show us these reports, I wonder, Mr. Speaker, in the light of what I have said? No comment?

Mr. Smallwood: I can comment. If the hon. gentleman wants an answer, the answer is that I will not. I had one experience which was a very bitter thing, which for a long time helped to kill any chance of a third paper

mill in Newfoundland — For a number of years it killed the chances of a third paper mill. That was a bitter experience. I am getting over it now, but I am not going to pass such reports over to the Opposition at any time in the future, no matter who the Opposition are — This is not personal — I am not going to pass on to the Opposition any report I am not prepared to make public to the world.

Mr. Duffy: I suggest, Mr. Speaker, there is reason more than the one the Premier has given — I do not think the excuse is a valid one at all. Now I mention, Mr. Speaker, that I read a brief comment on some of the reports. As a matter of fact, to show that the Premier is not entirely accurate in what he is saying, he published very few but some of the highlights of some these reports, in which he painted a rather glowing picture. So apparently, he picks out what he wants to make public and suppresses the rest of it. In these brief comments of course, it would be absolutely impossible to gather any comprehensive or intelligent ideas or to make any intelligent analysis of these reports from what the Premier said. One reason is that he is an incurable optimist, and optimists are inclined to draw one away from reality. As a matter of fact, I think that the words of Voltaire are not inappropriate, when he said: "Optimism is the madness of maintaining that everything is right when it is wrong."

Mr. Smallwood: And pessimism is the art of maintaining everything is wrong when in fact it is right — so we are optimists and the Opposition are pessimists.

Mr. Duffy: I was very interested in seeing a reference to "CMIC", which I believe is the only industry he mentioned here — I think I am right — which said the paper, quoting the Premier — "the CMIC has the best future of all." Now that is the one industry which has not attempted, to my knowledge, to fulfill its destiny at all, and from what I can hear, the CMIC is simply in competition with local contractors, largely. So I imagine that the complete Little Report would make very interesting reading, and perhaps if not destroyed when we move over to the other side of the house we will be able to read them.

Mr. Smallwood: They will be mildewed by then.

Mr. Duffy: Probably burnt by then. Now, in connection with these industries which are involved in the reports, the Premier, in an attempt to justify the waste, the useless spending of millions of dollars, pointed out that we must give them credit for wages, the labour involved — Well, that is an extraordinary thing to say. I do not think that anyone that would have a fundamental knowledge of the business practice would make a statement like that at all. Furthermore, he is on dangerous ground when he talks about the labour, because there has only been a handful of people employed anyway. The CMIC was supposed to be like another big Pittsburg, I believe. I do not know how many thousand of people were to set up homes there, but I do remember it was said that it would probably have to import labour, as there would not be enough local men to fill the jobs. That is old history. I had no intention of bringing it up, but I think it all applies to what I have said. It is extremely important that these reports, even if we don't see them, I have a shrewd idea from my little, nodding acquaintance with those industries that if the recommendations of these reports were followed out there would be considerable flattening out of the extravagant loans that were going on.

In this connection too I must point out, even though it has been done before, the unsound financial policy regarding the development of the industries in the Department of Economic Development. If, and I suppose it is what happens to some of us, if we were to advance a loan to a person for a certain venture, and having given that person a reasonable time to show whether he could succeed or not, and he not alone did not succeed and did not repay the loan I have made him, or any other person, and not even paid the interest but had come back looking for more, personally, if I were to give him more, I would feel that I would need the services of a psychiatrist. Now, I think ordinarily a "bulls eye" shop proprietor would feel the same way. That is what we stress now; not out of our disease which the learned Minister referred to, but because we have some sense of responsibility toward the people and towards the public

treasury. Any company which is not purely a private company, and these companies are not private, as a matter of fact Newfoundland is the biggest shareholder in them, and in fact the only shareholder in many cases, and I think most of us who have some little voice in some commercial venture or company have no need to ask for balance sheets, they are submitted to the shareholders. We are shareholders of these industries and we as members of the Opposition are shareholders representing the people — Again I deplore very, very greatly the refusal of the Premier to permit us to get a glimpse of these reports. Now, this year, I imagine, Mr. Speaker, will see the final acts of union in the implementing of Term 29. This is a measure that I feel both sides of the house are as one. It transcends party politics. We hope that the implementing of Term 29 will result in very inadequate and very just perpetual grants to Newfoundland.

Mr. Smallwood: Here, here.

Mr. Duffy: In this connection you will recall, Mr. Speaker, last session the Premier spoke about the impending grant and spoke of capitalizing this, I believe, to the tune of \$150 million or \$175 millions. Very recently, and in another place, I listened to the Premier give a very interesting talk, when he mentioned Term 29 and further grants that we would get in the shape of further tax sharing benefits, and he spoke of capitalizing that grant to the tune of \$300 million. Now it was a very interesting speculation, and he pointed out the opportunity that would provide to considerably further expand public services and so on. Now I was interested to this point — But he stopped there. He did not have one suggestion. At least I did hear it — Anyhow he said he had no plan as to how this could be done in an economically sound, financially sound manner. You just do not get the \$300 million — it would be financed — that is perfectly sound. That is obvious. But the question of paying for this very sound financial deal is another thing. I take it that would cost, conservatively today about \$1 million a month — then having spent this in a lump sum. It is a very good idea if we could improve public services — then having spent that neither was there any indication from

the Premier at the time I heard him as to how these expanded services would be maintained. I know he did speak of the necessity of having more roads, which is a very good thing. But just a little later he talks about the cost of maintaining roads, even shovelling snow off them — and of course, I visualized, with an extended road system there would be parts of the country where snow would still fall, and that would cost in proportion the same colossal amount he spoke of that the Government is obligated to pay in maintaining roads, shovelling snow. Of course, the same applies to other services. Now I am merely pointing this out, looking for information. This \$300 million, if it could be done soundly, and I have not heard it could be, I think would be a great idea, but from what I do know I think it is a mad policy. There would be nothing to show it can be done with any degree of soundness. I should be hesitant to suggest it is a mad policy, but I am motivated by my knowledge of what happened in the past, and history has a habit of repeating itself.

Mr. Smallwood: Does the honourable gentleman really think anyone is suggesting going out at one time and borrowing \$100 or \$300 million in one lump sum at one time?

Mr. Duffy: That is what I gathered.

Mr. Smallwood: The hon. gentleman I thought and think is a bright citizen, but his brightness was obscured by an eclipse or something when he got that impression.

Mr. Duffy: It was after dinner I heard it.

Mr. Smallwood: Maybe his faculties were a little clouded. He was a bit logy maybe.

Mr. Duffy: I did not hear any reference to how it would be split up.

Mr. Speaker: Order.

Mr. Smallwood: Would the hon. gentleman allow me? If you could spend wisely and prudently \$25 million a year for ten years, that would be \$250 million; would you go

out first and borrow the \$250 millions and pay interest for nine years before spending the last of it? Did the hon. gentleman actually think anyone proposes borrowing at one stroke, money which could not be spent for ten years?

Mr. Duffy: Now you are making it clear. In any event, Mr. Speaker, the fact remains I think it is purely waste of time talking about it.

Mr. Smallwood: If it is madness and a waste of time to talk about it, we can still talk about it. It is a good subject.

Mr. Duffy: When the Premier spoke of capitalizing I felt, if this were capitalized, and allowing for a period, I think it would be done in his lifetime, which I hope will be fairly long.

Mr. Smallwood: Did you detect skepticism in that, a certain degree of insincerity there? — Oh, my political life he means.

Mr. Duffy: The point I am trying to make — No, I am finished because it serves no purpose at all, just taking up time.

Mr. Smallwood: No none. It adds a little to the gaiety of the house, that is all.

Mr. Duffy: Having in mind, if this perpetual grant is used for a loan over a period, the fact does remain it is tied up for generations, and if the Premier's policy should prove unsound, as I think some of them, some of the financial policies have proved to be quite unsound, so that if this policy or program should prove to be unsound then, I take it, there is a millstone around the necks of the people and the services from that money are shut off for generations. There is no gainsaying the fact that, whatever is done, it is tied up for such time as payment of this \$100 millions, or if it is intended to borrow three million dollars, that simply removes the money which comes from that grant. If the thing should prove unsound we are sunk. Now I am finished with that — for the edification of the house.

Mr. Smallwood: Yes, it is time.

Mr. Duffy: I would like to refer, Mr. Speaker, to a remark that was made, or remarks from time to time by the Premier and other members of the house, I think it was only yesterday I heard a remark which bears out what I am going to say — "The Opposition gives the Government credit for nothing — there is nothing done by this Government that is good" — Now, speaking for myself, and I think I represent the views of my colleagues here, it would only be a fool who would say the Government has done nothing good. In the realms of social welfare, health and education I think a very good job has been done, very good indeed, and I think the gentlemen who have headed these departments, as far as I know, have been very earnest and very capable men. The present head of the Education Department is a professional educationalist and I know he has enthusiasm for his job and has knowledge and is doing a very competent job, and generally the same applies to other heads of departments. But I must confess that I have become a little weary of having it driven home to us about the tremendous good that has been done. The Government are not exactly suffering from over-modesty — We have been told time and time again about the millions, I suppose countless millions, relatively speaking, that have been spent and what has been done. That is all to the good, but I suggest that with the hundreds of millions that have been spent it would be almost impossible not to do some good with it. I am not suggesting they did not do a good job, but it must be remembered that this Government was unique.

Mr. Higgins (St. John's East): Say that again.

Mr. Duffy: In more ways than one — the one I was going to refer to was that, seldom from the standpoint of the country did a Government go into power with no problems financially, a very high level of prosperity prevailing and the Government did not have a worry about things ordinarily governments have to worry about. They inherited a lot of money and they had no public debt of any consequence. Added to that they had from various sources, transitional grants, taxation and other channels a tremendous lot of money to spend — I have

given credit for some of that money in public services being spent wisely. But when they talk about the unique record they have in public services they should not forget that there have been administrations in the past who, if they had that kind of money, would do a reasonably good job.

Mr. Smallwood: Here, here.

Mr. Duffy: I am not suggesting this Government have not done work in certain public services, but I do not think they should hold themselves up as being just the only ones to do that. They had a tremendous lot of money.

Mr. Smallwood: What is to our credit, not having spent that money, but we are the crowd that brought that money to Newfoundland. It would not be here but for Confederation. The people contributed by voting for Confederation.

Mr. Duffy: We contributed by this three percent tax, don't forget that. I personally have to write out a cheque every month for that — I am compelled by law, I might say. Now, Mr. Speaker, I want to refer briefly to the statement that the Premier made yesterday in connection with the question of the Shop Closing Act. It seems that everything is not rosy yet. There is still an unfortunate situation. My only purpose in bringing this up is because I happened to be a member of the select committee which gave considerable study to that question. That committee comprised a Cabinet Minister, several members of the Government and two members of the Opposition, the member for St. John's East and myself. Evidence was taken from various and responsible bodies in this connection. Now I might say that personally Saturday or any day does not matter to me. I am not too concerned about what day it is as long as it is a day. I had no particular preference for nor no objection to Saturday. So that I went in with an open mind, feeling probably that Saturday would be a good day. At any rate responsible people gave evidence — Some of us had previously and informally amongst ourselves stated our preference, but in the light of the evidence that we got before the select committee a considerable report was prepared that expressed the very consi-

dered opinion of that committee, and it pointed out — I will not read this, but I just want to refer to it — it pointed out that it was not wise to legislate the day; a day, yes, one day a week, but the question of a day would be left or the particular day would be left properly as a function between labour and management and by agreement.

Mr. Smallwood: Suppose they could not agree.

Mr. Duffy: That does not enter into the fact. This was the only Province in Canada which took upon itself to make this very dangerous legislation. Now I want to make it quite clear I am not opposed to Saturday. I am quite neutral personally, and I am not defending anybody, I am not taking up the cudgel for the Board of Trade or Mr. Ayre, I am not taking sides for anybody, I am merely stating, and talking on the principle of the thing — I stated this in public and state it here now — It is dangerous legislation, it is bad legislation and it could be a precedent that could lead to a very serious evil.

Hon. F.W. Rowe (Minister of Education): Was not the precedent always there? Was not the Wednesday half-holiday legislated?

Mr. Duffy: I don't know, but I do know this, since we became a part of Canada —

Mr. Smallwood: Here is a letter from the Newfoundland Board of Trade. Here is a second one from the Newfoundland Board of Trade. The two of them ask us to make Saturday closing law — Here is a draft of the Act drawn up by the Board of Trade's own Solicitor, Mr. Phalen — They have changed their minds, but they did that on June 10th, 1950 and on April 5th, 1952.

Mr. Hollett: They have probably grown up now.

Mr. Smallwood: Grown up, maybe.

Mr. Duffy: I still contend, in the light of evidence we have; and the Premier's own Minister was the secretary of the committee, which took the greatest trouble to do a very thorough job on this, and get in touch with every Province in Canada; and we were im-

pressed with the weight of evidence which made it extremely dangerous to legislate as this house has done. Now that is the only point I want to make on this. I think we should make it clear, in view of the fact the Select Committee did not make the recommendation. The recommendation that this committee made was this (a) The maximum number of hours for employees henceforth to be forty hours a week, exclusive of time allowed for meals, (b) shops to be closed for business on Sunday and at least one other day each week, (c) every employee be given at least one full day off a week, exclusive of Sunday but inclusive of Saturday, (d) shops to be closed for business not later than 6:30 p.m. and not later than 9:30 p.m. on one day, (e) employees working from more than forty hours to be remunerated for work at the rate of time and a half.

There is one other matter I would like to bring to the attention of the Government, and this is not a contentious one but I think it is very important, the question of relief. Now I hasten to add that I think that the department concerned has done a good job, and the people concerned are doing a good job. I have had numerous occasions to contact them and I have always had every courtesy and co-operation. But, I find, and from my own personal knowledge that despite the probably generous policy of the Government it still has not really filled the bill. It does not really matter just what concessions are given or what recommendations there are along generous lines. The fact just remains that a man and a wife with a large family, if they have no food on the 20th of January, cannot get relief until the 1st of February. I am not criticizing the Department nor the regulations but I am saying this — I try to picture myself in that position — it does not matter just what concessions or what relief I am getting if I have a large family and find myself ten days without food. Something is wrong, and I urge upon the Government — I am not foolish enough, of course, to think they are not concerned about it — I urge upon the Government to give this very serious further consideration. It is a fact that, were it not for the Red Cross and other agencies and private citizens that there would be people hungry in this town. That is deplorable in the fact of the welfare state where an immeasurably high standard of living is prevailing.

Dr. McGrath: Excuse me, Mr. Speaker; in the absence of the responsible Minister would the honourable member be able to give me a concrete example of any persons in this town who had to have food from the Red Cross because they could not receive it from the Department?

Mr. Duffy: I can, yes.

Dr. McGrath: I will be glad to have it.

Mr. Duffy: I can give you cases myself, which came under my notice through private citizens.

Mr. Smallwood: I suspect a good many people might be short waiting for relief orders in late January or early February because of Christmas intervening between the two orders. Admittedly people like to have a little more for Christmas, which might leave them a little stranded waiting for the next order after Christmas or after New Year.

Mr. Duffy: There are cases like that. That is not exactly the same position; I think it obtained all through. I have had personal knowledge of that. I do have a number of people come to me from my district and other districts, and I know that is the position. Now whether the position can be improved I do not know. I bring it to the attention of the Government because I think it should be brought up. I feel quite sure the Government is sympathetic towards this.

On motion, the house recessed for ten minutes, after which Mr. Speaker returned to the Chair.

Mr. Duffy: Mr. Speaker, if I may harp back for a moment to my reference to the Little Report and the suggestion of the Premier that, if these reports were made available to the world, it would be unfair to the people concerned, i.e. the people operating these industries. Well, it occurs to me that is not a very sound suggestion either, because many large industrial companies, or at least shareholders of these, get a pretty complete balance sheet and other interesting information from these companies. So, as I was thinking it over I cannot quite agree — keeping the information from the Opposition and indeed from the public itself is

rather unusual and not the practice at all of other companies, and some of them operating similiar industries.

Mr. Smallwood: Excuse me. Would the honourable gentleman agree it has been the practice of the Government of Canada for a great many years past to refuse, unvaryingly, any information to the House of Commons, any information to Parliament, about the intimate details, the inner workings of all kinds of Crown Corporation that are wholly owned by the Crown, balance sheets, yes, but all kinds of private information about the trade practices. The business of all kinds of Crown Corporations are not just given out.

Mr. Duffy: I take it these are Crown Corporation?

Mr. Smallwood: Yes, that is they are completely publicly owned.

Mr. Duffy: These local industries are Crown Corporations?

Mr. Smallwood: No, I say, the Government of Canada does not divulge information where it effects Crown Corporations.

Mr. Duffy: I do not get the point.

Mr. Smallwood: Here are companies to which the Government lent money, but the companies I refer to about which the Government of Canada refused year after year to divulge information are Crown Corporations, completely owned by the Government, with no private interest in them at all.

Mr. Duffy: I still think that information should be public, at least if not public, at least to us, it should be known to members of the house. Now, I want to talk very briefly on another matter which I think should be aired, and that is the pensioners in Newfoundland who are not really benefitting from the tremendous benefits that have accrued in recent years in the welfare state; I refer to the people who were pensioned, a certain class of people who were pensioned in Commission of Government days.

Mr. Smallwood: Postal officials, policemen, teachers and firemen and maybe one or two

others, we agree the hon. gentleman is right.

Mr. Duffy: I was wondering if something is going to be done about that, Mr. Speaker. It seems to me to be a bit of an anomaly today that I should know a number of persons today getting less than \$25 a month, which is practically of no use. So I would suggest that the Government would tell us just what the position is — As the Premier stated, it is probably being given some consideration. Now, with regard to the unemployment situation, the Premier yesterday or the day before declared that some high ranking members of this party in the Federal Field had made politics of this situation; and very rightly he deplored that because as we know it is public knowledge that this slight recession and the mounting unemployment in Canada was known to the previous Government, the Government that lost the election last spring — and very rightly the Premier pointed out that politics should not be made of this. Neither do I intend to make politics of local unemployment, but I do feel the situation is an alarming one. I think it is a situation that has to be given some thought. I do not know what program or what positive action, if any, the Government proposed to take; but apart from the increased number of the Fishermen's Unemployment Insurance Benefits, without these fishermen the number is alarmingly high. I feel that, and I do not doubt the Government is aware of this — I know they are aware of it, but to my knowledge there has not been any positive action, at least that is known to the public — So I feel that it is an extremely important matter — Despite all the successes of the Government, despite the efficiency of public services, if you have a large number of people unemployed that nullifies largely the successful operations of the Government, of its administration — and I think that point should be given serious thought.

Mr. Speaker, I am not going to take too much time: There is one matter that I have to refer to — The Premier mentioned yesterday, I think it was, when I asked a supplementary question, which was wilfully misunderstood, and from my words he pointed out the frustrations that some people are suffering from, like people not elected to power, who lose an election, and

he went further and said there is frustration on the part of people who are elected sometimes — I refer to the present very "lopsided" situation of the house, and the realization that it makes it very difficult to try to do anything worthwhile while here from this end when one knows one is foredoomed to failure by force of numerical strength — That does not matter very much — What we try to do when it is mollified over trifling things which are of no moment but are politically taken seriously, but other things we feel might be of some consequence, when we know, as I said, that nothing but failure faces us, it makes it increasingly difficult to try to do anything here from that angle.

SUPPLY OVER-PAYMENT:

Now, one matter that really began in the last session — I will say that this is extremely distasteful to me to have to pursue — In the last session in the course of my first talk here I was critical of certain aspects of Government purchasing, and the Premier became quite exercised with me and took rather violent issue with me and made it quite apparent that I was making an irresponsible charge. Subsequently, with the Leader of the Opposition, I conducted a private investigation into the Department of Supply.

Mr. Smallwood: At my express invitation.

Mr. Duffy: Yes. Actually I got the invitation from the present Minister of Supply, and I acknowledge that it came from the Premier — But I would like to make this point clear — As I said, it is distasteful — It is all right to talk about the Government but it is distasteful to talk about an individual — I would like to make quite clear that neither directly nor indirectly am I impugning the integrity, much less the honesty, of the then Minister of Supply. I would be extremely hesitant to do this because I feel that the hon. gentleman, to some extent, was a victim of circumstances — but I would be doing less than my duty, and we would be doing less than our duty on this side of the house, if we did not bring the matter to the attention of the house whereby relatively substantial purchases were made and the Government overpaid to the tune of some \$25,000 or

\$30,000. Now that in itself is not as serious as the suggestion that the Government did not lose that money. I take it the people who were responsible for paying it were the victims, and they could ill afford, and were in a poorer position to be over-charged than any section of Newfoundland. Now, Mr. Speaker, at that time when the report was made public there was a little excitement.

Mr. Smallwood: May I correct the honourable gentleman — The loss was the Government's loss because we have always sold these goods to the people in Northern Labrador at a loss — We absorb a large part of the cost. We dare not attempt to pass on to the people in the area where the Northern Labrador Trading Operation operates the full cost of getting the goods down to them. We have always absorbed a good part of it — So that the loss was in that case a loss to the Treasury.

Mr. Duffy: I am glad to hear these poor people were not subject to the entire loss. I presume there was some loss occasioned by these people, and the balance was the loss of the Government, or public money.

Mr. Smallwood: It was not as much as the hon. gentleman says it was.

Mr. Duffy: Oh, we can prove that.

Mr. Smallwood: We think we can prove the contrary. We also have records of the prices being charged.

Mr. Speaker: Order.

Mr. Smallwood: Quality for quality —

Mr. Speaker: Order.

Mr. Duffy: I am quite satisfied with the figures we have.

Mr. Smallwood: It was bad enough anyway.

Mr. Duffy: I know. In this connection the Premier himself made a rather extraordinary statement — The Minister concerned — and again I say I am not impugning his integrity of honesty — The Minister concerned said nothing — The Premier was the source of the announcement that was made,

in which he stated that he assumed complete responsibility for this transaction. I do not think he elaborated on that — I am quite sure he did not. I wonder just what he meant by assuming complete responsibility.

Mr. Smallwood: I must do that for every action of the Government. I personally, as Leader of the Government, am responsible for every good and bad action of the Government. I cannot escape that —

Mr. Duffy: There was no elaboration on that statement; and in the minds of many the inference was, since the Premier assumed responsibility, it is perfectly all right — There was little to condone what was certainly a very serious irregularity. I have no conclusions to draw from this at all. I am merely pointing out the facts — except one other point — subsequent to this I was debarred from making any further investigations through the Department of Supply, through action of the Premier.

Mr. Smallwood: I think the hon. gentleman might put on the record, as he is talking about the matter, the offers I did make publicly.

Mr. Duffy: The offer made publicly was that a committee be set up including, I think, one member of the Opposition who was not a businessman.

Mr. Smallwood: And the Board of Trade.

Mr. Duffy: Well, I happened to be the only member of the Opposition engaged in business. I do not profess to be a very astute businessman — I merely point out, that was obviously a reference to myself.

Mr. Smallwood: For an obvious reason, not at all to the hon. gentleman's dishonour — It would not be fair to have anyone from firms that might be competing in a position to go in and see all the confidential tenders of all competitors — That is the only reason —

Mr. Duffy: I think, Mr. Speaker, there are many cases, of necessity, where people engaged in business are holding responsible public office, where they have to be aware of confidential information, and it is left to the

integrity of the gentleman concerned, who is actively engaged in business, to act in an honourable manner. I can quote many cases of that kind.

Now, Sir, I have nothing further to say on this except that I feel that I am obligated to bring this to the attention of the house. I have little further to add except to say that I trust, with the experience that this administration has had over the past eight years, what they like to term "The Best Eight Years" (and it was not the best eight years yet in some ways. I am referring again to the unsound financial policy which resulted in my opinion in the loss of many millions of dollars) and it is my hope that the life of this administration, be it long or short (and to use the words the Premier is fond of using — "may the end come soon.") that they will benefit by the experience of the past eight years, and that the time allocated to them will be based on the experience of having been very unwise in many ways, very unsound, and that they will administer public affairs in the best interest of Newfoundland. It is a consumation greatly to be desired.

APPLAUSE:

Mr. C.M. Lane (White Bay North): Mr. Speaker, it is my first duty, of course, to pay due respect to the mover and seconder of the motion for the Address in Reply so ably moved by the hon. member for Labrador North and so ably seconded by the hon. member for Burin District. I feel too because so much has been said, so much congratulations been offered them, that I would not belabour the house any more for a job well done. I should like to add my word of appreciation to the retired Lieutenant Governor of this Province, I believe I happened to be the first magistrate to accompany His Honour and His Lady to various of the smaller outports in Bonavista and Trinity Bay, and I had the experience of seeing and appreciating the "common touch" which they so graciously bestowed upon the people and which the people so happily received. We wish them every happiness. Also the new Lieutenant-Governor. On the occasion of that disastrous fire in Glovertown, I found an able friend and adviser when I came here to St. John's to seek aid. I do think he will follow ably and well in

the footsteps so lately vacated by our respected and honoured Lieutenant-Governor.

Now, Mr. Speaker, I want to put you at ease too, when I say that, as I speak to the house, I have taken a model this year, which was presented to me by an anonymous admirer last year. You know I had many anonymous admirers for a time last year, during the month of March. One such anonymous admirer sent me a beautiful plate and on it were these words — "Nothing is More Oftimes Opened by Mistake Than the Mouth."

Well, I am sorry I have to open my mouth, but I hope and trust that I won't make too many mistakes this year. Of course today when I came here — It is a grand day, you know, to make a speech in this house — When I read in this morning's paper that neither of our political parties have yet come of age. I felt we were all in the one boat, and I am afraid if the Opposition do not look around and be careful, there is somebody else going to step right in and follow right on.

Hon. M.M. Hollett (Leader of the Opposition): A new party?

Mr. Lane: A new party — But be careful it is not the brass but the grass — You must look to the grass — You have to get down to the grass roots.

Premier Smallwood: The only thing about that grass is that it is so green.

Mr. Lane: Well, Mr. Speaker, I follow in the footsteps of the hon. member for St. John's Centre (Mr. Duffy) — I did not intend to make many comments, or very few. I did not think there would be any necessity because I felt that the days of "woe, woe, woe" the days of gloom, the gloomy picture had passed, and I felt confident that the references to the industries had gone too, and I hoped personally that nothing more, or not too much, would have been added to or heard from these industries. But in making reference to the hon. Minister of Education (Mr. Rowe), in his reply to the honourable member for St. John's South (Mr. Renouf), the word "extravagant" was brought in. The hon. Minister in his reply, I think, asked where was the extravagance in monies spent

on education, in health, welfare, roads and municipal councils — Would that be considered waste and extravagance? Because the greater part of the expenditure of the present Liberal Government has been on services such as these. Then too, I do not think that the hon. member would consider that some of the money, if not all of the money that has been invested in some of these fish plants around our coast would be waste. I think if you bear in mind the living that is being provided for men and girls in these plants, the number of trawlers, the crews employed on them bringing in the fish and the many, many more services and the amount of money which is being paid, that we just cannot call this amount of money wasted. It is true, perhaps, that with some of these loans the interest on them has not been paid; it is true we may find it difficult getting back some of the capital, but look at the amount of work, look at the amount of money that money is making, look at the number of people it is helping. The same applies to some of these new industries. Some of them are closed, it is true, some of them are fighting their way, and I believe given half a chance they will succeed. Let us not knock them too much. They are helping a good many families, a large number of families, and I do not think we should go back and find if the interest is being paid, is the money being paid. I believe some day soon many will pay back the interest. If they cannot get along far enough to pay back the capital they are making a great contribution to the economy of this Province, and I do not think we should criticize them too strongly. Another matter the hon. gentleman brought up was that the sessional pay to members is too high. It may be too high for the hon. member for St. John's Centre, but if he came with me and made two trips by boat and vessel to every cove and harbour of his district, or the district of White Bay North, as I have done twice this year, and paid for a boat at \$40 a day, and answered telegrams —

Mr. Rowe: You were lucky at \$40 a day.

Mr. Lane: I have some good men down there to take me around who will not pinch me too much. They are good liberal supporters — there are only ten others down there.

Mr. Smallwood: And "while the light holds out to burn".

Mr. Lane: Yes, even these ten might return. There is another thing: I always reply to my telegrams or to letters. I have had letters two or three weeks after they were forwarded to me, and the reply to them might take as much as three weeks — so that I generally send telegrams. I do not send them over the bulletin. No. I am too good a politician for that — I want to spend some of my money.

Mr. Smallwood: Sam used to do that and look where it got him.

Mr. Lane: Look where it did not get him. I can assure the hon. member that \$5,000 — In the cartoons they used to call that "Government pap" — in the cartoons there is one thing I do not agree with — they make me so tall and thin — If they would only make me a little stout — They do not do me justice — but as to the money I am receiving I can assure the hon. member for the work I think I am trying to do for the district I represent, when I come to pay my travelling expenses, the grant I get for travelling expenses just cannot cover it and my telegram bills and my mail. So that I would not, if I were the hon. member, come down too badly on the sessional pay. I met a gentleman on the plane coming along the other day who told me that not for \$10,000 would he become a member of the house, especially in Newfoundland. I told him we were quite happy.

Mr. Rowe: The answer to that is to reduce the St. John's members' pay.

Mr. Smallwood: St. John's Centre.

Mr. Lane: There are no travelling expenses, just in the fringe area.

Mr. Smallwood: If they go a mile and a half from the centre their districts they are out in the wilds.

Mr. Hollett: Mr. Speaker, there is a nice little conversation going on.

Mr. Speaker: Order, order. The debate seems to be getting out of order.

Mr. Lane: I really began to realize that following the example of the Liberal "Tories" in Ottawa the P.C. trend on the opposite side of the house is that they are beginning to get more liberal in their thinking. Why, even the Government in Ottawa is planning for deficit budgeting, after being left a legacy of \$500 million by the Liberal Government.

Mr. Smallwood: Who said \$500 million?

Mr. Lane: So we are all now beginning to realize it is no good to say, "woe, woe". Prophecies of Gloom are at an end — That is over and done with.

Mr. Hollett: It was not over when you were in Ottawa.

Mr. Lane: Oh yes, it was over. There is just one thing, Mr. Speaker, I intended to cover — Last year when I spoke I said very little about my own district. Perhaps I got into too much trouble at the time and spoke too much about St. John's, which was not appreciated in my own district. But they do want to hear something that I want to say about my own district and on behalf of my own district, and I believe the fishermen of Newfoundland would expect me to say something about the fisheries. I am not going to cut new policies or anything, but there are a few passing suggestions I have to make — But I would say to the honourable member for St. John's Centre (Mr. Duffy) — He was worrying there too much of what was going to happen, he was tired of fighting the Government, because everything was going to be voted down — I suggest to the hon. gentleman — in the words of the Good Book: "Be not weary in well doing for in due season you shall reap if you follow through."

Mr. Speaker, I adjourn the Debate.

On motion the Debate on the Address in Reply was adjourned.

LEGISLATION:

Third Reading of Bill, "An Act to Amend the Commissioners of Oaths Act, 1954." On motion, Bill read a third time, ordered passed and title be as on the Order Paper.

Third Reading of Bill, "An Act to Amend the Vocational Education Act."

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

Honourable the Minister of Mines and Resources asks leave to introduce a Bill, "An Act to Further Amend the Crown Lands (Mines and Quarries) Act."

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

Honourable the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act Further to Amend the Community Councils Act, 1956."

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

Honourable the Premier asks leave to introduce a Bill, "An Act Further to Amend the Social Assistance Act, 1954."

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

Honourable the Minister of Education asks leave to introduce a Bill, "An Act Further to Amend the Education (Teacher Training) Act."

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

Honourable the Minister of Education asks leave to introduce a Bill, "An Act to Amend the Local School Tax Act, 1957."

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

Honourable the Minister of Education asks leave to introduce a Bill, "An Act Further to Amend the School Attendance Act."

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

Second Reading of Bill, "An Act to Amend Old Age Assistance Act."

Premier Smallwood: Mr. Speaker, second reading of this Bill was held over yesterday at the request of the Honourable Leader of the Opposition.

Hon. M.M. Hollett (Leader of the Opposition): Yes, Mr. Speaker, I have had occasion to look up the parent Act on this, and I can scarcely see why there was any

reason to bring in this Bill, or any need to bring in this Bill because, it is true the Bill appoints a director. There is very little change except that of calling the director the Chairman. He is now called director. But in Section 11: "Subject to the right of the Board to rescind, amend, suspend or cancel any determination or direction made by it under this Act and the regulations, every determination and direction of the Board is final and is not subject to review by any court of law or otherwise." Now that section is copied word for word, comma for comma from the original parent Act as there is no particular change in that one. The point I was referring to is this: When the original Act was passed the Government of Newfoundland were paying the total amount of Old Age Assistance.

Mr. Smallwood: I am not sure.

Mr. Hollett: I am pretty well sure that is correct.

Hon. F.W. Rowe (Minister of Education): If the hon. member would permit me: I do not think there was any time the Government of Newfoundland paid 100 percent of the assistance, not since Confederation.

Mr. Hollett: Does the hon. Minister know exactly what the percentage was? — If it can be established that the Federal Government was paying a percentage of this when I withdrew my objection, because it has been there since the revised statutes were published anyway, but if it can be established that is so then I have no objections to it for it has been there several years. But my contention was yesterday, and could be today, if there was no Federal Government responsibility at that particular time there was no reason for that particular section. Today when they pay 50 percent of the Old Age Assistance, I think it is wise for us to pass any act which prohibits any person who has a grievance as a result of this Act from going into court and establishing his claim. That is the only point I object to.

Mr. Smallwood: Then it is the Minister he would take action against and not the Board — The Board is answerable to the Minister.

Mr. Hollett: Yes, but it states here any de-

termination or direction of Board is final, and is not subject to review by any court of law or otherwise.

Mr. Smallwood: By anyone but the Minister.

Mr. Hollett: By any court of law or otherwise. It is not even subject to review by the Minister.

Mr. J.D. Higgins (St. John's East): Subsection (3) of Section (3): "The Board is, under the Minister, charged with the administration of this Act."

Mr. Hollett: Yes, but "Any determination or direction is final and not subject to review" etc. What is the reason for having it there? Does it serve any purpose?

Mr. Smallwood: Yes. It is purely an internal matter under the Minister. It is purely an internal matter within the Department. That does not make the Minister exempt from the law nor from the courts.

Mr. Hollett: I will read the section again — Why has the right to go to law been taken away?

Mr. Smallwood: That right is not touched, not lessened by this Bill.

Mr. Hollett: Why is it there?

Mr. Smallwood: The citizen has the right still to go to court, but would not sue the Board but would sue the Minister. I said I should have been a lawyer.

Mr. Hollett: It says — any decision of the Board is not subject to review by any court of law. The judge of any court can say — "I cannot touch it" under this particular act. There are some lawyers here, and I would like to have some opinions. I believe there are one or two on this side of the house. I am sorry the Attorney-General is not here. He would give a satisfactory reply.

Mr. Rowe: I was Deputy Minister at the time when Old Age Assistance came into being. It came in as a result of negotiations between the Government of Canada and Governments of several Provinces. It was

always a joint thing. At no time was it ever solely a provincial responsibility. I do not remember the exact amount but I have an idea it was along a 50-50 basis. It came into being about 1952, or maybe 1951.

Mr. Hollett: I take the hon. Minister's word for that. I am not going to make objection any further. That regulation has been there some years, but I don't like it.

Mr. Speaker: Order. Who has the floor now — The hon. Leader of the Opposition.

Mr. Hollett: I do not want the floor any more, Mr. Speaker.

Mr. Smallwood: The hon. Leader of the Opposition adjourned the debate yesterday.

Mr. Hollett: I beg your pardon — This is second reading, and I have finished my remarks.

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

On motion that the House go into Committee on Bills number 3 and number 5, Mr. Speaker left the Chair.

Mr. Clarke, Chairman of Committees.

Committee of the Whole on Bill, "An Act Further to Amend the Blind Persons Allowances Act."

On motion, Clause 1 carried.

Mr. Hollett: I take it, Mr. Chairman, that means the Federal Government at the present time pays 75 percent of the allowances whereas, under the Liberal regime they paid 50 percent, is that correct?

Mr. Smallwood: That is correct. That is quite correct. The liberal legislation has been somewhat improved by the new Government of Ottawa.

Mr. Hollett: I just want to establish the fact, that is all.

Mr. Smallwood: The new Government of Ottawa has extended the liberal scheme and improved somewhat on it, and we are very grateful, and I think we ought to be very

grateful for it. Now, I could not be any fairer there than that.

Mr. Higgins: No. Is there any significance in the date, the 12th of June? Could it be the 9th or any date?

Mr. Smallwood: Well, it has no relationship to the 10th of June because this was done by the previous Government and not the present Government.

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

A Bill, "An Act Further to Amend the Workmen's Compensation Act."

Mr. Chairman: Clause 2 was allowed to stand.

Hon. C.R. Ballam (Minister of Labour): Mr. Chairman, I took this matter up with the Attorney General's Department and we were advised that the section as it is written completely covers the point required. I move, therefore, that it stand as is.

Mr. Higgins: Mr. Chairman, I raised this issue in the beginning. I found some measure of support, indeed I am sorry that some of the hon. members with whom I found myself in agreement are not here at the present time. But the Minister was generous enough to discuss the matter with me this afternoon, and I am assured — I am not completely won over — by the statement that the Attorney's Department says it is all right. I understand the principle that injured workmen will be rehabilitated, will be observed by the Board, and it is largely an administrative matter. I am quite satisfied, if the Minister is prepared to say the clause is satisfactory as far as the workmen are concerned, and am prepared to withdraw any objection there.

On motion, Clause 2 carried.

Motion that the Committee report having passed this Bill without amendment.

Carried.

Mr. Smallwood: Mr. Chairman, I move the Committee rise, report progress and beg leave to sit again.

Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole considered Bills No. 5, "An Act Further to Amend the Workmen's Compensation Act," and Bill no. 3, "An Act Further to amend the Blind Persons Allowance Act." and directed me to report same without amendment.

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

On motion, of Mr. Smallwood all remaining Orders of the Day stand deferred.

On motion, the house adjourned until tomorrow, Monday at three o'clock.

Monday, January 27, 1958

(Afternoon Session)

The house met at three o'clock.

Mr. Speaker in the Chair.

ADJUSTMENT GRANT: ST. JOHN'S SHOPS ACT:

MINISTERIAL STATEMENT:

Hon. J.R. Smallwood (Premier): Mr. Speaker, before we proceed with the regular business of the sitting I should like to say a word or two on the subject of the Saturday closing, in connection with which my name is on today's Order Paper for certain amendments to the existing legislation. This amendment, as will be seen a little later, proposes considerable stiffening of the penalties for breaches of the Act, and all necessary explanations will be forthcoming when these are discussed in this house. Since I made my former statement in this house, Mr. Speaker, Mr. Derrick Bowring, in a television appearance, has made the statement that he and the officers of the Clerks' Union came to see me with a request that the Government should support Saturday opening of the shops. That was five years ago, and because the shop owners and the shop clerks both appeared to favour Saturday opening, he criticized my support of the Saturday opening and put my support in writing. This is the letter which Mr. Bowring produced on his television appearance.

I did indeed at that time, five years ago, support the joint request of the merchants and clerks for Saturday opening. I would still support a joint request of the retail mer-

chants and clerks if they were to make a joint request. However, Mr. Speaker, what happened is that very soon after this joint request was brought to me by the retail merchants and clerks five years ago, something happened to make a very drastic change in the whole situation, and that was the clerks absolute repudiation of the joint request brought to me by Mr. Bowring and officers of the Clerks' Union. The clerks repudiated their officers, in what was widely known at the time to be a mutiny of the membership against the officers. It was widely believed that there was a split between the officers, who sided with the merchants, and the membership of the union, which wanted the Saturday closing. This was borne out a short time afterwards by a petition that was brought to me from the clerks. This petition, which demanded Saturday closing, was signed by more than 2,500 clerks. My support of the Saturday opening came to an end the moment I knew that the clerks wanted Saturday closing.

While I am on my feet, I want to report to the house that I have received a telegram from the Right Honourable the Prime Minister of Canada (Mr. Diefenbaker) acquainting me of the fact, first that the Government of Canada had agreed on the total of the amount that they were going to make available to the Four Atlantic Provinces in the Atlantic Provinces Adjustment Grant, which was under discussion at the Dominion-Provincial Conference in Ottawa last November.

The amount, Mr. Speaker, is exactly the amount that I forecast in this house a week or ten days ago, I think on opening day, when I said that it would be, I had understood, about \$25 million a year, to be divided between the four provinces. The Prime Minister further informs me that the division of the \$25 million each year is exactly on the same basis as had been agreed in the meeting that took place in Halifax between the Treasury Officials of the four Provinces, and later agreed to by the four Premiers in consultation with their respective Cabinets, that is to say, 30 percent each year of the total amount to go to Newfoundland, 30 percent to Nova Scotia, 30 percent to New Brunswick and the remaining 10 percent to Prince Edward Island.

The Prime Minister, as members doubtlessly have already in the press and on the

radio learned, has made this a continuing grant to the Four Atlantic Provinces for the next four years, beginning in the forthcoming financial year. Then he further informs me by telegram that the Government have decided not to recall the Dominion-Provincial Conference. That, of course, will be a grave disappointment to virtually all the Provinces of Canada, perhaps not all, but certainly a majority of the Provinces, who were truly looking forward to the resumption of the Dominion Provincial Conference. However, the Prime Minister says that, due to the rather prolonged character of the present session of Parliament, it has proven to be inconvenient (or words to that effect) for him to call the conference together again at the present time. I expect that the decision not to recall it is not too remotely connected with another decision which may be announced any day now, which would make the calling of a Dominion-Provincial Conference a little awkward for one of the eleven governments that may take part in it. The members of that eleventh government will be undoubtedly extremely busy in other directions and geographically in other places.

In the same telegram, he informed me that although the Dominion-Provincial Conference won't be called at the present time he realizes that the ten Provinces are in the position where they must know something — They have got to know something in preparing their forthcoming budgets. He therefore says that he will recommend to Parliament, I think today, or his Minister of Finance will recommend to Parliament, that, for the next twelve months from the beginning of the new financial year, they will pay between the ten provinces a sum of \$62 million. That is a non-recurring vote for one year only, on a purely interim basis, to take the place for the time being of the arrangement that might be expected to come from the Dominion-Provincial Conference if that Conference were called. \$62 million will give Newfoundland between \$1.5 and \$1.6 millions for the twelve months — between \$1.5 and \$1.6 millions for the twelve months. This must be regarded purely, as the Prime Minister says in his telegram, as an interim substitute for the permanent settlement which must come from the Dominion-Provincial Conference when that conference is resumed. So that,

with \$7.5 million we will get as an annual grant for the next four years from the Atlantic Provinces Adjustment Grant and the \$1.5 million or so from this special, non-recurring vote for the twelve months, that will mean a total of \$9 million that we know of for the next twelve months.

TERM 29:

Now, there is still a very important factor which might be more than these two combined yet to be heard from, and that is the amount we are to get as a result of the revision of the Terms of Union, with particular respect to Term 29. The Government, as the house is aware, has asked for \$15 million a year. The Royal Commission have not as yet reported nor made their recommendations, so that we cannot know what amount they are to recommend. But it could well mean much more than the two amounts I have already named put together. This is going to make it just a little difficult for us to bring down the budget for the coming twelve months that will bear sufficient relationship to reality to make that budget a realistic document. How we can bring down a budget when one of the principle sources of revenue is still unknown is a little difficult for me to see at this moment. Two of them are known — We know we will get \$9 millions from these two sources, but we do not know what we will get from the third and most important of all, the revision of Term 29.

ABLE-BODIED RELIEF:

Finally, I want to make a correction in a table I handed to the house on Friday last, when, in reply to a question as to the number of persons on able-bodied relief I gave the house tabled figures which had been handed to me by the Department of Welfare, in the absence of the Minister who is still sick. I fear that in tabling that, I gave the house on Friday a very serious error. For example, in the District of Harbour Grace the cost of able-bodied relief for the month of December ought to read \$3,400 rather than \$8,400 and in Trinity South the number of able-bodied families on relief should read 198 instead of 199. That is not a very serious difference. The number of

able-bodied persons in Trinity North should read 1,288 instead of 1,188, a difference of 1,100 altogether. The figures are quite striking, the total cost for the month should read \$30,000 instead of \$64,000.

Mr. J.D. Higgins (St. John's East): That is for sick relief?

Mr. Smallwood: Yes, that is right, that is in the case of sick persons. And the total cost of the month should read \$30,000 instead of \$64,000 in the case of sick persons and \$143,000 instead of \$204,000 in the case of able-bodied persons.

Mr. Higgins: I wonder how the mistake occurred.

Mr. Smallwood: I do not know, I have not the foggiest notion. I know only that the Deputy Minister, Mr. Andrews, telephoned me and told me a serious error had been made in the compilation of the figures tabled here on Friday last, and he was sending me the correct figures, and until this moment when I picked it up I had not read it.

Mr. Higgins: Would the Premier advise the house if the figure of \$30,000 for sick relief still stands?

Mr. Smallwood: There are enough copies of it here for the press and the radio, and the hon. gentleman opposite.

Hon. Mr. M.M. Hollett (Leader of the Opposition): I wonder if I could refer to a statement made relative to the fact the adjustment grant of \$75 million, is that to be added to the tax equalization amount or to be added to the share of the standing taxes appearing in the estimates.

Mr. Smallwood: That has nothing to do with anything. That amount is over and above all payments. It is a separate, independent amount which has no relationship to anything. That is an attempt to assist the four Atlantic Provinces to overcome the disability from which they suffer compared with the other six provinces of Canada.

Now, the \$1.5 million is related to the things to which my hon. friend refers, and it is over and above these, the adjustment grant and tax rental payment and fiscal ar-

rangement, all these we will continue to get after, but the \$1.5 million is additional for one year only. Now, if my hon. friend is not entirely clear on that, may I make this one further observation: The Government of Ontario, at the Dominion-Provincial Conference, the one before that held in November (in other words under the old Government) said the arrangements were inadequate in the case of Ontario alone by \$100 millions, and Mr. Frost claimed that Ontario alone had to have at least another \$100 millions over, and above what she was presently getting from the existing arrangement between Ontario and the ten provinces. Now that has been his contention right along, and I do not doubt that at the coming Dominion-Provincial Conference Mr. Frost will put forward that claim for \$100 million. But \$100 million for Ontario will represent a little over \$300 millions for all of Canada; \$100 millions for Ontario, \$83 millions for Quebec and right down the line giving Newfoundland about \$5 million, a total of about \$300 millions. But that has not been met. Instead, the Prime Minister said — "I will give you for one year an interim amount before we come to settle that bigger issue. I will give you \$62 millions to be shared between the ten provinces, of which Ontario will get about \$21 millions, and we will get \$1.5 millions of what we think will be about \$5 millions, and which I think still will be \$5 millions when the right moment comes."

Hon. Dr. J. M. McGrath (Minister of Health): Mr. Speaker, I rise for the purpose of making a Ministerial Statement: Mr. Speaker, I am happy to be able to advise the house that the Government will shortly be in a position to initiate Phase 2 of the Children's Health Plan. The house will remember that, just before Christmas, the Premier announced a Cabinet decision to proceed with Phase 2 of the Children's Health Plan, Phase 1 of which was initiated on January 1st, 1957. This second Phase was designed to provide surgical and medical services to children in hospital in addition to the ordinary hospitalization charges, which are already being paid under Phase 1 of the plan. Immediately following the

Premier's announcement, I, together with officials from my department, got in touch with the Officers of the Newfoundland Division of the Canadian Medical Association, with a view of establishing conditions under which this phase of the plan could be operated. A number of meetings ensued at which all elements of the plan were fully discussed, and final arrangement arrived at as between the Minister representing the Government and the Committee representing the Medical Association; and I am very pleased indeed to be able to announce formally that, as from the first moment after midnight on February 1st, next, the free treatment of all children in hospital in Newfoundland will become a reality. In future, therefore, when any Newfoundland child enters hospital, no parent will have any expense to face, unless at his own election he selects semi-private or private accommodation. Even then, he will have no medical or surgical bill, and will only have to pay the difference between ward rate and the selected accommodation. At this point, I think it would be only fair to comment on the splendid spirit of co-operation and good-will displayed by the Medical Committee with whom I negotiated. Certain items of the negotiation were long discussed and closely bargained, but there was no doubt at any time that the welfare of Newfoundland children was the major consideration in the minds of both the negotiating parties.

As far as I can ascertain, Mr. Speaker, Newfoundland was the first province to provide free hospital entry for its children, and we shall now be the first province, perhaps, in a long time, to provide free medical and surgical treatment in hospital for this important group of our people. As the house is aware, free hospitalization for all citizens is likely to be instituted on the 1st of July. Certainly we are prepared, and most of the preliminary work is done that will make it possible to take advantage at the earliest date of the Federal-Provincial plan for hospitalization. However, even when this excellent contribution of social welfare is in full swing, we shall still be ahead of other provinces in our provision for free surgical, medical and specialist treatment for our children. No one is more aware than I am, Mr. Speaker, of the still existing defects and gaps in the medical services supplied in this province, particularly in the

outports, and even more particularly in the more isolated settlements; but I can safely say that the provision of medical care of kinds has been, since the inception of this Government, one of the most serious preoccupations of the Government in general, and of Premier Smallwood in particular. The arrangements now made, are I believe, a new and important land mark in the care of our junior citizens and establish a high standard of co-operation between the State and Medical Profession.

It has already been said, and truthfully said, that our hospital accommodations for children, as well as adults, is at the present time inadequate, and I would not for a moment deny the truth of this statement. My Department and the whole Government are fully aware of this state of affairs; but unfortunately, the realization of the need and desire to fill it, is not enough. Money must be made available too, before even the most excellent plan can go into effect; and up to the present, money has not been available for many of the public projects that are so obviously necessary. The prospects, however, for the immediate future, are most encouraging, and it is the Government's plan to proceed immediately with the expansion of hospital facilities in this Province. Details of the projected expansion will be given later, probably during the presentation of the Budget, but I should like to make it clear that the implementation of Phase 2 of the Children's Health Plan is not going to divert funds from our plans for the provision of hospital beds. It will neither delay nor restrict the scope of our planned hospital expansion.

Mr. Speaker, as Minister of Health it naturally gives me a particular and personal pleasure to present these facts to the house. Now Mr. Speaker, I understand a Ministerial Statement is not normally debatable, but as this is of, I hope, a non-controversial nature, if any member desires, and if the house permits, I would be quite satisfied to reply to any further questions or to give any further information that might be desirable.

Hon. M.M. Hollett (Leader of the Opposition): Mr. Speaker, I would, if I may, like to voice the congratulations from this side of the house to the hon. minister,

and through him to the Government on the implementation of this Phase 2 of the Children's Health Plan. We all realize that the Government in general, and probably this Government in particular, is not too flush with funds (no Government is ever too flush with funds) and to have succeeded in the implementation of this Phase 2, I think, is a major and not only major step forward in applications of the health scheme for our children but I think its really a major victory for the Department of Health and the Government. I have no hesitation whatsoever, Mr. Speaker, in offering to the opposite side of the house our congratulations on bringing in this. **(Applause from the Government side).**

Mr. Speaker: I think here I might inform hon. members of a change in one of the standing Committees, the Committees on miscellaneous private Bills. The committee will be as follows: The Hon. Minister of Public Welfare; Mr. Sellars; Mr. Mifflin; Mr. Sheppard; Mr. Renouf. The only change is that of Mr. Renouf in place of Mr. W.J. Browne.

Mr. Smallwood: That is a very nice change.

Mr. Higgins: That is quite understandable.

Mr. Smallwood: And not without its merits.

Presenting Petitions:
None.

MOTIONS: LEGISLATION:

Giving Notices of Motion:

Hon. F.W. Rowe (Minister of Education): Mr. Speaker, I give notice I will on tomorrow introduce a Bill, "An Act Further To Amend The Education Act."

Hon. B.J. Abbott (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further To Amend The Urban And Rural Planning Act, 1956."

Giving Notices of Questions:
Notice of questions on tomorrow given by Mr. Higgins and Mr. Duffy.

Mr. Speaker: There are no questions on

today's order paper — Are there any answers to questions?

Hon. E.S. Spencer (Minister of Finance):

Mr. Speaker, I have with me the answer supplied by my department to Question No. 15 on the Order Paper of January 23, in the name of the Hon. Leader of the Opposition. That question is rather lengthy, and the answers are also quite lengthy. I do not propose to take the full time to cover them all in detail but as briefly as I can. The question deserves very considerable attention, and I feel that, in justice to the Hon. Leader of the Opposition and to the House, the answers should be given in as full detail as possible.

Question No. 15 (1) list as tabled:

In connection with this amount, Mr. Speaker, I feel the house should be aware these items are very definitely, in the majority, for travelling of officials who have to go around the Island in connection with the Social Security Assessment and other taxes. At this moment, I might say we are about to dispatch two of our men to the mainland for a journey which will take them perhaps as much as six weeks to two months. The reason, very briefly, is simply that we have in Newfoundland today, and have had during the past year operating in Newfoundland, something upward of 135 companies (the figures as nearly as I can get them is actually 131). Now these people do not keep their accounts in this country, and in order to do justice to the people, the companies concerned, and to the tax department, we must send our auditors to check these accounts; and so two of our men from the Auditing Department of the Department of Finance will be on the mainland for about five or six weeks in about four or five different cities of the Mainland. These are the items that go to make up the major portion of these costs. Now I have given a fairly lengthy explanation of the Department of Finance because that is the department I am dealing with at the moment.

With regard to education, the \$30,000 covers all supervisors, all inspectors and various others, therefore the Minister of Education is in a better position to inform us of the purpose of that. The Attorney-General, \$20,218.31; and Mines and Resources, by far the heaviest department where the ex-

penses amount to \$85,575.91 — Again the details will be too elaborate to read out, but it covers all the inspection and the men that are looking after resources work around the country in connection with mining, timberland and various other things. Again, if anybody desires a more detailed answer in that regard, I suggest they might direct the question to the hon. Minister of Mines and Resources. The same thing applies to Health, with travelling expenses approximately \$50,000 and Welfare with \$69,000, and all the other heavy expenses of departments that have a lot of people travelling. I think that explanation will help to show people, and help them to understand why these travelling expenses are so high.

15 (2) \$78,923.48.

15 (3) \$103,216.90.

15 (4) There the Hon. Leader of the Opposition questions the amounts for the honourable the Premier; the Honourable the Minister of Highways; the honourable Minister of Finance; the Honourable Minister of Provincial Affairs; the Honourable the Attorney General and Mr. Gordon Pushie, the Director of Economic Development. These amounts are given here and I will supply copies so that the press and those concerned and honourable members opposite will have an opportunity to review the details.

As far as the officials of the department are concerned they report to their ministers. In connection with the ministers travelling on official business the reports are made orally to the Government. There are no reports to table as far as the Department of Mines and Resources is concerned. I have pleasure in tabling the answers to question 15, with copies for all concerned. I have also, Mr. Speaker, the answer to question No. 26 in the name of the Honourable Leader of the Opposition, on the Order Paper of January 24th. It is much shorter, and you will not have to bear with me too long in this connection (a) That figure is \$83,524.84 since 1949.

(b) That amount is \$6,236.04.

(c) and (d), Mr. Speaker, are both items which we would not have the details of in Finance, and my answer suggests that we refer the question to the hon. the Premier, who will undoubtedly be in a position to give

this information. I have pleasure in tabling the answer to question No. 26.

Mr. Hollett: On Hansard, may I ask the Hon. the Premier a supplementary question — what completed Hansards are now ready?

Mr. Smallwood: I do not know. I will certainly find out if there are any ready, printed, bound. If they are now ready I see no reason why they should not be distributed. I presume they are in the Department of Supply where the custody of them is maintained — I will check on the matter at once. It would be a pleasure for us to see what we said in earlier sessions.

Hon. J.T. Cheeseman (Minister of Fisheries): Mr. Speaker, I beg leave to table the reply to question No. 25, directed to me by the Hon. Leader of the Opposition. In tabling this reply, I would like to draw attention of my hon. friend to the fact that sections 6, 7, 8 and 9 should really have been directed to the Federal Minister of Fisheries, I do thank my hon. friend for thinking at the time that I was the Federal Minister. It is quite a compliment that I do appreciate, and maybe one of these days that will happen.

Mr. Smallwood: Yes, with a change of Government.

Mr. Cheeseman: The sections of question No. 25 that apply to my departments are (1), (2), (3), and these are answered, but seeing that my hon. friend so kindly thought of me as the Federal Minister, I did have my department obtain from the local office of the Federal Department of Fisheries the answers to the question that were not directly concerned with my department. These I now pass along. Now, Mr. Speaker, before I sit down I have a note here in connection with Question No. 14, which was directed to me by the Hon. Leader of the Opposition on January 22, in connection with Fishery Products. I tabled a reply, but since tabling the reply the President of Fishery Products (Mr. Monroe) drew attention to the fact that the statement I tabled showed interest in arrears. Mr. Monroe says that is not correct and asked me to make the correction, which

I do. His contention is that the interest under agreement with the Government was deferred. It is not in arrears, he says, because it is not yet due.

Mr. Smallwood: It is not paid, but it is not in arrears.

Mr. Cheeseman: Not due — he says they are not in arrears.

Mr. Hollett: Mr. Speaker, if I may — Am I to understand from the hon. ministers that the answers to (6), (7), (8) and (9) are not available to the Minister of Fisheries?

Mr. Cheeseman: I said that is a Federal matter, but I did obtain the information from the Federal Department of Fisheries. I did that because the hon. member was so kind as to refer to me as the Federal Minister.

Mr. Smallwood: As a little reward.

ORDERS OF THE DAY:

Adjourned Debate on the Address in Reply (continued).

Mr. Speaker: The honourable member for White Bay North has the floor.

Mr. C. M. Lane (White Bay North): Mr. Speaker, the "darkest" White Bay, somebody said: It is going to be the "whitest" White Bay in a few years time. Mr. Speaker, in my preamble to my somewhat brief rebuttal on Friday, to the few little comments I made, I had a number of calls about that famous plaque and the famous words written on it—And I am still taking it as my guide, and I hope, Mr. Speaker, the hon. members on the Opposition side of the house took it too. Some people did not get it right. On that beautiful plaque was written—"Nothing is more times opened by mistake than the mouth."

Now, Mr. Speaker, with your permission I have the courage of my convictions, my conscience never troubles me. I hope, Mr. Speaker, today, to deal with a number of matters, primarily with the Speech from the Throne, but briefly, I hope I won't take up

too much time of the hon. house. I hope to say something about my own district and perhaps a few matters in general about the fisheries. Of course the great news of the day, as contained in the Speech from the Throne, was the reference made by His Honour to the possibility of this great paper company coming to Newfoundland and setting up a third paper mill. Now, I know that the prospects are bright and I feel that we are hopeful that this will happen, and I believe that we all feel that to a Liberal Government should go the glory; as was the case in the past when the two large paper mills had been brought in by a Liberal Government. We hope, and I believe that we all pray for this project because it will be a God-send to the Province.

But today, as always, we were told that the Speech from the Throne is conspicuous for what it does not contain, and today I am sure that we are happy to know that some of the things that were forecast in that Speech from the Throne to which just passing reference was made has been accomplished in such a short time. I speak of the increase in the grant today announced by the Hon. the Premier. I am sure the work of the Department of Health, under the able hon. minister and representative of St. Mary's is appreciated very much, and we also appreciate what has been done for us by the Government of Canada. As a matter of fact I believe that in a short time we won't only be all Canadians but we will be all Liberals, there will be one party. These things are the highlights, and I am hopeful that many of the good things of life have just begun to come to this Province and will come to us. Of course one thing we want to see is not so much handouts as the opportunity, and all our people, I believe, want to see the opportunity of more and more employment for our youth, especially as they leave school and college and look forward to the possibility of seeking employment. I believe that is the one aim and object of this Liberal Government since the day of Confederation.

Now, Mr. Speaker, I would like to introduce to you some of the strongest confederates, the greatest Liberals and one of the finest districts in Newfoundland, the District of White Bay North. They are so Liberal, as I know I told you last year, they hope to give our good Liberal Leader the key to

the Good Place so that everybody will get in. That is a great district, a district of great primary producers, men mainly who go down to the sea in ships, men mainly who go into the woods to cut the logs, to saw the lumber and export the pulpwood and the pitprops. For years, perhaps, we did not know too much about them, but now we do know, and fortunately for them and for the Province they are coming into their own. The District of White Bay North, perhaps due to a prosperous fishery, is better off than a great many other places. These are men who have stood by the fishery, who still have the capital to carry on that great fishing industry. That is an area in which the fish come to the very doors and where seldom or ever does the fishery fail. We also have a great stand of timber in the Harbour Deep area, where there is a little cutting going on this year, although it does not amount to very much in terms of millions of dollars spent, but is still a great thing for the community. Due to the initiative of John Wiseman there, some \$15,000 worth of timber will be cut and shipped to Grand Falls. There is a great stand of timber in that area, the area of Harbour Deep. I am told that 25,000 cords per year could be taken out of that area, although the coast looks rough and rugged, for the next fifty years, and there would still be timber left. That timber needs to be cut. It is old. And I am hopeful that the AND Company will see to it that it is taken from the forest before it falls to Mother Earth to rot.

In the northern part, in the Roddickton-Hare Bay area Bowaters are putting in great cuts of timber. Unfortunately for the Roddickton area, Saunders Howell will finish their lumber cut, and they leave a cosmopolitan population there, people that moved in from other parts of the country, who with the cessation of wood work now find it difficult to make a living. But even this year, with the co-operation of Bowaters and with the help of businessmen and the community, we have been able to put in a cut of some 500,000 feet of lumber, which will be used as tonnage for the shipment of paper, and it is going to give some twenty-four families a chance to earn a living during the winter months. The rest of the district depends wholly and solely on the fishing operation, codfish and salmon. It is

a great salmon fishing area and a great cod-fishing area, and all the fishermen need is a chance to carry it on, plenty of salt and plenty of bait.

In the St. Anthony area last year, a blow came when we lost the Fishery Products Fresh Fish Plant, the plant that was to increase its capacity, to double its capacity of from 60,000 to 80,000 pounds a day to 120,000. It was burned, and it is doubtful if under present conditions, marketing conditions, that plant will ever be replaced. But we are hopeful that into that area now will come one of the larger salt fish operators. We believe that too will provide a source of livelihood for many of the people there. St. Anthony is the capital of the North. It is a unit compact in itself. It has 2,000 people and it has one of the finest hospitals and sanatoriums and schools that you have anywhere in the Province. One thing that we are looking for in this area is hydro-electricity. As the hon. the Premier pointed out the other day, St. Anthony comes first on the list, and we hope that the implementation of hydro-electricity for that area will be of great help. We look forward too, to people from the outlying places moving to that central place where churches and schools are available for them. The district may be rugged, the standards of living perhaps not as high as in some places, but the people live well and they are happy and they are most hospitable. Given a chance with road connections, I believe they can be one of the finest and one of the best people of our Province.

Mr. Hollett: You had nearly nine years to do it.

Mr. Lane: They have done quite a bit. I am sorry that so few people know the north. Some people travel around the north in the Northern Ranger and take seven days to do it, and come back and tell everyone here what should be done with these places that they visited. They know all about it, almost like the man who flew over Newfoundland and said you could not do anything with Newfoundland because it was only rocks, lakes and bogs. But to go back as I did last autumn, or just over a year ago, and see after seven years the great changes that have been brought about is certainly satisfy-

ing. It is satisfying to know the homes that they have and the clothing that they have and the living that they have. The education facilities in many of the smaller places are the same as in other small places. It just seems as if we just cannot get the younger men and girls to go to these more isolated areas to teach. That is a grave problem, but perhaps as the years go by and as the opportunity is given, I believe that many of the people in that district are willing to move too, and to centralize. There are many places where we can do very little for them unless they do move. Many of them want to move, and I believe when the time comes we can give them the help to move themselves to these larger places, and then they will be far better off mentally, physically and spiritually.

But in the centralization of the population there is one thing that I must and will contend; these people can move to larger centres in the same area and still go back to fishing for three or four months of the summer and still make the same living, and a better one than they are making now if they would move to places such as St. Anthony, Englee perhaps, and perhaps to Harbour Deep, where some day the connecting road will go across to Hawks Bay where that great stand of timber is, and perhaps too to Cooks Harbour and Griquet, where they can go to the fishing grounds in the summertime and take their families with them, just as they do now from the Green Bay area. But, when school opens, the mothers and children return and the father, I think, then forrages for himself over another six weeks. Now, with the prospect of selling their fish in salt bulk, I believe that much can and will be done for the future benefit and future generations of that district. I can assure the people, I can assure the hon. house that everything that can be done will be done. In that respect I have the assurance of the Hon. the Premier, and I feel as he feels, that these worthy people are worthy of the best which we can afford as a Province to give them.

I would like, Mr. Speaker, to come back to the fisheries. As the representative of the Federation of Fishermen, and as the representative of the majority of the fishermen around our coast, I think that there are

many of which I might wish to talk; not to infringe on the rights of the Minister of Fisheries, but the work of the fisheries now has been divided so much, so much of it is absorbed by the Federal Department of Fisheries that, in my seven years experience with the fishermen and fisheries, I think that there are a few observations which I might make.

I believe an honest effort has been made to revitalize the fisheries. An honest effort has been made as regard capital; the Government, especially the Government of Newfoundland have poured vast sums of money into the fisheries, and some people question these expenditures yearly. But as I said in my opening remarks, if we could only figure in dollars and cents just what these loans have meant to the people of Newfoundland, I do not believe that we would criticize too harshly. Perhaps, as some people have said, too few get too much. That may be so. In the marketing of our products, especially of our fresh fish, I do not like the idea of five and six of our producers being on the Mainland at one time. I do not think that it is necessary, I think that there could be set up a good marketing association. I believe that a joint marketing organization similar to the wheat-marketing board of Canada could be set up, and I believe personally that that is the answer to our problems. I believe that it is the duty of the Government of Canada to find new markets, to extend our markets. It is in that field they can throw weight, because it is in the field of trade and commerce that the Government of Canada plays a vital part. I believe, too, that the Government of Canada can use to good advantage the service which we provide. It is really only during the two World Wars that the fishery of Newfoundland was the success which we wished it always to be. That was due wholly to the fact that ships from European countries could not fish in our waters. But now, in times of peace, more and more of them come over here and take the fish from our very doors, within three miles. We afford them harbour, shelter, bait facilities and supplies, and more and more as the years go by they take from us but give nothing in return, as far as our codfishery is concerned, but rather would they turn north to Denmark or to Iceland. I certainly cannot

agree with this continuing. I really feel that it is the duty of the Government, in a reciprocal trade deal, to see that they do take our fish.

If Portugal, for the service which we provide, were made to take 100,000 quintals of our dried fish, and Italy were to take 100,000 quintals of our dried fish, and Spain were to take 50,000 quintals of our dried fish, our fishery problems, as far as dried fish is concerned, would be solved for many years to come. They turn to us and say we cannot give them the quality, we cannot give them the size. That is nonsense. The qualities we can give these men are far better — those of us who know something about the fishing vessels coming over here to fish our grounds in March and April and some returning home in August and September—what do you think the fish on board some of these vessels is like when they return to their home ports. Our fish is caught. It is split when it is quite fresh, and it is salted and dried. Some of it, I will admit, is not of good quality, but much of it, with the introduction of heavy salted fish and fish drying plants, is certainly palatable. It is just a matter of change of taste for these people to come and give us what we deserve as a fish producing province in return for what we are doing for them. This is a time of give and take. I know we all have attacks of "gimmies." There are too many in the world today with the "gimmies" and too few wanting to give. But I think that during the months that lie ahead, whatever Government we have in Ottawa, that the marketing of our fish and the trade and commerce will receive the consideration which the fishing industry deserves.

With the introduction of the fresh fish plants, the Government had hoped and we all had hoped, we all thought that we had the answer. With the introduction of fish sticks we felt — "There it is" — The hotdog has come at last in the fishstick — but instead of a "boom" it became a "boomerang." And that has been the story of the fishing industry down through the years. We must never forget that, all down through the years, we have been trying to find a way out. Personally I do not think it is the fault of the government. I think it is the fault of the personnel. We do not seem, especially in

Newfoundland, in either department, the Federal Department of Fisheries or in the Provincial Department of Fisheries, to have the dynamics, the spark, to do the things which we should. I one time believed that a fisheries Brinco would be the answer to some of our problems. I thought that the bringing together of brains, especially from the European countries and Iceland with our own people would provide the answer; I still think it would be of great help.

Mr. Hollett: We had Iceland.

Mr. Smallwood: I was afraid of that.

Mr. J.D. Higgins (St. John's East): The opportunity was there.

Mr. Lane: And I personally thought the setting up of the Fishery Authority was a great gesture on account of the Government. They had to do something in an earnest effort, an earnest endeavour to do something. But I am disappointed somewhat and I still feel as I said just now, the spark of dynamics is not there to do the job.

In regard to the matter of the distribution of salt (which has been brought up) I believe that this year we are in a better position in regard to the supply of salt to our fishermen than we have ever been before, or for a long time. Of course, the hon. minister will deal with this matter, but I am the senior member; I have been on that salt board for seven years. And sometimes I felt as if the salt had lost its taste, but still we have been plodding on, trying to find the answer to many of our problems. And with the amount of salt we now have in I believe that the answer can be seen in the not too distant future. The distribution problem is a great problem. Here we come to that striking question of the coastal fleet. We have so few schooners left — I am glad to note the hon. Minister of Fisheries is bringing in an Act to implement, or to help, with the re-building of some of these vessels. But I feel too, that a combination of effort is necessary here in the construction of a fleet that will provide the life-line of the merchant marine to the West Indies, yes, to take our fish and our salt to and from these markets.

As to the supply of salt on hand to the fishermen: at St. Anthony, I suppose there are around 10,000 hogsheads of salt and at Lewisporte around 6,000 hogsheads of salt, and at St. John's, Twillingate and other places the supply is great; but still the distribution is a grave problem. With the building of roads along the St. Barbe district and the district of White Bay North, that great fishing area can be easily supplied by truck at a cost the fishermen consider most reasonable. Where you have to pay \$1.00 a hogshead by schooner, they can take it in a truck now from St. Anthony to Cook's Harbour for \$1.50, and drop it off at the stages. And the trouble they have of going on board the schooners and landing it to their premises will be all over, so that I do not believe that any of our fishermen would worry about paying the extra amount of freight and truckage if they could get the salt distributed to their stages.

In the case of loans: Some people talk about fishermen not getting anything from the Loan Board. I am on that Board too—I am not defending my actions in any way—I am am now the senior member of the Fisheries Loan Board, and we have certainly made mistakes in regard to loans. The money has been available. The Government never curtailed our efforts, but unfortunately some of the finest men we encourage, although we seem to get the finest men sometimes, are not interested in doing these things, and we are too often cautious with the loan requests. Most of our mistakes perhaps now have been sold to the insurance underwriters, but still we are carrying on the job. But I believe the fishermen are going back to the fisheries and building boats and coming to the Loan Board to find the wherewithal to get the engines to put in the boats. And our fishermen are looking for diesel power, diesel engines, and getting away from gasoline engines. I believe that is a good policy. It is pretty hard to saddle a man to build a boat, to saddle a man with a deficit of perhaps twelve to twenty five thousand dollars on a cheap product such as codfish, because we must never forget that the lowly cod is "cod" and it is very cheap in any market. The great fisheries of British Columbia, the great halibut fishery, the great salmon fishery, the great herring fishery are all in a big way, but we here in

Newfoundland depend on the cod fishery, and that fishery, the trap fishery only lasts for six weeks, and as a result our fishermen must secure enough to provide them with the wherewithal to keep them for a long time in that time. With the implementation, the introduction, of the unemployment insurance to fishermen, which was a great thing, a great gesture from the great Liberal Government of Canada, and it is a fine gesture now to know that the Tory Government increased it to a few more weeks; our fishermen will benefit considerably. There has been and there will be considerable trouble during the next few weeks. Why? Because it is impossible to put in a scheme, such an enormous scheme as that, and have no overlapping, no problems. But here I must say that I give a word of praise to the top ranking officials of the unemployment insurance office here in St. John's especially. I do not know the men in Corner Brook and Grand Falls. We write them and they are most courteous but here in St. John's there is not a problem a fisherman has that I cannot go up to the top-ranking men and get together with them, and get it adjusted, and generally they bend over backwards to satisfy the fishermen. Last fall they sent out their men. We got together in a meeting sometime in early September and the suggestion made was that the best thing would be to send out some men and tell the fishermen of the Province the problems there are to be and what to do, tell them what to expect, how to fill in their forms. That paid off. Unfortunately we could not cover the Island. In these areas where the representatives of the unemployment insurance went last fall, we have met many of our problems, we have solved them before we have met them, and it has been of immense help.

The setting up of unemployment offices is not the answer — it is not the answer — but I would say the setting up of men in areas or in settlements as soon as the fishery is over, to assist the fishermen with the filling out of application forms, with the checking off of the stamps in his book, and then to get these books in a lump to the office which will pay them the money for their insurance is the best plan. If you set up unemployment insurance offices you would

have no work for the officials, just a rush at the end of the year, from mid November to the end of December — but if you had men to go out and set up when the rush is on, to avoid overlapping and the extra rush at the central office at St. John's, I believe it would be very beneficial. But I do want to express myself before this hon. house as being quite satisfied, well pleased with what is being done in the first year, especially by the officials of the unemployment office here in St. John's.

We took a survey three or four years ago, through our locals of our Federation of Fishermen, for the men to ask their boys coming in to the labour force just how many of them intended to carry on the fishing industry. It was most disappointing at that time to know, I think it was only an average of 8.9 percent or about 9 percent of the boys in school intended to carry on in the old traditions of the fishing industry. I, too, perhaps have been a little disappointed in regard to the extension services at the Memorial University, because I had looked to the University as eventually being of great help to our young fishermen. Too many of our boys and girls today, of the age of fifteen and sixteen and seventeen, are leaving school and do not know where they are going or what they are going to do, they have made no decision in life. And we have a vast army of young men coming out year after year, and not only boys, we have to find jobs for the men who had jobs last year but also for the boys coming out of school too, and too few of them unfortunately don't know what they want to do. I do not know what education can do about it, but I do believe we can do something to try to get them to realize they have a job in life, and whatever their job is, if they do it well they can and will make a success of it.

The matter of unions and unionism for Newfoundland is a matter about which I do not want to say too much. I feel, as a representative of a union, of a federation, there may be just a passing reference to it. I regret very much that we seem to be in, at the moment, trying times amongst some of our local unions. I personally believe in the work and the job that is being done by the Longshoremen's Union here in St. John's. They are a unit to themselves. They pay

their dues to their locals. They have had good leadership in the past, and all the money that they pay is used, I believe, to benefit this Province. I believe they have money invested which can be loaned and which is being loaned and which is a benefit — I am sorry that three years back when the Federation of Fishermen (we had 4,600 fishermen who were registered loggers and fishermen) — when we applied for certification everybody said “no.” I believe at that time if we had all gotten together, in regard to woodwork, and formed one strong union, the woodworkers of Newfoundland would be better off than today and more united, and I do not believe we would ever have had the trouble we did. Unionism and unions call for good leadership. We have had some great leaders in Newfoundland and still have, but in the union field, like in every branch of industry or any part of industry or any work you do, you will always find a few not pulling their weight, but pulling against. This is one thing we have to guard against. I hope we will, as a province, realize that our own Newfoundlanders know more of our problems, can serve us better than those who come in and think they know them by staying with us perhaps two or three days, and then going away and answering all the questions.

Now, Mr. Speaker, I do not want to prolong the agony of the house. There are many matters I had down here — There is the matter of bait, a Federal matter. I believe with the co-operation of the Departments of the Provincial Government and the Federal Government that the bait situation will eventually be licked. I believe we can do it. It all takes time. It is human nature to ask for things today and expect to get them tomorrow, but we are building for the future, and I believe (although not much is ever said about it) there is much that we can do now, but I believe it is to the younger men, the younger generation, to the boys and girls of our schools, our regional high-schools and our university, that we must look for the future of Newfoundland. They are coming out. They need our guidance, they will need our help. But, Mr. Speaker, I believe that they are the men and women of tomorrow, they are going to have to guide our destiny and they are looking to us to set the pattern. I hope that we will all make an

honest endeavour and I believe we have — I believe the Government of Newfoundland under the premiership of the Hon. Mr. Smallwood, has been trying to do its best. It has made mistakes, Sir, but it is better to have tried and failed than never to have tried at all.

Mr. J.D. Higgins (St. John's East): “Loved and lost” it is. It is better to have loved and lost.

Premier Smallwood: That is the feeling of the Opposition.

Mr. Lane: So then, Mr. Speaker, I close by saying, if we are to make a success of this province; if you are in a boat and are rowing that boat (we don't very often do it now) you got to pull a little more than your own weight to get that boat going. But I believe that we of this day and age can pull our weight and can show a united front, we can all work together. We must all work together. It is the job of everybody to work together, it does not matter what Government is in here or in Ottawa — We would rather see a Liberal Government, you know, we love to see them, but if we work together, if they work with us — after all the civil service of any country or any province are the men on whom the responsibility rests, the greatest share, and if they do a good job and all work together, then with the co-operation of those who have the authority and set legislation, if we pull a little extra weight and with the help of the younger generation coming up, set them an example, I believe we can make great strides forward. The best eight years yet are nothing compared to the eight to come and then the following eight — That will be sixteen years and by that time I suppose we will all be looking forward to a change, and will give them a chance because hope deferred makes the heart grow faint. I do trust, Mr. Speaker, we will all work together for the common good.

(Applause).

Mr. J.D. Higgins (St. John's East): Mr. Speaker, I have a few words to say, but bearing in mind my hon. friend's remarks about sharing the loss, the agony, I wonder

if hon. members would like a cup of tea to fortify themselves.

On motion, the house recessed for ten minutes after which Mr. Speaker returned to the Chair.

Mr. Higgins: Mr. Speaker, in making my contribution to this debate I would first join in the congratulations that have been extended to the hon. member for Labrador North (Mr. Winsor) and to the hon. member for Burin (Mr. Jones) for the manner in which they acquitted themselves on opening day. It is not the first time that I have heard the hon. member for Burin speak, but it was, I believe, the first time I have heard the hon. member for Labrador North, and must say that, in common with everybody else in this house, I was impressed with the way in which he acquitted himself. Also like the other speakers, I would express my good wishes to the new Lieutenant-Governor who, I am sure, will discharge his office with credit to himself and to the Province. In the retiring Lieutenant-Governor I think we all agree we have lost a gentleman whose services to Newfoundland were quite unique. His contribution to every aspect of life in this Province was something that I doubt will be duplicated for many years to come.

Now, as to the speech itself, it has certain major items, and first in order of merit is the Crown Zellerbach proposition. It is impossible, of course, at this time, to discuss the matter at any length. All that one can do is express the hope that, when the agreement which is mentioned comes before us, we shall be given the information which the Government presently has and which will give us an opportunity to at least form a more advised opinion of the proposition. Indeed, the very restraint with which the announcement was made would of itself prohibit any division of opinion at all. All that we know is that there is the prospect of a newsprint mill, and also a pulp mill, somewhere in this Province, provided that a study reveals the soundness of the project. Now that is the condition, Sir, which really limits any discussion at this time. All that we can hope is that the investigation that will be carried on will lead to the conclusion of a satisfactory agreement, which will eventu-

ally result in providing new avenues of employment for some of our people. Because, Sir, today Newfoundland has unemployment which is not something that you can just mention offhandedly, but it is a problem, Sir, of real proportion. Only the other day, on Friday, I believe it was, certain figures were tabled in this house relative to able-bodied relief. Quite honestly, Sir, when these figures were tabled, I for one was appalled. I am glad to hear today from the revised figures that were tabled by the hon. the Premier that the situation is not quite as bad as it appeared at that time. But it is still, Sir, a very serious situation. Even a very casual perusal of these figures, Sir, tells a very illuminating story. In July of 1957 I think there were 6,070 people in receipt of able-bodied relief and 4,178 in receipt of sick relief. There were 6,070 people in receipt of able-bodied relief in July but by December these figures had risen to the figure given today, sick relief, 4,053 and able-bodied relief 23,459.

Mr. Smallwood: The sick relief figures are about the same every month. They go on from month to month and year after year.

Mr. Higgins: As I was about to say, Mr. Speaker, we can omit for the purpose of these figures, people in receipt of sick relief. That unfortunately is a figure that is almost static. But if we address ourselves solely to the figures of those in receipt of able-bodied relief, I can see that between July and December the number in receipt of able-bodied relief has increased almost by geometric progression. I think we can all agree that this situation is distressing. Now I am not blaming the Government. I would be just as well to blame the Government for the upset of the dictatorship in Venezuela.

Mr. Smallwood: That is not a good illustration. I was in Caracas about five years ago, and the Minister of Highways (Mr. Power) was with me.

Mr. Higgins: I think, Mr. Speaker, even his most ardent opponents will hardly accuse the Premier of being a delayed fuse — it usually goes off much quicker than five years. If there is, trouble starts when either of these gentlemen pass by; it usually de-

velops quickly, Mr. Speaker. However, as I say, I am not blaming the Government for the situation, but I do say it is a situation that everyone of us in this house, as representatives of the people of this Province has to be concerned with. I feel that, as the year advances, seasonal employment will undoubtedly brighten up the picture for some people, but I do not think, Sir, that we can say, or be satisfied at least, that for several months more at least about one in every twelve Newfoundlanders is going to face a period of difficulty and in some cases, unfortunately, a period of actual want. In December, going on with these figures, the Provincial Government paid out in able-bodied relief \$140,296. Now that sort of money is really a tragic drain on the Treasury because it is not producing; it is purely what it says it is, relief.

I was listening to the hon. member for White Bay North (Mr. Lane) the other day when he said — "You know, I am tired of hearing people crying "woe, woe, woe."" He spelled it "woe" of course. But, Sir, there is a time, and I say this is the time, when we have to face facts. You cannot just wipe them out of existence because you don't like to contemplate them. It is all very nice to be told by a minister of the crown, as we were the other day by the hon. Minister of Education (Mr. Rowe), he never felt more confidence as to the future of this Province. Unfortunately, just at the moment we are living in the present and people are presently out of employment and would, I am sure, welcome some word of the availability of work just now. As I say, Sir, these are problems not peculiar to ourselves. I am quite confident the Government can be relied upon to give its best endeavours to meeting the situation as best it can.

The announcement that we received over the radio on Saturday from Prime Minister Diefenbaker, an announcement confirmed today in this house by the Hon. the Premier will, I am sure, be greeted with universal satisfaction in Newfoundland. Probably, Sir, in no quarter will it come as more welcome news than to the ranks of my hon. friends opposite. It is rather ironical, Sir, that the first tangible financial results of any real proportion from these Dominion-Provincial Conferences should come at this

time and that this Government at a time, admittedly when every dollar is important, should have a life line thrown to them by the "Tory" Government at Ottawa, after eight years of being told by Ottawa that nothing could be done. It is I know heartening to find that within eight months of John Diefenbaker taking office, he not only said something could be done about it, and he could do something for the Atlantic Provinces, but he actually proceeded to do it. Now these, as I say, Sir, are the ironies of life. It is a hard thing to contemplate, Sir, and I do sometimes in the night, unlike my friend from White Bay North (Mr. Lane), my conscience does trouble me to think that this man Diefenbaker, up in Ottawa, whom we strove and struggled for last June, may be providing the very means to maintain our hon. friends in office. Now today, Sir, it was said that very rarely did a prediction in the Throne Speech come out so quickly as the prediction made of additional assistance in this year. But I do not blame the Government for trying to garner some credit out of this, but I do suggest, Sir —

Premier Smallwood: We are not looking for credit but cash —

Mr. Higgins: The hon. member for White Bay North (Mr. Lane) is looking for credit too. He is a man who deals on every basis of exchange. As I say, I do not blame the Government for trying to get some credit for trying, but I do say, Sir, it is worthy of note that it was only after the meeting of the Provincial Premiers with the "Tory" Government that the justice of the claims of the Atlantic Provinces for special consideration was recognized. Now, our own Premier has been credited with getting Newfoundland its share of this grant. Originally, so it was stated in the press, there had been a contention in some quarters that Newfoundland, because of the pending report of the Royal Commission on the Revision of the Financial Terms (Term 29) would not be sharing in this vote, and it was due to the forcible presentation of the Premier that we were included. Now I believe that is so. I believe that is true. I am sure that no one on this side of the house would wish to deny the hon. the Premier the credit which is justly due him for the competent discharge of his

duties, of his office, least of all myself. Because, Sir, whilst I have never had any difficulty in concealing my admiration for some of the Premier's policies, I have never on the other hand attempted to conceal my respect, one might almost say admiration, for his manifold abilities. The comment, Sir, is justifiable and indeed irresistible; if the Liberal Government of this Province for the past eight years had had as much influence with the former Liberal Government in Ottawa as their counterparts in New Brunswick and Nova Scotia seem to have with the present administration, we might have been enjoying these benefits many moons ago.

Mr. Smallwood: Might we not put it this way? If for the next eight years we have in Ottawa a Government in minority, always in danger of being defeated, Newfoundland might benefit enormously.

Mr. Higgins: That is a rather interesting comment. It is true they are a minority Government in Ottawa, but every time the Liberal Opposition has a chance to overthrow them they shy off. Some indeed have been accused of running outside the cutrain when a vote came. I am not saying it is good. It is certainly good for us at the moment, but may not be for the rest of Canada. But certain it is that we, in common with the other Maritime Province, received considerable benefits from the change in administration at Ottawa. The report on the Revision of Terms by the Royal Commission has not yet been presented. I am afraid, Sir, all we can do for the time being is hope and pray for good news. But, Sir, if the treatment of this Province so far by the Conservative Government at Ottawa is any indication, and I submit it is, then we may confidently expect we are going to be treated not only with justice but indeed, Sir, I would suggest, with generosity.

I noticed by the newspapers today that there is a likelihood of an early Federal election. Well, Sir, if we have that election, and if by any chance we "Tories" in Newfoundland should send more than two members to Ottawa, why, Sir, the treatment we receive may exceed even the Premier's wildest estimation. There is no doubt about it the chance will undoubtedly offer itself.

Now, Sir, the Speech itself says that it is the announced intention of the Government to utilize the additional monies received from Ottawa to launch a notable expansion and improvement of the levels and standards of our public services, and also an extension of economic development of our natural resources. Well, with the first ambition I am heartily in accord, in common with those of my colleagues who have spoken so far in this debate, and I am prepared to give the Government high marks for its achievements in the field of education, public welfare, public health, municipal development, labour legislation, all these. In these fields they have done work which is undeniably good work, and which I think entitles them to honest praise. The announcement by the Government of its intention to make expansions in the field of public health and public welfare is deserving of more than passing mention. I am very happy today, as I know everybody in this house and everybody in this Island will be when they hear the announcement of the hon. Minister of Health as to the Government's action in moving on to phase 2 of the Children's Health Programme. And I do hope, Sir, that in this session and even in this debate, we may be privileged to hear something of the Governments ideas in the field of welfare as well.

Now, Sir, the Government's intentions in its second ambition do not seem to be so clear. Reference is made to a notable expansion of economic development of our natural resources. Now, Sir, that sounds fine. That is the sort of phrase any speechmaker writing a Speech from the Throne would like to put down. But just what does it mean, Sir? The other day when the Hon. Minister of Education (Mr. Rowe) was speaking he complained that too much attention had been focused on the new industries, and he was supported in his complaint by the hon. member for White Bay North (Mr. Lane) when he spoke. Indeed they stood as one on the matter. It was pointed out, and pointed out very reasonable, because the Minister of Education is a reasonable man, that these industries represented one aspect of economic development. Now that is perfectly true, but the Government can hardly complain of undue attention

being paid to the new industries when you think back, Sir, to the drum beating and fanfare when the industries were being produced. Who amongst us who was in the house when these proposals were advanced can ever forget the fervor of the head of the Government as he described each industry. I remember him one day kneading raw rubber as he described how they processed it up in Holyrood. The next day people were rushing out to buy land in the area of Octagon Pond to get houses built for the great industry out there. Another day here the motor cars were started off on Hanning-Electric batteries. Now, Sir, we cannot forget these rosy visions too easily. It is true that, over the years, some of them have lost their original colours.

On that subject of colour, Sir, I was rather surprised the other day to find my colleague from St. John's Centre (Mr. Duffy) complaining about our fountain. Now I do not see anything wrong with our fountain. It is true it may be a little big at the moment, it may be a little out of size to our present building, but Sir, on a summer night when the lights are on it, is a beautiful sight to me. I think actually my hon. friend from St. John's Centre does not make enough allowances for the imagination of this Government. I can visualize the day, Sir, when this House of Assembly will be a greatly enlarged building, and then the fountain will be in proportion and in proper perspective to its surroundings; although, Sir, if the wind continued to blow from the north, Bannerman Road will probably disappear, and the fountain will be there.

But, Sir, to get back for a moment to the new industries, and only for a moment. I do feel that the complaint made by my colleague from St. John's Centre the other day, with respect to the Arthur D. Little Report, deserved support. We have been told that these reports will not be made public, and one reason given was that to do so, to make this public, would be to make available to their competitors the innermost secrets of the operating details of these companies. Now that may be perfectly good reasoning. It is not for me to question it. I do say, Sir, that the competitors of these companies seem to be doing alright as it is without that information. So it has been stated, I think

on Friday, that the Government is not prepared to make this information available to the Opposition even in confidence. And the reason given was that some years ago, at a time when the Opposition was not composed of the people presently sitting here, that a report submitted to the Government by a firm of industrial consultants was given to the Opposition of that time in confidence, and before the doors were closed outside everybody in the country knew about it. As I say again, I am not able to say whether or not that decision is justified. I do say this though, Sir, in passing. I am entitled to suggest that the reports of the Arthur D. Little Corporation, edited by the Hon. the Premier as head of the Government, which were released piece-meal over television and through the radio and newspapers certainly do not represent all the findings of the Arthur D. Little Company; and I do suggest, Sir, that there must have been passed on to the Government other information which is not as yet being made public.

But one final word about these industries, and it is prompted by the information tabled in the house last Friday, and that information would indicate that monies in substantial amounts are still being advanced to some of the new industries. The firm of Adler received additional guaranteed loans of \$130,000; the Newfoundland Tanneries, now defunct or in the process of demise, received \$70,000 cash; and Atlantic Gloves Limited \$41,200 and Eckhardt's received a guaranteed loan of \$25,000. That is all in the last twelve months. And in the first few months of this year United Cotton Mills got a \$50,000 cash loan.

Premier Smallwood: May I at this point inform the hon. gentleman that since we have received the report of Arthur D. Little Incorporated we have not advanced any money to any industry either in cash nor by way of guarantee except in cases where Arthur D. Little Company Incorporated recommended. Now, there are loans made to some companies not recommended by the Arthur D. Little Company, but these loans were made before we received the report and recommendations of the company. In the case of Adlers, the report of the Arthur D. Little Company was highly favourable, and they indeed recommended not only

that a loan should be made to them, but named the amount and spelled out what the amount should be used for, and it is precisely for that purpose and in that amount that we have lent money to the Adler Company.

Mr. Higgins: I am quite prepared to accept the hon. the Premier's explanation. It would appear, Sir, accepting that position, that as late as October last year the Government had not received any report from the Arthur D. Little Company on Newfoundland Tanneries.

Mr. Smallwood: That is correct because I think it was November before we got our first report.

Mr. Higgins: I see: The point is, as I now say, with the Government going on to a new phase I do think that none of these industries will qualify for inclusion in the expansion of the economic development of our natural resources. These are all exotic industries, none of them based —

Mr. Smallwood: The cement mill and the gypsum plant?

Mr. Higgins: I did not mention these industries; I refer to Adlers; Newfoundland Tanneries; Atlantic Gloves; Eckhardt Mills and United Cotton. None of these can hardly be said to use our natural resources. I like that word "exotic". Sir, they are all exotic. I was, I must say, Sir, very interested to see the reference to the collection of taxes from the iron mines of Bell Island. I remember last year outside this house talking with the hon. and gallant member for Bell Island (Mr. O'Driscoll) and as a matter of fact, I do not know, but he must have been searching his conscience at that time — (it was during the Mission) — he was very indignant about the way the company at Bell Island was getting away without paying taxes. Quite truthfully at the time, to be honest about it, I really did not know what he was talking about, and said something can be done. Now I do feel, Sir, it is a step in the right direction, because nobody will say that the company that formerly operated the Wabana Mines was ever noted for its generosity in the field of taxes nor contribu-

tions to Newfoundland. I was interested the other day in the statement of the Premier in reply to a question which I asked him, when he said that Mr. J. Harvey Perry had given the Government some information relative to that type of taxation. I do hope, Sir, the legislation which is designed to meet this situation will be effective. I know that we all look forward with interest to it being brought in.

Mr. Smallwood: We think we will get in arrears within the next few weeks approximately \$1 million.

Mr. Higgins: That is a delightful thought.

Mr. Smallwood: We think they have made reserves for these unpaid taxes, and if they did not they ought to have done so, and in any case they have some \$20 or \$30 millions of reserve in the pot — if we get \$1 million of that —

Mr. Higgins: I must say I am heartily in accord; if we can get it out of these corporations by all means do so, and I think everybody in the house will join in the hope that the legislation will be effective and that we will get everything we are entitled to.

Now, there are some other matters, Sir, mentioned in the Throne Speech, all of them important. There is the reference made to the Government's hope of at least maintaining our coastal fleet at the present level. What the Government has in mind is not stated. I imagine we will hear something on it as the session progresses. I would like now, if I might, to turn to some of the comments made during this debate. I mentioned earlier that I felt that the hon. minister of Education (Mr. Rowe) had not spoken quite long enough. I remember his apologizing to us he had been struck down by a flu bug. He did not speak as long as we would have liked him to. But I did make a note of some of his remarks. His first one was his challenge to anybody at all, not necessarily in this house, to show where the money has been wasted. Now, Sir, I do not propose to take him up on that because if I were to do so I would run the risk of being accused of plagiarizing, if I may call it that, what is in one of the daily newspapers, which, in the absence of Hansard, has be-

come almost required reading for people in matters political. But there were one or two other observations which I think I might reply to. The first one was the wonder expressed by the hon. Minister at the censure voiced by the hon. and learned member for St. John's South (Mr. Renouf). The hon. minister of Education could not understand what this man was complaining about when he was saying that the Government had recruited members of the Assembly from the civil service — "why, he said, "that is perfectly normal. That is done everywhere. All Governments, all parties do it. Was not the Hon. Lester B. Pearson recruited from the ranks of the Civil Service and were there not others, notable figures in public life?" I agree with him, Sir. He is perfectly correct. But I do suggest that the hon. minister either missed, or else preferred not to deal with, the point of criticism. I agree entirely that members of this house may quite properly be recruited from the civil service. But what I would like to know, Sir, is if there is any precedent for the form of legislation enacted a few years ago by this Government, which was designed to allow civil servants to resign from their jobs to contest elections and to return to these jobs if at any time defeated, without loss of seniority or other rights. Now there is the rub there —

Mr. Smallwood: The precedent is in England, in the English Statutes.

Mr. Higgins: I am still not happy about it. I say that is legislation which is bad, and the result of that legislation can only be harmful to the solidarity of the civil service. I said as much some years ago when this legislation was introduced into this house, and my feelings on the matter have not changed. The hon. minister also referred to what he described as the disease that was infecting certain sections of this country, a disease which he described as "Smallwood hatred." Now accepting the truth of that statement, and unfortunately I do, I can find myself in agreement with his contention that such a state of affairs is bad, Sir, because excess of feelings tends to destroy an individual's ability to reason objectively. But whilst the hon. minister pointed out that aspect of it, he did not refer to another "affliction" or "affection", call it what you will, which is equally,

or if not, more contagious in Newfoundland today and the effects of which are just as liable to a disease — I think we might loosely describe it as "Smallwood worship". Now, on my remark on the effect of an access of emotion on the objective contemplation on individuals and their actions, I would say that the danger of the effect on one's ability to give a detached appraisal of a man is just as great for the worshipper as it is for the hater. It is not given to many men to evoke such excess of feelings one way or the other, and quite truthfully I do not know whether to compliment the Premier or commiserate with him. However, whatever may be said of the sufferers from either the positive or negative —

Mr. Smallwood: Virus —

Mr. Higgins: The Premier himself seems to be relatively immune, at least he does not seem to exemplify the extremes of either disease, and I hope it will continue.

Mr. Smallwood: He tries to keep his feet on the ground.

Mr. Higgins: A very sound policy. There was another statement which the hon. minister made, and I am sorry he is not in the house now because I would not like to misquote him, and I do hope, if I have not understood him correctly, somebody will, if I misquote him, correct me. I understood him, when he was discussing the philosophy of Liberalism, and his words were generally to the effect that Liberalism was the antithesis of the belief of some people that the earth and the good things thereof were created for a privileged few and that only certain individuals —

Mr. Smallwood: Say it to his face now.

Mr. Higgins: Very good. I am glad, Mr. Speaker, to find the hon. Minister of Education in his seat, because unlike some of my learned friends over there, and I am not saying it is nice, I would be rather chary of misquoting the hon. Minister of Education who is of rather a genial type of mind. What I was saying, Sir, the minister, as I understood him the other day defined or referred

to his theory of Liberalism and he said that Liberalism was the very opposite, the very antithesis of the creed of some people who believed that the world and all the good things in the world were created for a privileged few, and only to certain individuals on the earth, the favoured few, that Divine Right is given to control human affairs. Might I ask the hon. minister, is that a correct paraphrase of the theory of Liberalism as he expounded it the other day?

Hon. F.W. Rowe (Minister of Education): Does the hon. gentleman want me to answer?

Mr. Higgins: Unless he contradicts me I must assume it is correct.

Mr. Smallwood: It would take five or ten minutes.

Mr. Rowe: I am sorry for the fact that business took me out of the house, Mr. Speaker; I would say from what I gather the honourable gentleman has in mind that partly expresses what I had in mind. Certainly the traditional role of Liberalism through the ages has been to work for the many rather than the few, whereas the direct role of Conservatism is to work for the few rather than the many.

Mr. Smallwood: Sorry you asked now?

Mr. Higgins: I am very glad to find I was not misquoting. I would go on to say that his theory of Liberalism I find at variance with very eminent members of the late Government, for instance C.D. Howe, who practised a philosophy at variance with that, indeed so well and extensively and so vigorously that he went down to defeat and dragged a lot of his companions with him, the Honourable C.D. Howe.

Now, Sir, there have been many other matters mentioned here. I do not want to delay the house too long, but I was very interested the other day to hear my hon. colleague from St. John's Centre (Mr. Duffy) refer to the position of certain pensioners. In that respect, I would just for a moment direct the attention of the house to

the position of certain members of the Constabulary, I believe a position with which the Hon. the Premier may not be unacquainted. There were men who were pensioned from the period April 1, 1949 to April 1, 1952 — It is a situation where there appears to be an injustice done. They were given the option of accepting a pension — I am sure the member for Port de Grave (Mr. Strange) knows whereof I speak — They were given the option of retiring under the Civil Service Act or the old Constabulary Act, which ever they elected. I believe it was brought to the attention of the Attorney-General in 1954. At that time I believe the matter was being considered. In 1955 and 1956 I raised the matter again, with the same reply — Sir, it is a pity the Attorney-General is not here today; but I would mention that in passing because I would invoke the good offices of the hon. member for Port de Grave in the hope that, if and when he does speak in this debate, he may be good enough to make some reference to it. I am sure he is better informed on the subject than anybody else in the house and I am sure these people have a just claim; and I am certain that if the claim is properly put before the Government, they will recognize it and rectify any injustice that has been done. I would say, Sir, that is a delightful clock — it has stopped now at a quarter past two.

Mr. Speaker: The honourable member has used up just half the time allotted him.

Mr. Higgins: May I say that is about fifteen minutes more than I usually speak. I have done well — But, as I said, Sir, we are only in the early days of this session. There is a lot of legislation to come in. So far at least there has been almost too happy a mood going on. Quite truthfully, I am one who believes in peace at almost any price. I do hope that things as they come up will be debated in the spirit they have been so far. I can assure hon. members opposite that anything we can do without neglecting our obligations as an Opposition, to facilitate the business we shall do, anything we feel obliged to disagree with we shall do so short of physical assault, and in whatever we do agree or disagree we shall at least try to do it like gentlemen.

(Applause)

Mr. P.J. Canning (Placentia East): Mr. Speaker, I move the adjournment of the debate.

On motion, the debate on the Address in Reply adjourned:

LEGISLATION (COMMITTEE STAGE):

Third reading of Bill, "An Act Further to Amend the Workmen's Compensation Act". On motion, Bill read a third time, ordered passed and title be as on the Order Paper.

Third reading of Bill, "An Act To Amend the Blind Persons Allowance Act".

On motion, Bill read a third time, ordered passed and title be as on the Order Paper:

NEW LEGISLATION (ST. JOHN'S SHOP ACT)

Hon. the Premier asks leave to introduce a Bill — "An Act Further to Amend the St. John's Shop Act". On motion Bill read a first time, ordered read a second time on tomorrow.

SECOND READING:

Second reading of Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act":

Hon. W.J. Keough (Minister of Mines and Resources) Mr. Speaker, the purpose of this Bill is to strengthen the Crown Lands (Mines and Quarries) Act by making it an offence for a person to remove quarry materials from Crown Lands without a permit or quarry lease from the Lieutenant-Governor in Council. Now, the legislation as it is presently provides for the issue of a permit or release for the operator to remove quarry materials but it does not say he must have a permit or release to continue. You cannot, under the present legislation distinguish between an authorized quarry operator and an unauthorized one, and that could lead to certain situations that would

be rather ludicrous. For instance, the Government could decide to give an applicant a permit to remove quarry material from certain Crown Lands, only to find something somebody else had moved in there without a by-your-leave from anyone, and was removing everything in sight, and the law as it presently stands does not provide any authority to remove him. The Government collects a small royalty in respect of the permits, five cents per cubic foot. The permit holder has to pay the royalty and if he does not pay, it is collectable under the law, but a person who does not bother to get a permit is able to go in and remove quarry materials as he likes, and does not have to pay a royalty, and there is no authority under the Mines and Quarries Act to collect it under the law. There are a good many reasons why there should be control on the removal of quarry materials from Crown Lands, not the least of which is that the Government itself must have ample supplies available for such purposes as road construction. Up to now, the only recourse the Government has had was to invoke the provisions of the Criminal Code dealing with trespass or theft. It is considered this is a completely undesirable procedure, and that authority to deal in the matter should be in the Crown Lands Act itself. Mr. Speaker, I move second reading of this Bill:

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

Second Reading of Bill, "An Act Further to Amend the Community Councils Act."

Hon. B.J. Abbott (Minister of Supply): Mr. Speaker, the amendments to this Community Council Act are very simple. In Clause 2 the original provision required community council elections to be held on the second Monday in December, 1957. Now as you all know, elections are conducted at public meetings, and in a great many cases it is impossible to get a quorum of twenty-five percent of the taxpayers at the first meeting. Well, this amendment permits the election to be held at any time over a period of three months, and if no election is held, or insufficient councillors are elected within the three months, councillors can be ap-

pointed by the Minister under Section 13 (1).

Now, in Clause 3 the purpose of the amendment is to enable community councils to acquire landing strips and to enter into agreements for the construction of air-strips. I may say this request originated from North West River, Labrador, where the council there required permission to acquire landing strips. Under clause 4 — You will recall the Community Councils Act, Chapter 67 of the Revised Statutes of Newfoundland 1952, that chapter which is now being repealed, relates to the Community Councils where orders for the community councils are made by the Minister of Municipal Affairs. The object of this amendment is to make it clear that the Minister can amend orders as made by the Lieutenant-Governor in Council under the old Act as well as under the new Act.

Then we have clause 5 — The object of this amendment is to enable towns to become communities if the residents desire and the Cabinet approves. Some places were incorporated as towns before the Community Councils Act was passed. One of the towns in question was that of Change Islands. Change Islands now is asking to become a community council because community councils have simpler administrative requirements relating principally to accounting and elections and has also a simpler tax system. Clause 6, the same as clause 2 provides for the postponing of the 1957 elections for three months. This amendment is made for postponing subsequent elections. Then we have clause 7 — This amendment is merely a rewording of the original provision in order to make it clear who may and who may not vote at community meetings. Mr. Speaker, I move second reading of the Bill.

Hon. M.M. Hollett (Leader of the Opposition): Mr. Speaker, could we have that stand over until tomorrow, to give us a chance to look at the parent Act.

On motion, debate on second reading adjourned until tomorrow.

SOCIAL ASSISTANCE LEGISLATION: (AMENDMENT)

Second reading of the Bill, "An Act Further to Amend the Social Assistance Act, 1954."

Hon. J.R. Smallwood (Premier): This has been moved and spoken to — I think we are ready for a vote on this — No I was all wrong — that is the Old Age Assistance — Mr. Speaker, this is an Act which is relatively simple and more or less one that speaks for itself. If the house will turn to it the house will see that it calls for the repeal of some clauses and the substitution of others for those repealed. Anyway, Mr. Speaker, it is almost identical with the one we did pass in that it sets up a board to take the place of the director. We did that in the case of Old Age Assistance. The department found that, in these matters, the substitution of a board, for the director acting alone would bring about considerable improvement in the administration of the Act. If that is the case with Old Age Assistance it is similarly the case with Social Assistance. Generally, the idea is to set up within the department a purely departmental board made up of employees of the department with the existing director as chairman of the board, to take the place of the director who now acts solely on his own, within the department of course.

Mr. J.D. Higgins (St. John's East): Nobody is paid except the director?

Mr. Smallwood: They are all paid, including the director. No one will get any additional pay by reason only of the fact he is a member of the board. All the members including the director will continue to draw the pay they presently draw, but will meet collectively as a board. In the department they think, and we in the Cabinet, having heard their representation agree, that that would bring about some improvement in the administration of these affairs. Mr. Speaker, I move the second reading.

Mr. Hollett: Mr. Speaker, we have not had much time to study it, and I am quite sure the Hon. the Premier has not even seen it

before but he made a very, very good job of introducing it at second reading. I am not so sure this is going to work successfully because an applicant for social assistance does not usually want to go before a board, he wants to go before some individual — Take here in St. John's, it may be different in the outports, a person goes to City Welfare, to somebody in the City Welfare Office and his case is considered, application is made and the man in charge sends out a social worker and on the report of the social worker the social assistance is either given or refused. Now that is quite a simple way, and as far as I can find out has been successfully and very satisfactorily carried out in St. John's. I know that because of the many cases that come to my attention. I am not so sure that it is going to work to have all applications go before the Board which is to be set up.

Mr. Rowe: They do not have to.

Mr. Hollett: They do not have to? I am glad to hear that. The Board shall review applications for social assistance.

Hon. F.W. Rowe (Minister of Education): Applications but not applicants.

Mr. Speaker: I wonder if it would not be better at second reading for the Hon. Leader of the Opposition to conclude his debate, and then the hon. member speak?

Mr. Hollett: That is quite alright, Mr. Speaker. Then I take it this recommendation has been recommended by the people in the Department of Welfare who know pretty well what they are doing. I want to say I am not quite sure it is going to work even so well as at the present time. The principle reason why I rose to my feet was to express a deep appreciation of the work of the City Welfare people here in St. John's and in the Department of Public Welfare. As I have said in my office up here practically every day a lot of people come to see me and ring up about social assistance and so on, and there are many things I have to take up with the officers down at the Department of Welfare and the Minister himself and also with his people at City Welfare Office. I will say this for them; not one case which I have had to put before them in the past twelve

months, not one case have they neglected to take action on. They have not allowed, to my knowledge, any person in St. John's to go hungry or continue hungry at any rate for any length of time when proper representation has been made. In some cases, I believe, they have perhaps over-stepped their authority which they had for the time being in order to see nobody went hungry. And I want to congratulate both the Department of Welfare and the City Welfare Office, and if the Government takes any pride out of that I want to congratulate them too. I do want to give credit where credit is due, because I am impressed with the amount of work which the City Welfare Officers have to do. I was at one time a relieving officer, during my magistrate days. I was a relieving officer about twenty-five years ago. I know the problems a good many people have. I do say though, I am very proud of the work being done in the Department of Welfare and in particular that part in relation to social assistance. That is all I have to say. I hope this amendment will cause no upset in the smooth working of the legislation at this present time, Sir.

Mr. Smallwood: I may say in reply, Mr. Speaker, we will be in here next year, if we are here, and may ask to have all that changed. We can only try it. The Department asked for it. The Cabinet felt it was a reasonable request for them to make, so we took the responsibility of passing their request on to this house in the form of a Bill. If it does not work I have no doubt we will be back again a year from now asking for still another change.

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

Second reading of Bill, "An Act Further to Amend the Education (Teacher's Training) Act."

Mr. Smallwood: Mr. Speaker, the Minister of Education had to leave the Chamber, and he has asked me to move this second reading in his stead. This Bill is merely to raise to seven the number of members of the Board of Examiners in the Department of Education. The present Board numbers five. The effect of this Bill, if it becomes law, is to

make the number seven. It has no other effect. I move the second reading of the Bill, Mr. Speaker.

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

Second Reading of Bill, "An Act Further to Amend the Local School Tax Act, 1957."

Hon. B.J. Abbott (Minister of Municipal Affairs): Mr. Speaker, this amendment apparently arose out of the fact that the school Tax Act in Corner Brook carries with it a poll tax — In other words living in Corner Brook a man is supposed to pay a poll tax and he is also supposed to pay a school tax provided his property does not exceed a certain amount of money. Now, I have not the original Act before me, if I may have the original Act, I could explain more fully — It appears as if this amendment is to make an amendment whereby a man does not have to pay a school tax as well as a poll tax, in other words, both. He has to pay the greater of the two.

Mr. G. Nightingale (St. John's North): I think, Mr. Speaker, this says "a property tax" — There is a difference between a poll tax and a property tax. We will have a poll tax shortly here.

Mr. J.D. Higgins (St. John's East): Mr. Speaker, I do not wish to drag the matter out, but I would feel that the minister admitted he was taken by surprise, and did not have the statute pertaining to 1957. I wonder might it not be advisable to let the matter stand over, and the minister might then cite to us the section.

Mr. Abbott: I agree.

Motion that debate on second reading of a Bill, "An Act Further to Amend the Local School Tax Act, 1957" to be adjourned, carried.

Mr. Speaker: This gives the honourable member for St. John's East the opportunity to speak further on the Bill when it comes up again.

Second Reading of the Bill, "An Act Further to Amend the School Attendance Act."

Mr. Smallwood: Mr. Speaker, this amend-

ment adds to the classification of public schools and has additional classification of supplementary schools operated under the Education Act. That does not seem to be a world-changing event, Mr. Speaker, and I move second reading of the Bill.

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

Mr. Smallwood: Mr. Speaker, I move that the remaining Orders of the Day do stand deferred, and that the house at its rising do adjourn until tomorrow, Tuesday, at three o'clock.

On motion, all remaining Orders of the Day do stand deferred.

On motion, the house at its rising adjourned until tomorrow, Tuesday, January 28, at three o'clock.

Tuesday, January 28th., 1958

(Afternoon Session)

The house met at three o'clock.

Hon. Dr. J. McGrath (Minister of Health): Mr. Speaker, I would like to make a brief correction to the remarks I made yesterday in a Ministerial Statement. I seem to have created the impression that the new phase of the Children's Health Scheme starts on February 2nd. This was due to the clumsy way of expressing myself. It will start, of course, on February 1st. the first of the month.

Presenting Petitions:

None.

Presenting Reports of Standing and Select Committees:

None.

MOTIONS:

Giving Notice of Motions:

Hon. W.J. Keough (Minister of Mines and Agriculture): Mr. Speaker, I give notice I will on tomorrow ask leave to move the house into Committee of the Whole for the purpose of considering the following resolutions: That we shall introduce a measure to provide for the collection of a tax on land in respects of the minerals based therein.

Hon. B. J. Abbott (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Local Government Election Act."

Hon. S. J. Hefferton (Minister of Welfare): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Welfare of Children's Act."

Giving Notices of Questions:
Notices of questions given by Mr. Duffy, Mr. Renouf, and Mr. Hollett.

ANSWERS TO QUESTIONS

Question No. 33:

Hon. C. H. Ballam (Minister of Labour): Mr. Speaker, I beg leave to table the answer to Question No. 33.

(See appendix for question and answers).
Mr. Speaker: Any other questions?

Hon. E. S. Spencer (Minister of Finance): Mr. Speaker, Question No. 34 on the Order Paper of today's date: Mr. Speaker, there is a part (2) to that question, but it refers to the same information. For the information of the house I would point out that it is incumbent upon the Minister of Finance to table reports in connection with loans, within a certain, stated period, in the house. That very information the hon. gentleman has requested is here today in the form of a table. Hence the question as asked will be answered by that detailed information for all concerned (reads—"In accordance with the Provisions of Section 26 of the Revised Statutes of Newfoundland, as Amended, and under authority of the Minute of Council dated 15th. October 1957 etc.....at a rate of five and one-quarter per centum per annum from the date hereof.")

A foot note points out that \$300,000 was paid on account of this loan on the 25th. of September 1957. It follows, of course, the outstanding amount is \$200,000. I have pleasure, Mr. Speaker, in tabling the document relating to temporary loans, with copies for all concerned. While I am on my feet, Mr. Speaker, and with your kind permission I beg to lay on the table of the house the regulations under the Social Security Assessment Act, 1957. This is a very voluminous document and I do not propose to spend the forty-five or fifty minutes necessary to read it.

ORDERS OF THE DAY

Hon. W. J. Keough (Minister of Mines and Resources): Mr. Speaker, before moving the Orders of the Day I wonder if I have the approval of the house to give notice of another motion?
(Agreed).

Mr. Keough: Mr. Speaker, I give notice I will on tomorrow ask leave to move the house into Committee of the Whole to consider a Resolution to Amend the Act No. 5 Edward VII, Chapter X, entitled "An Act To Encourage the Manufacture of Pulp and Paper in the Colony."

ORDERS OF THE DAY

Adjourned Debate on the Address in Reply.

Mr. P. J. Canning (Placentia West): Mr. Speaker, I wish to speak for a while on the Address in Reply to the Speech from the Throne. First, Sir, allow me to congratulate the mover and seconder who gave such excellent speeches here on opening day. (Messrs. Winsor and Jones): May I also join with previous speakers in welcoming to the house the hon. and learned member for St. John's South. (Mr. Renouf)

The highlight of His Honour's Speech, Sir, was the possibility, and what appears to me the probability and feasibility of a paper mill and a large additional pulp mill to be situated, come into being, somewhere on the ice-free South West Coast of our Province. To my personal satisfaction it is hoped, or appears, that this industry would spring up on the Isthmus of Avalon, and the shipping port would be in my own native bay, in the district which I have represented for almost nine years. Of the great boost to our economy, Sir, there is little left to say without repeating what has already been said here by previous speakers. However, Sir, we all know what it would mean, employment for thousands and an effect on every phase of our living. People of authority have already given us reason to hope and to have confidence that this great industry will become a reality in due course.

With the establishment of these mills, Sir, I can visualize a town rapidly rising up in close proximity to the industry. To me, Sir,

that is a fulfillment of hopes and dreams that I have had since representing my district, because by it, Sir, I know I shall see, if not all, much of the isolated islands, coves and harbours of my district and those of the South West Coast abandoned, and those worthy people will turn in one direction where they can secure profitable employment, build decent homes and have good schools to send their children to and enjoy modern facilities of which they have been deprived to date. The coming of this industry, Sir, would be a break for the South West Coast, a break which is so urgently needed. It would be a break, Sir, for the people of whom I have so often spoken as a great race who, for hundreds of years, have clung to the rugged coastline, defied the elements and scorned the seas, winds and storms with indescribable courage, a people who despite depressions, recessions and disasters and despite extremely tough going never slackened in their efforts but trusted in God and in the future; a people, Sir, whose losses at sea have given the Grand Banks and surrounding waters the morbid name of "The Graveyard of the Atlantic."

However, Sir, in recent years I am aware that there are not so many seamen and sons of seamen who go that way. Since the last war and the coming of Confederation they have turned to more lucrative areas on shore. Still referring, Sir, to the impact of the coming of this great industry on our Province, I feel that the new town to which I have referred, which I visualize, a townsite will have been retarded for the want of settlers. Since Confederation many of our people have travelled, have come in contact with modern conveniences and this has given rise to an urge to move from isolation. Isolation has become more recognized. I have moved, Sir, and mixed among these people and I know their desires. I know they will look forward to these industries becoming a reality and to this location being the scenic land-locked Bay D'Espoir or on the Isthmus of Avalon, where I am sure they will crowd to settle and adjust themselves to the industry and make it a successful one as the other two mills that we have had with us a long while.

This industry will be a blessing. Its announcement on New Year's Day by the Premier, and again in His Honour's Speech, has brought new hope to the people of the

whole Province, especially those who live along the South West Coast from Woody Island, Placentia Bay, to Isle Aux Mort. Sir, not only in the smaller, isolated places has this news been received with joy but also in the larger settlements such as Marystown, Burin, St. Lawrence, Fortune, Grand Bank, Burgeo, Ramea, Gaultois and other settlements along the coastline, these places where people still live under the heel of the merchant princes and princesses, who enjoy the Government loans which were issued for industrial expansions and for the common good of all. It has been received with joy by the fishermen who fish summer and winter, fishermen who are not worried about the holiday or whether it is on Saturday and Monday because they are men who work, unfortunately, on Sunday too to keep their families, keep the wolf from the door; and these fishermen who fish seasonally, who so often have to resort to relief in wintertime, while the princes and princesses bask in the sunshine of Miami, while the Government very often waits in vain at least for them to meet the interest on the principal of the loan.

Now, Mr. Speaker, when one makes such statements as these he is very often widely criticized, and many wonder if it is true, a lot of people will wonder if the member for Placentia West got up in the house today and wanted to get headlines, wanted to get something said about him to the newspapers, so he just shoots off like that. But, Mr. Speaker, I know that the men in my district, who are at the present time on the Grand Banks or on St. Pierre Banks, or off Fortune Bay, know it is true. Sir, to my prospective critics who may say I know not whereof I speak, or to those who would produce figures of profit and loss, or those who bemoan the market conditions, the cost of production and so on, I would beg of them first to investigate the salaries of the directors, the directors of fish plants who rank anywhere from teenage school-boys to the retired grandmothers whose salaries range from \$12,000 Sir—(and I am not a bit dubious of saying) to \$35,000. Perhaps I should go further, but I will be a bit conservative and say between \$12,000 and \$35,000 per year and more, not less. I may add, Sir, that these are the people whose interest in the welfare of the people of this Province is nil. That is why I criticize, and that is why I shall

go on criticizing them as long as I represent fishermen in this house, and as long as God gives me strength I shall criticize them while they are giving our men an unjust wage. I shall condemn the injustice, Sir, inflicted by those to whom we have given loans and guarantees of loans and for whom not only this Government, but this Government and the Federal Government both, I believe, built harbours and wharves. We have put everything at their disposal. They have every opportunity to make a success of the fishery, but they have failed. You shall see as I go along, Sir, and give my reasons and my opinions, which I think are based pretty well on facts.

Last year, Sir, I was criticized for having called all merchants "crooks". So at this point, Sir, I must sincerely make due reservations. We have a few merchants, Sir, on the South West Coast who are still struggling at the salt fishery trying to get it back, trying to reclaim it, and I would like to mention particularly, Sir, the Firm of W. W. Wareham at Harbour Buffett, a firm which has put practically all their savings in a salt-fish plant and drier. I think we have helped them along, and I am sure, Sir, they deserve it. I would also like to mention, Sir, the Buffett's of Grand Bank. Both these firms, both Warehams and Buffetts, are supplying for the fishery and are paying fair prices for the catch, I may add, Sir, that both these firms have had their "ups and downs", as we express it, and it is surely encouraging and gives us great hopes to see them have the courage to carry on as they are doing today. I may add here, Sir, that, apart from their pilot plants, they are building central receiving stations and encouraging fishermen to build theirs. The centralization of the fishery, Sir, in this area, I think, is about to take place. Already the fishermen have organized in my district in St. Anne's Paradise, Petite Forte and Oderin. It is a move, Mr. Speaker, recommended by the Newfoundland Fisheries Development Committee back in 1953, and something, Sir, that I have been encouraging my constituents to do, and I am delighted now that they are trying to do something for themselves. I feel, Mr. Speaker, we should all do what we can to encourage the centralization of catch, and if necessary we should give them funds to help them on their way. No doubt, Mr. Speaker, the Minister of Fisheries has this

move at heart, and maybe this year will be including in his estimates a sum to cover grants that will go against it.

To those who may not be familiar with these central states, Mr. Speaker, I may add that it is carried out by a group of fishermen in a settlement who get together and build a central stage, get rid of the old methods and build more modern pumps to pump water for the washing of the fish to help them to produce a good product to compete in the market, Sir, which has been and is badly needed.

At this point, Sir, I would say I have here a document which is familiar to the older members of the house, and I trust and hope that the new ones have had a copy of it and have read it. If they have not read it, and if they want to know what we should do and what we should have done if we want to save the fishery, then they should get it and study it and read it from cover to cover. Mr. Speaker, this is the Newfoundland Fisheries Development Report which was tabled here, and which was compiled I think, Sir, in 1951, 1952 and 1953 and was tabled here in the house in 1953. In my opinion, Mr. Speaker, and judging from the comments I have heard from people who are perhaps more capable of judging than I, it has been one of the most thorough investigations made by that Commission, the most thorough investigation ever made in connection with any of our industries. The first section of the book, Sir, deals with and covers thoroughly the history of the fishery. It then deals with the problems and from page 98, I think, to page 129 the recommendations are made.

Mr. Speaker, when I received this, as I have already said, I studied it thoroughly, I spent weeks at it. In my opinion, Sir, it was the answer to the problem. It was then, Mr. Speaker, and it has been ever since and it is today, as anyone who has read or will read it in the future will see. It left no stone unturned, it covered the whole fishery, the boats, the markets, the settlements and so on. It analyzed the whole situation. It went to the roots of our families of the past and it applied the remedy in the greatest of detail. The person responsible for the selection of these men was the Premier—I know Mr. Speaker, if the Premier had in 1953 when he—first of all I want to say—I went a little too fast there—The selection of these men

was a good one, if it were not they would not have made such an excellent report. They must have done a great deal of work and research. When this was tabled here in the house, Mr. Speaker, and after the Premier had appointed the committee of authority and gave them this and told them to go and apply it, get moving on it, it was the answer: At that point, Mr. Speaker, if the Premier of Newfoundland had never done another single thing toward the fishery of Newfoundland, I would never come back on him and say he had lost interest in it, because up to that point, Mr. Speaker, it was laid in the hands of the committee, the authority and the Department of Fisheries to solve our problems.

Some of the recommendations have been attempted, but very few. When the committee of authority was appointed here, Mr. Speaker, I for one voted for it, and I believe in them, I believed they were the best men we could find and I trusted them, and I will go further and say they should have been, if they were not, well, I don't know within the Province where we could go to find men to apply the recommendations contained in that report. I brought it to my district, I lectured on it from port to port or anywhere I thought it could be applied, especially on central small community projects, which I have just stated a few moments ago, now at least a start has been made, at any rate within my own district and I believe in the district of my colleague the honourable member for Burin. I brought it to the businessmen or to the fish merchants. I gave it to them, and made sure they had a copy, I had faith, I had confidence in it. I had confidence in the men to whom that job was entrusted. Mr. Speaker, as I said, it was a good report, I believed in it. We put it on the record, but unfortunately it has not been used or applied, or the effort has not been put into it that should have been, that I would liked to have seen put into it. And I feel, Sir, that every member on either side of the House would like to see put into it. However, Mr. Speaker, a weak effort has been made, and where do we go from here? What can we do next?

First of all, we live in the midst of the greatest fishing grounds in the world. There is no argument against that. In the second place, Mr. Speaker, we have the finest fishermen in the world. They may be

discouraged now. Some of them may have come ashore, some of them may have drifted off, but the fact remains that we have at the present moment in the Department of Fisheries, as head of the Department of Fisheries, an hon. Minister (Mr. Cheeseman) that I can safely say, without fear of contradiction, there is not another living man in this country who knows more about the fishery than he does. I do not think there is. I am sincere in that, and of course my statement is based on fact, on the fact that he has fished, bought and sold fish, he has dealt with other species of fish like herring, he has dealt with his "ups and downs", and all his life he has been connected with the fishery. He understands the local situation. He understands the fishermen, and what is more he has what, unfortunately, a good many Newfoundlanders lack today, faith in the fishery. I know from my conversations and my dealings with him, not since he came to this house but before he came here that he has an undying faith in the fishermen and the fishery of this Province.

However, Mr. Speaker, if it were not for the bright hope of the new industry which I hope and pray and feel will come within two years from now, if that were not in sight, Mr. Speaker, I would be making a rather perhaps despairing speech today as far as the fishery is concerned. The fresh fishery seems to be making good headway all right. Someone said here yesterday that it is not money wasted. By no means, Sir. There are wages paid out, people living a bit better, the people are much better off, nobody will deny that—maybe a fool would—but at the same time the way they are going on, the future of them, the danger of any moment toppling over, to me, Sir, gives cause for worry.

The salt fishery, too, although I said great efforts are being made in our area, still the market is uncertain, the fishing fleets have dwindled, and this is not surprising. The people tried to live and could not, tried to make a go of it and failed. They have been discouraged, driven off the sea by hard luck in one sense, but to me it is bad business in the order.

Mr. Speaker, we have just passed through a recession on the South West Coast. The greater part of my district, Sir, was affected by it, and a part of it was not. To me, Sir, it is

a recession that should have been a boom. I will take the failures one by one, Sir, as I go along and give my argument to show where it should have been a boom instead of a recession. The first blow, Sir, to affect my district came to the mines at St. Lawrence. They closed them. Several of my constituents worked there directly at the mines, they worked at building which was in connection with the mines. That story of that mine, Mr. Speaker, goes back to, I think the 30s. I am not certain of the date when the company made a start there, found the fluorspar and got a few men together in St. Lawrence and started to dig and sent some small shipments off the market. The good, hardworking people of St. Lawrence worked for nothing to send off that first shipload or carload or whatever it was. It went. They were hungry. It was in the old days. They worked in hunger and with lack of clothing and they worked for nothing. They were not paid for the first load nor for some time after, and then they worked for ten cents an hour. They worked for nothing until the ship was loaded with the first load, and then they went on to work for ten cents an hour. As the mine was worked of course, the wages were raised to fifteen cents and twenty-five cents an hour, and it went on and on and things got better and after a while it was in one sense a boom town perhaps. The first grumbings I heard from it, Mr. Speaker, (I often wonder if the manager seeing the fish plants getting loans thought, well likely he wanted a loan and would go to the Government to get it.) Anyhow he came in here to the house and asked for, I think, \$500,000. It was given him. He said he needed it to modernize and install conveyor belts or some such thing as that to take the ore out cheaper from the ground. I think that was the object of the loan. No, I am mistaken, Mr. Speaker, it was not—The loan was asked to buy a ship, the second loan was for a ship to carry away ore, to ship it cheaper. We were interested in here, Mr. Speaker. We wanted to keep St. Lawrence going, to keep Newfoundlanders working. The loan was given. I understand the ship was bought. A couple of years afterwards I was at St. Lawrence and asked how things were going. I was told they were not so good, there was talk of the mines closing down. I asked about the ship. They asked: "What ship?" The ship for which the Gov-

ernment gave the loan to enable you to ship fluorspar cheaper. They told me she was there once and took one load away, or two, once or twice. I made enquiries as to where she was, Mr. Speaker. I found she was down South carrying bananas. From there, Mr. Speaker, the mine at St. Lawrence unfortunately closed down. But they before they closed, Mr. Speaker, Mr. Seaberth had made enough money in St. Lawrence to go to Mexico to get some cheaper fluorspar. He came in here, the people worked for nothing at first, he made a small fortune, and when he found somewhere to get the mineral cheaper he quit. The only thing he has left behind him is the mine, a few hungry people and his first Lieutenant is still up there criticizing the Government for not giving more money to keep the mine going. It is unfortunate—it is too bad.

Mr. Speaker, that was the first blow. The second blow was the closing of the plant at Fortune. As I am feeling in a critical mood, Sir, I would rather not deal too long on that. I will just say it was the result of inexperienced operators who plunged onward without knowing where they were going to ship the fish, how they were going to get it, where they were going to get it, built the plant, kept in along for a few months by this Government and then went bang. Following that, Mr. Speaker, there was the closing of the plant at Grand Bank. Russell left Grand Bank and went north for the summer. I think Mr. Russell was given the full amount to build that plant at Grand Bank, every dollar of it, but I do not think, Mr. Speaker, this Government understood when he was building it, at least I did not, that it was going to be a winter plant. However, he went north and at the cost of another \$500,000 he got another dragger or something, he came south again. The only suggestion I have to make to Mr. Russell is that he should change the name of his company and instead of calling it, I think, "Bonavista Cold Storage" he should call it "Operation Caribou"—The caribou go north in the summer and south in the winter.

I may say, Mr. Speaker, that my colleague, the member for Burin, certainly went through his baptism of fire during the past year, and while this was going on he did everything he could, and I assure you, Sir, I am certain the Government did too, to try to

keep these things from happening. Then, Mr. Speaker, our friend, Mr. Monroe, finished that up by closing Long Harbour. By the time this had happened I was wondering what was coming next. I was wondering how many plants we were going to have back in our lap by the time the house opened this year. My Monroe closed Long Harbour except the bait depot, and the only reason I know he kept that open was certainly not the interest of the people of Placentia Bay. The only reason was that the Norwegians come to the Coast in the fall and he could make a few dollars of them by selling bait. If that did not happen in Long Harbour, Mr. Speaker, that is just what happened in the Province this year; the bait was sold to foreign trawlers when our fishermen had to do without it, and of course neglect on the part of the Federal Government. I do not want to start criticizing the "Tory" Federal Government. I do not want to start criticizing the "Tory" Government at Ottawa because I have too much to speak of at home directly concerning us all. I wish to say it was the first time in the last nine years I looked for bait for fishermen in Placentia Bay and could not get it. I remember in October reading the paper one morning—"Cheeseman speaks to Browne—they are going to do something about the bait later on"—It was just getting rough in Placentia Bay then, the time was getting short, and by the time it turned up there I think it was too late to do anything about it. In my opinion, Mr. Speaker, the lack of bait this year has put, I am not certain how many families but a great many, at least twenty or thirty families in my district on relief.

Mr. Speaker, yesterday when the hon. member for White Bay North (Mr. Lane) was speaking, he spoke of the young citizens leaving school and not knowing where they were going. I am not certain what he meant, but it followed the fisheries and those who drifted away from the fisheries, and he was hopeful and confident they would come back—I hope he was right—But, Mr. Speaker, if he felt they should have the fishery in mind I could not very well agree with him. Mr. Speaker this is something I may be misinterpreting. I may have misunderstood what the hon. member said—Anyway it is quite prevalent throughout Newfoundland, a criticism of the New-

foundland younger generation growing up with no interest in the fishery. Mr. Speaker, what in the name of God would ever possess a young fellow coming out of school or college facing the fishery in the condition it is in, the uncertainty and neglect, run by the crowd I have just spoken of? There is no encouragement there, and I do not expect it, and what is more, Mr. Speaker, if I had a son old enough to go fishing—if I could do it he would not go. At the same time, Mr. Speaker, I do not mean there is anything wrong with the industry. It is like anything else. Catching fish is like cutting logs or making paper or any other industry, but as it is, Mr. Speaker, we cannot expect the young men to go back to it.

I hope that the Hon. Minister will be let loose and if he has anybody down in his Department not doing a good job I hope he will fire him and if he can't find them in Newfoundland to help him to, I hope he will go outside of it. I hope he will fire and hire and fire until we get men to bring back the fishery. It will be a shame, Mr. Speaker, if we have to look off our shores in years to come and see men from across the seas coming and taking this wealth from our doors. It has been a mistake down through the years, mistakes of the past. Are we going to go on making them or are we going to do something about it? Mr. Speaker, if the present Fisheries Authority are up against it or claim they cannot solve the problem, well, can we add to them, or can we form some other authority or get men to bring back this wonderful industry? I do not think we think enough about it. I do not think we think enough about it, if we would stop and think and realize it is going out of our grasp. I think it is a great misfortune. It is a healthy job, it is interesting, it is something that despite the fact that the conditions—even when I was growing my ambition was to be like skipper so-and-so—we have pride in the fishery. But the way the fishermen have been treated, the mistakes that have been made, the way, the stupid way, some businessmen have gone at it to try to carry it on, it is just discouraging to the younger generation, and we cannot blame them. However, Mr. Speaker, I may sound a bit gloomy with regard to the fisheries, and I have always have been I suppose when I spoke here and always had reason to be, but apart from that, Mr. Speaker, I have greater

hope today for the future of Newfoundland that I have ever had in my life. I know, Sir, that we are advancing, we are going ahead at a rapid rate, and we will again in momentum as time goes on. Greater sums of money will be available for us to improve our services, and today our Departments, I feel, are in good hands, and with the extra allowances, extra monies, extra income we have ourselves, there is no doubt our Minister of Highways (Mr. Power) will make better roads, finish our main highway in a very short while, as fast as it can possibly be done. I know, Sir, he is working hard and he has a good program and will planned, and before many years have passed we will have more comfort than we have today on our highways.

Again, in health—According to announcements yesterday we are making rapid strides—That in itself is one of the most important things to help a Province, better medical attention and better and healthier Canadian citizens. Municipal Affairs is again a busy Department. Many of our villages are growing into towns, organizing and availing of grants and loans given. Education, which to me again is one of the most important items mentioned in the Speech from the Throne—Again that is in the good hands of an educationalist, and I believe he has a good staff and we are making, and we have made, vast strides and have still greater things ahead.

Mr. Speaker, somebody has said, and I quote: "The material progress of Canada is the product of the imagination and the spirit of her people and these can be stirred and made effective only through education"—Never before, Mr. Speaker, was there greater need for education than today, never before was it so extremely necessary for the Canadian people to prepare its youth to cope with the great tide of change sweeping not only Canada but the whole world. Never before, Mr. Speaker, was there greater need for a practical, liberal education than exists today, never before was there greater need for teachers, scientists, engineers, technicians of all kinds, never before was there such a need for maturity, to enable men to work with men to live with men and to participate with each other, to accept the responsibility of the community, the Province and the Country as a nation.

To apply this to my own district, Mr. Speaker, the need for education is great, and the existing problem, Sir, is serious and it has given me much worry. I went around my district and saw a few of our schools closed and others with teachers without grades. Although, Mr. Speaker, we have gone a long way, we have built schools, teachers' salaries have gone up, we have new equipment within the schools, but still we lack qualified teachers. The most serious need in my district is not food, is not wages, it is not roads, it is not doctors, nor nurses, it is not visits of the hospital ship. But, Mr. Speaker, it is the necessity, all of these are surmounted by the need for graded teachers for the schools to develop the minds of our youth and prepare them to take their place in the world, the fast-moving world, Sir, to which I have just referred. I feel, Mr. Speaker, and not only do I feel but I know that the Minister of Education (Mr. Rowe) feels, I know the Premier of the Province feels, the Government, this party, the Opposition, they all want to see the day when the children in Paradise Sound or in any other isolated settlement in our Province, I know they want to see the day when these children will have the same opportunities of education to prepare them for life as the children in Churchill Park who live in the shadow of the best of our schools. The youth of today, Sir, are the men and women of tomorrow, and if I may repeat what has been so often said in this connection, with the utmost sincerity; let us work together as one to make Newfoundland and Canada great and by our example help to make a better, peaceful world to pass along tomorrow to our youth of today.

(Applause):

Mr. G. Sellars (Labrador South): First of all I would like to say that I feel we all ought to be very thankful to Divine Providence, for sparing us to meet together again, and for a goodly measure of health and strength, to sustain us in our efforts to faithfully represent our various districts. I would like also to associate myself with my colleagues who have preceded me, in paying tribute to our recently retired Lieutenant Governor, Sir Leonard Outerbridge, and to also say that I am greatly pleased with the appointment of Hon. Campbell MacPherson as his successor.

The Speech from the Throne, with which this session of the Assembly was opened, has created in us renewed hope and confidence in the future of our Province, and has increased our admiration and respect for this Government, whose untiring efforts have maintained and enhanced the prospects of increased prosperity. I would like to congratulate the hon. member for Labrador North (Mr. Winsor), whose mature understanding of the various subjects referred to in the Speech from the Throne enabled him to explain so fully and well, the future prospects of this Province, when he proposed the Address in Reply, and I would also like to congratulate the hon. member for Burin (Mr. Jones) who seconded the motion, on the scholarly and very informative address in which he corroborated all that had been said by the proposer.

It appears to me that the pattern of the speeches made so far by the hon. members who preceded me have been designed to eliminate detailed controversy, and I have no desire or intention of attempting to change this procedure. Therefore, I shall try to confine my remarks to matters pertaining to my district and the conditions as they exist there. It is a source of great pleasure to me, to learn from the Speech from the Throne of the prospects of the establishment of an additional paper mill, and also a pulp mill, in this Province. Knowing as I do the vast extent of the timber resources of my district, from which a large proportion of the raw material for these mills are to be secured, I can look forward with great confidence to the future, when thriving industry will come to my district, and provide for our people an era of prosperity, that we have been hoping for so long. The presence of so much forest wealth in Labrador—and I am not borrowing this phrase from anyone—has often caused me to wonder why railway ties, and wharf building material, which is brought into this Province from the mainland could not be produced in this Province.

As we go about in St. John's today we see posters asking for casual employment at minor jobs, to tide over some of the population during the present employment slump, yet we cannot get, from the Federal Administration, concessions that will enable us to produce our own requirements from our own natural resources. If the landed cost of

all the railway ties, and the construction material brought into this Province, which we could abundantly produce, was converted into productive opportunities for some of our loggers it would go a long way toward stimulating employment. We frequently hear of large expenditures being made for railway improvement, and it conveys the idea that all this money is being spent in this Province, when, in fact, all this rough timber is produced in other Provinces, and brought to us in ships of other Provinces, manned by their own men, and the cost of all this is represented as a contribution to the economy of Newfoundland, while actually, our people do not get a cent of it.

When I visited Labrador last year, in what was considered to be the height of the fishing season, I was amazed to find many fully equipped and eager fishermen forced to suspend fishing for lack of salt. There was an abundance of fish, but no means of curing it. Thousands upon thousands of quintals of fish were lost to our fishermen of Labrador last season because of insufficient supplies of salt. What made the matter worse was the fact that the season opened late on account of ice conditions and the fishermen only had a short time in which to secure this voyage.

Mr. Speaker, I am sure I should, at this time, commend the Earle Freighting Service of Battle Harbour for their very effective efforts to bring in salt, and distribute it along the East Coast of Labrador, particularly during the period when fishing was good; and I also know I should pay tribute as well to the Hon. J. W. Pickersgill, for making his M.V. "Millie Ford" available, immediately the need was known, to freight cargoes of salt from St. Anthony to the Straits of Belle Isle ports. Had it not been for the splendid efforts to Mr. Guy Earle, and the hon. Mr. Pickersgill, the situation in Labrador last season would have been much more grim and disastrous. The Fishery Products Company had some salt on hand at the beginning of the season, but when this was used up they did not seem fortunate enough to be able to get transportation any more. Of course, we all know that the situation with regard to coasting vessels is becoming acute, and this is likely to be bad for this Province. I feel therefore, Mr. Speaker, that the people of my district would like me to

convey to Mr. Guy Earle, and hon. Mr. Pickersgill, their thanks and appreciation for the service in a time of extreme necessity. Recommendations have been made for the establishment of one or more salt depots in Labrador, and I understand the Hon. Minister of Fisheries (Mr. Cheeseman) will submit legislation at this session, to deal with this important matter. Last year, the hon. member for St. John's South (Mr. Browne), who is now the Newfoundland Minister in the Federal Cabinet at Ottawa, endorsed a recommendation for the importation of salt direct to the Coast where it was to be used, and I must say I shall always feel glad to know that he is interested in this matter, and willing to give it his support. I hope his successor and indeed all the hon. members of the Opposition will also give this their full support, out of respect for the recommendation of their former illustrious colleague. There is one other aspect of the fisheries, that I would like to mention at this time, and that is the bait situation. The best fishing grounds in the Strait of Belle Isle is located in the area adjacent to Forteau, Lance au Loup, St. Modeste, and Red Bay, and often, fishermen of Newfoundland side of the Strait locate themselves in this area. When bait is available, they usually do very well. My recommendation is that a bait supply station be located in this area preferably at West St. Modeste, where there is a new coastal wharf, so that it could be accessible to all the other settlements by road, and another at Battle Harbour. I have also referred to this to the Hon. the Premier and to the hon. Minister of Fisheries, and I know some efforts are being made at the present time to have this recommendation implemented.

Turning to Education, hon. members will remember that the Hon. Minister said a few days ago that the roots of Liberalism were deeply embedded in the needs of the people. Hon. members all know that the district of Labrador South is overwhelmingly liberal, and we also know that the needs of the people there can contain the roots of Liberalism, no matter how far they extend, how big they grow. In his "Blueprint for Educational Development" the Hon. Minister said, "we must endeavour to ascertain by analysis the areas of greatest needs." Mr. Chairman, I feel that I could give the Hon. Minister considerable assistance in the con-

duct of this analysis, for I feel that the needs of Labrador are the greatest of all. To one acquainted with conditions in Labrador, it is quite easy to recognize the inadequacy of the educational advantages there, but I am prepared to admit that it is not just so easy to solve the problem. The Hon. Minister is a great friend of Labrador, as I know everyone is who ever lived there for a while, and I know he is anxious to do all in his power to improve conditions there, but the problem is a difficult one.

I remember about forty years ago, attending a meeting at the old Battle Harbour Hospital. The meeting was arranged by Sir Wilfred Grenfell and there was about fifteen or twenty people present, mostly officials of the Grenfell Mission, as it was known then. All these people knew Labrador very well then, and were conversant with the conditions existing there. Basically, from an educational point of view, the situation has not changed much since. The deliberations at that meeting favoured the Boarding School System, as the one likely to produce the best results. Unfortunately for my district, the projects were started at North West River and at St. Anthony, but later a smaller school was started in the Cartwright area. All these schools have produced wonderful results which have resulted in a much better class of citizens, and I know of no system that can be substituted for this one. I have recommended to the Minister that the Cartwright School be enlarged to twice its present size, and that another school be built in the Mary's Harbour area, to take care of the Coast between Cartwright and Henley Harbour. In the Strait of Belle Isle area, the situation is different; the communities are larger, and the situation there is similar to that found in most Newfoundland outports, and similar remedies can be applied here. But the schools we have there need to be improved, and there is need for new ones. There are some small places in this area where there is no school at all. The telecommunications system in Labrador has dwindled to a point where its effect is to make isolation almost absolute in Labrador. There are Stations at Henley Harbour, and at Port Hope Simpson, both in working order as far as I know, but these can only serve the communities in which they are located. There are no other settlements adjacent to them. At Mary's Harbour,

the Grenfell Hospital is supplied with a radio telephone, but they can only use the frequency assigned to them for intercommunication between the Grenfell Stations. The Stations at Fishing Ships Harbour, and at Snug Harbour and Hawke's Harbour are closed, and the one at Frenchman's Island was closed last fall, and the apparatus removed to St. John's. Another privately owned station at Square Island was out of commission all last winter and summer, but was in operation again early last fall, but have since been having difficulties. The only other station on the coast is located at Black Tickle and this one too has been out of commission since last fall. The only way I know of sending a telegram to any part of the coast north of Battle Harbour, is to send it by wireless to Battle Harbour, then to Mary's Harbour by dog team, thence by mail plane to Square Islands or Cartwright, and from there to destination by dog team. No matter what emergency or misfortune may arise, there is no other way of getting information of it to any authority, except by the method just described.

In my opinion the radio-telephones now installed in Labrador are antiquated, and not at all suitable for the area. There are more modern outfits, not nearly so costly, which can be operated much more economically. Such sets could be moved from place to place, and would give just the service that Labrador needs. I have been trying to get some action in this matter, which is of great importance to the well-being of the people of my district, but the Federal Government does not want to assume any responsibility for this service. They have said that telecommunications is primarily a Provincial responsibility, yet a short time ago the Department of Transport took over the Wireless Telegraph Stations from the Canadian Marconi Company, who always gave excellent service. In the Strait of Belle Isle area, the communication service is operated by the Quebec Telephone Limited, whose telephone line runs along the Quebec Labrador Coast, and into Newfoundland territory as far as Red Bay. When I asked them if they could connect two other important settlements in that area

they replied in a very cordial and favourable manner, and indicated that their lineman would have this attended to on his next visit. Not long after that, I received another let-

ter, this time from the Vice-president, informing me that the line required extensive repairs, and until such time as it was renewed or repaired, they would be unable to add even one more telephone to it. He quoted from their Agreement with the Federal Government at the time they took over the line, which stipulated that the line was to be maintained where it passed through Canadian territory but the agreement continued. "In respect to the above mentioned facilities, located outside the boundaries of Canada—" well it seemed they could do almost whatever they liked about that by negotiation with the owners of such territory. So far as I can understand, this Company is now waiting for Newfoundland to provide funds with which to repair the telephone line in the Province of Newfoundland, which they evidently think is outside the boundaries of Canada. I may say here that they now have been told that Newfoundland and Labrador is now a part of Canadian territory. Further steps have been taken in this matter but the result is not yet known. It does not seem reasonable to deny people of Labrador ordinary communications services, nor do I think the Government of Canada can afford to do so. With occasional reports of submarines snooping along our Coast, it might be important to have some means in Labrador of reporting anything that might be sighted.

The Postal Services in Labrador is not much better than the Communications Service, but it is quite easy to make it a lot better than it is. There are about twenty ports of call of the Mail Boat at which no mail deliveries are made and the reason is that no postmaster has been appointed there. There are a few places where some resident of a place is given the bag containing the mail for the Community, but he does not assume any responsibility for handling it, and he gets no compensation. Usually the mail is not landed, but carried on to the next port where there is a Post Office, and landed there. We called at one port last summer when I was on the "Kyle" at which no mail was landed. I was told of this by one of the inhabitants, who also told me the mail would be carried on to the next port, more than twenty miles away, and that they had to follow the steamer in a motor boat to get their mail. I suggested to the Postal Department that they appointed someone at

each of these ports, to accept and deliver the mail for the settlement, and that this service could be had for perhaps as low as \$20 per year, just enough to establish responsibility for handling mails, but it was not considered. I would like to say here that today I received word from Red Bay advising me that there were no Unemployment Insurance forms for making fishermen's claims at the Post Office there. On checking with the Unemployment Insurance people, I found the forms had been sent last year. Evidently they have gone astray, but another supply is going forward today. I hope this will not react to the detriment of our Red Bay fishermen.

The Post Office Department can afford to deliver mail to every individual home in St. John's but it cannot make any arrangements for mail landings at a Labrador Port of Call. The best they can do is to appoint one post-master for every three or four ports, and the people must arrange to get their mail from there the best way they can, and they can only do this by following the steamer for fifteen or twenty miles as the case may be, which constitutes a forty mile long inconvenience, and creates an unwarranted and unnecessary situation, I would like to know why services that are easy to arrange, convenient to operate, and inexpensive to maintain, cannot be made available to our people. The people of Labrador have feelings, and are just as human as are people of St. John's or Ottawa, and as Canadian citizens they are fully entitled to reasonable consideration, why then should they be denied inexpensive conveniences which would mean so much to them? It is becoming more and more apparent to me that it is useless to depend too much on the administrative facilities operating in Ottawa, Moncton, or Mulgrave, or whatever city, town or settlement on the Mainland, that is administering the affairs of the Province. The responsibility of the Federal Government to administer certain of our vital affairs does not justify them in neglecting to attend to some of our most necessary services. To my mind, their moral obligations, and the real spirit of union, accepted by the Federal Government when we entered Confederation, is violated every time our ordinary requirements and necessities as Canadian citizens are neglected or ignored.

Health services in Labrador depend solely

on the International Grenfell Association at the present time, and it does not seem to make much improvement. When Sir Wilfred Grenfell was with us, his efforts on behalf of Labrador were remarkable, and he always seemed to secure voluntary contributions for the upkeep and the extension of the Mission, which does not seem to be possible today. Our Provincial Health Department is now required to make increasing contributions to the conduct of these services, and I feel that greater responsibilities will have to be assumed by the Provincial Health Department in the not too distant future. Free Health Services is a wonderful asset, but what can they avail when there is no way to make use of them. At the present time, there is not one Medical Doctor in any part of my district. There are three Nursing stations, and one part-time Nurse to serve the needs of the entire district. I am not too happy about this and the people of my district are not either. They are human beings, and subject to affliction the same as other people are, yet they do not even have any means of communicating with any medical source for help when it is needed.

As Canadian citizens, many of our people feel they are entitled to at least services commensurate with those afforded their friends just across the border in Quebec Labrador. Further efforts will have to be made in the near future to provide better Health and Medical facilities for our people that will conform to the present day and age. We do not expect this to be accomplished all at once, but we must strive to provide for our Labrador people the facilities they are eminently entitled to as Canadian Citizens.

There is a very obvious need for some sort of housing program for Labrador that will enable our people to build homes, and obtain more comforts that many do not have at the present time. Their way of life must be improved, and in this they will need some guidance and help.

Necessary and important facilities that are enjoyed by people in other districts ought to be made available to our Labrador people, insofar as this is practicable, so that their standard of living could be improved to the highest degree possible under the conditions that exist in the part of the district where they live.

Mr. Speaker, I do not think this Province should be required to build very many roads. Everyone knows that Newfoundland is the Gibraltar of the Western World, and is the bastion of Canadian defence. We know that if war broke out again, this Island would be used by Canada and the United States for whatever purposes may be necessary. Every public utility would be taken over if required, and chief among these would be our roads. I am fully convinced that in view of our strategic position, all our roads should be built and maintained by the Department of Defence, for they most certainly should not depend on the roads we have for military purposes. But they will have to depend on them if need arises, and they may not be as efficient as they should be. In Labrador, road building is not such a demanding problem as it is in most places in Newfoundland. There is one piece of road still in course of construction in the Strait of Bell Isle area, which has been under construction for a long time, but we are hopeful that, when the terms of union are completed, and we get some money to spend on unfinished roads, this one undertaking in Labrador will receive adequate consideration, and that the coming season will see it continued from early summer until it is completed.

Apart from this project, there are some community roads that will be attended to, and some footpaths that will be built, but these do not involve very great expenditures, and we hope to do effective work along these lines the coming Summer and Fall. There are very few communities that can be joined together by road, so that each community will only have their own local problem. The cutting of old winter trails, and the building of new ones is very important and necessary, and there is need of some winter emergency cabins at some places along these trails, but this does not involve a very great expense, and I am confident that a considerable amount of work can be done along these lines the coming season.

Mr. Speaker, it is well known that Public Welfare Services have been greatly improved during recent months, and the increases, particularly in Social Assistance, and Unemployment Assistance, which was announced by the Honourable the Premier a short time ago, has been appreciated by the

people of my district to an extent which I believe is greater than in any other district in the Province. Still, due to peculiar, and unique conditions that still prevail in some parts of Labrador, some privations, and shortages of essential items must be experienced at times by some people in some places. Quite recently I was advised that there was a shortage of kerosene oil in one settlement, and they had to do without their lamps since before Christmas. Travelling conditions did not permit them to make the long journey to the nearest place where this oil could be obtained, and my correspondent told me that "the nights seemed terribly long." I expect, however, that they have been able to secure some supplies of oil before this time.

I was very pleased sometime ago, to hear that the Department of Transport was "expecting", and that a most happy event was in prospect, and that in a reasonable space of time, it was hoped that there would be produced a sister for the "William Carson." If she can be used to replace the "Kyle" on the Labrador Service, I would be glad to recognize it as "a Blessed Event" indeed. Despite her age, and the antiquated accommodations on the "Kyle" that ship performed excellent service to the people of Labrador during the past season, and sometimes under conditions quite unfavourable, which I believe could be greatly improved. I am referring to the long delay often caused at the Terminal at Goose Bay. Often the "Kyle" has to spend a day or two anchored in the stream, waiting for her turn to get to the wharf, when it might be conveniently possible to have her handled when she arrived. It appears that no consideration whatever is given a scheduled passenger and mail boat, although they too expect prompt and efficient service from her. I believe, Mr. Speaker, that the hon. member for Labrador North (Mr. Winsor), is conversant with the conditions existing there, and it is possible he too may sometimes be a victim of their delinquency.

I would like at this time juncture, to say a few cheerful and encouraging words about the Canadian National Railways, for I feel they need someone to sympathize with them in their many recent misfortunes. The services performed by the Canadian National Railways coastal boats that operated in my district the past season showed a re-

markable improvement over the preceding year, which I trust will be maintained. I believe some of the Steamship Terminal agents should give a little more attention to the accumulation of freight at their terminal and perhaps some stevedores would do well to pay particular attention to the landing of bovines and baskets, from some of the ships. Mr. Speaker, before closing, I would like to place on record, some important things that I would like to secure or accomplish for my district, and they are as follows:-

1. Adequate supplies of salt made available to our fishermen.
2. Bait supplies made available in areas where it is always important.
3. Completion of road between Blanc Sablon and Red Bay, including connecting roads to all communities.
4. Community roads in all the larger places, and adequate foot paths in the smaller places.
5. Winter trails improved, and emergency cabins built where necessary.
6. A housing program that will assist people to build better homes.
7. Improvements and extension of health and medical services.
8. Adequate telephone and telecommunications services provided and maintained throughout the year.
9. Mail services readjusted, so that mail can be landed at every port of call of the Mail steamer.
10. Launchways provided for fishermen in places where it is necessary to haul up their boats whenever a storm is anticipated.
11. Improvements effected at Cartwright and Mary's Harbour, so they may become centralized communities.

Honourable members will no doubt note that I have not asked for, nor do I intend to ask for, some of the things that some other districts would like to have such as:- Paved Roads; Stadiums, Parks; Play Grounds; Picnic Sites: But we need and would like to get alternative services. Our needs are real, important natural requirements, necessary to maintain a reasonable existence. I have great hopes of being able to share in the opportunity of providing, for our Labrador people, some necessary facilities that will contribute something toward the attain-

ment of a more abundant life, which will eliminate to a great extent, the perpetual struggle of many of our people to eke out a sub-standard existence under circumstances that ordinary Canadian citizens in other districts would look upon with contempt and disdain. I am fully convinced, Mr. Speaker, that brighter times are in prospect for Labrador.

(Applause).

On motion, the house recessed for ten minutes after which Mr. Speaker resumed the Chair.

Hon. M. M. Hollett (Leader of the Opposition): Mr. Speaker, I beg to move the adjournment of the debate.

LEGISLATION:

Hon. the Minister of Education asks leave to introduce a Bill, "An Act to Amend the Education Act."

On motion, Bill read a first time, ordered read a second time on tomorrow. Hon. the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act Further to Amend the Urban and Rural Planning Act, 1953." On motion, Bill read a first time, ordered read a second time on tomorrow. Second Reading of Bill, "An Act Further to Amend the St. John's Shops Act."

ST. JOHN'S SHOP ACT:

Hon. J. R. Smallwood (Premier): Mr. Speaker, the purpose of this amendment is greatly to strengthen the existing Act by stiffening considerably the penalties for offences against the Act. The penalties presently provided in the Acts as it stands are for the first offence a fine of \$25 and for the second and subsequent offences a fine of \$100. The amending Bill provides, for the first offence a fine of not less (and it is so worded) than \$200 and in default of payment to imprisonment for a term of one month and for the second offence to a fine of not less than \$1,000 and in default of payment to imprisonment for a term of three months, and for a third and any subsequent offence to a fine of not less than \$1,000 and in default of payment to imprisonment for a term of three months, and for a third and any subsequent offence to a fine of not less than \$5,000 and in default of

payment to imprisonment for a term of nine months. That is the first change proposed, that the fine in each case shall be not less than the amount stated.

Then, Mr. Speaker, it is further provided that all of the directors of a company offending against the Act shall be liable to the penalties provided, as I have just described. Then there is a fourth provision to this effect, that the occupier of a shop is guilty of an offence and liable to a fine or imprisonment if he directly or indirectly makes, prints, advertises, publishes or broadcasts by any means, including radio and television, or causes or procures to be made, printed, advertised, published or broadcast by any means, including radio or television, any announcement that a shop will remain open on any day during which no open hours are provided by or in accordance with this Act—In other words, Mr. Speaker, a shop owner may not advertise the fact that he intends to break the law, and if he does he commits an offence for which the penalty is a fine of not less than \$100 and in default of payment a term of imprisonment for one month. Then further, the Bill provides that, at the suit of the Attorney General, the Court may grant an injunction to restrain any person from opening a shop on the day forbidden by law or in the hours forbidden by law—a court may issue an injunction restraining the shop from opening when the shop advertises in advance or in advance makes, prints, advertises, publishes or broadcasts by any means including radio and television any announcement that a shop will remain open on any day during which no open hours are provided by or in accordance with this Act. Then, I say, in such cases, at the suit of the Attorney General, the court may issue an injunction restraining the shop which has advertised its intention to break the law from breaking it, from opening the shop.

Then the Summary Jurisdiction Act, under which I think for the most part our Stipendiary Magistrates operate, the Summary Jurisdiction Act is to be amended by having one of its clauses cease to operate on this present Bill or this Bill when it becomes an Act. I understand that, under the Summary Jurisdiction Act, the magistrate in certain cases has authority to waive the law, or I may say, the magistrate has authority to lower the fine or to suspend the fine. We are, in

this legislation, taking that authority from the magistrate. He will not have that authority with regard to this legislation. He will have it with regard to other legislation but not with regard to this. Mr. Speaker, these are the provisions of the amending Bill, and I move second reading.

Mr. J. D. Higgins (St. John's East): Mr. Speaker, in view of the fact the Bill now comes before the house at this time, and in view of the fact I am sure not only the hon. the Premier, but particularly the Attorney General, will recognize that there are certain clauses which may be novel, I would ask the indulgence of the Government to allow us a little time to debate this Bill.

Mr. Smallwood: Mr. Speaker, is it my understanding if this is done—and we are, of course, needless to say, very anxious to accommodate the Opposition in this as in any other matter, is it my understanding that if we agreed to adjournment of this debate now until tomorrow the Opposition will be ready then to proceed with the debate?

Mr. Hollett: Yes.

Mr. Smallwood: Because what we would like to do is have this made law before Saturday, for perfectly obvious reasons—we make no bones about it, we are making every effort to see the law is upheld and to prevent the breaking of it, and we quite candidly ask the ready co-operation of the Opposition in that we would like to get this passed and receive Royal Assent before Saturday.

Mr. Speaker: The hon. member has the floor.

Mr. Hollett: I see. There is not a reason why we cannot be prepared to debate it tomorrow. I do not think anybody is prophesying, but I would say it will probably be debated somewhere else eventually. Anyway I don't know off-hand—I indicated somewhat earlier there were one or two provisions which appeared to be novel at least, Sir, but certainly by tomorrow we should be in a position to raise what objections, if any, there are.

Mr. Speaker: If the hon. member would move the adjournment of the debate.

Mr. Higgins: I move the adjournment of the debate, Sir. On motion, debate on second reading adjourned until tomorrow. Second Reading of A Bill, "An Act Respecting the Designation of Beneficiaries under Pension and Other Plans."

Hon. L. R. Curtis (Attorney General): Mr. Speaker, this is a Bill that is one of the Acts recommended by the Uniformity of Statutes Committee. The idea is to make the law uniform in all Provinces, particularly with insurance matters. It has, I understand, been cleared with the necessary insurance companies.

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

Second Reading of Bill, "An Act Further to Amend the Community Councils Act, 1956."

Mr. Smallwood: Mr. Speaker, the Opposition were not quite ready to go on yesterday. I think it was the Hon. Leader of the Opposition who wanted to defer it until today.

Mr. Hollett: Mr. Speaker, I have gone through the Parent Act and compared various sections being amended, and I see no reason to object to anything.

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

Second Reading of Bill, "An Act to Amend the Local School Tax Act, 1957."

Hon. B. J. Abbott (Minister of Municipal Affairs): Mr. Speaker.

Mr. Speaker: Excuse me. If the hon. member speaks now he will close the debate on this Bill—Is there any other hon. member who wishes to speak to this motion? Well, well, the hon. Minister has the floor.

Mr. Abbott: Mr. Speaker, subsection 1 of Section 31 of the Local School Tax Act, 1957, is repealed and the following substituted therefore: "Where the School Tax is imposed according to both the methods described in Section 27 and 29 a person who, but for the enactment of this subsection, would be liable to pay both the real property

tax and the school fee shall be required to pay only the greater of such tax or fee." Now, the object of this amendment is to ensure that the property tax which is imposed under Section 27 of the Local School Tax Act of 1957 is the same as the amount of the school fee which is imposed under Section 29. Then we have Clause 3—Section 35 of the said Act is amended by deleting the words "Lieutenant-Governor in Council" appearing at the end of subsection (1) thereof and substituting therefore the word "Minister." That amendment is requested to make Section 35 consistent with Section 26. Section 35 states that the authority imposing the tax shall be subject to the approval of the Lieutenant-Governor in Council, while Section 26 states the school tax shall be subject to the approval of the Minister.

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

On motion that the house go into Committee of the Whole on various Bills, Mr. Speaker left the Chair.

Mr. Clarke, Chairman of Committee of the Whole.

Committee of the Whole on Bill, "An Act Further to Amend the Old Age Assistance Act."

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

Committee of the Whole on Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act."

Mr. Hollett: Mr. Chairman, I wonder if the Minister could tell us just what quarry materials consist of ordinarily?

Hon. W. J. Keough (Minister of Mines and Resources): Mr. Chairman, I anticipated that question and did have a list of quarry materials prepared, which I cannot find. Limestone, gypsum, marble, sand, gravel rocks—That is as far as I can remember.

Mr. Hollett: It strikes me we could possibly leave out sand and gravel, as very often people, particularly in the outports, make great use of gravel and sand, not for quarry purposes but for purposes around their premises and that sort of thing. I should

think it is rather iniquitous to have to send to St. John's or to go to a magistrate to take out a permit to get gravel or sand to put before the door—I do not know what the Minister would say to that.

Mr. Keough: Mr. Speaker, it is all right, but the law enacted last year where permission was required to remove sand from beaches and other material the Hon. the Leader of the Opposition mentioned, and we have had no difficulty with it since the law was enacted. I think if we found it was causing any great inconvenience to anybody we would not have any hesitation.

Mr. J. Forsey (Humber East): I take it this clause does not mean then that the leasing of Crown Lands where sands or quarry materials can be secured would be confined to one particular group or body—I mean, would it be available to anybody who would make application for it?

Mr. Keough: Mr. Chairman, it would not necessarily be available to anybody making application for it. First of all the Department in its advice to what particular parties or applicants might be granted permits or releases, would have to take into consideration certain facts, the principal one being the need of the Department of Highways for quarry material. But I think I should say this—This whole amendment arose out of the fact that commercial quantities of quarry material were being removed from certain areas in the Island and they were being removed without permits from anybody; and actually we have had no effective authority in the Crown Lands Act to get at people and compel them to get permits, and when you get into the removal of commercial quantities involving fairly substantial amounts of money as far as people are concerned in the Province—As far as individuals, if somebody goes off with a wheelbarrow and helps himself to quarry material I think somebody would have discretion enough, in the administration of the Act, to see he does not end up in court.

Mr. G. R. Renouf (St. John's South): I suppose one of the objects would be to control wholesale removal, which if allowed to continue, might spoil the scenic aspect and injure the landscape.

Mr. Hollett: Has anybody, apart from the Department, the authority to issue a permit? Has a permit to be gotten from the Department here in St. John's or can it be issued by a magistrate?

Mr. Keough: Well, the only provision is for it to be issued by the Department in St. John's.

Motion, that the Committee report having passed the Bill without amendment. Carried.

Committee of the Whole on Bill, "An Act Further to Amend the Social Assistance Act, 1954."

SOCIAL ASSISTANCE:

Mr. Hollett: I wonder, Mr. Chairman, if the Minister could tell us what is likely to be the personnel of the Board. Is it to be made up of officials in the Department of Welfare, or are you expecting people to come in from outside and work for nothing on that board?

Hon. S. J. Hefferton (Minister of Welfare): Mr. Chairman, perhaps I might point out that altogether we do have a Director of Social Assistance at the present time, yet we have no Board. In the original Act brought in some years ago there was a Board. That was amended some three years ago, I believe, and the Board was deleted and the whole thing placed under the responsibility, if you like, of the Minister. Now, at the present time, if an application comes in it goes to Mr. Jardine, who takes the applications and sends it to an analyst (in our Department of course) who would look at it from the financial point of view and see whether the applicant is qualified or not. Even with a perfectly routine, straightforward case it comes back to Mr. Jardine and automatically passes on from there. Different cases come up and Mr. Jardine takes the responsibility himself (I say Jardine because he happens to be the man at the present time) but he would naturally confer with one or two or more, if he wanted to, in the Department who are best qualified in his opinion to deal with this particular matter. Now, we feel that this responsibility should really be thrown upon an inter-departmental board consisting of whatever the number may be, three or five of these people best qualified

to deal with that particular thing, just the same as we have an inter-departmental board at the present time dealing with Old Age Assistance. It does not involve bringing in any new people. It will consist often of three, four or five people there at the present who are able to deal with these applications. I hope I have answered the question, Mr. Chairman.

Mr. Hollett: Yes, thank you very much. But is it a fact that the Minister found absolute necessity for this Board, or is it not a fact that Mr. Jardine is doing a perfectly satisfactory job on these applications?

Mr. Smallwood: We cannot debate that subject again.

Mr. Hollett: I am asking for the reason for it.

Mr. Smallwood: We cannot. That was settled at second reading.

Mr. Hollett: We spoke against it.

Mr. Smallwood: Mr. Chairman, I don't care one way or the other really. If we do not object in one case, we do not have much excuse to object in another, so I must object in every case. It is really not any more my duty than it is the duty of the Leader of the Opposition to object. It is really not the duty of either one, but the duty of Mr. Chairman. But we are not supposed to debate the principle once it is adopted here in this House. We can debate how many may be on the Board, what should be the size, who would be the persons, would they receive salaries—but that there shall be a Board is beyond debate now. That has been adopted by the House. We are only a Committee of the House. The house itself adopted the principle that there shall be a Board. We cannot debate that now.

Mr. Hollett: Would the Hon. the Premier tell me just what the principle is?

Mr. Smallwood: That there shall be a Board.

Mr. Hollett: No, I ask the particular reason why there should be a Board? It was not stated yesterday.

Mr. Smallwood: Whether it was stated or not, that was the time for that matter to be raised. This is not the time.

Mr. Hollett: I think some people, Mr. Speaker, better look up in the Encyclopedia Britannica the definition of "principle."

On motion, clauses 4 through 14 carried: Motion that the Committee report having passed this Bill without amendments, carried.

Committee of the Whole on Bill, "An Act to Amend the Education (Teacher's Training) Act."

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

Committee of the Whole on Bill, "An Act Further to Amend the School Attendance Act."

Hon. F. W. Rowe (Minister of Education): Mr. Chairman, I was unavoidably absent yesterday on second reading. In case any members do not understand the term "supplementary school, I wonder if I could have permission to explain the term? Last year this house passed an amendment to the Education Act, (the School Attendance Act) which enabled us to set up schools during the summer time in small places where they could not get a teacher during the year. We do have a few places in Newfoundland where they cannot get a teacher during the year, but in summer time can get a teacher who is willing to go to a place during that two months and teach during the summer time and thereby give the children at least that much education. Now the term used for these schools is "supplementary schools". It was discovered during the year by somebody that this term "supplementary schools" had not been incorporated in the definition of schools in the parent Act. So this merely amends the definition of "schools" as defined in the Act to include "supplementary schools."

Mr. G. Nightingale (St. John's North): Mr. Speaker, I wonder if it would be cheaper to bring the children to town to the Sunshine Camp?

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

Mr. Smallwood: Mr. Chairman, I move the

Committee rise and report having passed these Bills and ask leave to sit again on tomorrow.

Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report having passed Bills Nos. 4, No. 7, No. 9 and No. 10 and No. 12 without amendment. On motion, report received, Bills ordered read a third time on tomorrow.

Mr. Hefferton: Mr. Speaker, before the house rises I ask leave to table the Annual Report of the Department of Public Welfare for the year ending March 31st., 1957, with copies available for tomorrow.

Mr. Smallwood: Mr. Speaker, I move all remaining Orders of the Day do stand deferred, and that the house at its rising, do adjourn until tomorrow, Wednesday at three o'clock.

Mr. Speaker: All Orders of the Day were disposed of.

On motion, the house at its rising adjourned until tomorrow, Wednesday, January 29th., at three o'clock.

Wednesday, January 29, 1958

(Afternoon Session)

The house met at three o'clock.

MINISTERIAL STATEMENT

HOUSING—ST. JOHN'S

Hon. B. J. Abbott (Minister of Supply): Mr. Speaker, I wish to make a statement to this hon. house. I wish to make a statement concerning two housing projects which this Government has decided to have carried out in the city of St. John's during 1958. The first project is the construction of 46 apartment units in the central area of the City, at a cost of approximately \$845,000.00. These apartments will be of different sizes and will contain two, three and four bedrooms each. They will be rented to families earning incomes from \$1,200 to \$3,600 a year, and the rent charged for them will be approximately 20% of the income of the tenants. Thus, a family earning \$1,500 a year would

pay \$25 a month while a family earning \$3,000 a year would pay \$50 a month. The size of the apartment rented to a family is determined by the number in the family and does not affect the rent that is charged. The land on which these apartments are to be built will be supplied by the St. John's Municipal Council, who will also build any streets required and install the water and sewer mains. This is part of a comprehensive long-range plan to rebuild the centre of the City by constructing modern, low rental housing, play-grounds and parking spaces in the open space which our slum clearance program has already created. This open space will be made larger from time to time as our slum clearance program continues. The second project will be built on the block of land bounded by Elizabeth Avenue, Whiteway Street, Guy Street and Anderson Avenue. It will contain 146 apartments varying in size from one to four bedrooms each. There will be 40 four-bedroom units, 70 three-bedroom units and 20 two-bedroom units and 10 one-bedroom units. The latter 10 are intended for older married couples without children. The cost of those 146 apartments will exceed \$2 million. They will be of two story construction, finished on the outside with brick for the first story and vertical wood siding for the second. The architects assure us that the building will have a very attractive appearance and will fit in with the other buildings to be constructed in the area by private organizations. These apartments will be rented to families for approximately 20% of their income and will be available to those earning between \$1,800 a year and \$3,600 a year.

Both of the projects will be carried out under Federal-Provincial partnerships agreement with Central Mortgage and Housing Corporation. It is hoped that bids for construction will be called immediately, so that work commence early in the Spring of this year. The cost of both projects together will amount to almost \$3 million, and an expenditure of this amount will go a long way towards completely wiping out unemployment in the construction trade in the City of St. John's during 1958 and 1959.

The desperate housing conditions of the working men in St. John's have been of great concern to this Government ever since it came into power in 1949. One of its first

acts was to undertake the construction of modern low-rental homes, and this policy has been continued ever since, with the result that 400 dwellings have been built already. When the new projects are completed, nearly 500 homes will have been built by this Government to improve the housing conditions of the low and medium income families. These are the people who have been hardest hit by the high rents and housing shortages in St. John's, because they are unable to build homes for themselves.

Presenting Petitions:

Hon. Dr. J. McGrath (Minister of Health): Mr. Speaker, I have a petition here to present on behalf of the people of Branch in St. Mary's Bay. The petition is brief, and I think, of general interest and I would like to read it.

"We, the Undersigned Voters of Branch in the District of St. Mary's, humbly approach the Honourable House at the next session of Parliament to ask the Government to give consideration to the construction of a road from Branch to North Harbour; this is a distance of eighteen miles, to connect with the main road to St. John's.

"We wish to state that such a road will mean many advantages in the life of this community, will shorten the distance from Branch to St. John's by nearly forty miles and will pass through a forest of spruce and birch where sawmills can be erected for the construction for fish premises and also for the building of homes, which now has to be carried in boats at much inconvenience and hardship.

"If such a road were constructed, it would be a great attraction to tourists who have to pass over five salmon rivers, where salmon and trout are plentiful, and the country inside of the head of the rivers have many attractions for tourists.

"We also wish to state the land between Branch and North Harbour where the road will pass through is ideal for road building, level land with only a few hills to contend with, which will lessen the cost of construction.

"We feel this road, if constructed, will be a great benefit to the Government and the people of this district and surrounding settlements."

In presenting this petition, Mr. Speaker, I would like heartily to back up the request of the people concerned. I know that area, and I may say I think it is the only great undeveloped area on the Avalon Peninsula, with no road at all from one end of the Peninsula to the other on that St. Mary's aspect of it. There are four or five great salmon rivers which would be ideally available, and at a place called Barachoix there is one of the finest sand beaches between here and Florida. I believe it would be of tremendous benefit to everybody on the Avalon Peninsula and not only to the inhabitants of Branch if such a road would be contemplated by the Government.

On Motion, petition received for referral to the Department concerned.

Presenting Reports of Standing and Select Committees:

None.

Giving Notice of Motion:

None.

Giving Notices of Questions:

Notice of question on tomorrow given by Mr. Hollett.

ANSWERS AND QUESTIONS

Question No. 35:

Hon. G. J. Power (Minister of Highways): Mr. Speaker, the answer to that question is being prepared. But I would like at this point to table the answer to **Question No. 32**. This question was not altogether clear, and I may not have given the hon. gentleman all the information needed.

Mr. J. D. Higgins (St. John's East): He was not too clear himself on what he was looking for.

Question No. 36:

Hon. J. R. Smallwood (Premier): The Royal Commission in question has not as yet been appointed. The reason it has not been appointed is that we have not as yet succeeded in getting the persons we want to constitute the personnel of that Royal Commission. I may say we did get as far as to secure the consent of two of the three citizens we had in mind, but subsequently had one of the two notify me that he was sorry but that he would not be able to carry out what he thought would be the fairly heavy duties contingent upon acceptance of that office.

Indeed I had asked him to accept the Chairmanship. I do not mind saying that the gentleman in question is Mr. W. J. Carew. I am greatly disappointed that we were not able to get Mr. Carew to be the Chairman of this Royal Commission, for obvious reasons and reasons which I think are quite obvious to all. Until his recent retirement, he was the veteran in the whole public service of Newfoundland, and he had been at the very centre of public service for the best part of half a century. He would have made an ideal Chairman. I am very sorry that he cannot accept on account of the fact that his health is not too good, and for that reason only he was not able to accept it.

At the moment, I have only one person of the three I had in mind. He is a retired Manager of a very important Life Insurance Company and he would therefore have a lot of knowledge of insurance and pension schemes. He is still available, if I can get two others. I want three, and I want them to be thoroughly representative in every way. So until we can get the right personnel we think it better to let the matter lie, and that we propose to do, with considerable disappointment because the matter which they were to examine is one of very great importance to a considerable number of people including one class already mentioned here in this house by the hon. and learned member for St. John's East, (Mr. Higgins) i.e., the pensioned police. But there are others as well. There are school teachers today living on pensions that are miserably small, wretchedly small, and there are civil servants who retired fifteen and twenty-five years ago whose pensions are miserably small, and there may be others. Then again it is the whole field of pensions in the civil service that we would like to have brought under careful and knowledgeable and sympathetic review, and which we think it will require a Royal Commission to do. That is the position. I have answered at some length in the hope of satisfying my hon. friend, the Leader of the Opposition, that we are not trifling in the matter.

Question No. 37:

Mr. Smallwood: I have no knowledge whatsoever of this. I had intended asking my colleague, the Attorney General but I am

afraid I neglected to do so. We are especially busy. We had the Federation of Labour with us all morning. We will have to take this as a request to look at the question and bring in an answer to the Hon. Leader of the Opposition.

Question No. 38:

Hon. C. H. Ballam (Minister of Labour): The answer to that question, Mr. Speaker, is in course of preparation.

ORDERS OF THE DAY:

Adjourned Debate on the Address in Reply.

Mr. Speaker: This debate was adjourned by the Hon. Leader of the Opposition who now has the floor.

Hon. M. M. Hollett (Leader of the Opposition): Mr. Speaker, I came here this afternoon in the hope that I might be able to sit down quietly for a considerable time while the principle of another Bill, which is on the Order Paper, would be discussed by the members of the house. I had hoped to sit down and enjoy the whole aspect of that Act, as that amendment is outlined by my legal friend here and by the legal fraternity on the other side of the house. But the Hon. Leader of the Government, the Premier, has seen fit to call this order.

Premier Smallwood: Would my hon. friend allow me? On Wednesday a week ago today and on Thursday and Friday and again on Monday and again yesterday, for the last five days, the first order of business each day has been the Address in Reply, and I quite frankly felt that if I changed the order today it would be taken as if it were somewhat an unfair change to damage the Leader of the Opposition in some way or another, and thought the only fair thing to do was to continue doing what we have done for five days in a row—but the hon. gentleman does not have to speak himself today.

Mr. Hollett: I am sure I am very grateful to the Hon. the Premier for the consideration given us on this side of the house, and I want to thank him for that. We have had three speeches from this side of the house and several excellent speeches from the Government side of the house on the Address in

Reply. In fact I presume there is not very much left for me to say at this time. However, we shall have to try to find something, because I am quite sure the members of the Opposition will have noticed we have an audience this afternoon, an audience which I am quite sure did not come to listen to this particular aspect of Government, but did so come to listen to another aspect in which, no doubt they are interested.

Mr. Smallwood: No addressing the galleries—You are now speaking to the people.

Mr. Hollett: The first note I have here is the introduction. I suppose the introduction is just about over. I want to again congratulate the mover and seconder of the Address in Reply and also the various members who spoke on this side and the Government side of the house for the very excellent speeches given in the Address in Reply. I particularly want to congratulate the hon. member for Placentia West (Mr. Canning) for the critical speech which he delivered yesterday. It is delightful and very refreshing to us on this side of the house, and I am quite sure the general public, when we hear the members of the Government being somewhat critical of the activities of the past Government it is refreshing I say, and it is a good sign, it is a good sign for the country and particularly a good sign for the makeup of the Government which today rules this country. I was very much impressed by what he said. Some of the things the hon. member said I did not agree with entirely, but Sir, I thoroughly agreed with some of what he said, and I shall have some little further reference to make to that latter.

Now, Sir, The Speech from the Throne, and I have a copy of it here, is the document which gives us the opportunity to speak this afternoon. There is one thing in that which is, I suppose, uppermost in the minds and hearts, if you like, of most Newfoundlanders i.e., the hope which that speech contained of the establishment of a new industry in this country. We have heard Speeches from the Throne here before, which were very enthusiastic of many things which were to happen. Some of them have not come about, some of them have not come to fruition, but I hope that the hopes of the Gov-

ernment and of all the people of this country will be realized in this particular part of the Speech from the Throne in which the Crown Zellerbach Company is referred to. According to statements which have been made, they have undertaken to look into the possibility of building a newsprint mill and a pulp mill. I understand the agreements are to be laid before the house in this session. But that being so, Mr. Speaker, I do not think I ought to say too much about this part of the Speech from the Throne. I feel that, in the past, sometimes we have been a bit too optimistic about things that we hoped would come about, and I do not think it is wise to fill the minds and souls of our people with hopes which are only hopes. There are only hopes at the present time. We pray this comes about and we do pray that our people will benefit thereby.

One thing I would like to say that I have noticed, and that is that I was going to refer to the fact that the Royal Commission on Forestry, I believe, was headed by Major Kennedy (correct me if I am wrong). I believe that is correct, Mr. Speaker, and I believe that I have seen in print or somewhere since that he is also an official of Crown Zellerbach, and it struck me—

Premier Smallwood: If the hon. member will allow me—He is not an official. Major Kennedy is a consultant of the Government of Newfoundland indeed, and an adviser, to the Government of Newfoundland on matters concerning a third paper mill. Crown Zellerbach were very anxious to get information and advice that Major Kennedy could give them on the matter of the timber resources of Newfoundland and Labrador and invited him to become their consultant in this matter, but not without first asking the Newfoundland Government if the Newfoundland Government would mind their asking Major Kennedy and would Major Kennedy mind accepting. We considered it carefully, and decided that Major Kennedy knew nothing about Newfoundland that we would not be happy to have placed in the knowledge and possession of Crown Zellerbach. We therefore informed Crown Zellerbach that we would be perfectly satisfied if they were to invite Major Kennedy to be their consultant in this matter, and if Major Kennedy did see fit to accept—that is what happened—Actually

Major Kennedy is at this moment consultant both to the Government of Newfoundland and to Crown Zellerbach on the forestry resources of Labrador and Newfoundland, and we are only happy for Crown Zellerbach to know anything and everything that Major Kennedy knows on these matters.

Mr. Hollett: I am glad I mentioned that now, Mr. Speaker. That is clearer information than I have seen anywhere, and we being sometimes of a critical turn of mind over here, that clears up the situation. If Crown Zellerbach came to the Government and said, you had this gentleman as Chairman of your Commission on Forestry and we would like to get the benefit of his experience, we intend to come to Newfoundland; if the Government said, that is all right, then that is all right with me, but I am glad to get the information with regard to it. One note there in the Speech from the Throne says—"Newfoundland will experience sound progress, if she has the minerals." Nobody doubts it, I do not think—"Newfoundland will experience sound progress if she has the minerals, the forests, the water power, the fish and the soil to support a growing population who demand a rising standard of living." The forestry report tells us we have the forests, BRINCO says, we have lots of power. The fish, nobody doubts that. I am quite sure that my hon. friend from Placentia West does not doubt it, and I am quite sure the Hon. Minister of Fisheries does not doubt we have lots of fish. Mines, forests, water power, fish and soil. When I think of all these, soil is the thing we have the least of. But the Speech says that Newfoundland will experience sound progress if she has the minerals, the forests, the water power, the fish and the soil, to support a growing population who demand a rising standard of living.

I have here a clipping from the Sunday Herald—May 30th, 1953, on the Walsh Report. He refers to the fishery report and commends the Government on getting the report brought in and later on he talks about the new industries—The reason I quote this is that there is nothing there about the new industries at all. They say Premier Smallwood has done a wonderful job—this is in 1953—in bringing new indus-

tries of all kinds to Newfoundland and the development of the resources of the Province that have been dormant; but he has not forgotten the great, basic industry of Newfoundland, the fishery, for this report points the way for the many greater developments of their oldest industry—So I see that, going back to 1953, the Government have had considerable time since 1953—this is 1958—to develop some of our natural resources, and very little, I am afraid, has been done to date, very little has been done by way of developing our natural resources to date. It is true the Government contacted people abroad in various parts of the world, as far afield as Latvia.

Mr. Smallwood: I never went that far.

Mr. Hollett: And Switzerland and Italy and Germany—I could mention nearly every country in the world.

Mr. Smallwood: San Francisco.

Mr. Hollett: Away out to Gambia.

Mr. Smallwood: No we did not go there. That was the Minister without Portfolio in Ottawa, (Mr. Browne) I think. Don't get mixed up now. Keep our travelling separate.

Mr. Hollett: The Hon. the Premier has travelled to various parts of this world, with the intention, so he said, of interesting people who would not only establish new industries but would help to build up our living standards for our people out of our natural resources. Sir, I come to a note which I have here—Financial aspect of this country and the Government—I think it is something which I do not think the Government but we, the people, are all interested in. Now of course our function as a Government, and I am not speaking of the country's resources, I am speaking of the resources of the Government in the way of finances. We have that great Term 29, which we are hoping will bring forward a source of supply to our Treasury. Term 29 is something, of course, which we heard so much about that I ought not to go into it at all really, except to say that the Government of today in Newfoundland is depending in great part on the aid which would come under Term 29 from the Federal Government. In this connec-

tion, I think I ought to mention that the present Federal Government has earned a certain amount of gratitude for what they have already done in seven or eight months, and they have done more for Newfoundland and for other Provinces of Canada in the seven or eight months that they have been in power than I think has been done in the "best eight years yet." I do not think any Newfoundland will doubt that. I am quite sure the Premier would say a word about that.

Mr. Smallwood: No politics—Keep politics out of it-

Mr. Hollett: He has hopes, I am sure, that the Progressive Conservatives will be in power a long time so we can all build up our resources here in Newfoundland—I am in sympathy with him-

Mr. Smallwood: That is hope running riot.

Mr. Hollett: Our financial resources are in the air at the moment as far as income is concerned. We do not know what we are to get from Term 29. The Hon. the Premier hopes to have \$15 million. If he gets \$15 million with the \$9 million he received yesterday, with the other resources we have, I am quite sure he is going to be in a position next time he brings down a budget to reduce taxation, particularly the Social Security Assistance and the price of liquor, probably, and the tax on motor cars and gasoline and that sort of thing. So I would say to our people, hope and pray that from Term 29 we are to get this \$15 million. The Premier himself is praying for it.

We have that Term 29 to hope for. We have special adjustment grants which have been made to the Atlantic Province and we have tax rentals—With regard to tax rentals I would like to pay a tribute, if I may, to that Dominion Provincial Conference, which was held recently, and I would like to pay a tribute to the Hon. the Premier and his associates there at this time for the pleas they put up to the representatives of the Federal Government, and for the determination which they showed with regard to the needs of this Province of ours. I want to congratulate the Hon. the Premier and his associates. I cannot congratulate him all the afternoon, but I would like to offer my congratulations

to him for the way in which he spoke up for Newfoundland at the Dominion Provincial Conference.
(Applause).

Mr. Hollett: I would say, Sir, it was largely owing to the effort made by him and by other Provinces of the Atlantic Provinces that we got this special grant a few days ago.

Hon. Dr. F. W. Rowe: (Minister of Education): Not largely but wholly and completely.

Mr. Hollett: Well, I would say not quite wholly, because you had to go back to the Canadian Treasury and were lucky that the people in charge of that chest at the present time are the Progressive Conservative Government, Mr. Speaker, in Ottawa, and they are the ones you might say who are wholly responsible for the grant which we received. I said "largely" and I thought I was being quite generous—But the Hon. Minister of Education thinks all the credit should go to the Premier.

Dr. Rowe: We would not have gotten it if he were not there.

Mr. Hollett: Yest, it has been pointed out by my colleagues now, we must not forget the Hon. Minister of Education is a Smallwood (may I use the word) is a "Smallwood Worshipper"—He bows to the knees of the Hon. the Premier, many times a day and worships him. I put that in contradiction to the Hon. Minister of Education's remarks a few days ago with regard to these detestable "Smallwood Haters." He detests anybody who hates the Hon. the Premier. I do not think any man who hates anybody in this world is going to be happy—and I like to see our people happy. I know I do not agree with a lot of the things the Hon. the Premier and his Government do, not by a long shot do I agree with all they do, but I do not hate anybody on that side. I think if I hated anybody I would be a very unhappy man, and when I am unhappy I am unhappy, there is no question about that.

Now, Mr. Speaker, getting back to our resources of finances. I have referred to Term 29, special adjustment grants and tax rentals. But I would like to mention one or two

other things in the Speech from the Throne—This is one of them: "My Government, if their hopes should materialize for considerable increases in the sums of money coming to the Treasury from Ottawa, plan a program of considerable enlargement and improvements of the levels and standards already reached." Then the Speech goes on—"You will be invited to consider some of these matters in the present session. In particular, the Premier has announced the decision of the Government to make important extensions in the field of Public Health and Public Welfare. These measures, for which you will be asked to vote large increases in Supply, are designed to meet the medical needs of our children and the welfare needs of our older children and of those families whose breadwinner has been removed by death or is incapacitated."

In this particular connection, I want to quote from a Speech made by the Premier on December 13th. of last year. He speaks of three fields, Public Health, Roads and Education—"This progress," he says, "in these three fields has been almost unbelievable." "But where are we after this progress," he asks. He says; "We are still behind the "worst-off" of any Province of Canada and still behind, by a quarter of a century, Nova Scotia, New Brunswick and Prince Edward Island—Forty years behind these three Provinces in Education, thirty-years behind in health, in spite of the progress made during the past nine years." After spending \$70 million on education the Province is worse off than it was nine years ago, relatively speaking. Nine years ago there was classroom space for all the children and the problem of housing of schools was relatively simple. The reason is that although there were one thousand new classrooms provided, the number of additional pupils had surpassed all other growth. He goes on then to stress the need for roads and various other matters. But the reason I refer to this is because it has to do with the large increase which they are expecting to get from the Federal Government. In that connection I want to refer to a pamphlet by the present Federal Government with regard to the Old Age Security Act, which is paid entirely by the Federal Government.

This came as a result of Confederation-

—There is no question about that, but here is a change being made by the present administration in Ottawa. The changes are (1) increase in the rate of benefits to \$55 a month. (2) Reduction of basic residential requirements from twenty to ten years and an extension from three to six months in the length of time pensioners are allowed to spend outside of Canada in any calendar year. Then it goes on to Old Age Assistance, and that is shared 50-50 with the Provinces. There are three main points, and I want to stress these—(1) a proposal to share with the Province, if they agree, a further increase in the maximum amount of Old Age Assistance from \$30 to \$55. In other words a person getting \$55 now at the age of sixty-five, under the old administration, (I refer to the Liberal Administration) he was only getting \$30 a month. That is one change made by Ottawa.

Mr. Smallwood: But we are paying half of it.

Mr. Hollett: Then there is a proposed reduction in the basic residential requirement from twenty to ten years—Married persons total income allowable is raised to \$1,620 a year, inclusive of assistance. Then, under the Blind Persons Act, the Federal Government pays 75% and the Provinces 25%. That has also been increased to \$55—I say, the Federal Government—and we are as much a part of the Federal as any part of Canada, even with a Liberal Administration, when people are taxpayers—and we pay plenty of taxes here in this country. I may have occasion to come to that later on. In the Disabled Persons Act there too, there is a change made and in the Veterans Allowance Act. Then it goes on to refer to agriculture, and that does not apply, at least it may not be made to apply to us as much here as perhaps it might be; but we are hoping that eventually it will be made to apply to us.

I want to mention that we are not alone now, we are not a forgotten strip of land in the Western Atlantic. I am as British as anyone here, but I do say sometimes we are forgotten by the Mother Country in the old days. I do not think they regarded us very highly as a part of the great Empire in those days. But we do recognize the fact now, Sir, that we are part of a great up-and-coming nation. It

is true there is only a small population as yet, 17 millions.

Mr. Smallwood: We are climbing.

Mr. Hollett: Well according to the increase in Newfoundland, I would not be surprised if it were 20 millions by the end of next year.

Mr. Speaker: Order. I think at this time I might warn visitors sitting in the galleries that they are not supposed to join in general merriment. Only members of the house are permitted to make audible noises.

Mr. Smallwood: Merriment or mourning.

Mr. Hollett: Mr. Speaker, how could they help it. I am under the impression the opposite side had that fit of merriment. What was I speaking about? Oh yes—the population—I am glad to see in the Speech from the Throne a reference to an action which the Government hopes to take with regard to Bell Island. I do hope that if some taxes can be arranged there equably that they will be arranged. It is not enough only that the Bell Island Mines should produce a livelihood for the people working there—It is not enough—I believe we should get, as a Government, certain other monies from that great company over there (and I believe we shall) because the Government has to take care of many aspects, all the aspects, of public life on Bell Island as it has in other parts of the country. I hope the framers of this Act may find some way to be able to get some public gravy, at least Government gravy, from the Anglo-Newfoundland Development Company and from Bowaters. It is ridiculous to think these great corporations in days gone by did get all these concessions without having to contribute anything to the Government of Newfoundland, and they only had to pay for labour, and in the early days they paid very low labour rates at that. I think we have a Director of some of these firms here at the present time, and I am quite sure he will be glad to pass along to the other Directors of the Anglo-Newfoundland Development Company and Bowaters.

Mr. Smallwood: A Director here?

Mr. Hollett: I understand the Attorney General is a Director.

Hon. L. R. Curtis: He used to be, of Bowaters—There were two but not any more.

Mr. Hollett: Then there is a reference to Forest Management, Sir. I believe that was a recommendation made by the Commission on Forestry, and I am glad to see that it is being carried out, although I should have thought it could have been taken care of by the Department of Mines and Resources. They pay out quite a bit of money at the present time, I think they should be able to handle the management of the few forests which we have left.

Schooners Repairs is another reference in the Speech from the Throne—There I would congratulate the Government for at last getting down to doing something for the men who go down to the sea in ships. You see, Mr. Speaker, many of our people are living in isolated places all around this country, in coves and harbours so isolated that the Canadian National Railway is not able to service them, and it is necessary therefore that we have a considerable number of smaller schooners to serve these people. If something is not done and done immediately—and I hope some action will be taken on this thing immediately to offer a bounty or bonus for repair of ships—if something is not done immediately the day is not far distant when we won't have any coastal boats plying our waters here, and that will be a tragedy.

I was speaking, Sir, of the finances of this country. Last year, as I look at the estimates, I find we had from statutory subsidies \$1.5 million from Ottawa, and under Tax Rental we had \$18 million from Ottawa. That will be increased, I take it, by some \$9 million this year. We had the transitional grant of \$1.5 million—That is what we got from Ottawa. That is about \$205 million we received from Ottawa last year. I believe that last year we paid them \$26 million or \$27 million the people of Newfoundland paid into the Treasury of the Dominion of Canada last year. We got back \$20.5 million in these various taxes. I am not forgetting we got back other millions from Ottawa in regard to public health and public welfare.

Now I came to taxes, which is another source of supply for our Treasury, Sir. Last year, it was budgeted that we should get \$4.5 million from gasoline tax, and there is

not a person in the building today, Sir, I suppose, who has not contributed somewhat to that particular tax—and we are glad to contribute to that tax if as a result of it the administration in power can do something with regard to our roads. I do not want to say very much about the roads at the present time. But we are paying today on gasoline the highest tax of any Province in Canada, and it is therefore necessary that most of that tax should be devoted to the repair of roads. Then we have the Social Security Assistance Tax—Social Security—but some people call it by another name. The last year was supposed to contribute \$7.75 million, with a tax on everything from safety pins to bread crumbs—a tax of 3%—\$7.75 millions—Liquor which is not a tax but a profit. In Health and Welfare some \$6 million came in by way of revenue from Ottawa—Mines and Resources, that would be from permits and licences, I suppose, and various other things, \$1 million and motor vehicles now \$1.5 million. The total, Sir, that we got from these various sources is somewhere around \$49 or \$50 million. But as we are budgeted to spend some \$67 million (sixty-odd millions anyway) it was necessary for the Government to go to the money market and raise loans.

I come now to that subject of loans, which is a very painful one to me, because, when we went into Confederation with Canada and prior to that, we owed some \$80 odd million as a national debt. When we went into Confederation that was taken over by the Federal Government and we were left \$3.5 million. That was the debt we had when we went into Confederation in 1949, on April 1st. "All Fools Day", I believe it was.

Mr. Smallwood: No, before the first stroke of midnight on March 31st. the day before April 1st. Look at the Constitution, that is what it says.

Mr. Hollett: I was expecting the Hon. the Premier to come back—That is why I say that. But it was April's Fools as far as the National Debt was concerned—We congratulated ourselves that we had only \$3.5 million national debt. Today we have \$55 millions. Development loan, 1952, \$9,677,000—That is a \$10 million loan at a cost of raising it. Then we had the Fisheries Loan and the Road Loan, 1954, \$12 million

and in 1955 \$16 million and then in 1956 there was a Loan Act authorizing the Government to raise \$14 million, and they have been trying to raise that ever since, and I believe they have to date raised \$13 million on that \$14 million.

There is one thing I would like to point out on this raising of loans, Mr. Speaker. Anyone who has to get a loan from a bank or anywhere realizes he has to pay interest on it and very often have to pay discount. Now, apart from interest altogether, our Government, since 1953 have paid out in discount \$1,347,349.60. In other words, to raise these loans of some \$55 million we have thrown away over \$1.25 million and there is no way for it to come back whatsoever. These brokers made that off Newfoundland. I do not know the names of these various brokers, but they did very well, Newfoundland is a great source for them.

Hon. E. S. Spencer (Minister of Finance): Mr. Speaker, do you know any case where a loan is raised that did not cost the people raising it something in the way of payment to brokers? Does the hon. member know of any case?

Mr. Hollett: Yes, you borrowed the money from the Workmen's Compensation Board. I do not suppose, Mr. Speaker, the Hon. Minister had to pay any brokerage charges on that.

Mr. Spencer: And will borrow more if available. But that is a very small sum compared to \$17 million.

Mr. Hollett: What I am deploring is the fact that we had to go into the money market and borrow \$55 million and thus lose \$1.25 million.

Mr. Spencer: We all deplore that. We have to go to the money markets. It would be much nicer if we were able to pay our own way.

Mr. Hollett: That does not fit in very much with the idea announced on the air by the Hon. the Premier—If we get all the money from Ottawa we are supposed to get, \$15 millions, it has been largely advertised that

our public services are so low and we need the money so badly that the \$15 million will be used as a means of raising a huge development loan of anywhere from \$200 million to \$300 million. Just think of the amount of discount we would have to pay on that amount. Of course I know the Hon. the Premier does not intend to spend all that money within a year or two, and I know he does not intend to borrow all that money within a year or two because he could not spend it—I do not know though, by the Hon. the Premier's accomplishments he should be able to spend \$300 million very quickly.

Mr. Smallwood: Say in ten years—we could do a lot of building in ten years.

Mr. Hollett: He borrowed \$55 millions in five years.

Mr. Spencer: That is not so!

Mr. Hollett: Not so? In 1952 to 1957, that is five years, he borrowed \$50 million in that time.

Mr. Spencer: The Hon. the Leader of the Opposition said himself it was \$3.5 million at the time of Confederation—The hon. member said \$55 million—That is all I am questioning.

Mr. Hollett; anyway, the Government threw away \$1.25 million to raise these loans. I know they had to do it if they were going to raise the money—I am thinking now of the last \$13 million raised when we lost or had to pay out \$619,000 to brokers.

Dr. Rowe: Is that thrown away? Is that a fair statement? Is it a legitimate charge?

Mr. Howlett: We can never get it back. It has to come out of the people's pockets. Oh, it is a legitimate charge, yes, but I deplore the fact that the Government were so wasteful and so extravagant that they had to borrow that money.

Mr. J. Forsey: (Humber East) How do you account for the City of St. John's and the City of Corner Brook doing so on a smaller scale?

Mr. Speaker: Order—Order—I think I

might say at this time, while the Hon. the leader of the Opposition who has the floor has not objected and I have allowed one or two interjections, but I cannot allow a conversation nor a number of conversations—If an hon. member wishes to make a point, and the Hon. Leader of the Opposition is agreeable, he may rise and ask the Hon. Leader of the opposition to yield to him—But I cannot allow three or four members to speak at the one time. Will hon. members please remember this.

Mr. Hollett: Thank you, Mr. Speaker. I have no objection to anybody on the opposite side asking a question or raising a point, the more often they do open their mouths the oftener they put their foot right into it.

Mr. Forsey: May I reply to something now?

Mr. Hollett: There is no question of reply yet, Mr. Speaker.

Mr. Forsey: May I ask a question?

Mr. Hollett: Yes, sure.

Mr. Forsey: Mr. Speaker, I would like to ask this question—Assuming the basis on which this Government has gone about borrowing money, then does he agree the home owners of this Province and of all Canada were, when borrowing from Central Housing and Mortgage, throwing away and wasting the \$7,000 or \$8,000 they have to get in order to get a loan \$12,000 or \$13,000?

Mr. Hollett: I do not think there is any parallel there whatsoever. I am quite sure there is not, because the home owners who borrow the money are getting something in return. What has this Government got to show for the money which it borrowed? What has this Government got to show for the money borrowed?

Mr. Smallwood: The roads there are in Newfoundland we have to show, and one-third of all the classrooms there are we have to show, and one-quarter of all the hospital beds there are we have these to show, we built these—It is hard to answer that.

Mr. Howlett: It is answered right here in the Premier's own speech of December 20th.—In fact here he admitted as a matter of fact we are relatively worse off than we were when he took over in 1949.

Mr. Smallwood: We are relatively worse off because of the fact our population is growing so fast.

Mr. Hollett: That is a lot of money to put on schools, \$55 millions.

Mr. Smallwood: We spent \$75 millions on Education, on Roads and on Public Health.

Mr. Hollett: The hon. the Premier includes in that all the monies paid out in salaries—They would have paid that out in any case.

Mr. Smallwood: We could not pay it out if we did not have it.

Mr. Hollett: In addition, Mr. Speaker, to the losses on discounts we have to pay—this was given in answer to a question yesterday, I believe it was, we have to pay \$3,216,000 every year on that amount of money which has been borrowed, every year for the next thousand years.

Mr. Smallwood: Then we have to borrow another loan and another to pay that off. Every Government in the world does that.

Mr. Hollett: I am not saying what every Government in the world did.

Mr. Smallwood: The Government of Canada do it regularly.

Mr. Hollett: Some of these Government are not in such a wonderful position as we were when we went into Confederation—I am speaking particularly now of the Government here—We have the Premier and other people going on the air—If we could only get that \$15 million, oh boy, what a time we would have. We are going to borrow another \$3 or \$4 million and will spend it building roads and schools. Ask the Government to look at the roads they built. They are not passable anywhere in the country. I had a letter from Gander telling

me the roads were impassable and from Bonavista, the Premier's own district, which said the roads in such and such a place were impassable. That is the kind of roads the Government built. The Trans-Canada program, Sir, has been a failure because they went to work and widened the roads and put a lot of dirt on some of them for miles and miles, instead of taking fifteen miles and finishing them right. The money has been thrown down the drain in a good many instances, Sir.

In addition to the interest we pay yearly on these loans we will have to tax the people for sinking funds, which today, I believe, amount to some \$5 million. All that money comes out of the people's pockets—To date we have \$5 million sinking fund.

Mr. Smallwood: Do not make that sound bad. That is good. That is money put aside to pay off that debt.

Mr. Hollett: That money comes out of the people's pockets, Sir.

Mr. Smallwood: It pays off the debt.

Mr. Hollett: It will eventually, I suppose.

Mr. Smallwood: That is what it is for.

Mr. Hollett: I have never heard talk of a sinking fund paying off a debt yet.

Mr. Smallwood: The hon. gentleman's knowledge of finance may be a bit limited.

Mr. Hollett: However, if we can get that money from Ottawa we will be all right for awhile. Now I realize, Mr. Speaker, that when we went into Confederation there were a lot of things we did not have. We did not have many roads, and we did not anticipate our population increasing to such an extent, we could not build schools enough for children. There were a lot of things we did not have and a lot of things had to be done. But we were hoping we would never again get into that low of despondency, that terrible position we were in a way back our Responsible Government, away back in 1933, and the people could no longer govern themselves because some spendthrift Governments, and most of them Liberal Governments too, of years before had

raised the national debt to about \$106 million, I believe it was.

According to the Educational Report, it said in part that the shortage of qualified teachers is the number one problem. Now what has been mentioned today, and in that connection I have a letter here, which enclosed the stub of a cheque. This was a teacher, and that teacher today is getting a pension of \$15.75 a month. I have another letter here, a teacher who is married and has four or five children who is getting less than \$90 a month—He is not so badly off as some of them. I have another here, a teacher getting a pension of \$35.26 a month and this included \$10.52 cost of living. Now, Sir—

Mr. Smallwood: Why would there be these variations?

Mr. Hollett: It depends on the number of years, I suppose.

Mr. Smallwood: What else?

Mr. Hollett: I suppose the grade of the teacher and various other matters. If the Hon. the Premier wants to criticize, good—Here is one of a post office worker pensioned in the old days. Do you know what the pension is basically. It is \$1.28 a month and cost of living is .47¢ a total of \$1.75 a month.

Mr. Smallwood: They are smaller than that. Dozens of postmasters only got \$20 a year as postmaster, and the pension would be pretty small.

Mr. Hollett: That was in the old days.

Mr. Smallwood: They were pensioned long before we came into office. None of these were pensioned by us, not one of them.

Mr. Hollett: No, but surely—The Hon. the Premier admitted he knows these people are getting these pensions.

Mr. Smallwood: That is why I want to set up a Royal Commission.

Mr. Hollett: It was promised last year to be set up and has not been set up yet. The reason I mentioned this matter on educa-

tion is—How in the name of all that is good—or bad, if you like—can you expect to get the proper number of qualified teachers if some pensioned teacher says—Look what I get—I was teaching school for thirty-five years—look at my pension.

Mr. Smallwood: Would the hon. gentleman allow me? The hon. gentleman is not being fair. He knows he is talking about conditions that existed in Newfoundland twenty and thirty years ago.

Mr. Hollett: And things existing now.

Mr. Smallwood: No. These pensions are in respect of services rendered in Newfoundland twenty-five and thirty years ago. Now, how many teachers pensioned as of now are going to get that sort of pension.

Mr. Hollett: Are you going to let these starve?

Mr. Smallwood: That is another matter. Now be fair about it.

Mr. Hollett: Yes, I will be fair—I have lived here quite a bit longer than the Hon. the Premier.

Mr. Smallwood: I am glad you admitted that.

Mr. Hollett: I taught school for two years, not enough to get a pension. Here is another case of a postmistress with sixteen years in the service (and during the Commission of Government days) and that poor soul is getting \$17.50. I raise this point in this connection because I want to refer to the shortage of qualified teachers, and I think in fairness to these people who were teachers, who were customs officers, who were policemen or whatever branch of the civil service they were in—I say the quicker the Government appoints the civil service commission and sets it up and gets to work the better, because these people, some of them are starving. Sir, I have letters, up in my files, some of them so bad you would hardly believe. I have made various enquiries to find out, and they are actually true, the conditions were so bad in these particular pensioners case—These things are the things that have to be remedied. You

cannot leave these poor people neglected and starving and so on simply because they did not live in the age when they would receive better pensions in the civil service. So I do criticize the Government, and strongly, for not already setting up, seven years ago, a Royal Commission to enquire into conditions of the livelihood of these people who served this country so well in their day and age and generation. I do want the Government to immediately put into effect if possible (especially in view of the fact of the money they are going to get from Ottawa) to put the Royal Commission to work and try to do something to wipe out that disgrace. It was a disgrace in the old days, in Responsible Government days, and Commission of Government days and it continues to be a disgrace in the days of this Government which we have here at this present time, this Liberal Government. They should wipe away that disgrace, set up that Commission and try to look after these people and give them a decent pension.

Some reference was made in the Education Report to the one-room schools, and I believe there are over 500 one-room schools in Newfoundland. Now I venture to bet that half the people on the other side of the house anyway, they are mostly outport fellows, and I venture to bet that half of you went to one-room schools. I say it was no disgrace. I deplore this talk of one-room schools and the terrible days back in this country. What are you going to do about it? You have twenty families in one small cove—You don't want any more than a one-room school. But I am telling you that you are likely to get a genius out of that one-room school.

Mr. Smallwood: If you can get a teacher for the school in the first place.

Mr. Hollett: You will get the teacher, don't worry.

Mr. Smallwood: I do worry.

Mr. Hollett: Give them enough pay and a guarantee of a pension, and they will go.

Mr. Smallwood: The point is they will not go. Nurses, teachers or doctors, they will not go for any money. This is Labrador South without one single doctor. We would take a doctor from any country of the world, even

take him from Russia, but we cannot get a doctor in the world to go to Labrador.

Mr. Hollett: You will get one if you give him \$25,000 a year.

Mr. Smallwood: They won't go there. They won't go there nursing, they won't go teaching.

Mr. Hollett: Well, I will say I am disappointed in the Education Report, as I read it. I am not blaming the Government. I do not know who to blame. I don't know, I suppose I cannot blame anybody really—But we all went to school in our day and never had such a percentage of failures as I have seen in the various Education Reports over the past few years. I do not know what the trouble is. I do not even blame the teachers. I notice failures right in the City of St. John's where we are supposed to have the best and in Corner Brook and Grand Falls where we are supposed to have the best.

Mr. Spencer: There were not many in Grand Falls.

Mr. Hollett: There were some. I wonder could the Hon. the Minister of Finance tell me what the percentage was?

Mr. Spencer: The percentage of passes was very high.

Mr. Hollett: I know—Higher than anywhere else in the country, I agree.

Mr. Spencer: About 87%, actually.

Hon. Dr. F. W. Rowe (Minister of Education): For the hon. gentleman's information, the biggest number of failures in examinations was in 1923, not in 1953 and 1956 and in 1923.

Mr. Hollett: In 1923—I wonder could the Hon. Minister substantiate that statement with figures.

Dr. Rowe: I would be glad to bring in the report.

Mr. Hollett: Now there was a reference made too, Sir, to Forestry, which I referred to before, in regard to setting up this man-

agement of forestry—I looked through the estimates and I found that last year the Government spent \$443,000 on forestry. Forestry resources is a most important subject, not only for the Government but for the people. We only have to look at the conditions generally since the Anglo-Newfoundland Company and Bowaters came in—Conditions in these parts of the country for the people have been very good, so good that we are jealous of them in other areas of the country. It would also tend to improve the conditions of our people not only in that particular area where the mill might be set up, but in the whole of Newfoundland. It was in that connection, Mr. Speaker, that last year, following the decision of the Government to sell out the shares of NALCO (and remember NALCO had a concession of some 30,000 square miles)—It was last year that we on this side of the house raised the question of the wisdom of selling out the controlling interest, as a matter of fact all the interest that NALCO had, to Canadian Javelin. At that time, Sir, we did put up a campaign asking the Government to refrain from doing it, and I believe that that campaign was an excellent success.

I want to say to the Government today, Sir, "Thank you very much for listening to the protests made last year by this side of the house in connection with the selling out of these shares of NALCO. Because my understanding is (if I am wrong I would like to be corrected) the Government decided they would not sell out NALCO's concessions to Canadian Javelin."

Mr. Smallwood: If I may—I am sorry to disappoint my hon. friend—we did not accede to the request of those who were alleged to be getting up a petition, we did not accede to the public clamour raised in limited quarters that we should not sell the shares we own in NALCO to Canadian Javelin because we did not decide to sell the shares. We have not sold them.

Mr. Hollett: You have not sold them?

Mr. Smallwood: The decision is to sell them, the decision of the Government. We are authorized by the Act to sell them. We subsequently decided to sell them. We have

not as yet sold them. The point is that we have not decided to sell them—So I am sorry to disappoint my hon. friend.

Mr. Hollett: I am not so greatly disappointed. I feel quite sure that when I am through this afternoon the Government will not even think of selling the shares.

Mr. Smallwood: You must be pretty persuasive.

Mr. Hollett: We have been persuasive before over here—At least I will express my gratitude to the Almighty God, if not to the Government, that these NALCO shares have not been sold to Javelin. But I do congratulate the Government on their failure, shall I say, their failure—They have arrived at no decision. They have not as yet sold them. I congratulate the Government for that, because we are still apparently safe from what might have happened if they had sold them. In that connection, I want to go to the 1955 second session and refer to the Wabush Lake Railway Company Limited Loan and Guarantee Act. I want to quote for the benefit of the house the Section 3, and I want us all to pay particular attention to this clause. The argument which I intend to put forth, Sir, is based on this particular section, and this Section (3) reads: "For and in consideration of the covenant of Javelin and Wabush set forth in this Agreement, and subject to paragraph two of this clause and all other terms and conditions of this Agreement, the Government will unconditionally guarantee both as to principal and interest a loan not exceeding an aggregate principal amount of \$16.5 million in Canadian or United States of America currency, as the Government shall determine, to be raised by Wabush by way of bond debentures."

Section (c) says: "and all negotiation for the issue, sale or placing of any bonds or debentures to be guaranteed by the Government under this clause shall be conducted, and the price and returns therefore shall be set, in consultation with and subject to the written approval of the Government and no step shall be taken with a view to such issue, sale or placing without such previous Government approval"—I want the house to note this, Mr. Speaker; that was in connec-

tion with the \$16.5 million guaranteed Government Bonds for the Wabush Railway. Our information is now that that has been redeemed, but that is not the point I want to get at—These bonds were not to be placed with anybody without the prior approval of the Government. Now, where were these bonds placed? With whom were these bonds placed? They were placed, Sir, with none other than the firm of Stahl Miles & Company Limited, whose address at that time was the Imperial Bank Building at Edmonton, Alberta. They were placed with Stahl Miles & Company, and under the Act they were not to be placed with anybody without the prior approval of the Government.

Now, with regard to Stahl Miles & Company, I want to refer to a transcript from the "New York Times" of February 19th., 1956, which reads as follows:

"Fraud of twenty-six million laid to Two Brokers;"

By: LAYMOND ROBINSON, JR.

"The State Attorney General yesterday accused a New York broker and his Canadian associate of a stock fraud in which buyers of Canadian Mining Shares lost at least \$6 million. Most of the buyers were said to be from this State.

"Attorney General Lewis J. Lefkowitz made the fraud charges in Manhattan Supreme Court as he moved to bar the two promoters and their Canadian concern from trading in securities in this State.

"The promoters were identified as Charles E. Stahl of 134 Pelhamdale Avenue, Pelham New York, and Marcel A. Miles of Edmonton, Alberta. The securities concern is Stahl Miles & Company Limited, of Edmonton. Mr. Miles was also listed as Vice-President of the Edmonton Stock Exchange.

"The court papers charged that Mr. Stahl had fled the United States in December after he resigned as Chairman of the Board of DePontet & Company Incorporated, of 40 Wall Street, a member of the New York Stock Exchange. The DePontet & Company concern is not involved in the Attorney General's action. Mr. Lefkowitz said the two men had evolved a scheme through which 900,000 shares were sold to customers in the last two years. The stock was in Green Bay Mining & Exploration Limited, a com-

pany owning "nonproducing" lithium mines in Northern Manitoba and other sections of Canada, Mr. Lefkowitz said. Lithium is one of the raw materials that can be used in making the hydrogen bomb, but the metal and its compounds are also used to produce ceramics, enamels, lubricants, drugs, storage batteries and other items.

"Rise in stock price: Even though the mines were nonproducing, the Attorney General said, the promoters created a demand for Green Bay by distributing printed matter falsely describing the value and productive capacity of the mines and by "high pressure" selling tactics. That, he said, sent the price of the stock up from fifty cents a share in early 1955 to twelve dollars and fifty cents in the summer of 1956.

"Mr. Lefkowitz charged further that Mr. Stahl, who was a Director of Green Bay, falsely reported that he had obtained commitments from foreign banks for \$3 million to help finance the company's operations. Stahl Miles & Company was also accused of violating New York by failing to register as a security dealer. Mr. Lefkowitz noted that Green Bay Stock was listed only on the Edmonton Exchange. He said sales were made here principally through telephone solicitations by dealers. Sales were also made directly by Stahl Miles & Company and orders were referred to it by DePontet & Company Mr. Lefkowitz said.

"Decline in November: Buyers suffered heavy losses when the value of the stock began to fall sharply last November, the official explained. It dropped he said, when some buyers became suspicious of the stock and an investigations was started by this office. After Mr. Stahl disappeared, the Attorney General said, the buyers were fortunate to get fifty cents to one dollar a share for stock that some of them had paid \$12.50 for. Mr. Lefkowitz noted that both Mr. Stahl, who was said to be in Rio De Janeiro, and Mr. Miles had refused to co-operate with the investigation of this office.

"Justice Henry Clay Greenberg signed an order directing the two men to appear in Manhattan Supreme Court for questioning on March 21st. at 10:00 a.m. If they fail to do so the Attorney General will move further to bar them from operating here. Justice Greenberg's order also ties up any assets that the two promoters may have in this State."

Now, Mr. Speaker, that is Stahl Miles & Company, with whom this Government here consented to place the \$16.5 million.

Mr. Smallwood: We had nothing to do with them. We agreed to the bonds being offered to the public through them, but did not agree with them on anything. We had nothing to do with them at all.

Mr. Hollett: You agreed where they were to be placed.

Mr. Smallwood: We did not agree with them. We had nothing to do with them. We never talked to them.

Mr. Hollett: You should have, according to the Act.

Mr. Smallwood: We never saw nor met them.

Mr. Hollett: I will read this again—"At such time and place as the Government may approve", and all negotiations for issue, sale or placing of any bonds had to be approved by the Government—sold in consultation with and subject to the written approval of the Government.

Mr. Smallwood: Yes, but that refers only, surely, to negotiations between the issuers of the bonds and the Government and not the broker through whom the bonds would be sold to the public.

Mr. Hollett: I will come to that again—I wonder, Mr. Speaker, if we could have a ten minute recess.

On motion, the house recessed for ten minutes after which Mr. Speaker resumed the Chair.

Mr. M.N. Hollett (Leader of the Opposition): Mr. Speaker, I was referring to the Wabush Lake Railway Government Guaranteed Loan and I quoted the Act where it was specifically stated in Section 3 that debentures may be issued in certain numbers and amounts at a time and in amounts the Government approves. I pointed out that the Government had to approve the placing of these bonds. I stated the bonds had been placed with a firm called Stahl Miles & Company Limited, and I

quoted from the New York Times something on the Stahl Miles Company, and I now propose to quote something further from the New York Herald February 19th., 1957:—New York Herald Tribune, February 19th., 1957.

"Two Are Accused of \$6,000,000 Stock Fraud" New Yorker and Canadian Linked to Mining Issue That Evaporated over the Night"

By: David Steinberg.

"Charges of an international fraud that may have cost the American investors as much as \$6 million were made yesterday by New York State Attorney General Louis J. Lefkowitz.

"Charges of an international fraud that may have cost the American investors as much as \$6 million were made yesterday by New York State Attorney General Louis J. Lefkowitz.

"As part of an investigator of a Canadian securities firm and its principals, the Attorney General obtained a Court Order to examine Charles Robert Stahl, of New York and Marcel Miles of Edmonton, Alberta, who formed the Edmonton brokerage house in Stahl, Miles & Company Limited. The order, signed by Justice Henry Clay Greenberg of the Supreme Court of New York demands that Mr. Stahl and Mr. Miles appear before the court on March 21st., and places a temporary injunction on business operations of the principals and the company in New York. Mr. Stahl's home address is listed as 134 Pelhamdale Avenue, Pelham, New York. The Attorney General's probe being conducted by Principal Securities Accountant Bernard Abramson and Deputy Assistant Attorney General Orestes J. Milhaly, and centers around the promotion of the stock of Green Bay Mining & Exploration Limited which in a short period of time rose from the over-the counter market price of fifty cents a share to \$12.50 a share and then, according to the Attorney General's office, evaporated overnight to a point where investors were fortunate to recover a little over the offering price.

"Indicating the scope of the alleged stock practices, Mr. Abramson described them as a modern type of fraudulent operation by a wolf pack on the international scale. David Cluram, a Special Deputy Attorney General, explained that refusal to comply with

the court order could bring charges of contempt of court against those named. The charges against Mr. Stahl, Mr. Miles and Stahl Miles & Company Limited, are contained in an affidavit signed by Samuel A. Hirshowitz, an Assistant Attorney General and Acting Head of the Bureau of Securities. In his statement, Mr. Hirshowitz asserts that Mr. Stahl used his position as Chairman of DePontet & Company, Incorporated, a New York Stock Exchange Member Firm, to begin his American operation which led to the present debacle and his flight to Europe and Rio De Janiero, which was calculated to avoid investigation, including interrogation by this office. Mr. Stahl resigned from DePontet & Company Incorporated, in December.

"According to the affidavit, Mr. Stahl reputedly was born in Poland in 1923 and entered the United States in 1953 after living for more than five years in Switzerland. During his residence in Switzerland, it is asserted, he assumed a leading position in S.A. Placements Mobiliers, a Geneva investment company established in 1952.

"The Attorney General's office also attributes Mr. Stahl boiler room selling and promotion of the Green Bay Stock through the issuance and publication of false, misleading, disceptive and fraudulent literature and new releases.

"Considering the 600,000 shares distributed in the market at one time or another, the complaint states—the total market price of all shares in the hands of the public rose to a fantastic value of more than \$12 million. This amazing rise in price was not accompanied by the production of any commercial ore to account for this tremendous upsurge."

From the New York Herald Tribune, March 19th., 1957

"Charles Robert Stahl who last month was accused by Attorney General Louis J. Lefkowitz of being implicated in a six million dollar international stock fraud was barred yesterday from ever again engaging in the Securities business in the State of New York. "The order, signed yesterday by Supreme Justice Joseph A. Gavan, effectuated an injunction, drawn by the Attorney General's office, and consented to by Mr. Stahl on March 7th. in Rio de Janiero. According to the Attorney General, Mr. Stahl formerly Chairman of the New York Stock Exchange

member firm of DePontet Company Incorporated has sternly refused to return to New York to face interrogation by Mr. Lefkowitz's staff. Charges brought against Mr. Stahl, who before leaving the country lived in Pelham, New York, centered about the promotion of stock in Green Bay Mining & Exploration Limited, which the Attorney General described as fraudulent. The Attorney General asserted that Mr. Stahl, in conjunction with the Edmonton Alberta Canadian Brokerage House of Stahl Miles & Company Limited, had manipulated the price of the Green Bay stock from fifty cents to twelve dollars and fifty cents a share, at which point the value evaporated over-night.

"Mr. Stahl was further accused of misusing some \$500,000 worth of securities placed by the customers in Geneva, Switzerland's security house, S.A. Placements Mobilizers. The Attorney General's office explained that Mr. Stahl, during his residence in Switzerland in 1952, had assumed a leading position in S.A. Placement Mobilizers. Also pending against Mr. Stahl Miles & Company and Marcel Adam Miles, Vice-President of the Edmonton Stock Exchange and co-founder with Mr. Stahl of the Canadian Brokerage Firm, in a court order signed February 18th., 1958, demanding them to appear in the Attorney General's office this Thursday. If Mr. Stahl or any of the three fail to appear Thursday they can be held in contempt.

"Yesterday's court order banning Mr. Stahl from securities activities here represents the maximum penalty that the Attorney General's Office can obtain against the broker."

Now, Mr. Speaker, this was the firm with which Javelin, with the approval of the Government, placed \$16.5 bonds, guaranteed by the people of Newfoundland. This is the company with which our bonds were placed.

Premier Smallwood: Would the hon. gentleman allow me? He does not mean, I am sure, to leave the impression on the minds of the house or anyone else that the Government authorized the sale of the bonds through that brokerage house knowing that brokerage house was that kind of firm, or after it had become public knowledge that they were that kind of firm—He does not

mean to leave that kind of an impression. This all came afterwards.

Mr. Hollett: No. I am pointing out, as I have already pointed out to this house, there were several other instances of a similar nature. The carelessness with which this Liberal Administration carried on its financial business with brokerages is known the world over. It was carelessness on the Government's part to have allowed to be handed over by Javelin, approved by the Government, debenture bonds guaranteed-

Mr. Smallwood: Would the hon. gentleman allow me to ask a question? One of the principals of this firm in question was president of the stock exchange of Edmonton, and the other of the two principals was a member of the stock exchange of New York, and they were, as far as anybody in the world knew, perfectly reputable stock and bond houses, and the firm of Stahl Miles & Company Limited, as far as everybody knew, was perfectly reputable and dependable—as far as anybody knew—Subsequently it became known that one at least was a crook, one robbed the other and skipped out of the country, although we are told he is now voluntarily back in New York. I do not know, I do not know anything about it, I do not know anything about the firm. I have never seen them and the Government of Newfoundland had nothing to do with them. We never had any correspondence. We never had anything to do with them in any shape or form, not to this moment.

Mr. Hollett: Mr. Speaker, I should think the Government would be able to recognize a crook now from across the Continent. If they were observant I think they should, because they have had experience with a number of crooks. They had racketeers in connection with the new industries, and I am quite sure the Hon. the Premier would be the first to admit it.

Mr. Smallwood: Of course, that is true. But what has that got to do with a brokerage house in Edmonton?

Mr. Hollett: It has a lot to do. According to this release, this amazing rise in price was

not accompanied by production of any measure nor to account for this tremendous upsurge. Now see what they do in connection with other corporations with which the Government has dealings.

Mr. Smallwood: That is pretty low.

Mr. Hollett: Very low.

Mr. Smallwood: Yes, very low.

Mr. Hollett: I do not know what the Hon. the Premier means, but it is a pretty low state for this Province to get itself into.

Mr. Smallwood: I do not know what the Hon. Leader of the Opposition meant but I know what I meant.

Mr. Hollett: I would not be surprised, Mr. Speaker, that the Premier knows all there is to know about it. But I must point out the sales of these bonds or debentures could not be passed over, according to Newfoundland law without the approval of the Government. Let that sink in.

I quote also from the New Herald Tribune, March 19th. 1957:

"Charles Robert Stahl who last month was accused by Attorney General Louis J. Lefkowitz of being implicated in a \$6 million international stock fraud was barred yesterday from ever again engaging in the Securities business in the State of New York.

"The order signed yesterday by Supreme Justice Joseph A. Gavagan effectuated an injunction, drawn by the Attorney General's office, and consented to by Mr. Stahl on March 7th. in Rio de Janeiro. According to the Attorney General, Mr. Stahl, formerly Chairman of the New York Stock Exchange member firm of DePontet Company Incorporated has sternly refused to return to New York to face interrogation by Mr. Lefkowitz's staff. Although Mr. Stahl agreed to the permanent injunction, he denied the allegation of fraud contained in the Attorney General's affidavit. Charges brought against Mr. Stahl, who before leaving the country lived in Pelham, New York, centered about the promotion of stock in Green Bay Mining & Exploration Limited."

I may say this is not our Green Bay.

Mr. Smallwood: Mr. Speaker, I think the hon. gentleman is infringing now on the rule of repetition.

Mr. Speaker: Yes; that has been said by the hon. member now about three times.

Mr. Hollett: And from three different sources.

Mr. Speaker: This does not effect us. We are hearing this not from somebody in New York but from the hon. member who is incorporating it into his speech.

Mr. Hollett: Yes, Mr. Speaker, well I won't go on referring to it very much more. But, Mr. Speaker, these are the things I want the Government to know. They say they did know very much about Stahl Miles & Company—and I want to make sure—

May I quote something from another paper in New York—Swiss Banking Firm is Accused of Red Fronting—A Swiss Banking Firm barred from dealing in the States—and it goes on to describe it—The S.A. Placement Mobiliers Bank in Geneva, Switzerland—and I ought to read this—“A Swiss Banking Firm charged with fronting for European Satellite interests trying to buy stocks of strategic materials in America was permanently debarred yesterday—According to the Attorney General's office the firm was subsequently declared bankrupt by the Swiss Government and put under an injunction of the Geneva Office.”

Now what is that information worth? It is taken from a reliable paper in New York—I have other things here, Mr. Speaker, but if you do not wish I should quote any more.

Mr. Speaker: I think the hon. member misunderstood me. I do not mind him quoting, but the point is that anything the hon. member quotes becomes part of his speech, so if he quotes the same thing from different sources it would still be repetition.

Mr. Hollett: That is correct, Mr. Speaker, I agree with you. We should not repeat ourselves in this house. I have heard it done before here, you know, Mr. Speaker. This has to do with the delisting of Canadian Javelin, and I am not any longer interested in that. I

come now, Sir, to a prospectus I have, gotten out by Stahl Miles & Company and they offer a new issue of \$16.5 million in Wabush Lake Bonds' first mortgage bonds, guaranteed as to principal and interest by the Government of Newfoundland, by Canadian Javelin. This firm of which I have been telling you, Mr. Speaker, Stahl Miles & Company Limited, offered the \$16.5 million in bonds—But there is one thing interesting—written across in red ink or something like red ink—“This prospectus is forwarded for information purposes only as the series described has been sold.” Now that is a statement by the Stahl Miles & Company. They say they have sold that issue of \$16.5 million Newfoundland Government bonds plus 231,000 share of Javelin. They say—“We as principal offer the foregoing units”—remember they were sold, but that is what they put out in their prospectus—“subject to prior sale and change in prices etc. Relying on the opinion of Mr. Curtis and Mr. Dawe of St. John's, Newfoundland with respect to the validity of the corporation and so on.”

Now this is a prospectus gotten out and offering for sale to the general public all Newfoundland bonds, by this Stahl Miles & Company. I could take the whole afternoon going through this thing, Sir. It is very interesting and very informative. The more I read this prospectus the more I know and realize, and I am sure every man on the opposite side realizes what a crook, a crook, Javelin is dealing with in this Stahl Miles. There are many things here I could quote. They give what they call a balance sheet of Canadian Javelin Limited and they say—“After giving effect, that is at above date, so the following issue and sale by Wabush Lake Railway Company Limited of guaranteed first mortgage bonds in the amount of \$16.5 million Canadian Funds and the issue and sale by Canadian Javelin of 231,000 shares.” Having given effect to that, they go on to their assets and say—“cash on hand in bank \$19,515,000. Now, if that is not fraud I do not know what it is. They did not at that time have the cash, as far as I can gather, but it is still listed as cash on hand and in bank. “Shares in Newfoundland Labrador Limited.”—There is something here I would not want to quote—I would not want to quote. They have a note here, in very fine print. On July

14th, 1956 Wabush and Javelin entered into an Agreement with Stahl Miles & Company Limited, (remember they could only do that with the approval of this Government) for the sale to the underwriters of \$16.5 million four-and-a-half per cent guaranteed first mortgage bonds of Wabush. This includes a condition—and this is worthy of note—if the underwriters re-sell any of the bonds and shares to specified European customers and if such customers at any time default on the purchase of bonds and shares, the underwriter shall be released from any and all obligations to purchase such bonds and shares. In other words, Mr. Speaker, protecting themselves very well.

I take it the Government must have seen this before they were sold, somebody in the Government responsible must have seen this prospectus?

Mr. Smallwood: No.

Mr. Hollett: Do you mean to tell me, Mr. Speaker, the Government allowed Javelin and Wabush to engaged Stahl Miles & Company and sell these Newfoundland Government Guaranteed Bonds without consulting the Government?

Mr. Smallwood: No. That is not what I said. I said we did not see the prospectus. The answer to the next question is, yes, we did permit Javelin to make their deal with that bond house—Yes, but we did not see the prospectus.

Mr. Hollett: I was about to say, if you did not, I notice two members of the Government's Cabinet are members or are directors of the firm of Canadian Javelin. But I will not belabour it too much more, Sir, except to say I am surprised to know not only that the Government got mixed up in this, but that Canadian Javelin, who say they own concessions on 30,000 square miles of Newfoundland would engage such a firm as Stahl Miles & Company. They must have known something about Mr. Stahl, know where he came from, how long he had been in this country—To get to work and sell bonds guaranteed as to principal and interest by the people of this country is a terrible let-down, I would say, for any Government, for anybody, any Government. There is another item there I meant to refer

to—You see, this Javelin concern, I cannot understand it—On page 9 of this prospectus they say; thirty-two thousand shares of capital stock issued during the twelve months ending May 31st, 1956, for service rendered to Canadian Javelin Limited—In other words they are paying their bills by issuing shares in Canadian Javelin and paying some very small bills too. I know of some very small bills paid by the issue of Canadian Javelin stock to individuals in this country. In another place they have there where they transferred 57,000 shares for service rendered.

Now I referred to the NALCO shares—I am glad, as I said—the Government has not yet sold out these shares to Javelin. I have gone into this thing pretty fully for that very purpose only, that if Canadian Javelin are no more reliable than that they would obligate the people of this country as to principal and interest to the extent of \$16.5 million with a firm which a few months afterwards is sued for fraud of \$6 million. Then I say, God forbid we should ever risk any of our territory to them.

Mr. Smallwood: Would the honourable gentleman allow a question?

Mr. Hollett: Yes.

Mr. Smallwood: After Javelin made their arrangement with Stahl Miles, and Stahl Miles was to underwrite the bond issue, and one of the partners of Stahl Miles was subsequently discovered to be a crook, within a year after this business deal was made between Javelin and Stahl Miles, within a year after that one of the partners of Stahl Miles was discovered to be a rogue and crook and robber and thief, and he skips out, and is alleged to have robbed his partner of five million dollars, and the company is bankrupt and insolvent. Javelin agrees with this firm to act as underwriters and subsequently one of the partners of an apparently reputable firm turns out to be a rogue and skips—One of the greatest and most reputable companies in all Canada, the Steel Company of Canada and one of the greatest and most reputable companies in the United States. Pickands Mather & Company of Cleveland and one of the greatest steel companies in the United States, Youngstown Sheet Metal-

Mr. Hollett: Where is the question?

Mr. Smallwood: If the hon. gentleman will allow—All three companies go in and pay off the bond and put up the cash and pay the bonds off and the bonds are retired, they are cancelled.

Mr. Hollett: When?

Mr. Smallwood: Subsequent to all this the hon. gentleman is talking about. That was done. Does not that in the opinion of the hon. gentleman, the fact that Javelin have made a deal with three of the greatest and most reputable companies within Canada and the United States, does not that make quite unimportant the fact that they have been unfortunate enough to make their deal with a firm one of whose partners turned out to be a crook?

Mr. Hollett: No it does not, Mr. Speaker—If our Government can be so careless over placing the bonds of Newfoundland as it has been in regard to the \$16.5 million to Stahl Miles & Company, it does not make it less so because of the fact someone pulled them out of the water when drowning—It does not make sense—They had no right to be out in a boat—The Hon. the Premier said the bonds have been all redeemed. I have here with me a transcript of a broadcast over CJON Station made, I believe, December 31st. 1957, and it was presumably given as a result of an interview with the Attorney General—and I took care to take it down at the time—This is December 31st. 1957—“All the bonds sold under Government guarantee (that is December 31st.) by Canadian Javelin Limited have not been redeemed”—Yet I ask a question and the Government replies—

Hon. L. R. Curtis (Attorney General): That is a very definite misquote there as far as I am concerned. The money representing every bond sold was paid into the Trust Company, on, I think, the 26th. day of June. I was there. I saw the cheque passed—it was passed over. What I might have said is that the bonds might not have been picked up because they were scattered all over the world. What I meant to say was that the money was there awaiting presentation of

the bonds but it was quite possible all the bonds had not been submitted—but the money was there to pay them, and what I meant to suggest to the people was that I had not information that all the bonds had been presented for payment. But that is a far different matter than saying they have not been called. The money was there to pay them. It is like cheques being outstanding. If the owner does not present the cheques the bank cannot pay the money, The money was there in the Trust Company to pay these bonds on the date that my hon. friend quoted.

Mr. Hollett: Mr. Speaker, if the Hon. the Attorney General would allow me to complete the statement allegedly made—“All the bonds of Canadian Javelin under Government guarantee, have not been released, but Hon. L. R. Curtis says, the money is there to redeem them. Some are held by people who have not bothered to present them, and the company must find these people in order to redeem them. He and the Minister of highways must remain members of the Board of Directors until the obligation of the Newfoundland Government is completely removed. He added that the removal of that obligation is nothing more than a technicality, and he expected that by the end of the coming year they will be completed. At that time, both Hon. L. R. Curtis and Hon. Gregory Power will resign from the JAVELIN Board.”

Mr. Smallwood: They did not wait until then—they have resigned.

Mr. Curtis: I resigned the last time I was in Montreal, a month ago.

Mr. Hollett: I have here an advertisement in the “Daily News” of December 31st the end of the year edition, an advertisement in which they name the directors and they name Hon. L.R. Curtis K.C. and Hon. Gregory Power.

Mr. Curtis: At the time I was a Director.

Mr. Hollett: I take it from the Government then that there are no Government directors at this time.
Again with that paper, Sir, and referring

again to Javelin, they put in this advertisement and they listed their mining property and timber in Labrador, 30,000 square miles concession—Is that correct? It is an advertisement in the "Daily News."

Mr. Smallwood: It is not correct.

Mr. Hollett: Some members of the Government must have seen it, but I have never seen a contradiction.

Mr. Smallwood: I have never seen the advertisement.

Mr. Hollett: Newfoundland Labrador 30,000 square miles concession. But the thing that struck me as peculiar, and I went back to search various Acts with the Javelin Company, and I could not find where they had more than 4,700 square miles.

Mr. Smallwood: Twenty-five and six thousand, I think, and all of that is in Labrador. None of that in Newfoundland.

Mr. Hollett: Well, how come the Javelin people can put in an advertisement like that in our daily press for our people to see?

Mr. Smallwood: I don't know the answer to that. I suggest that the answer might be that some clerk or minor official of Canadian Javelin wrote the copy for the advertisement. It could be as simple as that. I cannot answer the question. I do not know the answer. But I suggest the answer might very well be that some minor official of the Javelin Company was asked by the "Daily News" if they would put an advertisement in the end of the year edition—I can imagine John Doyle saying O.K. and when asked what about the copy saying—"Oh, get it from the Montreal office." I imagine that is how it happened. I am not the "Daily News" and don't know—but obviously some relatively minor official of the company might have written the advertisement.

Mr. Hollett: That is another mark against Canadian Javelin. They have to be more accurate than that.

Mr. Smallwood: I agree that is right.

Mr. Hollett: Incidentally on that page appeared a statement from Hon. B. J. Abbott. I am quite sure the Hon. Minister looked at that statement which came from him and must have seen this advertisement, and he is a member of the Cabinet. So, I say, there is carelessness all around. I am not accusing anyone of criminal neglect or anything, but I do say there is too much carelessness in regard to matters relating to the natural resources of this country.

I was on Forestry, I believe. I have not said anything about mines as yet, but these things are matters which ought to be dealt with more carefully by the Government because it does not do the credit of this country one bit of good for the financiers to know that this Government was a party to placing \$16.5 million of our bonds in the hands of crooks like Stahl who came out here five years ago, without knowing his antecedents, and I bet nobody checked them. So I say there was too much carelessness and there has been too much carelessness over the past eight years, Mr. Speaker, and I want that pressed home. I am not blaming any particular one on the Government side of the house, but I do say that the people on the opposite side have been too trustful with some of their associates from Europe, too trusting, and I am quite sure I am putting it very, very mildly at that.

Mr. Smallwood: I would not have to go far to find one who robbed me of \$1,200.

Mr. Hollett: An European.

Mr. Smallwood: A warm friend of the hon. gentleman's party, but not of the hon. gentleman, I am glad to say that.

Mr. Hollett: I wonder would I get a loan.

Mr. Smallwood: The hon. gentleman is more worthy of it.

Mr. Hollett: There is one thing about it. People on our side of the house are very careful of whom they get loans from and are very careful to pay back, and I doubt the statement made.

Mr. Smallwood: This person has paid it back.

Mr. Hollett: I would say he was probably a renegade of the Liberal party.

Mr. Smallwood: No, he got it from me.

Mr. Speaker: Order. I would suggest the Hon. Leader of the Opposition has the floor—The debate is bordering upon the personal.

Mr. J. Forsey (Humber East): To a point of order—I think the Hon. Leader of the Opposition should retract that statement, a member of the Liberal party—It impinges on the honour of members of the Liberal Party. I stand on the floor of this house from the Liberal side.

Mr. Hollett: What did I say, Mr. Speaker?

Mr. Speaker: The Hon. Leader of the Opposition imputed carelessness to the Government. He is without his rights to do that. I cannot accept a point of order like that. I would like the Hon. Leader of the Opposition to continue his speech.

Mr. Forsey: Did not the Hon. Leader of the Opposition refer to members of this side of the house.

Mr. Speaker: No.

Mr. Hollett: What does the Hon. member for Humber East think I called him, a renegade? He does not even qualify for that.

Mr. Speaker: Order—Order—If order has been restored I would like the Hon. Leader of the Opposition to continue. I must frown upon these personalities. I disposed of the point of order. Will the Hon. Leader of the Opposition please continue.

Mr. Hollett: Thank you, Mr. Speaker. Well now, there is another natural resource, and that is the soil, to which some reference was made—I must say that there are several matters in connection with agriculture with which I am concerned. I have here an answer to a question, all the facts relevant to land clearing in Newfoundland down through the years since 1950, I am somewhat disturbed when I find that members

on the opposite side of the house, some of them Cabinet Ministers, have taken advantage of the scheme to clear out their back yards, if you want to put it that way. There is one Hon. Minister here who had three acres cleared. He is not a farmer, and he had 300 feet of farm road built and improved by the people of this country, by the Government. There is another one, an Hon. Minister, who had two acres cleared and 100 feet of farm road built and improved. There is a civil servant, a Deputy Minister, who had 55 acres of land cleared at Government expense and 200 feet of farm road built and improved. There is another member of the house, on the opposite side, who is not in the Cabinet, who I understand had two acres cleared and ten acres cleared in 1955.

Mr. Forsey: To a point of order, Mr. Speaker. A remark like that seems to reflect on the character of any member on this side. I do not think the Hon. Leader of the Opposition should be allowed this generality.

Mr. Speaker: I think the Minister of the Department concerned will undoubtedly make an explanation later on.

Mr. Smallwood: Well, Mr. Speaker, to that point of order. The Hon. Leader of the Opposition, I take it, is not imputing any wrong doing or anything, he is merely saying some members of this house (these so far referred to happen to be on this side of the house) had availed themselves of the law of the land to get some land cleared. That is all he has said so far. I do not see reflection so far, and I am listening intently and very carefully.

Mr. Speaker: If there is any explanation necessary of course.

Mr. Smallwood: If the member in question paid the regular rates, as anyone would have to do, whatever the rates are, I don't know what they are—but if that has happened there is no reflection on anyone.

Mr. Speaker: There is no reason why the Hon. Leader of the Opposition should not name the persons in question if he wants to.

Mr. Smallwood: No, in fact it might be a lot better if he did, Mr. Speaker.

Mr. Speaker: I think it might. Will the hon. member please continue?

Mr. Hollett: I take it I may use my own discretion, Mr. Speaker?

Mr. Speaker: Certainly.

Mr. Hollett: I do not agree with mentioning names. I am stating facts as in the answer to a question given by the Government, and every member has a copy or ought to have. I was referring to the fact that Cabinet Ministers and members of the house who are not farmers, or if they are they are not very big farmers, taking advantage of that land clearing scheme in order to clear three and four and five and up to 400 acres, if you like; but that is not the point, I am not blaming anybody. I am rather perturbed about it. I do not think it is wise for members of this house to take advantage of the land clearing scheme which was inaugurated for the purpose of benefitting farmers who have land to be cleared. I do not approve of any member of this house using that scheme to clear land in his own personal interest. That is the point I want to raise. I am quite sure the Hon. the Premier is familiar with all the points of land clearing scheme. It is not my purpose to mention any names at all. If the hon. member for Humbermouth wants to find them out, he can get them as well as we obtained them here. But I put it to the Government. It is something about which they ought to clear the air a little. I do not want to see any more of it happen because it is very unwise. It is true it is not unlawful, not contrary to the law. The law is there that any person may apply to the Department of Mines and Resources to get land cleared, but I say it is very unwise for any of us members of the house to take advantage of it.

Hon. Dr. J. McGrath (Minister of Health): Will the hon. member allow a short interruption? Surely if a benefit is placed at the disposal of citizens it is available to every citizen of Newfoundland. Anybody is entitled to avail of it, I suggest. In a few days the children of Newfoundland will be given hospital care, is there anything improper in my sending my children and taking advantage of that Act, which applies to all citizens.

Mr. Hollett: Would the Hon. Minister of Public Health take advantage of the scheme to have four or five acres of land cleared?

Dr. McGrath: I do not even have one acre to clear, Sir. If I were going into agriculture I consider I would be justified, should I wish to do so.

Mr. Hollett: As a member of the Cabinet?

Dr. McGrath: As a member of the Cabinet. This is available to every citizen of the country, as is the hospital scheme.

Mr. Hollett: I could quote more facts but I prefer not to. I say it is unwise. I would not advise the hon. member, the Minister of Health, to avail of it. The people are paying for it, the people of White Bay, Green Bay, Burin and all over the place.

Dr. McGrath: And paying for the hospital scheme too.

Mr. Hollett: Well, I fail to see any anomaly between that and the hospital scheme.

Dr. McGrath: Both are a benefit to every Newfoundlander and both are paid for by the public.

Mr. Smallwood: Suppose the Railway offered excursions tomorrow, suppose the publicly owned railway paid for by tax payers offered excursion rates, ought not members of the Cabinet or this house avail themselves of the lower rates on the railway, public run and operated. Suppose the Canadian National Railway offered special rates tomorrow, ought we not to take advantage of that because we are members of the house?

Mr. Hollett: The Hon. the Premier would not have to pay anything.

Mr. Smallwood: The hon. gentleman himself has a pass in the Province, but if he were offered special rates to go from here to Ottawa tomorrow should he refuse to take them because he is a member of the house, because the public is paying for it?

Mr. Hollett: Yes.

Mr. Smallwood: No he should not.

Mr. Hollett: The Hon. the Premier must remember, if I go out I am going out on business for the people and any member opposite going on Government business.

Mr. Smallwood: Suppose tomorrow the whole public of Newfoundland or of Canada were offered a special rate flying between St. John's and Ottawa and the hon. gentleman goes to Ottawa tomorrow on private or political business, would he be wrong, being a member of the house, to avail then of the lower rate, paid for by the public but offered to everyone, would he be wrong? Would he say, "no, I will not accept the special rate, because I am a member of the house, I will pay the full rate?" Would he say that? Of course he would not.

Mr. Hollett: I don't think the Federal Government would be generous enough for that.

Mr. Smallwood: The railway offers excursion rates.

Mr. Hollett: That is what it is, excursion rates to the farmer. In the year 1954 the Government cleared 601 acres of land for 247 people; this cost the people for clearing in the neighbourhood of \$163,000. One of that 601 acres, 110 acres were cleared for one individual, a member of the Government. In my estimation, it costs \$29,370, and the remaining 409 acres were cleared for 246 people, and cost \$143.

Mr. Smallwood: Would the honourable gentleman, in fairness now, name the member of this Government for whom this Government cleared a hundred odd acres of land? Would he be kind enough to do that; or is he referring to a limited liability company with about fourteen shareholders of which a member for this Government happened to be a shareholder?

Mr. Hollett: I stated in the first instance I would not and did not intend to mention any name. Mr. Speaker, I take it I have the right to stick to that?

Mr. Smallwood: The legal right but not the moral right.

Mr. Hollett: Let it rest at that—let it rest at that—I wanted to establish a statement I made that I did not approve of it. I don't think the Government ought to approve it. If a member of the Cabinet wants to get three acres of land cleared and a quarter of a mile of road built behind his house, where are we going to stop that? That costs money. It costs an average of \$260 an acre, according to the estimates of expenditure. \$260 an acre. Is there any man on the opposite side of the house, or on this side, who has the right? He has the right I admit—but is he not morally bound not to let this—is he not morally wrong in taking advantage of that?

Mr. Smallwood: No he is not.

Mr. Hollett: I say, yes.

Mr. Smallwood: We say he is not, and we are willing at any time to put it to the Newfoundland people, any time at all, and we know what the people will say. They will say—more speed to them, more luck to them.

Mr. Hollett: There are the facts, Mr. Speaker, I do not suppose there is any reason in my trying to amend the morals of it—I use that word again—to push down the throat of either the members of the Cabinet nor the members of the Government—but I say it is definitely wrong for any member of the Government or the Cabinet to take advantage of any land clearing scheme to enhance his own richness, if you like.

Mr. J. Forsey (Humber East): Mr. Speaker, to a point of order—The statement the Hon. Leader of the Opposition just made—I do not think this house should allow him to not name the persons in this statement—if he says it is morally wrong he must name,—he must confine it to persons.

Mr. Speaker: The Hon. Leader of the Opposition is not out of order. He is merely stating his opinion without pointing to any hon. member. If he says in his opinion a certain thing is morally wrong, he is quite in order. I would like for the hon. member to continue.

Mr. Hollett: This is all I have to say on that particular matter, Mr. Speaker, I just bring it to the attention of the Government, and I do hope—whether it is right or wrong, I don't like it and I do not think it is right. Again on agriculture, Mr. Speaker, and not only on agriculture but also on forestry, I find under that heading of Mines and Resources the section Wild Life. I am inclined to think that the Minister ought to do something with regard to the elimination of some of the creatures in our wild life, such as red foxes and other animals. I would recommend strongly to the Minister that some action ought to be taken either by way of bounties or otherwise. We won't have any wildlife in this country except lynx and so on. Our partridge will be gone and our rabbits will be gone and anything of value to the people will have been devoured by these wild animals. I do recommend that the Minister take some steps to put into being a system of bounties or otherwise to eliminate some of these foxes and lynx. A lot was said the other day about agriculture: Agriculture as I knew it when I was a boy, and most of the people in this house knew it, was something which was a family affair. We grew our cabbage and turnips and potatoes and so on. We did not get any bonus nor Government help to help us, but nearly everybody grew his own vegetables, and had one, two or three cows and sheep or a goat and so on. Today times are different and we hope the Government will do all in its power—I believe the Minister of Education or somebody on the opposite side of the house said the other day that more has been done in this country since Confederation for farmers than ever had been done before.

Hon. F. W. Rowe (Minister of Education): I said it.

Mr. Hollett: I don't know whether it is correct, but I say I have some doubts about it, but I am not in a position to say any more on that. I have a word to say about the matter of Public Works—In looking through the estimates for Public Works I asked myself the question: is there any need for such a Department now as a Department of Public Works? I note out of a total of \$2 million estimated \$1.9 million was spent on building and maintenance—Maintenance cost

\$775,000 and fuel \$560,000—That is getting away a little bit—You see Public Works used to take care of Highways. That is now a separate Department, and I could not find very much in the estimates for the Minister of Public Works to do. I know we have a lot of buildings, the maintenance costs \$775,000. There was some talk a few years ago about building one building to take care of all Departments. If it is economical to do so, the Government ought to get busy and do it.

Coming to Health and Welfare, Sir, I have very little to say except that I am hopeful and I am sure the members on the opposite side are anxious to get further grants from the Federal Government for Health and Welfare Purposes. The promise is there, and I am quite sure we are going to get it. Last year we took in revenue of \$3 million and \$4 million came from the Federal Government. I think I did say the other day—I just forget now—But I do want to say a word of praise to the officials of both these Departments. I do think that both these Departments have done a really worthwhile job for our people, and I am happy to say this. I have had a lot to do with them in the last year or so for people who are troubled in both matters of Health and of Welfare. In every case without exception where I took up the matter with either Department, (the Department of Health or the Department of Welfare) we got satisfaction for the aggrieved persons.

I want to say just a word about Municipal Affairs and Supply. It is well known that we had occasion to look into the matter of supply, the purchase of supplies last year (at the invitation of the Government) in connection with purchases by the Department for the Division of Northern Labrador Affairs. We made a very thorough enquiry into that. I want to thank the Government for allowing us to do so, and I am quite sure that such a happening as we uncovered will not happen again. I am quite sure it will not happen if the Minister of Municipal Affairs and Supply of today remains in that office. This was in connection with the purchase of goods for Labrador. We pointed out in a statement we made afterwards that in all probability the people in Labrador find it tough enough at all times to live without having to pay these high prices. I have since discovered that the prices did go up on the

Labrador following the shipment of these particular goods of which we enquired the prices. They did go up immediately these goods arrived on Labrador. But I do find also that complaint was made to the Government and that the fact of the prices having gone up was a hardship of the people down there. I did find that the Government immediately gave orders to their agents on the Labrador that these prices be reduced back to normal. Nevertheless the Government took the loss. Who are the Government? Where did the funds come from that were lost? From the people of this country.

It was owing to that and other things like that that are happening—They happen in all Governments, I suspect but we do not want it to happen in our Government here in Newfoundland. I note that the Hon. the Premier took the blame. Why should the Hon. the Premier take the blame? It is not the Minister's responsibility, or is it a fact that the Hon. the Premier overrode the Minister and said; "well, we will do this"—If that is a fact then he is right in taking the blame but otherwise I do not think he is right in taking the blame. Every Minister has to take responsibility for his particular Department, and if he does not act according to the dictates of wisdom and gets into trouble like that, then he must only take the responsibility. But I do not think any other Minister should take the blame or the responsibility on his own shoulders. It is true the Cabinet must take the responsibility; and if John Jones, Minister of such-and-such makes a mistake and the people of the country suffer, then the Cabinet ought to take steps not only to see it does not happen again but take other steps which ought to be necessary.

I want to say a word about the fisheries, and I want to say this: I have great confidence in the Minister who is presently Minister of Fisheries. He has a wide experience, a life time of experience in the fisheries. He comes from the same district in which I was born, where we all lived by fish and by fish alone. It is true we had our agriculture and cows and sheep and so on, but we lived on the fishery and lived on the fishery and lived very well, Sir, all down through the years apart from the depression. The Minister lived during this period and he knows about fish and he knows about the foreign markets, and I am quite sure he is going to

fill the job as Minister of Fisheries to the credit not only of himself but to the credit of the Government which he now serves.

In the past, since the Government came into power, I am afraid too much has not been done for the fishery—Very little has been done for the fishery—We hear talk about these big loans to this one and that one and so on and so on. These were criticized yesterday by a member of the Government, (Mr. Canning) and rightly so—but not enough has been done for the man who goes into the dory or in the boat. Very little has been done for him. I am quite sure that unless something can be done in the present set up here. You have a fishery Department and a Minister of Fisheries, you have a Fishery Authority, you have a Federal Department of Fisheries, and there are several other agencies, and I do not know who is in charge of Fisheries. It is very difficult to know to whom to go to find out anything. I do not know, therefore, how anything properly can be done.

Take the culling of fish. Our Newfoundlanders catch fish—Who culls the fish? Is it a culler of the Provincial Government? No, you have to get a Federal man to come in and do about a lot of things about which I know nothing. I do not know for a fact, from common knowledge, that a recent shipment to Italy of dried fish in casks was condemned by the people over there in Italy—I blame the Federal Government for doing that, allowing it to happen. A whole shipment was condemned and they had to send a delegate over. That was NAFEL. That is another agency—They sent a delegate over to Italy from NAFEL to do something about it—What did they do? Very little. I believe upwards of 1,000 casks of fish had to be sent back to Newfoundland. What else could be done. It was "dun" fish or whatever you call it. I blame the Government for that. The Government had nothing to do with it, but I say the Government ought to have something to do about it, because if a shipment of fish of that size is taken to one of these foreign markets and condemned and sent back to Newfoundland because it is rotten, how in the name of goodness do we expect in the future to reclaim that particular market? I state that because I think there is too much division of authority with regard to fish.

Remember we had the "Walsh" Report on

fisheries, and it was a good report, there is no question about that. There were some recommendations in which were good and some which could not be carried out at this time. But very little has been done on the "Walsh Report." I could talk about the fisheries all night, Mr. Speaker—LaScie—I do not know much about LaScie. I am not sure who is doing it, but I do know that, according to reports received yesterday, there was one million so many thousand dollars for the plant there and there was three hundred and thirty-odd thousand dollars for freezing units and there was \$90,000 for wharves and so on. That LaScie plant is going to cost \$2 million before they are through with it, and I am just wondering about the wisdom of that and who made the decision to put that plant at LaScie. It may be the wisest thing in the world, but from what I have heard about LaScie I am very much afraid of what is going to happen. Again I am not blaming this Government for all of that—be sure the Federal Government is mixed up in it.

Mr. Speaker, I want to refer briefly to unemployment insurance for fishermen. That undoubtedly, I hope, will be a great boom for our fishermen. Our fishermen, a good many of them, live in the isolated places. Last fall I went away partridge shooting and came across trap crews in that particular area and in each case they had made, in about two months \$1,200 a piece, every single one of them. Now who doubts the wealth of the fisheries? According to that, each of these men of two months made \$1,200. But something will have to be done in order to give them something else to do in other months of the year when they cannot fish. That is the problem, I think, of this Government. So I say this unemployment insurance for our fishermen will be a help, but it is not sufficient, it is not enough—To assure the fishermen that if they get so many stamps in their book then they are going to get unemployment insurance is not enough. They have to do something else. They have to be encouraged to do what our fathers did, grow their vegetables, their cattle, clear their land, have their sheep, and have these assets, so that they may be able to incorporate that with the fish which they catch and with the unemployment insurance which they so justly deserve and make a really decent living—I am not quite

finished, Mr. Speaker, but it is nearly six o'clock. I move the adjournment of the debate. On motion, the debate on the Speech from the Throne adjourned.

Mr. Speaker: According to our Standing Orders, on Wednesday if the business of the house is not concluded, Mr. Speaker may adjourn the house at six o'clock without motion. Since it is now six o'clock I adjourn the house until tomorrow Thursday at the usual hour.

Thursday, January 30, 1958

(Afternoon Session)

The house met at three o'clock.

Presenting Petitions:

Hon. S. J. Hefferton (Minister of Welfare): Mr. Speaker, I beg to present a petition from the residents of Chance Cove. The petition is signed by practically the entire voting population of the place. The prayer of the petition, Sir, is that, when electrical facilities are extended, Chance Cove should be included amongst the places which would derive benefits. I have much pleasure, Mr. Speaker, in supporting the petition, and beg leave to have the petition placed on the table of the house and referred to the Department to which it relates.

Presenting Reports of Standing and Select Committees:

None.

Giving Notices of Motions:

Hon. B. J. Abbott (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Respecting the Assessment of Property for the Purposes of the Imposition of Real Property Taxes by Councils and Municipalities." I also give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Incorporate the City of Corner Brook and For Other Purposes in Connection Therewith."

Giving Notice of Questions:

Notice of Questions on tomorrow given by Mr. Higgins, Mr. Duffy.

ANSWERS TO QUESTIONS:

Question No. 38:

Hon. L. R. Curtis (Attorney General): Mr. Speaker, I do not exactly know what the hon. member asks for here. The position is that this system is still being operated by the Newfoundland Transportation Limited, but I may say that I hope to be able to present a report to my colleagues in the Government and eventually to the members of the house.

J. D. Higgins (St. John's East): Mr. Speaker, might I ask the Hon. the Attorney General a supplementary question? Who is the Newfoundland Transportation Company Limited as of now? Is it still the same group, Mr. McLellan etc.?

Mr. Curtis: Actually, Mr. Speaker, the Newfoundland Transportation Company Limited is a limited liability company—I might say that originally it was Mr. McLellan, but since then he has transferred all his shares to his lawyer, a gentleman by the name of Mr. McDonald of Ottawa.

Mr. Higgins: The reason I asked this, the most recent enquiries at the Registration of Companies does not provide it. **Premier Smallwood:** The hon. gentleman is out of order. There cannot be any information given at question time only what is asked for. The hon. gentleman is completely out of order.

Mr. Speaker: Order.

Hon. J. R. Smallwood (Premier): I have to reply to a question that was on the Order Paper of yesterday, I believe **Question No. 37** asked by the Hon. Leader of the Opposition. The answer has been prepared by the Minister of Mines and Resources, and by that I presume that actually the officials of his Department have prepared it. Part of the question was the quantity of wood allowed to be cut under the agreement. The answer is 40,000 cords under permit issued in November 1955. 17,822 cords have been cut to date. This wood was sold to Bowaters. The rate of stumpage is \$1.50 a cord. The stumpage paid to date by Bowaters on behalf of the Newfoundland Hardwoods as

required under the Act is \$26,733.45. This covers all the wood cut and shipped to date. Now that answers all of the questions, with the exception of the first part, which asks for a copy of the Agreement made between the Newfoundland Hardwoods and R.A. Humé. The answer prepared by the Minister of Mines and Resources is that agreement would have to be sought from Newfoundland Hardwoods. I am not sure that is an adequate answer. Perhaps the seeking ought to be done by us. Perhaps we ought to table it. If it is proper to table it—I will think about that—That is an ordinary business contract made between Newfoundland Hardwoods and Bowaters for the cutting of pulp wood, and whether it ought to be tabled in the house is a matter that would require a little thought. To say it would have to be sought from Newfoundland Hardwoods is to state the obvious. I hope my hon. friend is satisfied with the completeness of the answer—It is evidently an ordinary pulp wood cutting contract.

Hon. J. R. Chalker (Minister of Public Works): Mr. Speaker, I have the answer to **Question No. 20** which appeared on the Order Paper of January 24th., asked by the hon. member for St. John's Center (Mr. Duffy).

(See appendix for Question and Answer).

Hon. G. J. Power (Minister of Highways): Mr. Speaker, I would like to table the answer to **Question No. 35**. (See appendix for Question and Answer).

Hon. C. H. Ballam (Minister of Labour): Mr. Speaker, I have the answer to **Question No. 38**, although I notice there is another **Question No. 38** on the Order Paper today. This is requested by the Hon. Leader of the Opposition, on the Order Paper of January 29th.

(a) The answer to that question is that the Newfoundland Fluorspar Mine at St. Lawrence has 140 employees and the St. Lawrence Corporation has presently eight employees.

(b) The rates of pay as per last agreement down there in St. Lawrence are:—Labourers—\$1.20 per hour at the St. Lawrence Corporation and at Newfoundland

Flurospar; Muckers—\$1.39 at St. Lawrence Corporation and \$1.55 at Newfoundland Flurospar; Drillers—\$1.60 at St. Lawrence Corporation and \$1.67 at Newfoundland Flurospar.

(c) **The Newfoundland Flurospar Limited;** from information received from the union presently at St. Lawrence would indicate the union has no serious complaint with regard to working conditions at this mine. With regard to the **St. Lawrence Corporation** my Department has just received a complaint regarding conditions in this mine and we are taking the matter up with the management of the mine with a view to having it rectified.

Hon. E. S. Spencer (Minister of Finance): Mr. Speaker, I have the answer to **Question No. 17** on the Order Paper in the early stages of the session, in the name of the Hon. Leader of the Opposition regarding the Board of Liquor Control stocks and sales. The information on this list is complete, and is certainly too lengthy to take up the time of this house to read. There will be copies for all concerned, including the press. I find that the list contains the names of 76 firms from whom what we commonly call hard or spirituous liquors are bought, and it contains the names of 13 firms from whom beers and ale are imported from outside the Province, and the names of three firms who provide local beer and ale and the name of some 10 firms who supply in bulk liquors such as Jamaica Rum, Newman's Port, etc. These come in here in bulk, in drums, and are bottled here. The answer to the second part regarding the total amount of monies paid out for the purchase of alcoholic liquors. That figure may be interesting to visitors to the house and the house in general who will not obtain a copy of this, so I will give the answer in figures.

The amount of monies paid out for liquors for the period mentioned, April 14th, 1957 to December 31st, 1957 was \$2,908,000. There are some odd dollars and cents. The amount of monies realized from the sales of liquors in the same period—(Here I might point out that it is not in any way related, for the simple reason that purchases are brought in here and stored and some of the purchases made this year will not be sold for

perhaps two or three years hence, I am reminded by the Hon. the Premier that the volume of these purchases, when they are sold, might be stretched a little bit by the additions from Windsor Lake.) The amount obtained for the sales during the year, on the dates under review; \$5,315,000. The various licensed parlours, hotels, taverns and other tourist hotels that are carrying licences in Newfoundland are listed here. They number something between 90 and 100 different licences, that is to taverns and hotels and so on.

Part four of the question asks us to give the names of all premises whose licences were revoked and premises closed since April 1957, giving the cause of closing. In that case its answer is one. The name is listed there. There was one tavern closed for a breach of Section 54 or 54 (3) Alcoholic Act. In this connection, Mr. Speaker, I think I might point out that a number of taverns and/or licences have been suspended temporarily because of breaches or reported breaches of the Act. Some of these people had been warned, and where the breach has not been serious or too serious perhaps, in the opinion of the board, the licence has not been revoked. So that answer is that one licence has been revoked. I table copies for all concerned. (See appendix for Question and Answer).

ORDERS OF THE DAY:

Adjourned Debate on the Address in Reply.

Mr. Speaker: The Hon. Leader of the Opposition has the floor.

Hon. M. M. Hollett (Leader of the Opposition): Mr. Speaker, I was, I believe, referring to fisheries when I left off yesterday at six o'clock. But before going on to fisheries I would like to give a few figures which came to my notice today in reference to one other of our great industries, and I am not referring to any new industry but to one back in 1905, the Anglo-Newfoundland Development Company. This figure is so interesting I thought I ought to quote from it, particularly in view of the sort of interior war that is going on between certain unions in that area, which I deplore and I think everybody deplores. But it is not for me to say too much about it at the moment. These figures are in reference to the Anglo-Newfoundland De-

velopment Company loggers and their earnings for 1957, and this refers to the loggers themselves; \$5,226,000 earnings in 1957, and the total wages paid by the Anglo-Newfoundland Development Company last year 1957, was \$15.5 million, Mr. Speaker. I submit that, in wages, is a tremendous amount of money. I believe it equals the amount being spent in wages and salaries by the American authorities here in this Province.

Premier Smallwood: Not quite. I would say the American amount is around \$25 million.

Mr. Hollett: I think it was around \$18 million last year.

Mr. Smallwood: It has been \$25 million.

Mr. Hollett: Yes, in that connection, we do regret there is likely to be a layoff there. It seems that everything seems to strike at once in this country. I think it is the same across Canada and in the United States as well, this so called depression or recession. However you look at it, it is not good, and it is not the fault of the authorities presently in the seat of authority at Ottawa. I think that has been proven to the satisfaction even of the Hon. the Premier by a speech recently made in the House of Commons by the Prime Minister of Canada.

To loggers alone, last year, the Anglo-Newfoundland Development Company paid \$5.25 million. I take it Bowater's loggers earned practically the same or a little more.

Mr. Smallwood: Bowaters is considerably more.

Mr. Hollett: Yes. The total wages of all workers in Grand Falls, excluding the loggers outside, \$15.5 million, and the money spent in 1957 by the Anglo-Newfoundland Development Company in Newfoundland, \$22 million. If we take Bowaters as spending that much and more we must see what a wonderful asset to the welfare of our people our woods have been since 1905 when the Anglo-Newfoundland Development Company first started to create this industry. As a matter of fact they give a list of their total wages from 1905 to 1957. The total wages paid out by the Anglo-Newfoundland De-

velopment Company were \$258 million—\$258 million since they have been in operation in wages alone. The total amount spent in Newfoundland in that same period is \$357 million.

I thought I would inject that there, Mr. Speaker, because it is so interesting to us. Even now when we are thinking of the fisheries we have to remember the Newfoundland's natural resources consist of her wood, her minerals and her fishery, and her soil, yes. But we have nothing else that I can think of at the moment. Consequently, it is well for us to realize just the amount of wealth that we are getting from the woods that have grown for centuries in this country and were not utilized at all up to 1905. But we do remember, of course, our fisheries have been operated by Newfoundlanders and by people who are not Newfoundlanders for several centuries, and the amount of wealth taken out of the sea cannot be described in millions of dollars at all. It can only be described in the number of people who have earned their living over the years all down through the ages. Since Cabot discovered us, the Newfoundland people have lived by the wealth around our shores, and in my opinion they have, in the fishery, an industry that can never be depleted. The woods can be depleted to a certain extent, the bowels of the earth can be depleted if they are mined; but the sea, Mr. Speaker, will be there with all its fish. I take it there will be as much fish there 1000 years from now as there is at the present time—That is something—Therefore, it is up to us as Newfoundlanders to try to develop the fishery along lines which will create a decent livelihood for those people who fish along our shores and who go down to the sea in ships.

I have congratulated the hon. member for Placentia West (Mr. Canning) for the very able talk he gave a few days ago in this house. I refer to that now. I think it is a grand thing he has taken that stand, and I want every man in this house to take that stand—and let us (if we are going to prosper as a Province) let us remember, if we don't do something to help the fishermen all over this Island, then we are not going to have a very prosperous country. We will have prosperity for those who work in the woods.

That can only handle a certain amount of people. There will be a certain amount of prosperity for those who go down into the earth and dig out the ore, but that will only handle a certain amount of people in spite of John C. Doyle and all the rest. I believe we have about 4 billion tons of ore in Labrador, in the Wabush area alone.

Mr. Smallwood: I believe, a report was made that the Iron Ore Company had discovered there are 2 billion tons of ore in their concessions in Wabush Lake Area and John C. Doyle says he has 2 billion tons. So that will last quite a while.

Mr. Hollett: That will last quite a while, but even that will be dug out eventually, but our fishery will be there all the time. Yesterday, when I was referring to the fisheries I referred to that unfortunate episode where some 1,000 casks of Newfoundland fish that had been shipped to Italy was sent back to Newfoundland because of its unfitness for human consumption. I do not know where the blame attaches. I know what I think, but as I am not properly informed I cannot say very much that can be relied upon in that connection. But I do say it is terrifying to know that this market in Italy, which is so important to our fishermen, has had that blow because, as we all know, if we go into a store and buy an article of any kind, in any of our stores, and take it home, particularly a food article, and find it is not suitable, you will not go back to that store any more, and certainly will not buy any more of that particular product if possible. But when I was referring to that yesterday, I mentioned about the cullers. I have been informed by the buyers of the fish in this country. I was more or less inclined yesterday to blame it on the Federal authorities. I do find now that the cullers are engaged and work under instructions from buyers of the fish, but the Federal Government afterwards inspects it, so they have to share some of the blame. I want to make that perfectly clear.

In a reply to Question No. 25, which we had a few days ago, the amount of fish sent to Italy, light salted, dry fish last year was reported as 41,900 quintals—41,900 quintals sent to Italy. If you put that in terms of casks you have about 10,000 casks. Unfortunately, 1000 of these had to be sent back because of unfitness for human consump-

tion. I know, from the answer to that question and looking back over similar answers for the past few years, in 1955 we shipped to foreign markets 766,000 quintals of light-salted and heavy-salted fish. In 1956 we shipped 878,000 quintals and last year, 1957, we shipped 876,000, again, practically the same. On the other hand, referring to the frozen fish plants, we find that in 1955 we shipped abroad 60 million pounds and in 1956 we shipped 63 million pounds and last year, 1957, we only shipped 53 million pounds, down considerably on fresh frozen fish. All in all then, we did not catch as much fish last year as we caught the two years previous.

I also asked a question, and I quote that because it is interesting—I asked—what is the total number of persons employed in the several fresh frozen fish plants at the present time? That was just for the fresh frozen fish plants, and how many fishermen there are in these trawlers. The answer was that there were 1150 persons all over Newfoundland working in the various fish plants in Newfoundland, 1150 persons, and it takes 300 men only to man the several trawlers and draggers. Now, that is not a great number of people to be working in the fresh frozen fish plants, nor is it a great number of men to be working on our several trawlers and draggers—so that there is great room for improvement in that regard. I do hope our Government, with the aid of that great Government now in power in Ottawa will be able to do something to increase the output of our fishermen, increase the number of men who would earn a decent living. I only have to look across to my hon. friend from Placentia West (Mr. Canning) and my hon. friend from Burin (Mr. Jones)—the people in that area, Mr. Speaker, have the fish. They live on fish. I do not mean to say they eat nothing but fish, but that is the main work of that particular part of the Province, right from the bottom of Placentia Bay and even from the Eastern side right up to the tip of the Burin Peninsula and going on around up into Fortune Bay. It was the fishery that took them up there and the fishery is going to keep them there, and I do not believe that anything else is going to keep them there—and unless something is done for the fishery in these areas these people will have to move out.

Mr. Smallwood: If my hon. friend will allow me. I am very anxious to hear what he had to say and am following very carefully, but at the same time, Mr. Speaker, if he would stop clicking that pencil we would hear him much more comfortably.

Mr. Hollett: Now I am quite sure the Hon. the Premier has lost his nerve.

Mr. Smallwood: It is nerve-racking—like a dripping of water.

Mr. Hollett: I did not think he was suffering that way. I certainly ought to put that pencil away—but it becomes a habit, you know, to keep a pencil in the pocket. However, I have no need for a pencil, and I do regret very much the Premier's nervous system. I was talking about the fisheries.

Mr. Smallwood: Don't forget now.

Mr. Hollett: In that connection, oh yes, I was interested in hearing a discussion by Mr. Pickersgill, the hon. member for the Liberal Party in Bonavista-Twillingate—I was listening to a statement he made sometime, I believe, in December, referring to the opening of an Unemployment Insurance Office at Bonavista. Of course, everybody in this country knows, at any rate, most know who or what people were responsible for establishment of an unemployment office at Bonavista and also Grand Bank. Mr. Pickersgill said in December—I am glad to say however that one or two requests I have made to the Government (that is to the P.C. Government) at Ottawa have been granted. The Minister of Labour was good enough, at my suggestion, to arrange to have an officer of the Unemployment Insurance Commission stationed at Bonavista, and the Minister of Fisheries, also at my suggestion (a handy man to have around, that Pickersgill) agreed to do his best to speed up the construction of the bait depot at Bonavista. I do hope it does get started before the winter—he was speaking to the people of Bonavista. Now, we all know that Mr. Pickersgill undoubtedly does his part. I do not want to take anything away from him, but I do think that the agitation set up by the people of Bonavista, spearheaded by Mr. Barbour and others, was greatly responsible for hastening it, and I do think we ought to give credit where credit is due, in spite of

Mr. Pickersgill having his share, if there is any left for him afterwards.

I come now to the important aspect of the fishery relative to St. John's. We have a lot of people here in St. John's, Mr. Speaker, who live by the fishery. They go out every morning very early, before any of us are up, and they are usually in with their catches and trying to get a place to land it by the time we are ready to go to work at eight or nine o'clock in the morning, and they are ready to sell you fresh fish for your lunch or dinner or supper. These men, as you know, all down through the years, have had probably the best fishing ground in the whole of Newfoundland right off the Narrows, between the Narrows and Cape Spear, and off Cape Spear. These men are hardy fishermen, going out every day and bringing in a catch, and they have no place to go with it, I would say no place where it is fit for people to land their fish. The place is not fit for people to go down in that congested traffic and secure a fish to eat. Sir, there was agitation from this side of the house, and I take it, from the other side of the house some time ago that a fish market be established in St. John's—I will go back to the report of the Newfoundland Fisheries Development Authority in 1956, I believe it was, and I will refer to something that they said there. I have it right here—"Over a period of months the proper facilities for the fishermen of St. John's have been under consideration and several sites have been explored, and until recently no site was available. A Proposal under which a building owned by the Government of Canada might be used for this purpose is now under active consideration. The building would require renovations to ensure acceptable sanitary and working conditions and these changes would involve an estimated expenditure of \$30,000.00. After consideration of the matter, the Government of Newfoundland agreed to assist in the establishment of the market by undertaking to have the necessary renovations effected after the Municipal Council entered into an Agreement with the owners to lease and assume responsibility for the operation and supervision of the market." That was in 1956, and so far nothing whatsoever has been done. Then we have the report of last year, 1957, at least I think I have it here somewhere. Anyway it

does not matter, all they say is that nothing has been done in regard to it because of the delay in the St. John's Harbour development. I did not know the Municipal Government of St. John's were interested in this thing, and at least if they have done anything, I take it the Minister would inform us, and if he knows of any reason why it was not done two years ago—a mere \$30,000 was needed to put into being a fish market for the fishermen of St. John's, and everybody seemed to be steering clear of it. Consequently, if you want a fish you have to go at the risk of life and go right out to the water's edge and get a fish from these men who have not room to move. I bring this up simply because I want the Government to take some action pretty soon or we will not have any fishermen left in St. John's, and that will be more added to the unemployed. I want to say a word in connection with the South Coast Royal Commission, because I have read a good bit of this report. I must admit I have not completed a study of it to date, but I have read sufficient to know that it is a very excellent report. That South Coast Commission was under the Chairmanship of J. C. Cheeseman, with H. C. Windsor and Eric S. Jones, and secretary Mr. Organ. These men undoubtedly devoted the time that they spent very carefully. They visited, I think, every cove on the Coast, and they brought a report in to us. Whilst I read it I admired the contents of it and I admired the study which was made and the facts produced. It brings home to me how difficult it is, not only for this omnipotent Government but for any Government or for the Federal Government, how difficult is the problem with regard to the Southwest Coast. The whole thing, I think hinges on markets, getting the markets for fish which these people can catch better than anybody else in the country, or as good at any rate. Get the markets and then you will solve the problem. The Southwest Coast Commission makes many recommendations there. They divided the coast into three or four different zones and make recommendations for the various zones, but as far as I know nothing whatsoever has been done yet to implement any of the recommendations which have been made, not even as much as has been done to implement the recommendations made by the Walsh Committee on the Fisheries.

Premier Smallwood: Would my hon. friend allow me?—Of course, realizing that the materialization of the Crown Zellerbach proposals would completely revolutionize conditions on the Southwest Coast of this Island, consequently it is obvious, and I do not think anyone would dispute it—would it not be very short-sighted to begin to carry out proposals and recommendations of the Royal Commission for the Southwest Coast until we know whether or not the Crown Zellerbach mills are in fact to be built on the Southwest Coast?

Mr. Hollett: Mr. Speaker, in that connection, if the fishermen on the Southwest Coast have to wait and see—and I say this with reservations—if they have to wait until any mill which is to be established by Crown Zellerbach is in operation and can engage a sizable percentage of the people on the Southwest Coast, then I fear that the fishery on the Southwest Coast is doomed.

Mr. Smallwood: My hon. friend misunderstands me—I did not say until the mills are built and in operation. I asked if he did not think it would be sound to wait before deciding to carry out the recommendation or not to wait until the decision as to whether the mill will be built or not is made?—That won't be very long—

Mr. Hollett: I hope the Premier knows, and I know he knows, that there are a number of unemployed in this country today and every day of every year to man the mill which the Crown Zellerbach people hope to put up, apart from the people on the Southwest Coast. Our problem is growing, Mr. Speaker, from day to day and year to year. It is all very well to note what wonderful things the woods and mines are giving us, and the hope of what the mines are going to give us in Labrador. We still, I say, have to develop and redevelop our fisheries, we have to put a certain percentage of our people in this country into the fishery in such a way they can earn a decent living. I say, therefore, there is no reason why this Government or any other Government should wait to see what Crown Zellerbach is going to do before implementing some of the recommendations made by this Royal Commission. These people are fishermen and want to fish, but will not fish very much

longer, Sir, if they don't know they can earn a decent living, in spite of unemployment insurance for fishermen.

Mr. Smallwood: Would my hon. friend allow me?—Surely he would not really seriously and sincerely suggest that, without knowing what effect the building of those mills would have on every individual settlement presently in existence on that coast, that without knowing that we should go ahead with plans and large expenditures on the Southwest Coast perhaps to find only that settlement after settlement would be completely evacuated voluntarily by men who would find work in the great new paper and pulp mill and in the new town. Surely he would not suggest that. If there were no possibility of a mill, then we have the proposals and we can take them or leave them. We cannot decide until we know whether these mills are to be built or a great new development is to take place on that coast. Surely that is reasonable. Come on now, politics apart, is not that sensible?

Mr. Hollett: Mr. Speaker, the statement made by the Hon. the Premier sounds very reasonable and very sensible, and he is in a better position than I am or any of us on this side of the house, because he has apparently seen the agreement which the Government is about to enter into with Crown Zellerbach. We do not know what these agreements are and consequently I am not in the same position as he is. But I do think, even if Crown Zellerbach builds their mill they are not going to solve the problem on the Southwest Coast alone, not at all. They would take only but a small percentage of the people on the Southwest Coast, in my opinion. I do think this ought to go ahead and the Government should implement some of the recommendations made by the Southwest Coast Royal Commission. Otherwise, with all due respects to the Hon. the Premier and with all due respects to Crown Zellerbach, great company that they are, we must remember that the whole thing up to the present time at any rate is problematical. It is all in the air, and we ought not to wait in our effort to stimulate the economy of the Southwest Coast. We ought not to wait to see if that is going to happen, to see if the Crown Zellerbach operation is going to come into fruition or not, we ought

to go ahead—there is wealth in the sea to be gotten out. My argument is, we must get the wealth out of the sea and out of the earth. But, Sir, we must get the wealth out of the sea, and we have to make it possible for fishermen to get that wealth out of the sea and earn a decent livelihood. Whether there is one, or whether there are twenty mills built here in the next twenty years, I say the fishery has to be part of the wealth of this Province, if we are going to contribute what we should as a Province to the nation of Canada.

So, Sir, I say, let us go ahead and let us try to do something, try to do something for men who really and truly want to go fishing. If Crown Zellerbach builds a mill or two or three mills or whatever they do build, let us try to see to it that we can keep some fishermen in this country because if we do not make it possible, Sir, for some of our younger generation growing up today, if we do not make it possible for them to earn a decent livelihood at the fishery one generation more and we will have no fishermen. We will not have a fisherman in the country, and if we are to have fishermen fishing after that we will have to import them from Portugal or Spain or from some other part of the world. Because, Mr. Speaker, once you get a man out of the boat, under present conditions, he is not going back to the fishery. But if you make it possible for him to earn a decent livelihood both in season and out of season, then, Sir, you will have established something worthwhile for this country, and for Canada as a whole.

In that connection, I have a telegram here. It is a long one, quite a long one. It comes from the Southwest Coast. It says they want to know if the Government have forgotten them entirely—that there are fishermen—or are they still trying. They are pretty smart up there on the Southwest Coast—“Are they still trying to lull us into hopeless sleep. The trail blazed to Bay D'Espoir will soon be grown over again and still no sign of a road as promised.”

When was the road promised, I wonder?

Mr. Forsey: Is the telegram signed by Mr. Bursey?

Mr. Hollett: It was not signed by Mr. Bur-

sey, but I am not telling the hon. member who signed it.

Mr. Forsey: It sounds like his talk.

Mr. Hollett: It is a genuine telegram. If you want to, come and see it sometime. It is private.

Mr. Jones: It must be from Harbour Breton?

Mr. Hollett: That is correct, Harbour Breton.

Mr. Speaker: Order.

Mr. Hollett: "No sign of a road as promised. All the correspondence re fisheries development must have been cleaned out of the file before now and still nothing has been done to this respect." They are getting tired and fed up with all the broken promises. I would remind you hon. members of the house you have to go back to these people again some day and look for votes. This telegram says they are fed up with all the broken promises and asked that some action be taken immediately to put at least some of these promises into effect. That is exactly what we ask you to do. I could read more of that telegram. That is what I want to get across—The Southwest Coast Commission made an excellent report, some of the recommendations are absolutely impossible, but most of them are feasible, but to date I have not seen that the Government has done anything to implement any of these recommendations made by that Commission which was set up and which, in my opinion, had done a good job. I appeal to the Government—If the Government lose a few hundred thousand dollars or a few million on that area of the Southwest Coast, what odds. The Government has sunk millions of dollars, Sir, in one little cove down in La Scie. They have sunk about \$2 million to date. I will not say "sunk". That is probably not the word. They have spent it. Here is a whole coastline—

Mr. Smallwood: If the hon. gentleman will allow me—He is destroying his own case La Scie is a very good example. There we are trying to develop the fishery on an intensive scale and at considerable cost, and we are worried that mining and other industrial developments in that area, at Tilt Cove, Lit-

tle Bay, Baie Verte and in the area generally might make that whole fishery development null and void. In other words, we had no sooner begun to build that great plant and development of the fishery intensively at La Scie, than a mining boom began and we are keeping our fingers crossed and wondering if there will be enough fishermen to supply the plant when it is built. It may be a race between that plant on the one hand and mining development on the other. If the mine is temporarily closed up because of the base metal situation, we may get fishermen enough to supply that plant; but what will happen when the base metal slump is over and these mines are in production? What will happen then to the big plant? What would happen if we put plants and fishery development in five places along the Southwest Coast and just as they are nearing completion the construction of the big paper mills begins? What happens then to fishery development? We have to face that.

Mr. Hollett: I don't think I would bother to face that. There are plenty of men to man the mines in the Tilt Cove and Little Bay area.

Mr. Smallwood: What would you do? Refuse the fishermen down there if they come seeking work? Say you are a fisherman?

Mr. Hollett: We have always had an over supply of labour in Newfoundland, Mr. Speaker, and that was the reason why labourers up to a few years ago did not even get a decent living. There was an over supply. There was nobody to go in and develop the natural resources so that these men could go to work properly. As I say, start all the mills and mines you like and you will still have enough left over to go fishing.

Generally, I think our fishermen are in a much better position than ever they were. I am quite sure because I talked with a good many fishermen outside St. John's. As I pointed out yesterday, I believe, I met a good many fishermen in a certain area who, in two months, earned \$1,200 on an average. These were sharemen and they qualified for unemployment insurance. I think there is a good living in the fishery. I am not blaming the Government too much, be-

cause it is a problem and always was a problem ever since the time 2000 years ago—and it is not always easy to say “cast your nets on the other side of the ship” because you have not the power. It has always been a problem. The only complaint I am making against the Government is to ask—what you have done for the fishermen of the Southwest Coast? Oh, I suppose somebody, (the Premier) will get up in a day or so and talk about all the money given in loans to Mr. Hazen Russel in Bonavista, Bonavista Cold Storage and Fisheries Products in Burin. Incidentally I think that there was before this Government came into power.

Mr. Canning: We put lots of money into that one.

Mr. Hollett: In the Burin fish plant, Fishery Products, you may have.

Mr. Smallwood: We did.

Mr. Hollett: Some of it probably found its way to Burin. There are two or three other firms—the Burgeo fish plant and Gaultois and Fortune and Grand Bank; admittedly the Government has put some money into these. But most of these are fresh fish plants. Sir, there's a large stretch of the coast that has not been served. I do maintain, Sir, that when the Government puts its money in a plant like that, they ought to keep an eye on them. They ought to have a director looking after the Government's interest, and when I say “the Government's interest” I mean the “people's interest” because the Government is responsible in great measure for the people's welfare.

Now, Mr. Speaker, I do not intend to detain the house much longer. One could go on talking about all the negligence, I suppose, all the cases in which people have been neglected by this Government, but it would be boring, I dare say, and has been said, up to the present time, very often. I want to say a word today about the responsibility of the Government, the responsibility of the Ministers and in a large measure the responsibility of the Cabinet. I referred to one case yesterday. I refer now to the Housing Corporation. I understand the Housing Corporation is governed by a board, which consists mostly of Cabinet Ministers, and I think, of the mayor and maybe one or two

others. I am not sure. I do maintain it is the duty of that board to so organize that Housing Corporation that no injustices will be done, and that no such thing as profit or anything like that should be allowed to creep in. That, in my opinion, is the duty of the board, and as that board is principally made up of Cabinet Ministers. I don't think I would be wrong in suggesting to the Government that the duty is theirs. First and foremost, the Housing Corporation a short time ago raised the rentals in there to ex-servicemen. It is my impression that the ex-servicemen who went in there to live after the last war received certain concessions. That is to say they were to get their houses at less rent than other individuals, ordinary individuals. If that is not correct would the Hon. minister like to correct me on that.

Hon. M. P. Murray (Minister of Provincial Affairs): I think, Sir, yes the rental was the same to everybody but on a subsequent increase in the rentals veterans were not included.

Mr. Hollett: That is the same thing.

Mr. Smallwood: Not all, some of the veterans.

Mr. Hollett: Was there a distinction made between war veterans?

Mr. Murray: If they were in there from the beginning.

Mr. Hollett: Well being a veteran depended on what time you were born, what war you served in as to what treatment you get by this present Government.

Mr. Smallwood: That is not right. That is not fair.

Mr. Hollett: I am quite sure it is not fair. What I am getting at is a recent note sent out to veterans living in there that their rental would go up, I think from what it is to \$30 or \$40 a month higher—From \$110 to \$135—that is \$25 a month. I think that was done with full knowledge of the Government, full knowledge of the Cabinet, because there were four or five or six members of the Cabinet on the Board of the Housing Corporation. So, Sir, I would like to speak for these men and to say that they offered their services when we were in

trouble and they went overseas and fought and some were maimed and maimed badly. I think, if there is any concession whatsoever, that this Government could make for some of these men—I do not mean all of them—Some of them are probably better off than if they had not gone overseas—I think their claim for just treatment ought to be considered by the Government. I put it before you as a matter for your consideration. I understand it was considered and the date has been set back for the increase of these rentals. I hope the Government will give due consideration before raising the rentals of these men. I want to say something, too, about the construction of new buildings for the Housing Corporation. The responsibility rests again with the Government because, as I said, the majority of the Board are Cabinet Ministers, and it is up to that Board and consequently up to the Cabinet Ministers and up to the Government to see that everything is done strictly according to "Hoyle" and that no particular company or corporation nor individual makes a profit by reason of his or their position relative to the Housing Corporation. Now I do not want to mention any names. All the Government know to what I am referring. But I do want the Government to see to it that every precaution be taken in the erection of these buildings—and they are costing a lot of money, and who is paying it in the first instance? The people of this country. I say to the Government, as they are represented on that Board, it is their bounden duty to see to it that nothing in the nature of graft—and I say "in the nature of graft" I do not say "graft" but nothing that looks like graft should be allowed to enter into any contracts for the construction and heating and otherwise of these buildings. I do not want to say any more on that at the moment.

I turn to something now which I have talked about before, and that is the new industries. I do not want to say very much about that because we have been warned not to, warned by the Hon. the Premier—"we cannot leave it alone—we cannot forget it." I only raise the point now to point out the answers to questions relative to the total amount of loans given out since the 1st of April last year to the new industries, and I will read them:-

December 2nd. 1957 Adlers of Canada
\$45,000 Guarantee.
August 20th. 1957 Adlers of Canada
\$25,000
January 16th. 1958 Adlers of Canada
\$50,000

In other words, Mr. Speaker, that is \$120,000.

Mr. Smallwood: They are to get another thirty to bring it to \$150,000 recommended by the Arthur D. Little Corporation.

Mr. Hollett: I take it, Mr. Speaker, when they get that we won't have to make Adlers of Canada Limited any more loans?

Mr. Smallwood: That is our plan.

Mr. Hollett: I wonder how much Adlers has cost the Government up to the present time. It is considerable. I have the figures but not here. That seems to me to be a lot of money for a few months. \$120,000 and now the Hon. the Premier tells me they are to get another \$30,000 and that is on the recommendations which, by the way, we are not allowed to see—the report we in the Opposition are not allowed to see—the report paid for by the people of this country and we are not allowed to see—the Arthur D. Little Company have been engaged by the Government and with the consent of this house to make reports on all these industries, which the people of this country put there at a cost of \$35 or \$40 million, and yet we cannot find out-

Mr. Smallwood: It was not that much; \$25 millions and not \$35 or \$40 millions. \$15 millions is a fair markup, you know, even with all the fishing industry and all added in.

Mr. Hollett: Well, let us say \$25 millions.

Mr. Smallwood: It is still a lot of money.

Mr. Hollett: It is not right, Mr. Speaker; if the people of this country put \$25 million into the new industries, which is comprised of some seventeen or eighteen companies or less, have they not the right to see what the recommendations are relative to these new industries before the Government puts more money into them?

Mr. Smallwood: As the public of New-

foundland have \$25 millions of their money lent or invested in these industries, the public interest in these industries ought to be protected, and that is what we are trying to do. That is what we are trying to do, protect the public interest, and we must do it as we see fit, and that is our responsibility—we are the Government.

Mr. Hollett: The trouble is, Mr. Speaker, the Government, when they do things they see fit, they do a lot of things which are not fit. For some reason or another the Government is too busy "watching their own bobbers" to take care even of the fishermen. They make agreements with somebody from Germany to set up a plant and they forget about it until finally they come along and ask for some more money—Take the various plants—I do not want to go into them—It makes me sick every time I go out Topsail Road and see these buildings. They are desolate, you might say. Yes, it turns my stomach every time I pass along.

Atlantic Gloves, on various dates, received another \$41,200 since last April. They are now closed down. Are they closed down? Is it indefinite?

Mr. Smallwood: So far as we are concerned, yes.

Mr. Hollett: Has the Government taken over, I wonder?

Mr. Smallwood: Steps are being taken.

Mr. Hollett: Steps are being taken to wind them up—Atlantic Hardboards Limited, \$40,000. Eckhardt Mills Limited, \$25,000. The Government must have been flush then or the Bank of Montreal must have been. Newfoundland Tanneries, \$70,000; United Cotton Mills Limited, \$50,000; Newfoundland Hardwoods—they must owe something now—You want a lot of paper to figure out Newfoundland Hardwoods—\$26,700 cash. Atlantic Gypsum had another guarantee of \$50,000. In other words, since April 1957, \$431,000 have been loaned and guaranteed, most of it loaned. I do hope, Mr. Speaker, that the Arthur D. Little Company report, relative not only to these industries but to all of them, will hold out some hope for some of the industries. I wonder if the Hon. the Premier could tell us; has the Arthur D.

Little Corporation completed its report yet, and if so, are there any of these new industries, apart from those we already know of, to be closed down? I wonder if the Hon. the Premier could tell us that?

Mr. Smallwood: The report is completed, I believe, and the only ones recommended to be closed are the two that have closed.

Mr. Hollett: That is Newfoundland Tanneries and the Glove Plant?

Mr. Smallwood: But the recommendations for the loan to the chocolate factory are made on conditions that after they receive it that should be the last one. In other words, they recommended that this firm had an excellent chance, excellent prospects and they needed this additional capital, and to lend that but do not lend any more after that. We so informed them, and we think there will be no need.

Mr. Hollett: Well, I take it the Government will be guided as nearly as possible by the Arthur D. Little report?

Mr. Smallwood: Yes.

Mr. Hollett: I am going to talk about the highways and about the conditions of the roads at the present time but I do not think I need go into that because our people, most of whom now are driving from day to day over these roads, realize the conditions. I was amused by something that I picked up a day or two ago. It comes from Sydney. You all remember there was an election last year. We all remember we were told by the Hon. the Premier that he himself had to tell the people of Cape Breton and Nova Scotia what a wonderful Government the Liberal Government was. I would like to read this because it shows how disappointed a man can be.

Mr. Speaker: I think the Hon. Leader of the Opposition had better give just the gist rather than read it. It would be better that he would incorporate it into his speech, because we are not concerned here with what they said in Sydney.

Mr. Hollett: Nor what the Hon. the Premier says in Sydney?

Mr. Speaker: We do not know he said it.

Mr. Hollett: We have this Canadian Press Report, you know. I will try to make a synopsis or paraphrase of it.

Mr. Smallwood: Is this trip necessary?

Mr. Hollett: It was on a Thursday night too, Sir. The hon. the Premier was up there canvassing for the Liberals in that area. He said the Conservatives are so scarce in Newfoundland we are considering preserving the last specimens and putting them on exhibition in the Provincial Museum. Was not that kind of him? Was not that very kind of him? He said in Newfoundland the Progressive Conservatives are known as "Tories." You see, the Hon. the Premier is always trying to contribute to the education of our people across Canada. He said it is the "up and down" party—It is the "black-white" party. Now, what in the name of Heavens he means I do not know. Then he went on to say—it does not make sense. I agree with him. The Premier predicted earlier that Newfoundland would return seven Liberal members to the House of Commons on June 10th. Well, we know the result—We know the result. I strongly suspect the people who heard that statement by the Hon. the Premier decided something is wrong with that man, anyway they voted for the others—the "yes-no" party, the "up-down" party—the "in-out" party.

Mr. Smallwood: Going and coming.

Mr. Hollett: I would like to know what the Hon. the Premier meant. I do not know what he meant, and I am sure they did not know in Cape Breton nor in Nova Scotia, and they consequently decided; "Well, he has escaped from Newfoundland and we better watch out," and they voted the other way.

I do not think it is very wise to be travelling all over the world telling people what kind of a party he is up against. He stated himself they were a crowd of "nitwits", these PC's, these Tories in Newfoundland. But he has to admit today that the people of Nova Scotia and New Brunswick and Prince Edward Island did not listen to that kind of talk, and they put them in power in Ottawa. True, it is not a majority they put in power

in Ottawa. Call it an "in-out" party if you like, the "black-white" party, "up-down" party, but that party in Ottawa has done more for the people of this Province than has been done for the people of this province by the Liberal Government in the last number of years. There are various things they have done. They have brought in this unemployment insurance, they increased it and made it months longer; they have increased the grants to old aged and blind persons and they have done many, many things. They now have insisted that the Provincial Governments, as much as they can insist, go ahead with the construction of these buildings in St. John's in order to give more employment. They have done a lot of things. I am rather proud of the record so far, in only seven or eight months. When the people realize what this "in-out" Government can do in a very short time, they are not going back to vote for the Liberals who are now out, and I hope out for a while in Canada, and shortly I hope will be out of Newfoundland.

Sir, I want to say that since I have been in this house I have done the best I can with regard to looking after the requests of our people. I want to say for the Government, too, that any requests that I have made to them, to the various Departments, for some sort of alleviation of the troubles of our people in the various parts of the outports and here in St. John's, I have had consideration given to me by the various Departments I want to thank the Government for that and hope that while I am here I will be able to do what one should do in the Opposition, that is to try to bring all these matters before the Government which are in the interest of our people's welfare. I do think, and do believe, the Government will give them consideration. I am not forgetting the fact the Government went before the people in October a year ago or two years ago, and the people gave them a resounding majority, and we therefore in the Opposition have to look upon them as the Government, and if they make laws they speak with the voice of the people, and if some of these laws are objectionable to us, we voice our objections. Incidentally in this particular case, which is worrying a lot of people at the present time—

Mr. Speaker: Order. That comes before the house at a future time, so that the hon.

member is now infringing upon the well known rule of anticipating future debate.

Mr. Hollett: Excuse me, Mr. Speaker, I am not anticipating the amendment to the Shop Act. I am speaking of the Shop Act passed last year. I think you will agree I can speak on that.

Mr. Speaker: Certainly.

Mr. Hollett: I want to say that last year we came to the house, we of the Opposition, and stated that we felt it ought not to be the duty of the Government, nor the requirement of the Government, to legislate for any particular day as a whole holiday for each week of the year. We thought that was not the prerogative of the Government. We still take that stand. We still think that the matter should have been left with the employers, and the employees who have unions. I think it would have been worked out properly by the people themselves concerned. It is true the Government gave the people of St. John's an opportunity to vote and they voted. Then, as promised by the Government, the day was proclaimed a whole holiday. That at the present time is the law. That is the law, and I just want to say that (we have been misquoted and misunderstood on this side of the house during the past few years) that is the law and it ought to be carried out, it ought to be carried out by the people in this country who are supposedly responsible people, whether they be employees or employers. As I have said here before, and said publicly, there is a way to test that legislation other than by breaking it. If we have to break every law that is made in this country, or has been made in the past, or will be made in the future to test its validity, then were are we all going?

Mr. Smallwood: Here. Here. Spoken like a statesman.

Mr. Hollett: I am going to say nothing more. As Mr. Speaker suggested, I do not want to anticipate anything coming before us very shortly. But I do want to say this: Let us be careful, let us work for the people at all times; let us have no sectionalism at all; let us look upon Newfoundland as a whole, as the country we love and for which many of

our people have died. That is all I have to say.

Mr. Smallwood: Here. Here. Mr. Speaker, I propose to make my contribution to this debate now, and to reply to my hon. friend, the Leader of the Opposition. But as it is now twenty minutes to five I suggest a short recess of ten minutes before I resume my speech, if that is agreeable to the house. On motion, the house recessed for ten minutes after which Mr. Speaker resumed the Chair.

Premier Smallwood: Mr. Speaker, may I first of all say a word by way of congratulation to the members of the Opposition in this debate on the Address in Reply. They have made a contribution that has, almost without exception (and I might almost say without exception) been fair and decent as well as constructive.

I do confess frankly that I thought that the Leader of the Opposition, yesterday afternoon in his comments on Canadian Javelin, was a little less than fair to that company, because, as you know, for good or ill, Newfoundland's fate is tied in pretty considerably with Canadian Javelin. That company and its president, John C. Doyle, have developed that prospect to the extent that a very great American Company, Pickands Mather of Cleveland, the biggest iron mining company in the world, have entered into an agreement to develop that mine into a big producer. And Pickands Mather are joined by Youngstown Sheet and Tube, the fourth greatest steel producer in the United States, which surely must make them one of the biggest steel producers of the whole world. They are joined in that contract with Canadian Javelin by the Steel Company of Canada, commonly known as "STELCO", Canada's biggest steel company and a very big concern.

Canadian Javelin and John Doyle must be credited with having brought that hitherto unknown piece of Newfoundland property to the forefront and to the point where it will, we pray, soon be under development. I was talking this morning to Cleveland, to Mr. Leonard Jackson, the President of Pickands Mather & Company, and in the course of the telephone conversation I asked how they were getting along at

Wabush Lake. Indeed, I mentioned that I had had a long conversation the night before last with Jules Timmins and with H. Durrell of the Iron Ore Company of Canada and Labrador Mining and Exploration Company—I said: “How are you people getting along?” He told me that they have already, drilled 13,000 feet into the earth at Wabush Lake—that is 13,000 feet over and above the 12,000 feet that had been drilled in the same place by Canadian Javelin over a period of two or three years—In a few months, by intensive drilling, they have drilled 13,000 feet in nineteen different holes. Nineteen into 13,000 will tell you on the average how many feet deep each hole went. In four of the nineteen holes where they sank that shaft, or bits where they drilled into these four holes to a depth of sixty feet, so that in that way they find out what the drill core had not told them, and it may turn out that in ten weeks they will have the final reports from the various cores. The institutions who are analyzing the ore for them, putting it through various metallurgical tests, and the firms of economists, mining and metallurgical, who are analyzing the ore from the standpoint of the economists, the scientific, practical and economic problems involved in the mining of that ore and the processing of it, in one month to six weeks time, Mr. Jackson told me, he hoped to have all this data in his hands to enable him and his associates in his company, in the Steel Company of Canada and Youngstown Sheet and Tube Company, to decide whether this is a sound and practical iron mining proposition. Then I said: “Well, now, I take it that as of this moment you do not know that you are going to open up this mine this year and build a town in there this year and build the beneficiating plant or processing plant this year—You do not know that of this moment?” He said, “No, and we cannot until we have these data, these reports, four to six weeks from now.” I asked him if he would know it then, and he said they would know then whether or not it is scientifically and technically practical and economically a sound proposition. I asked him, if he knew then, that it means that “you go straight ahead”: “No,” he said, “it does not.”—“Whether or not we go straight ahead with opening up the mine, building the town, building the processing plant will

depend, as it must, on the general state of the steel industry which in turn depends, as it must, upon the general state of the North American economy.”

Now, we would have to be ignoramuses, all of us, not to know that steel has had a setback. The steel industry has had a setback. Many and many and many a great firm and corporation in the United States and Canada, many a great railway, many a great enterprise of all kinds has deferred for a year, or deferred for two years some great expansion, some great industrial project that was in the cards to go ahead this year. This of course, in turn most inevitably result in a reduction of the amount of steel consumed, and that in turn must result in a diminution in the iron ore used to make the steel. I asked if he could give me any firm assurance now that he would do anything this year—“Yes”, he said, “we will build the railway; because if we go ahead next year with the mine and the town and the beneficiating plant we will need the railway. We cannot do anything without the railway. We will go ahead with the railway.” Now, it was John Doyle who brought all that about—John Doyle—not Joe Smallwood—I would like to be able to say truthfully that I had done that.

Mr. Hollett: I wonder would the Hon. the Premier allow me—Is the impression given by this gentleman that the company has built the railway before getting all the data to prove it feasible to build a mine?

Mr. Smallwood: Not, not at all, I said he assured me that from four to six weeks from now he expected to have all the data to consider whether the thing is scientifically practical and sound. I do not think they need a railway to determine that. What they need a railway for is to carry heavy machinery, mining machinery and all the materials with which to build a town into Wabush Lake and all the machinery and material for the processing plant in Wabush Lake. That is what they need a railway for. Now, it is a little less than fair to John Doyle, a little less than fair to Canadian Javelin, to remember only two things about them. That is all we have ever heard, I am afraid, from the other side (1) that some three or four years ago his company was delisted from the Montreal Stock Exchange and (2) that when the New-

foundland Legislature authorized the Newfoundland Government to guarantee a bond issue of Canadian Javelin, and the Government did so that Canadian Javelin placed the sale of these bonds to the public in the hands of a man who is in Edmonton with a bond issue house which subsequently went broke and was wound up, and one of the two partners had been accused by his partner of robbing him of between \$5 and \$6 million and had skipped off from the continent and had gone down to Brazil. All of that is true, it is historically to be demonstrated, it is a fact. But that is all we ever hear about. That is all we have ever heard about it. That is all we are ever told by the other side about Canadian Javelin (1) they were delisted from the Montreal Stock Exchange (and if they yet produce 40 million tons of ore a year and we have the same Opposition here doubtlessly they will tell us they were delisted); and as they finally disappear from the Newfoundland political scene they will be muttering under their breaths that they were delisted.

Mr. Duffy: They were facts too.

Mr. Smallwood: They were facts, the only facts that hon. gentlemen opposite remind us of.

Mr. Hollett: We read Mr. Doyle's newsletter.

Mr. Smallwood: But the honourable gentlemen do not tell us of the superb accomplishments of John Doyle. Could NALCO do the same thing? No, because NALCO did not have anyone in it of the ability of John Doyle, one of the ablest men you will find around anywhere, an extremely able man. Now, the partner who absconded was the president of a company in New York City, who was a member of the New York Stock Exchange. The other partner, Mr. Miles, was not only a member of the Edmonton Stock Exchange but he was the president of it. It was admittedly the bad luck of John Doyle that it was through that firm he attempted to market his bonds. It is only a few years ago that the president of the New York Stock Exchange, the big board, the capital "BIG" and capital "BOARD", the president went to jail, the president of the New York Stock Exchange, Whitney, went

to jail—but does that mean every firm or every Government who ever dealt with Whitney was a crook, or were they just unfortunate? There is a name for that, the name being a very common one in the United States when "McCarthyism" was flourishing.

Mr. Hollett: "Smear".

Mr. Smallwood: No not "smear" but "guilt by association"—If you know a communist you are to be suspected. If you know someone whose third cousin is a communist you are under suspicion. If you went to school with someone who is a known communist then by association you are guilty—"guilty by association". It is poor logic. It is not fair to Canadian Javelin, it is not fair to Newfoundland, to be eternally attacking the company which has brought this development about for us—That is not fair to Newfoundland.

Mr. Hollett: There is no new development yet.

Mr. Smallwood: There is a great development—The mineral is not coming out of the earth yet, but don't forget it took the Iron Ore Company of Canada, or rather its predecessor the Labrador Mining Exploration Company nine years between the day when they first went in there and the day when the first iron ore came out of it, nine years—John Doyle started three years ago. Now, I would like this afternoon to face up squarely to something the Hon. Leader of the Opposition said yesterday. He said that he did not like it, that there was something about it he did not like; there was something he just did not like about it. He rather suggested that there was something "rotten in the State of Denmark"; when reading from a list which I think consisted of answers to questions last year, in this house last year when my colleague the Minister of Mines and Resources tables an answer to a question—From that answer my hon. friend the Leader of the Opposition said yesterday that in this house, here on this side of the house, there is an elected member of this house, whom he did not name—and the hon. member for Humber East (Mr. Forsey) became very angry about that and wanted the member's name to be

given by the Hon. Leader of the Opposition. The Hon. Leader of the Opposition did not give the name; but he said there was a member over here who had gotten an acre of land cleared by the Government.

Mr. Hollett: Several.

Mr. Smallwood: Wait now. That is not all he said. He said there was another member who had gotten three acres cleared, a member of the Government, a member of the Party—Then he went further and said there was a member of the Cabinet who got some land cleared. He got six acres cleared—Then there is more than that—He said there was a member of the Government who had a hundred and ten acres cleared. He might have added, with his voice dripping with regret, there was a Deputy Minister who had some acres cleared. "I did not like it," he said; "I do not like it." Now I want to face up to that:

Clearing land in Newfoundland is a public service performed by the Government for the public. It is a public service. The Government has performed that service for many, many years, before we came in and I hope it will continue after we have gone out. Land clearing by the Government has been an established policy for many, many years, a public service. Now the question is—Is it right for a Newfoundlander to accept that service from the Government if he is a member of the house? Is that right? Is that proper? Then the question is again—Is it right for a Newfoundlander to accept that public service from the Government if he is a member of the Government, a member of the Cabinet? That is the question. That is the principle we have to discuss here now, raised yesterday by the Hon. Leader of the Opposition. Is it proper, is it right, is it constitutional?

Mr. Speaker, that touches me very closely because I rather pride myself first upon my deep interest in constitutionality, and secondly my knowledge of it. Is a Newfoundlander, is a citizen of a country right, is he proper, is he in conformity with the canon of decency and constitutional principles in accepting, if he is a member of the Legislature, on either side of the house, in accepting public services rendered for the public in general by the Government? If he is a member of the Executive Government is he

doing something that is proper, that is honest, that is honourable, that is decent and is in full (full, I say) conformity with British Constitutional Principles? That is what we have to face—That is what I had to face when I entered this Government going on nine years ago.

It may help the house if we take a few examples. We have in Newfoundland a cottage hospital scheme. It costs the public of Newfoundland, those who are in it and those who are not in it, it costs all the people of Newfoundland, whether they are in it or not, it costs the population of Newfoundland considerable amounts of money. Oh, the cottage hospitals take in some money, but the scheme pays out a lot more than it takes in. In other words, the scheme is run at a substantial loss of roughly \$500,000 a year. That is a public service, amounting to \$500,000 a year, provided by the Newfoundland Government as a public service. Is it proper then for a member of this house to be a member of the cottage hospital scheme? Is that proper? Can he be a member of the cottage hospital scheme, like any other citizen? Can he? Is it constitutional? Is it proper? Is it decent? Is it honest? The Hon. Leader of the Opposition goes home tonight from this house—pray God it does not happen—he has an accident in his home, a collapse, and an ambulance is sent for—The operation by the Government of Newfoundland of that ambulance is at a loss, costing the public money. It is a subsidized service rendered to the public of Newfoundland. Is it proper for a member of this house to be conveyed from his home from the street where he collapsed to a hospital in a publicly owned and operated ambulance, which is a public service supplied at a loss. Is that proper? The children of the newly elected member for St. John's South (Mr. Renouf)—I hope he has children—

Mr. Renouf: Three.

Mr. Smallwood: If one of these children entered hospital tomorrow is it honest and honourable for that child to come under the Children's Health Scheme? Is it proper that the Newfoundland people who are not members of the house should pay the cost of treating in hospital an hon. member's child, or any hon. member's—The Minister himself (Dr. McGrath) has a large family, prob-

ably the largest family of any member of this house—If one of his children goes to hospital tomorrow is it proper for the Minister to accept free treatment under the Health Scheme? Is that proper? Or, if the worst should come to the worst and an hon. member of this house should be bereft of his senses and be taken, unfortunately, to the Mental Hospital, is it proper that he be there at the expense of the Newfoundland people and should he receive free treatment, he being a member of this house? Or if, and the same thing applies to the Sanatorium, we had a member of this house who contracted tuberculosis and was taken from here to the Sanatorium in St. John's and he got free treatment there at public expenses? Indeed a member of this house, while he was a member of this house did, and he came from the Sanatorium to sit in the house here to qualify as a sitting member so that he could draw his salary—Was that a dishonest thing for him to do?

I go home tonight and I am comfortably working or reading in my home and my home catches fire. I know what I would do instinctively—I would call for the firemen to come and put out the fire for me. But is that honest? There is a public service which is rendered at considerable cost to the people of Newfoundland, the people in White Bay, the people in Labrador, the people in Placentia Bay and all over Newfoundland are paying to keep up a fire brigade in Newfoundland. It is a free service. Am I, as a member of the House of Assembly, honest or dishonest, honourable or dishonourable, decent or indecent, if I phone for this public service known as the "Fire Brigade"? If the Hon. Leader of the Opposition, who is a great hunter—and the people of Newfoundland will never hate him for sure, because no one ever hates a good hunter, a man who likes to go off on the barrens shooting partridge is generally looked upon as a fellow of good parts, whatever he is politically—But when the Leader of the Opposition goes out shooting every fall he is enjoying something the people of Newfoundland are paying for at a heavy cost. When he is given a licence by the Newfoundland Government, (and he has to have a licence and only the Newfoundland Government can give one) he is receiving

from the Newfoundland Government at the expense of the Newfoundland public a licence which has cost far more than he pays for it. He is being subsidized in his shooting and in his hunting and in his trouting, as is every hunter and every fisherman.

And hon. members who are fortunate to have children, especially children of school age, will doubtlessly set a fine example to the people of Newfoundland by putting these children in school where they will receive an education at the expense of the Newfoundland people. Now, is it proper for a member of this house to send his children to schools paid for by the Newfoundland Government? It is a public service rendered, not by the Newfoundland Government but by the Churches, but at the expense of the Newfoundland public and the Newfoundland Treasury. Is it right, is it proper for a member of this house to avail himself of that service at the expense of the Newfoundland people? Is that proper and is it constitutional? If it snows heavily tonight and my hon. colleague, the Minister of Highways (Mr. Power), gets the plows out and plows the roads, should not all members in this house refuse to drive on those roads which have been plowed at public expense, a public service of which we ought not to avail ourselves, we being members of this house? School books are supplied to children in our schools (not free but at half cost, half cost is paid) is it then proper for the children of members of the house and above all for a member of this Cabinet to attend school and get school books at half cost at the expense of the Newfoundland public?—Is it right, is that honest, is it constitutional?

Or if an hon. member lives in a town where they have a water and sewerage system, such as the hon. member for Corner Brook who lives in Corner Brook (Mr. Forsey). Half the cost of that water and sewerage system is found by the people of Corner Brook but who found the other half? The people of St. John's, the people of Grand Falls, the people of Labrador, the people of Fortune Bay, the people of Carbonear, the people all over Newfoundland, the people of this Province found one-half the cost of that water and sewerage system. If the point made or sought to be made by the Hon. Leader of the Opposition is valid then the

hon. member for Corner Brook East ought to take the water and sewerage out of his house. He ought not to be serviced in his home by water and sewerage at the expense of the Newfoundland people.

Mr. Hollett: There is no analogy whatsoever.

Mr. Smallwood: No analogy?—only the thing—I am talking about hunting licences and about my house catching on fire and hospital and schools and all kinds of public services given to the people of Newfoundland by the Government at public expense. That is what I am talking about. That is what the hon. gentleman was talking about yesterday. If he could show that only members of this house could get land cleared, or even worse, if he could show that, he might be on a good ground for argument. If you go into a public library tonight you are going into a public service paid for by the Newfoundland people out of the public chest. Ought not a member of this house to go in and avail himself of that service, ought he not? Put it another way, the members of the House of Commons in Ottawa, many of them have children, and if they are under sixteen they receive family allowances. That is a service rendered by the Government of Canada to all the families of Canada that have children under sixteen years of age. Is a member occupying a seat in the House of Commons performing an unconstitutional or improper act when he takes his seat because he and his family are receiving that money right directly from the Treasury of Canada?

Now, there are men in the House of Commons in Ottawa who have reached the age of seventy. The Prime Minister of Canada, until a few months ago, was a man well over seventy, and there are today men in the House of Commons who have reached the age of seventy and are receiving \$55 dollars every month as old age pensions, as is every man and woman in Canada who has reached the age of seventy. Must he refuse to take it because he is a member of the House of Commons? Must a member's family refuse to take family allowances? Mrs. Ellen Fairclough, the Secretary of State for Canada, has children under sixteen, I believe, as she is a fairly young woman. If she has children under sixteen, is she doing an

improper thing to accept family allowances while being a member of the Government? If the son of the Minister of Education wins a scholarship paid for by the people of Newfoundland out of the public chest, is it proper for him to sit in this house? Is it less proper for him to accept that scholarship out of the public chest of Newfoundland than to accept the clearing of two or three acres of land? Is there any difference in the two?

Now, I said when the hon. gentleman referred to this that I was willing to leave this to the people of Newfoundland—If I am any judge, I say, let time tell, let the past three general elections tell and the next one; if I am any judge—I said yesterday that I am willing to let the people of Newfoundland decide whether we are a pack of grafters because we get land cleared.

While I am on the subject of land, may I say something about a piece of land with which I am personally connected. I am a shareholder in a company which owns a farm on Roche's Line. I am very proud of that farm. I am very proud of it. With the help of the Government, given to anybody on the same terms and conditions as anybody else (no difference, no greater, no less) with the help that the Government of Newfoundland gladly gives, not only gives but gladly gives, and wishes there were more to give too, with that kind of help and by dint of prodigious hard work by the men who work on that farm, particularly the principal owner of it, they have cleared 400 acres of land in seven or eight years. It is now probably the biggest single farm in Newfoundland. I will give the house a bit of information. That land was, most of it, not all of it but by far the greater part of it, open land, barrens, something like muskeg but not quite, too rocky to be muskeg, a sort of turf, dry bog or peat bog and here and there muskeg but for the most part it is a very thin mineral soil, very rotten, very rocky, very stoney—To put a disk on that and disk it over instead of plowing it—It has never been plowed. There has never been a plow over it; but disk it with a disk, plow one way and pick the rocks off, disk across at right angles and pick the rocks over and then lime it and then fertilize it and then seed and then roll it and then fence it—Does the

Hon. the Leader of the Opposition have any idea what that costs an acre?

Mr. Hollett: \$273 an acre.

Mr. Smallwood: He took a certain acreage in all Newfoundland and divided it up and came to \$273. I will tell you, Mr. Speaker, what it costs to take a piece of land, say 60 or 40 acres, go over it one way with a disk, open it up, pick the rocks off, go across it at right angles and pick the rocks off, then lime (two tons of limestone to the acre) then fertilize it (200 pounds of fertilizer to the acre) then seed it, then roll it, thence fence with wire fences. The whole thing per acre, the cost of the 400 acres on Roche's Line has been an average, in some cases much less and in some more; \$60 an acre, to them over there, i.e., to the company that owns it. The \$60 an acre has been the cost. Now that is, I say with the help of the Government, but if there are 50 other persons in Newfoundland or companies or groups, 100 or 200 or more or less who will go and do the same thing, clear land, giving work in the dearest season of the year, in the dearest of winter, to 11 men, all year around and take on another 11 to 15 men for four or five months in the summer; if we can find in Newfoundland (this Government) if we can find another one man or company or 10 or 20 or 100 or 200 or 500 in Newfoundland who will go and do the same thing we will be extremely proud; and even less or even more than that, 400 acres or one acre or 100 acres or 1000 acres, we will not be only glad to help but very proud to help, and Newfoundland will be a lot stronger for it; Newfoundland will be a lot healthier for it economically.

There has also been a suggestion of dishonesty because that farm, of which I am a shareholder and of which I say I am a pretty substantial creditor as I am in turn a debtor—I have borrowed a lot of money and lent it to that farm—My friends will hope that I survive it, my enemies won't—I think I will survive, I think we will make it pay. If we do not for the rest of my natural life, the other fifteen or eighteen years I have to live possibly, please God, I will spend as a bankrupt. Now it has been suggested rather broadly that all this is something that is wrong, that this is something that is dishonest.

Mr. Hollett: Nobody suggested that on this side.

Mr. Smallwood: I know that, not in this session at any rate. Not lately—But I hear the suggestion that I bought a bull—My hon. friend the Minister of Education (Mr. Rowe) referred to it the other day. I bought six bulls—I will tell you about it—I bought a bull from George Mackinson. That was the first "Galloway" bull that came to Newfoundland. Remember we had a hundred cows to breed. We were trying to build up a herd of cattle by breeding. So we had to have bulls for that, strange as it may seem. So—I bought a bull from George Mackinson—at least I negotiated the purchase of it—personally I did not buy it. That was the first "Galloway" bull that came into Newfoundland. He did sell it because he could not use it himself without breeding. That bull cost \$500—George Mackinson can say what it cost—It cost \$500—It was not in cash because he took it up in kind. We bought something he had and in exchange we sold him something, which we valued at \$500—It was a fair exchange. That was Bull number one, \$500. Now Bull number two: Number two bull we bought from the second most famous "Herefordshire" breeder in Nova Scotia, E. H. Hummell (a German—You see the connection—it always crops up). We bought a bull from him. He was the son of the grand champion of Nova Scotia. That is the most expensive bull we have bought. He cost \$800. Add it up now—\$500 for the "Galloway" and \$800 for the "Herefordshire"—\$1,300. Then from the Nova Scotia Artificial Breeders Association we bought another bull at \$300. That is \$1,600 for three bulls—a lot of "bull" is it not? Then we bought a fourth bull. This bull was bought from Howard Moore in Dildo, a farmer over there and one of the finest types Newfoundland produces. He was a young bull, a good "Herefordshire" bull who turned out, incidentally, the best of the batch so far—He cost us \$500. How much is that?

Mr. J. D. Higgins (St. John's East): \$2,100.

Mr. Smallwood: That is \$2,100—Now how many bulls is that? Four bulls. Now the next bull we bought in Toronto, and we bought him from a man named Arthur Gibbson, who is an extremely wealthy man in To-

ronto, he and his brother being the owners of the "Danforth" chain of shops in Toronto. He is very wealthy, quite young. He has a farm at the very edge of Toronto, at Richmond Hill, I believe. I will give you the address: Arthur Gibbson, Principal Proprietor of Danforth Stores, Richmond Hills. It is just at the edge of the suburbs of Toronto. He bought a bull from a famous blood lines; and this bull had a son and the son had a son, and I bought the grandson. He cost \$500-\$500—This is the \$10,000 bull—The technique is to double it and then multiply by ten—500 doubled makes 1000, then multiply by ten and it becomes \$10,000. He is a young bull, five months old. Arthur Gibbson has 300 acres of land and far more hay than he needs. I asked him how about holding him on for me until next summer—It will cost you nothing—You have lots of room and lots of hay. So he did that. We brought him down this summer. That was more than a year ago. I may say it cost nothing to bring him down. He got a free passage down on the boat. So he cost landed at the wharf \$500 and \$25 to be taken over, so that he was landed at the farm for \$525—but fame is a very profitable thing—He suddenly became worth \$10,000.

Mr. Higgins: A lot of contented cows.

Mr. Smallwood: And a lot of bull. Now that is five—I said there were six: When I was in Charlottetown this summer attending a conference of the Four Atlantic Provinces, I got Graham Rodgers to run me out around. I asked him first if he knew where I could buy a young Aberdeen Angus bull. We went out about ten miles outside Charlottetown and there was a young bull about three months old that looked good. I have become a good judge of bull myself having sat here nine years. I talked to the owner and asked—"Will you sell?" He said "Yes"—"How much?" He said "he is a good bull." I said, "yes, he looks pretty good to me. How much do you want?" He said: "This fellow's grandfather was the grand champion of Prince Edward Island." (They are all champions, every bull I ever met—and this fellow's grandfather was the grand champion of Prince Edward Island). I said, "yes, how much do you want?" He looked at me and said \$200. I said, "that sounds fair." I paid the

\$200. He is keeping the bull for me—he is only months old. Now that is a total of six bulls. What is the total cost?

Mr. Higgins: \$2,800 and \$25 carrying charges.

Mr. Smallwood: That is right—Not \$10,000 for one.

Mr. Speaker: I hope this story will not become an annual event.

Mr. Higgins: Next year we will have the list of the progeny of these bulls.

Mr. Smallwood: I can tell you that this year just passed we had 98 calves, and we hope this year to have the full 100. Now we killed off about 50 head by culling them within the past two months—We did not sell them to the Government, by the way, but we sold them to various butchers. Now what they did with them I do not know and I do not want to know. In an ordinary way, the ordinary open field, the father of my son-in-law, the former Head Constable Russell, who is an extremely respected man in Newfoundland, highly respected—The hon. and learned gentleman (Mr. Higgins) who sits next to the Hon. Leader of the Opposition and the Hon. Leader of the Opposition himself will agree he is a highly respected man. He makes the rounds of all butcher shops and tries to sell a carcass here and a carcass there, like anybody else who raises beef for sale. Now—make the worst of it—I am willing to put that to the Newfoundland people at any time, and I think instead of looking on me as a crook, a scoundrel, a rogue and a rascal—it will take more reptiles than there are to convince them of that, even when the reptiles can write? Did you ever see a guttersnipe that could write? It will take a lot of guttersnipes to persuade the people of Newfoundland the way they want to persuade them. I will say only this in conclusion of this point—I will say that between banks to whom we owe (in a sense I am ashamed to say it) I will say more than just considerable money. We owe banks right now about \$90,000.

J. D. Higgins: (St. John's East): That is the proper way to have them. They have to be nice to you then.

Mr. Smallwood: Maybe so, but when the phone rings I am always afraid it is a bank manager. If that were all we owed it would not be too bad, it would not be too bad—But we owe more than that to possibly twenty-five or thirty commercial firms around in the ordinary course—If that firm has any benefit because I am Premier, if it has had any benefit that another firm would not have by my being Premier and a shareholder of the firm, if he has had any benefit, here if the benefit it has had—Many a creditor gives the firm a bit longer to pay than they would give it if I were not a shareholder. I admit that frankly. Now I hope that tomorrow some creditor, to show his independence will not clap a writ on us, just to show how independent he is. But I think some of the men that I have hit and some of the men I have tackled politically and publicly are among those who are creditors of the firm, and who are decent enough not to jump on us, and give us a chance.

We are supposed to be great and wealthy mink ranchers. Three years ago we bought a small cold-storage plant. We have not paid a cent for that yet—In fact I said to the firm—“Look, we want to get this cold-storage plant, and not only that, we want you to install it—If you do I give you fair warning it will be three or four years before you get a cent. Are you willing to wait?” He said, “All right.” It cost \$3,500. We have not paid a cent on it yet. That gave us a cold-storage. Then we wanted some mink. I went to Vic Clouston and I said—“Vic, we want to start up a mink ranch. We have no money. I understand there is money in it if you have the breaks, a little luck. Will you back me up?” He did. Now he is practically paid back, but not all. We still owe him money. That was three years ago. I had a letter today, by the way, from a member of the House of Commons, a “Tory” member, elected for the first time on the 10th of June last. He is a very decent fellow and a well-known mink rancher across Canada, in Ontario. We bought some mink from him a year ago and have not paid him yet in full. I had a letter today. His patience is getting a bit thin. I have to scrape up some money somewhere and send him.

Now make the worst of that—Like everything else, Mr. Speaker, if it succeeds some people who are decent and who are fair will

say: “Well these fellows deserve a lot of credit. They took lots of chances. They gambled and won.” If it fails, others will say—“What kind of fellows are they—Look at the fellow who was running the Government. He started a farm and lost his shirt.” so we lose anyway. If it succeeds my enemies will say “it all came out of the Government, it all came out of the public chest—there is the grafter for you—he has built up a great and rich farm out of the public chest”—That is if it succeeds. If it fails the same people will say—“What a fellow, an ignoramus. Was that fellow running Newfoundland?” So I cannot win anyway, with that crowd.

Mr. Hollett: Will you be a merchant or a farmer then?

Mr. Smallwood: Farmer. Now I invite the Hon. Leader of the Opposition to come over when the winter has gone and the spring has come and when summer comes, come over and spend a weekend—If the hon. gentleman would come and bring his wife they would be made extremely welcome. I will walk them around and show them everything there is to see—He will never open his mouth as long as he lives after that except to say—“Well, they have taken an awful gamble but they deserve to win.” That is what he will say. That is what everybody who has come over there has said up to now, except those who sneak along, the rattle snakes, the reptiles, the guttersnipes—they sneak along and they lie. Now, a lie is not just an erroneous statement. I can say in all sincerity a certain thing which may be wrong, but I may not have told a lie. To be a lie I must know that it is not true and that is not all—there is more than that to making a lie—To make a lie out of it I must not only know it is not true but must tell it for the purpose of deceiving. If I told something I know was not true for the purpose of deceiving somebody else, then it is a lie.

Now I say in that sense, the “rattlesnake” lied. He lied. He lied by describing a square mile of brilliantly lit countryside—a square mile—and I have no doubt that he really enjoyed lying—enjoyed it—he really enjoyed it—what he forgot was that at least 10,000 people driving across there have not seen any square miles of brilliantly lit coun-

tryside. Then again he lied when he spoke of buildings the size of the stadium.

Mr. Hollett: I am quite sure that it is understood that the Hon. the Premier is not referring to me?

Mr. Smallwood: No I am not. I would not call my hon. friend a rattlesnake. I do not think he is one. Nor would I call him a guttersnipe nor a literary corner boy, a corner boy who knows how to read and write. I would not call him that. That building the size of the stadium is 100 feet long and 25 feet wide, one storey. That is the stadium—100 feet long and 20 to 25 feet wide, one storey. That is the building to hold the bulls in—That is the building the size of the stadium built during the fall. I hope to spend every weekend possible over there, and I throw out an invitation to every member of the house to come over any weekend and I will show them around and I will show what can be done in Newfoundland with a bit of credit, with Government backing in the normal way it backs any other farmer. I will show what can be done. It is going to be a demonstration, an object lesson before we are through of what it is possible to do in Newfoundland.

Now, I feel the Government will have to help (not us but agriculture) even more than it has been doing. We are going to have 100 acres of bog land here, up in Colinet, and we are going to clear there another 1000 this summer. I am looking around for young men who will go and work that land. If that can be worked successfully, there is a million acres of bog land that we have now learned how to drain economically, quite cheaply. I don't see, I just don't see, I frankly don't see why we should import any beef into Newfoundland. I do not see it. I do not see why we should import any mutton nor any ham nor bacon into Newfoundland. Now when I have said these three things do you know what I have said? About \$25 million—That is what it costs—and the growing of that amount of beef and mutton and ham and pork in Newfoundland would give employment to several thousand people. That is only a matter of clearing the land—That is all it is. Now, mineral land, unless it is of a kind without woods on it, without forests on it, is still too expensive—but bog land where you can go in and

clear the acres in the hundreds, when you can clear land like that you can really do something in Newfoundland.

Mr. Speaker, I hoped that yesterday or today we could proceed with the amendment to the Shop Act. But we cannot because the Hon. Leader of the Opposition exercised his prerogative as the Leader of Her Majesty's Opposition, and with something to say, said it, and occupied the time he felt was necessary in which to say it—No one in the world could object to that—But it did leave a rather short space of time in which I might reply to him—I think it is only courtesy I should reply to him and to what he had to say—To do that I would have to occupy the balance of the day, which is now about one hour—That leaves me no time to bring in the proposed amendment to the Shop Act. That does not really matter. If any shop opens contrary to the Law, and the high-faluting talk about the attack on private enterprise—They used to say that about Roosevelt—Every new piece of legislation Roosevelt brought in, remember, he was accused of setting up a dictatorship—If the great Democrat, Roosevelt, was setting up a dictatorship with every new piece of legislation; I am not impressed by the handsome looking young merchants from Water Street who talk learnedly and profoundly about attacking freedoms and free enterprise—That does not impress, I think, very many. If they will break the law they will break it, and the Government will naturally sue them in the courts, the Attorney General will naturally order the police to carry out the law, and they will be taken into the courts—Then it is up to the judges—If the necessity should arise these amendments can be passed next week, or the week after that or any week. We can see what the courts say—As the Hon. Leader of the Opposition so properly said—They did not need to break the law to test it.

They could not humble themselves to come to the Government, to come to Joey Smallwood—The lords of Creation along Water Street could not humble themselves to Joey Smallwood—that riff-raff—humble themselves to him, not they—They are humbled when I lick them. They could not humble themselves. Even if they did not want to condescend to speak to me at least they could have gone to the Attorney Gen-

eral and asked if they could have a test case in court. They could have easily done that. The Attorney General would make a reference stating a case to the Supreme Court and ask the Supreme Court to give an opinion—is this constitutional law? Is this ultra virus of the Legislation of Newfoundland—is it ultra virus of the Legislation of Newfoundland—is it ultra virus of the “BNA” Act? That can still be done. Oh, they could not condescend to do that. They had to rush out before the public—but now if they break the law we will do what the Hon. Leader of the Opposition advised us to do—and we decided to do that before he advised us, I will say that. We decided anyway to do it. I am glad he advised us to do it—Throw the full force of the law at them—the full force—Either Water Street is going to be the Government of Newfoundland or we are going to be the Government. It is as simple as that now. Let them take us on and see who comes out on top.

(Applause from both sides of the house.)

Mr. G. Clarke (Carbonear): Mr. Speaker, I beg to move the adjournment of the debate. On motion, debate adjourned.

Mr. Curtis: Mr. Speaker, I move the remaining Orders of the Day do stand deferred, and the house at its rising do adjourn until tomorrow, Friday at three o'clock.

Friday, January 31, 1958
(Afternoon Session)

The house met at three o'clock.

Mr. Speaker in the Chair.

Presenting Petitions:

Hon. S. J. Hefferton (Minister of Welfare): Mr. Speaker, I beg leave to present a petition from the people of Chapel Arm, Trinity Bay. I may say, Sir, this is the third time the people of this area have petitioned for electrification. I have much pleasure in supporting the prayer of the petition and beg leave to table the petition and ask that it be referred to the department to which it relates.

Hon. M. P. Murray (Minister of Provincial Affairs): Mr. Speaker, I rise to present a

petition along similar lines to the one just presented by my hon. colleague. It is from the residents of Trepassey Parish. The prayer of the petition is for the extension of electricity to Trepassey, Mr. Speaker, as we all know, during the past four or five years Trepassey has taken on a new lease of life. The fish plant up there is one of the most modern in the world. It is a plant with equipment and a layout which would do credit to any industrial city in North America. Of course conditions are not ideal, but still the people are enjoying prosperity greater than ever before up there. Now, Sir, it is natural the people should look for the amenities of civilization, and for the past five years the people of the vicinity have been very urgent in their demands for electrification.

This petition is signed by 500 people. I believe every adult in the vicinity has put his or her name to the petition. I know there is a great deal of geographic difficulty in connection with the extension of electricity up there, but I do understand the matter is under advisement now and research is being made as to establishing a basic rate up there, and I believe that the people of the vicinity can look forward with some hope to an answer to the prayer of this petition. I ask, Sir, that it be laid on the table of the house and referred to the department to which it relates, and be given the priority which it deserves.

PRIVILEGE

Hon. M. M. Hollett (Leader of the Opposition): Mr. Speaker, to a point of privilege: In the course of some remarks I made yesterday in connection with a cargo of fish being shipped to Italy, I made the statement that the fish had gone bad and had to be sent back. I wish to make a correction there. I have been advised by the fishery officials of Nafel that the fish was not bad but just unsuited to the type of market. Now, I want to make that correction in justice to the cullers, whether it does Nafel any benefit or not, I hope it does. I am very happy to make this statement. The fault was not the cullers but rather the fault was elsewhere.

Reports of Standing and Select Committees:

Hon. W. J. Keough (Minister of Mines &

Resources): Mr. Speaker, I beg leave to table the following documents—The Annual Report of the Co-operative Development Loan Board; The Annual Report of the Farm Loan Board and the Annual Report of the Department of Mines and Resources:

Giving Notice of Motion:

None.

Notice of Questions on tomorrow given by Mr. Duffy and Mr. Renouf:

Mr. Hollett: Mr. Speaker, I wonder if the Hon. the Premier would mind my directing a question to him relative to the Bell Island Ferry Service. I note in today's newspaper there is a statement that the Minister of Transport did make an announcement in the house that the Federal Government is going to build a ferry for Bell Island Service.

Hon. L. R. Curtis (Attorney General): Mr. Speaker, yesterday afternoon when I was replying to questions about the Bell Island Ferry I suggested that I would be in a position to make a statement within a few days. I am now able to make the statement a little more quickly than I anticipated. It will be remembered, when we took over this ferry service or at least when called upon to take an active part in its operation, that ferry service was being operated by the Newfoundland Transportation Company, a company organized by one Mr. McLellan, who at the request of Premier Smallwood took over the operations of this service.

It will be remembered that the old service had collapsed, that the service being given to the people of Bell Island was bad and that the operators there had been requested either directly or indirectly by the Premier to get together and put in a decent service, or the alternative was that another arrangement would be made. The Government of the day was given to understand that the then operators were not interested, with the result that the Premier contacted Mr. McLellan and persuaded him to take on the service, which he undertook to do in conjunction with the bus service he was then operating in St. John's. The situation looked good. Mr. McLellan had the bus service in St. John's and if he had the Bell Island franchise he could run the buses from Water Street St. John's to the quay in

Bell Island and back again, and give the people ideal service. Mr. McLellan took the usual steps to find out what boats would be available. He went to the Mainland and he found that the Elmer Jones was available. The Government assisted him, with the consent of the house, in getting the necessary money to buy the Elmer Jones.

But before buying the Elmer Jones the Government sent Capt. Whelan to the mainland and had him inspect the Elmer Jones. And she was bought only after the Government had received a certificate from Captain Whelan that she was in every way suitable for the service, an ideal boat for that service, and at that time, Mr. Speaker, she was, Bell Island was situated in Conception Bay then as it is now, and Portugal Cove was situated in the same bay on the coastline where it is situated today. The route between Bell Island and Portugal Cove was then classified by the Maritime Commission as inland waters, consequently the boat, the Elmer Jones was ideally suited for that route, which was an inland service route.

Subsequently, after the boat had operated for the first year, (very satisfactorily) and after she had operated in conjunction with the Kipawa, which the Government also assisted Mr. McLellan to obtain, after both these boats had operated very successfully for a year, what happened? The Maritime Commission, sitting in Ottawa, Mr. Speaker, declared that this was open water, and consequently the Elmer Jones which had been most suitable for the service, which had been bought at great expense, was found to be not the boat for that service. But I want to emphasize, Mr. Speaker, that when she was bought she was the boat for the service. When she was available, remember, she was the boat for the service; she had been bought for that service and fitted for that service under the auspices and under the eyes of the Maritime Commission which, however, subsequently changed its mind and declared this to be an open water area and therefore declared that the Elmer Jones could not be held suitable for a long range franchise.

Now when the matter came into the hands of the Government, about a year ago, Mr. Speaker, we immediately looked into the situation. The Jones was the only boat available. We made inquiries up and down the entire Atlantic Coast but the Jones was the

only boat suitable. There was no boat available in Newfoundland. There was no boat available on the mainland of Canada. There was not a boat available on the eastern seaboard of the United States. I myself, Mr. Speaker, got in touch with the Maritime Commission and some Canadian National Railway officials and asked them if they could tell me where and when they could get a boat that would be suitable for that service.

There was no boat available but the service had to be maintained. The Government appointed a committee consisting of Dr. McGrath; the honourable member for Placentia East, (Mr. Power) and myself, and we have been working assiduously as a committee ever since trying to decide what was the best thing to do. There was no alternative boat, therefore it stood to reason there was only one thing to do, and the first was to fit the Elmer Jones for the service. That was done, but before that was done there were a lot of hurdles to be climbed, and it was these hurdles that caused the delay. There was a first mortgage on the boat. That mortgage had to be looked after. Then there was the question of paying for the dockage, paying for the cost of repairs which had to be done. The Newfoundland Government, Mr. Speaker, had to guarantee the first mortgage on the Jones, and had to pay fifty odd thousand dollars to have her repaired at the Newfoundland Dockyard to render her suitable for that service. But it was essential that we do that because there was simply no other boat in sight that was suitable for the service. Fortunately we did not have to pay any cost of repairs for the Kipawa as the company arranged that themselves.

Very recently, Mr. Speaker, we got both of these boats in operation, and the service since both boats have gone back has been very acceptable. But we knew that this water, having been declared open water, a third boat would be necessary and the Cabinet Committee therefore went into the matter very fully. We went into the matter from two angles. The first angle, Mr. Speaker, was to find out if any local people would be prepared to buy a boat and put her in that service. The second prong of our attack was to see if the Newfoundland Transportation Company, Limited, could arrange a loan to get a boat to put on this

service. In both these efforts we were successful, Mr. Speaker. We did get a local group which was prepared to put up all the necessary money to buy a third boat and was prepared, in addition to taking over the Government's obligations, to take us completely off the hook. We were fortunate in getting such a group to come forward with a proposition to the Government.

Today I hear the second prong of our attack has been such that the Newfoundland Transportation Company, which, with our assistance and at our suggestion and with our backing made application to the Maritime Commission for a loan, has also been successful. So that now we have two propositions with regard to the Bell Island service; one proposition from local people who are prepared to put up their own money and take the Newfoundland Government off the hook and put the third boat on the service, and another alternative, the one from the Newfoundland Transportation Company, which now is able to report to us that their application to the Federal Government for a loan has been accepted. I do not know, Mr. Speaker, that I can go much further at the moment and say just what the attitude of the Government will be. The Government has not had a meeting since. But we have two propositions before us, both of which we spearheaded, and one of which will undoubtedly be of great benefit to the people of Bell Island.

Hon. M. M. Hollett (Leader of the Opposition): Mr. Speaker, if I may—Arising out of the statement made by the Hon. the Attorney General I take it, it is a Provincial Government matter rather than a Federal Government matter. Am I right in that?

Hon. J. R. Smallwood (Premier): If I may answer that—It is both a Federal responsibility and a Provincial responsibility. It is both. If the house would look at some other Provinces of Canada, it would find that there are ferries operating within one province from one point in the province to another point within the same province and receiving a Federal subsidy. Generally speaking, it is the responsibility of the Province, but in some provinces the Federal Government has assumed at least part of the responsibility. But in this particular case it is a matter of the Maritime Commission of

Canada having been asked either to make a loan or recommend a loan, and they did recommend one quite recently, and the Treasury Board of Canada is probably meeting this morning, probably as recently as this morning, at a meeting to approve the loan. That is probably the position. We could not make the application. We knew of the application. We knew the progress it was making. We could not say anything about it until it was approved, and that was done, I think, this forenoon by the Federal Treasury Board.

Mr. Hollett: Again in rising out of the reply of the Premier, Mr. Speaker, my impression from the announcement made today is that the Federal Government is building this ferry.

Mr. Smallwood: They are either passing cash over to the applicant—The application to the Maritime Commission was from the Newfoundland Transportation Company for \$500,000. Now the Newfoundland Government has put about \$250,000 or more, the Newfoundland Government has sunk about \$325,000 in the present ferry service by way of loans to the Newfoundland Transportation Company, and in addition to that the Newfoundland Government has built the two landings, one at Bell Island and one at Portugal Cove at a cost of \$200,000 more. So that Newfoundland has, so far over \$500,000 cash, over \$500,000, \$530,000 in the Bell Island ferry service. The Newfoundland Government, for a year past, have certainly been the Newfoundland Transportation Company. We control it utterly and absolutely and have for about a year; and we caused the Newfoundland Transportation Company to apply to the Maritime Commission for a loan of \$500,000, which would be a little less than the Newfoundland Government itself already has in it. As a matter of fact only a few days ago, I okayed the applications to be made to the Maritime Commission for this loan of \$500,000. Now the Maritime Commission recommended that \$500,000 is for another boat. We have two boats now in very good shape, but two boats are not enough. There is to be a third boat, and we caused the company to apply for a \$500,000 loan with which to buy or build, probably to build, a third boat. Now the Transportation

Commission approved the application and passed it on to the Treasury Board, which I believe has agreed this morning to the loan, not perhaps to advance the \$500,000 cash to the company but to build a boat at a cost of approximately \$500,000 and pass it over to the company for hire, but the company has the service itself, the company has the franchise from the Newfoundland Government, or is the Newfoundland Government's agent. The Board of Public Utilities have given the Newfoundland Transportation Company the charter, the franchise, to operate on that run. Now, that company will receive the boat at the hands of the Canadian Government instead of a cash loan. The Canadian Government are building the boat, thereby making sure, I suppose, that the boat will be built in Canada. Conceivably it might have been built in some other country, in England, for example. But now with the Government building the boat instead of lending the money to have her built, undoubtedly they will determine on some Canadian shipyard, which I think myself is the perfectly right thing to do. That is the way to build up your country or your Province, to get all the building done you can do within your own boundaries.

The company there will continue to operate the two boats it presently has and the third one when she is built, under the charter of the Newfoundland Government. That is the position. Now the Newfoundland Government, soon, I hope, will get back, not the \$200,000 we have spent on the two landing piers, one at Bell Island and one at Portugal Cove—(Mind you I am not referring to the wharves—The wharves cost far more than that. The Canadian Government built a big wharf at Portugal Cove and another at Bell Island, but the Newfoundland Government built on to each of these two wharves a special ferry landing section. My honourable friend, no doubt, has seen it over at Bell Island and over at Portugal Cove.) We will not back that \$200,000, but please God we will get back the \$300,000 that we have so far sunk in that service. We hope to get that back from the Transportation Company, because we hope that the Transportation Company will be taken over by other and more efficient operators.

Question No. 40: Addressed to the Attor-

ney General by Mr. Duffy. What, if any, monies or property have been recovered from Dr. Alfred A. Valdmanis by the Government since March 29, 1957? If any such money has been recovered to what accounts are they credited? With regard to the \$35,000 in Promissory Notes recovered and held by the Bank as of March 29, 1957—how much cash has been recovered on said Promissory Notes and to what account has it been credited? In what manner have the 300,000 shares in St. Andrews Packers Ltd., New Brunswick, which were held by the Government as of March 29, 1957 been disposed of?

Hon. L. R. Curtis (Attorney General): Mr. Speaker, there has been no actual collections since 1957. Promissory Notes in the hands of lawyers in New York for collection and shares in St. Andrews Plant are being released through the city Council of St. Andrews.

Premier Smallwood: Mr. Speaker, with the indulgence of the house, my colleague, the Minister of Finance who was the Minister of Public Works at the time the Portugal Cove and Bell Island wharves and breakwaters and so on were built tells me I underestimated by \$100,000 the amount of money this Government put into that. We put \$625,000 into the ferry service, because I understand I underestimated the amount we spent on wharves and the approaches to the wharves.

ORDERS OF THE DAY:

Adjourned debate on the Address in Reply:

Mr. G. Clarke (Carbonear-Bay de Verde): Mr. Speaker, in rising to speak on the Address in Reply I would first of all like to join with the others who have spoken previously in offering my sincere congratulations to both the mover and the seconder of the motion of the Address in Reply. The capable manner with which they performed their duties was something of which we were all very proud. I would like also to join with the former speakers in extending to the new Lieutenant-Governor our best wishes for the future. We know that he will carry out the duties and traditions in connection with that office in a very fine man-

ner. The retiring Lieutenant-Governor was, to those of us who were magistrates and had the opportunity of accompanying him on some of his tours in connection with visits to various sections of the Province, a very remarkable gentleman who, as we saw at first hand, was very much admired and was held in very, very high esteem and affection by the people all throughout the Province. Last but not least, I would also like to offer congratulations to the newest member of this house, the hon. member for St. John's South, (Mr. Renouf) who made a very impressive maiden speech, and I do not think anybody could doubt his sincerity in his wish to be fair, reasonable and to give criticism where criticism was due and at the same time carry out his duties as a person who sits at the right of Mr. Speaker. For that reason we look forward to the great contribution we feel he will make to the life of this honourable house.

Nor, Mr. Speaker, I myself wish to make a few brief comments on the Speech from the Throne. The main item in that speech I feel, is the proposed legislation in connection with the proposed agreement in connection with Crown Zellerbach's intention to come into this Province to look over our natural resources. We are very hopeful that this great organization, in time, after they have made their survey, will establish in this country a pulp mill and a paper mill which will be a great addition to the economic life of the country. We are hopeful because an organization so large and progressive as Crown Zellerbach will not be left behind when we see Canadian and United States paper companies, the best of them, carrying out speeding-up processes, installing new machinery, putting up new mills, and so much so that the work in hand at the present time is supposed to contribute another million tons to the paper and pulp cut average before the end of 1959. They are only acting in accordance with all the other large and expanding paper organizations who are looking elsewhere for raw material to meet the ever-expanding need for newsprint. We are very proud that the Government has been able to bring this organization into the country to look over our natural resources here in this Province and including the Labrador.

In the financial picture, which we have seen

in part for the coming year, we are glad that the Atlantic Provinces Adjustment Grant is going to net us \$7.5 million for the next four years. We do not know what exactly we are going to get as Province under the revised Terms of Union, (Term 29) but we are hopeful that amount will be substantial. We are also glad the Tax Rental Agreement, although not finally settled, will net us this year \$1.5 million. So that, taken all together, we will have a reasonable amount of money with which to continue to improve the services, the public services of this Province and to assist in cutting down in no small measure the unemployment which presently exists.

Now, as previous speakers have said, we cannot blame any Government for the present unemployment situation, but some of us, I know, feel that in the present administration at Ottawa they have, possibly through no great fault of their own (they are a minority government) they have created uncertainty and a certain amount of indecision. Their remarks prior to June 10th. and since with regard to American investment in Canada, their action with regard to trade situation from one country to another, these things have not increased the trade and investments in Canada, and trade and investment make for employment. So there is a reasonable excuse for suggesting that they possibly have contributed in some small measure to the unemployment picture, as we see it at the present time.

Hon. M. M. Hollett (Leader of the Opposition): Mr. Speaker, if I may, I wonder if I may ask the hon. member for Carbonear a question—I wonder has he read "Time Magazine" on the unemployment situation in the United States at the present time, and does he consider the present administration in Ottawa to blame for that?

Premier Smallwood: They have the same kind of people in charge in Washington, you know, and there is the same feeling in the States, wanting to get them out again.

Mr. Clarke: I have not read the article in question, Mr. Speaker, but I still contend, although not blaming the administration in Ottawa at the present time for unemployment, I still contend these things do, although they have not been the direct cause of unemployment in the United States. In

Canada there is a possibility they have to some extent added to the feeling of insecurity and therefore somewhat to the unemployment picture.

Now, I have listened with great interest to the speeches made by all hon. members of this house as they listed their requirements for their districts, the things which they hoped to accomplish and also listed the things which had been accomplished in the past. I must say it struck me that their requirements were reasonable and modest and not anything out of the ordinary, which could not be required in any district in Newfoundland. The hon. member for Labrador South (Mr. Sellers) talked of the things that he wanted in his district. They were not anything that was unreasonable to ask; a few radio telephones along the coast to improve communications; to have the mail brought out at places where it is more convenient for the people; some travelling shelters; some trails cut and salt depots in a couple or three convenient places, and so on. Now that, when you think of the national wealth of Canada and the progress which we have been making all along, is something which is not entirely unreasonable.

In my own particular district there are quite a number of wants, as there are, I feel, in all the districts through the province. But the few that I shall list this afternoon, I feel, will not be unreasonable requests, because the main request we have, the main thing that we need in the district of Carbonear-Bay de Verde is road improvement. In that connection I would like to say that the road program which we had last year in that district was, I felt, most satisfactory. We were a little bit late getting off to a start, with a change-over from one system to another, but once the system got going I feel a great deal of work was done, as a matter of fact I know that a great deal of work was done, and good service was rendered to the roads in the district for a reasonable cost. And I am looking forward to this Government agency being expanded, so much so that I think the roads during this year in the Carbonear-Bay de Verde district will be up to standard in the not too distant future.

The local roads program was carried out with the co-operation of the people and the

local road boards in practically every community in the district. There is one thing in connection with this program that I have to say, that is that each year it appears that because of the lateness of the fiscal year, (ending March 31st.) we are a little bit late in getting the information into the hands of these boards as to how much money they will have to spend during the year. They know it is going to be approximately \$2 a head for the population, but the authority to carry out the work is a little bit late. Consequently, before they get these grants, it is up in the fishing season, and very often the work is delayed until the fall. If we could find some way—and I know the local road division, which from my experience not only as a member of this house but in the years when I supervised local road committees in various parts of the country where I was stationed as magistrate, the local road division, as presently constituted, is very hardworking as a division of the Government and has real zest for the work. I would like to pay tribute to the very efficient job which they are doing) but I still hope we will find it possible to get this authority to spend that money and have it in the hands of the road boards a little earlier in the season.

Now we also have by-roads, which to the casual observer are not of a great deal of importance. But I feel that even the roads leading to small agricultural regions and to the berry grounds and so on, are important (these small roads listed as by-roads, which do not come under the high-roads division and neither do they come under the local roads) one bulldozer in a district would be the means of creating a lot of contentment for the people who use these by-roads considerably. They augment their income by using these roads, and I feel that these roads should get some attention early this season. We also have a couple of tourist attractions in my district, notably Northern Bay Sands and the Salmon Cove Sands. At the present time both these places are almost inaccessible. I hope that during the coming year we will be able to do something about making the approaches to these places a little easier for motor traffic.

I have not anything very much to say with regard to the health of the district, but we are happy to know that in addition to the hospital which has been recently built at

Carbonear, and to which this Government contributed a sizeable amount of money, we hope that this year the extension to the Old Perlican Hospital will be a reality, so that before the end of the next year we will have forty more hospital beds in the district than we had this time last year.

I want to say a few words now, Mr. Speaker, in connection with the fisheries. The fishery in the district which I have the honour to represent is still, and I expect will be for some time, one of the major sectors of the economy of the district. It still plays, and as I say, will continue to play a large part in the economy of that district. This year, possibly due to Fishermen's Unemployment Insurance, the number of boats and fishermen in the district have increased by ten or eleven percent. And I feel that the fishermen, if given half a chance at all, the number will increase still further. It has been suggested that a lot of the younger men need and seek employment elsewhere. That is actually so, but I am of the opinion that if there was any chance of earning a reasonably comfortable living in the fishery, that most of these men would prefer to stay in their own communities and carry on with the fishing industry rather than go into the lumber woods or construction work or practically any other form of work which is open to them. The only reason why that most of these people leave, I think, is because they feel conditions under which they are fishing, to begin with, are difficult and they fail to see how, at the end of any particular year, they can make a living wage. Well, these conditions are gradually improving and I hope will continue to do so, so much so that there is a ten percent increase this year in the fishing population of this district and there will be still ten percent or more increase in the year to come.

I have spoken about the facilities which these people need and which they have to have in order for them to carry out their fishing in their own communities. By last year, we had practically completed (by the Federal Government) wharf improvements and extensions at Lower Island Cove, which is a fishing community. Grates Cove, which is a fairly large fishing community and Red Head Cove which is, for the number of people in it, producing a large amount of fish, and again at Adams Cove. These projects will be completed this year, and I am

hoping that during the coming year we will see the extension to the wharf at Freshwater and Old Perlican, and that we will have slipways built at Carbonear. Carbonear a few years ago had practically nobody fishing. I think it dwindled down to one or two crews, but today we have anywhere from eight to fifteen boats fishing out of that settlement. They have no place to put up a boat for repairs nor painting nor anything of that nature, or to put them in out of a storm. I am hoping these facilities will be provided for that community during the year.

Now, last year in the community of Bay de Verde, which is one of the major fishing communities not only in my district but in Newfoundland, a community which last year (apart from the codfish sold) put down about 15,000 (or over 15,000) quintals under salt. They have well over 100 boats and well in excess of 220 fishermen fishing out of that community. The Federal Government put a breakwater, to serve partly as a wharf, in this community and which everybody heard a lot about not too long ago, but before it was finally completed and secured against the Atlantic storms part of it was washed away, and it has not been restored to date. I have, however, reason to believe, and I expect, that in the very near future the contract should be let for that project and construction should begin early enough this year so that the breakwater-wharf will be completed and secured before the autumn storms come on to carry it away again.

The road leading into Bay de Verde, as most hon. members, particularly those who visited it recently, will know, is something that defies description. For years (ever since Bay de Verde was settled) the people have had to go down an incline in order to get into it, which is frightening to say the least. As I said just now, this year they put under salt, 15,000 quintals of codfish. How any person can get a truck out of Bay de Verde almost defies the imagination. It is one of the places that demand and must have an access road to the community. The survey has been made and I hope that this year action will be taken to get an adequate and suitable access road into the community, so that the people there will have easy access, both in and out of the community, and will be able to truck their produce in and out with much greater ease.

Mr. Speaker, there is but one municipality

in the district of Carbonear-Bay de Verde, I regret to say, but that one municipality in the district has a project which is very needed. They have an old water system there which has been there for something over 70 years. It is getting pretty shaky there, and I am hoping that provisions will be made whereby we can begin this year to restore, or if not, at least to make a beginning on the restoration and also an extension of the water system to the various parts of the community which should have it.

Now I must mention the new industries for fear somebody will say—"Well there were two industries closed in your district and you avoided the issue altogether." I know that the two industries unfortunately have practically closed their doors. These industries are in my district, the glove factory, which I had high hopes for as I had for the tannery, but we have had it on authority that it is not at the present time at least an economic proposition to continue. But I am still hopeful that the people who supplemented their incomes by sewing gloves for Atlantic Gloves Limited will still be in a position for some time to come to supplement their incomes by still making gloves right in Carbonear. I know that a great effort was made to get all these industries working successfully and so help out in the economy of the Province, but even if two or three (and two in my district) have gone by the board, I still think that the effort of getting these industries was well worth while when you consider the overall picture, for this reason—the others have not been a failure and nobody can say at this date that they will be. We hope that they will not be. Some of the larger corporations in North America when they go out and expand, these people will tell you when they expand and put up a new plant, a new branch, start something new in another region, it is very seldom that they expect these things to show a profit for at least five years. And if we can get these industries in the black anywhere from five to ten years, if we can get them so that they will eventually form a constant part of the provincial economy then I think the effort is well worth while. It is not everything that pays off 100-. In every business there are bound to be sections which do not pay off so well and which they have to change over to some other form of activity, but that does not mean that the overall business is not profitable. We see that every

single day. We see partitions coming down in stores even in this community and departments closing up, which the management thinks are not producing to the greatest profit, to make room for the sale and display of other goods, something very often which can be classed as non-essential, but on which they still hope to make a profit. We see every day goods marked one-third off in the hope of bringing in customers to buy these things—and they have taken that department, which before served something else, out of the red and put it in the black. That, by the way, Mr. Speaker, could be described or has been defined as impulse buying, where the person buys something he does not need and comes home laden with a lot of material for which he had no need.

Premier Smallwood: My wife is just like that.

Mr. Clarke: But, Mr. Speaker, it seems the most appropriate time for doing that, appears to be on Saturday night when after a long week the resistance of the buyer is at its lowest. Now, Mr. Speaker, I had intended to speak very shortly and I want to end by saying that Canada of which we form a part today, is a great country, it has been progressing steadily down through the years, except, of course, for these minor periods when we had something other than a Liberal Government. But the remarks made about increasing our provincial debt, which we have heard, I think we should not view at all too seriously. If we can look across Canada to day, and I think I have said this before, we will see what the provincial debt in each of the ten Provinces happens to be, and I think you will find that the have-not Provinces have the lowest per capita debt while those that have developed and expanded and pushed onward economically have the highest per capita debt of any of the Provinces of Canada. We lost Responsible Government once while we still had a comparatively low per capita debt. That was because at that time we were alone. Today we stand as part of a great nation. We do not stand alone any more. And I see no reason, Mr. Speaker, why we should view the future too pessimistically. (Applause).

On motion of Premier Smallwood the house recessed for ten minutes after which Mr. Speaker returned to the Chair.

Mr. G. Nightingale (St. John's North): Mr. Speaker, in rising to support the motion on the reply to the Speech from the Throne so ably moved by the hon. member for Labrador north and seconded by the hon. member for Burin District I do so with the feeling and hope that I will do as much for my district of St. John's North, which, while lacking in size has a much vaster population. I should like to compliment them both on the excellence of their speeches, filled with vital and detailed information for the Province as a whole. Mr. Speaker, I would like also at this time to congratulate His Honour the Lieutenant-Governor on his elevation to the highest post in the Canadian Province of Newfoundland. I am sure that, with the help of his good wife, he will fill that post with dignity and honour, and with the same characteristic success as laid down by his predecessor and his good lady whose untiring efforts on behalf of the people made them beloved by all.

The Macpherson family over the years has made a vast contribution to the community life not only of the Province but the City of St. John's. I am sure Dr. Cluny Macpherson served with dignity not only to the needs of St. John's but the extern as well through hail, rain and snow. Not only had he to buck winds and snow—and if HIS Honour has the same measure of devotion to duty, then this Province of Newfoundland will have nothing to fear. I hope, Mr. Speaker, you will excuse me for reminiscing in this address but it is by going back we can realize the vast improvement which Confederation has brought to the Province of Newfoundland. On this I will speak later.

I would also like to congratulate the hon. member for St. John's South (Mr. Renouf) on his very able and well delivered address full of hope, for he is a man after my own heart who believes in building for the future. Unfortunately there are some sections in his district as well as in mine and in the district of the hon. member for St. John's East (Mr. Higgins) and I could also include the hon. member for St. John's Centre (Mr. Duffy) which need attention. I am sure we are all members of one Government when it comes to the alleviation of evils of the past or at least prevent their repetition. I also agree with the recommendations of the hon. member for St. John's South, on behalf of Cape Spear, to "get us a cup of tea," but I

must say we have a road to Cape St. Francis so bad at the present time one needs more than a cup of tea when he arrives here. I did hear of one man from St. John's who arrived there and said—"I found the road as bad as hell." A resident of the place answered him with—"These fellows from St. John's go everywhere, don't they." I would like to mention the fringe areas of St. John's which in my opinion should extend into every district—If we do not in the future profit by the mistakes of the past—

Mr. Higgins: Have one vast metropolitan area?

Mr. Nightingale: No, Mr. Speaker, split it up into a couple of business districts, make the hon. member for St. John's East cover his district.

Mr. Hollett: Is this a council here?

Mr. Nightingale: His Honour, in the Speech from the Throne, said our very existence depended on the development of our natural resources—and rightly so—Now, Mr. Speaker, I have seen very little encouragement for anybody in this house. I have listened to a great many speeches and reports, and there is very little encouragement. Who knows, a little encouragement might help quite a lot. Lots of good comes out of a little encouragement. Even the great Edison had very little encouragement when he invented electric light or Newton with his steam engine. So it is with any industry. Who can tell but when the new litter of cattle is raised and we go back with the hides we can have our tannery—and beef cattle—who can tell? We are all pessimistic now. My good friend from St. John's South is an optimist, and he is going to build for the future. Well, he wants to raise cattle in his district. He says it has beautiful farm land. I am sure it is. We are spending thousands and millions of dollars getting beef cattle from the Mainland, and I am sure with a little encouragement the hon. member for St. John's South will have his farm going and have lots of cattle. Mr. Speaker, I have great interest in the report of the Minister of Education and the Health and Public Welfare Minister as well, and the Department of Natural Resources, and while congratulating the ministers I would like to go on record as congratulating the

men and women in all their departments for the efficient and conscientious manner in which these reports were recorded and for the co-operation which I am sure exists in every department.

Mr. Speaker, the report of the Department of Education shows vast strides covering every field, particularly the improvement to the schools which are a far cry from the old schools where a teacher handled all grades and the teacher himself was not one of the high standard we have today. It comes to my mind on any subject the teacher should be able to show films, particularly on civics, and safety both to the motorists and pedestrian in the schools so as to educate our people in every phase of life, especially how to stay alive. I am sure we would have the co-operation of the National Safety Council in carrying out this important education so badly needed. In St. John's in 1957 there were five small children killed and two adults killed while in 1952 the statistics show four children and two adults, which proves we have not made any great improvements. In fact this shows the necessity for education in public safety not only in the schools but in the homes as well.

Now, Mr. Speaker, the Ministers of Health and Welfare both made tremendous strides in their departments, and I am sure that the new recommendations on health for the children of this Province of Newfoundland indicates that sincere interest and co-operation with their staff must have been far-reaching, Sir, and will reflect on the health of every child in the Province. The Hon. Minister of Welfare was sincerely praised by the Hon. Leader of the Opposition and rightly so, for the solution of many problems which one must find with sickness and the like in the fringe areas and one place and another, and toilets and septic tanks and one thing and another which this Minister has to wonder and worry about. I think it is well worth a lot of praise. I will say this much, Mr. Speaker. Statistics mean a lot to the department, but to the average reader of the report, they do not mean anything. It always reminds me of a stranger visiting a new hotel and notices the signs on the bedroom door—"Two or three thousand people die by fire in this country every year—In case of fire, do not panic, get dressed and walk out quietly. This hotel has a complete sprinkling system." Now that is a

nice message on the door—There is one in the Manager's Office which reads thus:

"Now I lay me down to sleep,
Statistics guard my slumber sweet,
If I should die I am not concerned,
I might get wet but I won't get burned."

I have already stated some of the difficulties which are to be found in the fringe areas surrounding a rapidly growing city, where lands and divisions have been sold to householders and contractors, and people find they have \$25,000 home, which must lead to depreciation. I am making an appeal to the Government as intervention of our city is of no avail because legislation is not provided, as it should be, that all subdivisions should have concrete curbs and gutters and sewerage before a house is built. These unfortunate people outside the city limits find there are no local boards, and they will have to co-operate and call attention to it and finish their job with the co-operation and dignity which the real estate value of their homes demands.

Leaving this particular problem, I wish to call the attention of the Government to the plight of the City Councils as far as the very difficult problem of laying sewers and watermains and roads. I don't mean the city of St. John's, Mr. Speaker. The city of St. John's is fairly comfortable, although not as comfortable as we would wish. I mean, Mr. Speaker, in my district the Township of Mount Pearl and Glendale is in very sore straits at the present time—"The roads are bad," people say—Yes, but you cannot build roads until you have sewerage. It is wasting money. In the Township of Mount Pearl—Glendale, they must go to work and get the sewerage in first and then really get roads built. Now, Mr. Speaker, this particular community has been doing its best. It is just a small community and I would say they have no commercial area at all capable of supporting a town council. In the city, we find we have a lot of high businesses on the waterfront, but in a place like Mount Pearl, which depends entirely on the quantity of houses which will be built there, (and if we could only get the service for those houses which will be built there, and if we could only get the service for those houses there would be more built there.)—That is one of the biggest problems, and I am sure they deserve the help of both Federal and Provincial Government for both water and

sewerage systems, and I am sure the authorities will take the necessary steps to do it.

As a member of the National Safety Council for Newfoundland, I would like to go on record that traffic control should be standardized throughout the whole Province of Newfoundland. This traffic control, with by-laws and rules and regulations, should be standard throughout the whole Province and publicized. Hundreds of people come to St. John's and do not know if they have to turn right or left through a red light, and also, that to make a left turn they must pull into the centre lane and stay there until all approaching traffic passes. Stop signs mean just what they say, and a person or small child passing in front of these stop signs definitely have the right of way. It is surprising, Mr. Speaker, how many people driving automobiles in this town, and some of the outports where the same conditions apply, do not follow the fundamental rules of driving, and there has been no provision by the Highroads Division when licensing that there is traffic control showing exactly what they should do. But there seems to be something lacking in actual driving in the city of St. John's. When I look at the death toll for 1957, 34 fatalities registered by the RCMP from January to December, and in the city, which is under the Constabulary, it is 34 exactly.

I realize it is a lot which can be stopped with a little control, a little traffic control, which I think is definitely needed in this country today; a standardized set of rules and regulations from one end of the country to the other, setting out exactly what a person must do and should do when driving an automobile, showing them exactly what they are driving, how to drive in winter conditions. If we have frost tomorrow, with perhaps a little ice on the road, possibly there will be another fatality tomorrow. Some people want to drive just as fast on the ice as they do on summer roads and do not know how to brake under ice conditions.—All this should be incorporated in driving training. I realize, Mr. Speaker, there is very little that the average driver knows, and if he does know he does not show it. And talking about higher and stiffer fines, I do think the fines under the Highway Traffic Act must be very small or the law would not be broken so easily. It is a strange thing that

the average man thinks that all rules and regulations are for the other fellow. I know of one man who quite indignant because he got a parking ticket for parking in front of his own driveway. But the law is there—"You shall not park in front of a loading space nor driveway," and that is what it means. We find lots of people driving about town, good citizens, thinking nothing of parking in front of a persons driveway and going off and leaving the car.

Another thing we have to take into consideration is being able to pull off to the left. We will shortly have a one-way-street, I hope, and it will not be necessary to pull over to the left hand but park on any side of the street. These are some of the things which should be taken up, I am sure, by the Minister of Highways. I think he will do it. I have not gotten around to roads yet. This is more important than roads, when we get a death toll of 34 people in the Province, and double 34 around St. John's and 34 outside, it goes to show the vast increase in the number of cars we have here. At the present time (I think I have the number for 1957 here) we have 55,931 vehicles in the Province of Newfoundland and in St. John's we have 16,493 and on the Avalon Peninsula 10,444. That is a lot of cars, gentlemen, to have driving around every day. And what have we done? We have done very little to contend with the speed and conditions of cars which we have today. The cars are faster, the brakes are better, equipment is better. One time the windshield was fairly small and the back one, of course, you wanted a periscope to see what was coming behind. Today you have a modern car with beautifully clear vision, but that does not make any difference, they just cut across the street without looking in the rearview mirror to see if anything is coming. All these things, Mr. Speaker, must be watched by the Minister of Highways. He has a big job with roads—maybe that is why the roads are not too good, so that they will not speed too much—However we will come to that by and by.

Mr. Smallwood: I think the Minister of Highways is trying to hook some more money out of the MINISTER OF Finance. They are sitting there together.

Mr. Nightingale: The Minister of Finance has the hardest job, Mr. Speaker, which any

man could have. I notice we have been talking about roads, and one thing and another, and how to build highways—without money that is a hard job—I think it is a hard job. I think it is a hard job, and the Minister of Finance deserves more credit than any other Minister. It is all right for other Ministers to want the money but he is the man who has to get it. I take my hat off to a man who has to control a lot of people who have the gimmies.

Now, I would just like to go on a little further and say I have heard a lot of talk about red foxes—The Minister of Natural Resources was asked about it by the Hon. Leader of the Opposition, who is a good sportsman and has done quite a lot of shooting in his younger days. I do not know if he does any now. He did so yesterday at the Minister of Natural Resources when talking about red foxes. He nearly got your goat, Sir.

Premier Smallwood: Nearly got your bull.

Mr. Nightingale: In this particular thing, Mr. Speaker, I agree with the Hon. Leader of the Opposition about these red foxes. People are using the picnic sites and leaving the most beautiful feed for these foxes to feed on, and they are thriving. We in this country do not keep our picnic grounds clean. You go out in the country on a most beautiful Sunday and see a sign "No Dumping." Well, that is the spot to dump. I would say, if we want to keep our breeding grounds for the partridge and other things we have to keep all this kind of debris away from picnic grounds. And a good many of the hunters themselves do not put food in the fire to burn; no Sir, they just leave it there for the red foxes—You know, Mr. Speaker, the man next to the Hon. the Leader of the Opposition, the hon. member for St. John's East (Mr. Higgins) would stop the use of dogs entirely in this country, and I think he would be a good man to stop the red foxes and the lynx.

Mr. Higgins: I do not leave town—Don't blame me for the red foxes.

Mr. Nightingale: Regarding the fisheries, I have every sympathy with my hon. friend from Placentia West, (Mr. Canning). He was the most critical man I heard in the Address in Reply to the Speech from the Throne. I

do not blame him—I think if you are to have “glamour” plants you must have “glamour” fish, and our fish, Sir, is still the same old codfish, and will bring no glamour price on the market today. If we could dress that fish up, glamourize it, in keeping with the markets today. We have no market yet, we cannot build yet in the city of St. John's, but we are hoping to build one, we are waiting for the Federal Government to build a new waterfront so that we can really get down to brass tacks about producing fish. Fish you must remember is no good unless you get production. We want these fishermen in St. John's to come into this harbour and proceed up to this new wharf with a fish plant on it, unload the fish, wash and put it in cans. I have seen men from the mainland give up a good piece of roast beef for codfish.

Mr. Higgins: If they could only get the thermal plan.

Mr. Nightingale: The plan will come eventually. In the district of St. John's East, they have found uranium; and Mr. Speaker, it only needs a little bit of uranium to light the whole district, but one thing it is not much good for, and that is roads, and I am sure, Mr. Speaker, the hon. the member for St. John's East will have to agree with me, we will have to get together if we want to do anything to modernize his district of St. John's East—If we get together, and with the permission of the Government—

Mr. Higgins: We are together every day.

Mr. Nightingale: No, Sir, he is in court most of the time. But I might say, Mr. Speaker, the road from St. John's to Pouch Cove is one of the best roads I ever saw to lay a tar surface on. It was commenced long ago for the airport, and people sighed with relief when they drove over that small piece of road, and then when they got off it they started to sigh the other way. So here it is, we have a beautiful twelve and a half miles of road, which I do not think we will ever get built by any Government because then somebody else wants a road some other place and we have petitions and so on—So that I want the hon. member for St. John's East to come in with me, let us have a real meeting and get a petition in to this Government for both districts, for I am a man

who looks to the future—In other words, I have to go through his district to get to mine anyway; and I thought if the people showed a little initiative and a little co-operation with the Government they could possibly get a toll road. Now that toll road would be paid for by the people of St. John's—there is no better market.

Mr. Higgins: Start that down around too—Don't put it on Torbay.

Mr. Nightingale: Tell us, yes, and we will start where we left off. That is the airport strip—You see there are a lot of cars in St. John's and these cars would pay for that road in a very short time, all you need is a Government guarantee. I think the 500 vehicles on that road would pay \$26 a year to get through at any time, morning, noon and night. They would save over \$26 on that paved road, not only on depreciation and on their tires, but also on their nerves. That is one of the biggest things. You know what it is to drive over that road in St. John's East. If we want to save the people some money, the hon. member for St. John's West should back the member for St. John's North and get this thing through the Government and get this road, because it is going to be one of the most beautiful jobs you ever saw, and is on the way to the lighthouse at Cape St. Francis where you will be able to get a cup of tea. Not only that but complete the round and come back to town by way of the Cove Road. I am sure it will be agreed that Portugal Cove Road is about the second road we have next to Topsail Road in this vicinity, and that road is breaking up gradually and unless something is done, unless we really go to work and retread that road—it is like a tire, once you get a cut in it, if not retreaded it is finished, and is ready to be thrown in the dump—Now this particular road with this new ferry will be a wonderful combination, and I am sure the Minister of Highways will do his best in this connection, to save money by spending money. I think we will save hundreds of dollars if he will do that. The same thing applies to the road from St. John's to Torbay—to St. John's North.

I may say, Mr. Speaker, that the fishery, to my mind, is an industry which could be brought up to standard, and I think it could be improved in many ways. The unfortu-

nate thing about it is that it is a part-season occupation, and I wish we could get some industries in St. John's because we have part-seasoned occupations around here. We have some very good industries around the city, butter and biscuit plants that really do a wonderful job here, and I am sure the bread today is a far cry from the days when mother put her bread to rise.

I have here, Mr. Speaker, it may have been read before, but this is another thing I would like enclosed with all licenses when issued. I do not know whether you have read it. It is by Edward C. Allen, who is Chief of Police of Santa Anna, California. In a city like that I guess he has been moved many times, as I have been in the past by seeing a body of a child lying on the road. We really do not realize how sad it can be until it is our own child, or we are the one who caused it. If I might be permitted to read it, Mr. Speaker:

"A little mound of earth, a
granite stone,
That spells his name, and marks
his years: age three—
The joy he brought in life, in
death has flown.
And heartbreak lives with loved ones
and with me.

Forever will he haunt my memory,
As from his mother's side, into
the street
He dashed, with shout of joy—
Then suddenly,
—A sick'ning thud—as flesh
and metal meet.

He lay there, pale and broken,
stilled his cry,
A crimson halo most beneath his
head—
I knew at once, and cried "Dear
God, that I
And not this little child, might
lie there, dead."

It's true the law absolved me
of all blame,
The guilt that dwells within
is mine alone:
I killed a little boy, and
carved his name
Upon my conscience—as upon
his stone.

The Officer, the coroner,
were kind,
There was no guilt, according
to the laws—
Yet, they would know, could
they but read my mind,
That "heedless inattention"
was the cause.

I was not really speeding at
the time,
Five miles above the law, perhaps
or ten,
What I had done could not be
called a crime—
But, Oh, if I could take that
drive again.

For in the night I hear that
Mother's shriek
Co-mingling with my brakes in
tortured screams—
I shudder—and my heart, and
soul grow weak,
To wake and know it's not a
ghastly dream."

That Mr. Speaker, is a paper I would like to see exhibited for the regular licenced drivers going on our highways. It may cause people to reduce their speed and see their cars are in the condition they should be in on the highways. As I said before, Mr. Speaker, there are a lot of people who think the laws are made for everybody else but themselves. Already this winter, I have seen people driving with the rear windows clogged right up with snow, and peeping through small holes, just because they are in a hurry. With these words, Mr. Speaker, I finish:

On motion of Dr. McGrath ((Minister of Health) the debate was adjourned.

LEGISLATION: (Third Reading)

Third Reading of Bill, "An Act Further to amend the Old Age Assistance Act."

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

Third Reading of Bill, "An act Further to Amend the Social Assistance Act, 1954"; On motion, Bill read a third time, ordered passed and title be as on the Order Paper.

Third Reading of Bill, "An Act Further to Amend the Education (Teacher Training)

Act"—On motion, Bill read a third time, ordered passed and title be as on the Order Paper:

Third Reading of Bill, "An Act Further to Amend the School Attendance Act"—On motion, Bill read a third time, ordered passed and title be as on the Order Paper.

LEGISLATION: (First Reading)

Hon. the Minister of Public Welfare asks leave to introduce a Bill, "An Act Further to Amend the Welfare of Children Act"—On motion, Bill read a first time, ordered read a second time on tomorrow.

Hon. the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act Further to Amend the Local Government (Election Act)"—

On motion, Bill read a first time, ordered read a second time on tomorrow:

Hon. the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act Respecting the Assessment of Property for the Purpose of the Imposition of Real Property Tax By Councils of Municipalities"—On motion, Bill read a first time ordered read a second time on tomorrow.

Hon. the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act to Incorporate the City of Corner Brook and For Other Purposes in Connection Therewith"—

On motion, Bill read a first time, ordered read a second time on tomorrow:

LEGISLATION:

St. John's Shop Act—

SECOND Reading)

Second Reading of Bill, "An Act Further to Amend the St. John's Shops Act"—

Mr. Speaker: I believe the hon. member for St. John's East adjourned the debate.

Mr. J. D. Higgins (St. John's East): Mr. Speaker, there are certain very important matters in this Bill, which I think are deserving of more than passing mention. The first one is the addition of this Section 15. The

Act stopped at Section 14, but it is now proposed to add a Section 15, a section providing for the imposition of fines which seem to be out of all proportion to the offences involved.

Hon. L. R. Curtis (Attorney General): Mr. Speaker, I wonder if my hon. friend would be prepared to yield a moment—I might say I do not think it is proper, although we frequently do it here, to discuss the details of a Bill at second reading stage. Really the object of this Bill is simply to impose penalties for breaches of the Act. I suggest that the details of the penalties we propose might properly be a matter to be discussed in committee. I would like to say in addition, if I might, Mr. Speaker, we on this side of the House are not committed to any of the penalties outlined here. We have simply put them forward to form the basis of discussion when the Bill gets into committee so that we can have the opinion of the whole house, and indeed in the committee stage we will be moving several amendments.

Mr. Higgins: Mr. Speaker, I am inclined to agree with the comments of the hon. the Attorney General, and I am very happy to hear from him that the Government really is not necessarily, shall I say, formally, committed to the penalties that are mentioned here. But there are other sections which are novel and that I submit we can and indeed must discuss at this stage. I refer to the provision in Section (d) here that would make the occupier of a shop who contravenes any of the provisions of this act as a company, the director and every director of the company, whether he had knowledge of it or not, guilty of an offence, and again liable, on summary conviction, to the penalties set out.

Mr. Curtis: I may say, Mr. Speaker, that is one of the sections we want to have another look at.

Mr. Higgins: Good. I am glad to hear it. I have envisaged a situation like, say Woolworths, who are here in the City, and some director down there in Cleveland or somewhere does not know a thing, and some impetuous young man opens the store, and he finds he is liable.

Premier Smallwood: Yes, it might be Miss Barbara Hutton.

Mr. Higgins: It might be some one from "Sally" or someone from Eatons. I say Sir, it is very far-fetched. That is one aspect of it, Sir. Then we come to another section where it is provided that a person who advertises that his shop will open on a closing day shall be liable to a penalty. But it carefully makes no mention of the media through which that announcement is made. In other words, the newspaper that carries that advertisement or the radio station that carries that announcement or the television station that shows the slide announcing the intention of Jones & Company to break the law will be subject to no penalty. It is the individual who says I am going to do it who is to be punished, but the media through which that intention is conveyed to the public gets off "scot free", and I presume is allowed to charge a fee for announcing to the world at large, that Jones & Company are going to break the law. That seems to me to draw a distinction between wrong-doing and wrong-doers. The mere fact that John Jones is going to break the law is not of itself half as important as the fact that the public is informed through the medium of the newspapers or the radio station or television station of the fact that he is going to do it. That is the way I see it, Sir. The law is in danger of being brought into contempt. Why should this house then, Sir, make a cleavage between wrong-doers, and indeed put a premium on the thing, as these people are allowed to collect a fee for letting John Jones tell the world at large is going to defy duly constituted authority. I suggest it is really a very serious distinction to make. Then to carry on, I see no reason, if the law is proper, no reason that the Attorney-General could not avail of the right inherent in his office to apply for an injunction. Indeed not so long ago, I believe the Minister had to apply an injunction against members of the City Club who were parking all over restricted areas.

The non-application of Section 27 and 74 of the Summary Jurisdiction Act is again something novel. I believe we have in certain sections of the Alcoholic Liquors Act—I think one case in point is failing to declare liquor when a search is made and if found afterwards, there is a jail sentence and the magistrate's right to suspend is removed. It may well be there would be grounds for

removing that restriction in that case. Then, Sir, we come to what is equally distasteful, in Section 10, in the sense that it throws a totally unwanted responsibility on the Attorney General. It subjects him, to say the least, to what may very well be at times, unfounded criticism. "A prosecution shall not be taken under this Act without the consent of the Attorney General!" Now, Sir, that opens up a very wide field. It opens up the position that the legislation itself contemplates by implication a tacit acquiescence by the authorities to people breaking the law. It brings up this position, Sir; that the Attorney General's Department might be subject to a charge being levelled against them of prosecuting Bill Smith, an opponent of the Government, of the operator of a big shop, and letting John Brown go because he only owns a little store uptown, or he may be a supporter of the Administration. I do not think, Sir, it is good. It is a negation of the idea that all men are equal before the law:

Premier Smallwood: It is novel?

Mr. Higgins: I suggest it is novel.

Mr. Smallwood: In our statutes, it is novel.

Mr. Higgins: I don't say it is necessarily novel. I say in this it is not fair. I do not think any Attorney General—

Mr. Smallwood: It is not fair but it is novel. It is nothing new.

Mr. Higgins: I am not saying it is heresy. It is not introducing any idea which is not fairly common throughout the Statutes—Prosecution can be taken only with the consent of the Attorney General. It is not only in this commutation—I know certain types of complaint can only be taken with the consent of the Attorney General. For instance, a man blocked off a road dedicated to the public but fallen into disuse, and someone wants to complain about it. As far as I know the position is that person could not take action without the consent of the Attorney General. I am saying it is a novel thing in this particular context. It is not quite fair, Sir. It is not proper. You are exposing, as I say, the office of the Attorney General to criticism that there could be for want of a better phrase, "preferential prosecutions." This may be aimed at just one type of wrong-doer. In other words, it is just as well to call a spade a spade, the big fellow

on Water Street is prosecuted and the little fellow on the Higher Levels, he will turn a "Nelson" eye to them.

Now, Sir, that is, I submit, not good legislation. Certainly if we are going to have offences for which possible jail terms are provided, then, Sir, I do submit that there cannot be any difference between the application of the law, at least there should not be. If the director of a firm on Water Street, who flouts the law, is to be sent to jail if he can't or won't pay his fine, it is all right. That is the law. The court awards it. Equally, Sir, if at the same time as he is doing it, it is brought to the attention of the authorities that a store somewhere else is doing the same thing, the Attorney General is put in an unenviable position of conceivably having to say—"Well, we are not going to prosecute that person"—You see what will happen, Sir—You will have the big fellow conceivably fill up the place every day with lists of small shopkeepers all over the place open on Saturday—"I am prosecuted and why is not John Jones; Bill Smith; Sally Brown and all the rest"? I can see where you are going to bring the law into disrepute. Unless there is some very real reason for it I would most respectfully and most strongly urge upon the Attorney General and this house the advice of dropping that particular section.

Mr. A. M. Duffy: (St. John's Centre) Mr. Speaker, I would like to make a few brief remarks on this proposed amendment to the Shop Act. When this amendment was introduced and when the Bill was printed—I do not profess to know too much about the law—it seems to me that was irresponsible in the first place, and for some reason I don't know, reason has prevailed to some extent with the Government. The Premier is very obviously not anxious to push this as he was a few days ago, and I suggest for a very good reason. I think upon sober reflection it was quite apparent that this is intolerable in many ways, and I suggest, Sir, that when we depart from the solid principle it is inevitable that discord and dissension and chaos will result. When the Government decided to legislate "shop closing", in my opinion, and I have said this before and I still must hold to the principle that it is unsound for the Government to enter into a field that is not properly its own.

Mr. Smallwood: Mr. Speaker, this is out of order.

Mr. Duffy: I am making a preamble to my opinion of the amendments and for that reason I have to refer, unless I am ruled out of order, to make sense to what I am saying. I am giving the reason why I object to this and to that—I must give reasons.

Mr. Smallwood: Mr. Speaker, the hon. gentleman is right—He must give reasons if his speech is to be logical and sensible, but by the rules of Parliament and the rules of this house the reasons he is precluded from giving are reasons abusing the principle of the Act. This is a section to the amendment on the principle of this Bill.

Mr. Speaker: I think the hon. member made his point very well and can proceed now. I do not think he should belabour the point he has just made. I think he was entitled to lead up to what he has said.

Mr. Duffy: Mr. Speaker, I must agree with my hon. colleague, the member for St. John's East, with all the reasons he has given—There are some, which I am afraid I would be ruled out of order for suggesting. This is not wise. It is, as I said before, in my opinion intolerable. The clause relating to the fines seems to be out of all proportion to the crimes committed. There are many Acts in the Statutes that are far more important, far more portentous, far-reaching in their effect, embracing the good of the people throughout the entire land. This is relatively unimportant, this Shop Act, in the sense that it only applies to very restricted areas. I do not propose to know too much about the law, but casually glancing through a number of these Statutes, many of which are extremely important and, as I said, more far-reaching and more important in the sense that they are applicable to the entire population (and this particular Act in this sense is relatively unimportant) and I find that in many of these Acts which I glanced through quite casually, the fines, in pretty well all the Statutes that I glanced through, average around \$100. I was amazed when I saw this, and at first could hardly believe it, and thought it might have been a misprint.

It seems to be quite apparent when this Bill was printed that it was done impulsively,

and possibly in a fit of pique, but it does not seem to have any solid basis in reason at all. So that I must object to the clause governing the penalties. As my hon. colleague has mentioned, with reference to the Clause 15—the directors of a company are liable, and for reasons which my colleague has given, and which I won't go further into, as it is merely repetition, there is a very sound and valid objection to that clause. Then again there is the clause which removes the discretion of the magistrate. It seems to me that if the small shopkeeper ignores or is ignorant of the law, or for any other reason commit a breach, that small shopkeeper could very well be ruined by the payment of the fines as suggested here in this amendment. As to the next clause: "Prosecutions shall not be taken without the consent of the Attorney General." There again, as my colleague has pointed out, it seems that it is quite obvious that would cause, to say the very least, misunderstanding and a contempt for the law. I think that is quite obvious. I am sure the Attorney General can see that himself. As I said before, this Bill was very impulsively conceived, and it is quite apparent the Government has some desire or intention to remove much of the objectionable content of this amendment. Now I think I have given my views on it, Mr. Speaker. But I think any Bill that is submitted for the reason that this Bill has been presented to the house (it is very unfortunate that a Bill of this kind should be brought in, because, as I see it) it will result in discord and disharmony and misunderstanding. I feel, Sir, that the Government is very aware of that probability in this case. Expediency, in my opinion, does not at all justify taking a step of this kind. As I suggested before, when we depart from principles we are in a mess. And I sincerely hope that the objectionable clauses in this amendment will not be pushed by the Government.

Hon. L. R. Curtis (Attorney General) Mr. Speaker, I have listened with a great deal of attention to the remarks.

Mr. Speaker: I believe the Hon. the premier moved this amendment and the Hon. the Attorney General will not close the debate.

Mr. Curtis: No, Mr. Speaker, I listened with a great deal of attention to my friends on the

opposite side of the house. At the outside I would like to congratulate my hon. friend, the Leader of the Opposition for the attitude he has taken with respect to this Bill. I do not know whether he has spoken to this Bill or not, or whether my hon. friend just spoke on the Address in Reply and referred to it. In any event I would like to congratulate him on the attitude he has taken. He has taken the attitude that one would expect from a man who, for many, many years was a sitting magistrate, and a man who is a leader in his own constituency. I say, Sir, I would like to congratulate him on the stand he has taken. I would like, Mr. Speaker, at the same time to reply to a few of the points raised by my hon. friends.

In the first place, and let us make it clear, the Premier of this Province has been insulted and he has been ridiculed and held up to opprobrium for bringing in this legislation, and it has been suggested that in doing this he has shown his hatred with their proper and legitimate trade. Now, Mr. Speaker, if you had been with me, as some of my colleagues were, when we went to the Dominion-Provincial Conference, and if you had heard, as I did, the Premier of this Province stress the case of this Province, you would realize that we have as Premier of this Province, a man of outstanding ability and outstanding patriotism. The work he did at that conference, Mr. Speaker, was so outstanding that I have no hesitation in saying that, in his effort, he did more that day than all these petty merchants have done in all the years they have been on Water Street. I admit this is out of order, but I am only replying—

Hon. M. M. Hollett (Leader of the Opposition): It is a preamble.

Mr. Curtis: I am only replying to the criticism made of the Premier, and I say the criticism is unfounded, it is unjust and it is dishonest. Now what is the position? We have a Shop Act and now we have Saturday closing—And it has been suggested—Oh, no, nobody said they were going to open—but it has been suggested insidiously—"We are going to open—We are going to open."

Hon. F. W. Rowe (Minister of Education): It was advertised today; "Opening tomorrow until one o'clock."

Mr. Curtis: Well, it is advertised today that these firms are going to violate the laws of this Province. In other words, there is going to be anarchy on Water Street, a deliberate attempt to violate the law of this country by Water Street, the law of this legislature, the law of this country, the law of this Government, the law proclaimed by the Governor. Tomorrow, a holiday understand, now it is announced some of the merchants of Water Street intend to violate that law. Now then, Mr. Speaker, what is the punishment for breaches of this law as prescribed in the Shop Act? In the case of a first offence, it is a fine not exceeding \$250. And because the Leader of the Government brought in a Bill to set up that fine and to make the punishment fit the crime he is abused, he is castigated in every conceivable fashion, just because he has guts enough to go to the country and come to this house and say that the fine is not heavy enough—And, Mr. Speaker, is it? Is it?

Mr. Speaker: If the Hon. Attorney General would excuse me, I think he might make it clear the abuse did not come from within this house.

Mr. Curtis: I gladly do that, Mr. Speaker. Nobody expected it to come from this house.

Mr. Higgins: Excuse me, Mr. Speaker, the very objection the Attorney General raised to my discussion is, I think, equally applicable now.

Mr. Curtis: No, I mentioned the amount of the old fine, not the new fine.

Mr. Speaker: The principle of the Bill to be discussed is "shall this fine be stepped up." That is the principle of the Bill.

Mr. Curtis: "Shall we make the punishment fit the crime." Now there are two points to be considered, Mr. Speaker, if you are going to enforce any law. The first point is, what is a fair penalty to impose in case of a breach of the law as such?

Now, you know if there is drunkenness in charge of a car there is a fine, and if drunk on the street, there is a fine. There are certain offences that carry a certain fine. So far so good—But, Mr. Speaker, this is a different situation we are looking at. It has been decreed by proper authority that tomor-

row, Saturday, is a holiday, and a penalty is provided which is a nominal penalty only. But, Mr. Speaker, when that law was proclaimed certain firms said—"As for us, we intend to carry out the law, we intend to close." And you have the situation where on Water Street tomorrow, certain stores will have closed their doors because they are law abiding citizens who believe in the rule of the law, and who believe in the respect for law. But you have other merchants on Water Street who say—"The hell with the law. We are going to open."

Now, then there are two penalties to be considered, Mr. Speaker, (1) the penalty provided for violating the law and (2) the penalty for the unfair advantage these people are taking of their fellow merchants. In other words, if one firm on Water Street closes tomorrow in obedience to the law, what is a fair a proper punishment to meet out to their competitors who by opening tomorrow have a virtual monopoly, who can turn over a tremendous amount of business because their competitors are closed? And the Premier of this Province, because he has suggested that this legislation is necessary and should be brought in to protect the merchants who close tomorrow—That is the object of these heavy sentences. It is not to bring revenue to the Crown. It is not to hurt anyone. It is simply to make provision that the merchants who stay open tomorrow will not profit at the expense of their fellow merchants because the latter were law-abiding merchants.

Now, my hon. friend opposite, the hon. member for St. John's Centre (Mr. Duffy) will probably close his shop tomorrow, as a good citizen. I am pretty sure he will. Is it fair, if he closes, for the man next door to open up and do a thriving business and start selling the items he would have sold?

Mr. Higgins: That is not a good analogy, he has a monopoly.

Mr. Curtis: Take any other you like; is it fair for us to allow, to say to one merchant, you close up your doors tomorrow and close your eyes to another man who is a competitor? Is it fair to say to one man, go ahead and open your doors, you will do more than \$25 worth of business and your fine will not exceed \$25. That is the point I want to make, Mr. Speaker. This legislation is not aimed at penalizing anyone. This legislation

is aimed at bringing about respect for the law, and it is to protect those who obey the law, from being victimized by those who are violating the law. That is why these amendments are being made.

Now, Mr. Speaker, I do not want the job consigned to me by section 19. Far be it from me to want to take the responsibility of saying who is to be prosecuted. Unfortunately, it is thrown on the Attorney General, in Act after Act, both of the Federal Government and of this house. The Criminal Code, as my hon. friend opposite can tell you, contains dozens of references whereby nothing can be done, no action can be taken, without the consent of the Attorney General. And I notice here that several of the local Acts do the same thing. It is an unfortunate responsibility which goes with the office. Although I do not want it, and I am sure my colleagues don't want it if we have to have it, we will take it—but it shows the necessity of having some "rhyme or reason" to prosecutions made under this act. I might suggest this to the house: Any member of a firm on Water Street who is aggrieved, who wants to justify his own breach of the law, any such man, can go up and down Middle Street and purchase a tin of beans here and a box of matches there, and something else somewhere else, and come in on Monday morning and file 25 or 30 or more complaints or 2000 or as many as he likes, against little, small people on the back streets who are hurting nobody.

You remember a couple of years ago, Mr. Speaker, one man got loose and he filed charges against every member of the Legislature of the day for sitting while improperly elected or having broken some Act. That was his right. It would be the right of Mr. Bowring or Mr. Ayre or any other such person tomorrow, to go up to a shop and buy a tin of beans here, and buy this here and that there, and fill up the courts on Monday morning with prosecutions for breaches of the Shop Act. Or they could turn around, Mr. Speaker, and cover every single shop within six miles of St. John's (where there are 2000 more or less, I do not know, I have never counted them) and just think what a job it would be. Now, Mr. Speaker, that would be all right with the present law because the fine is not to exceed \$250. But if we are going to make the punishment for the offence, we have to dis-

tinguish in some way between an offence committed by a store that employs hundreds of employees and a store that is operated by some widow-woman with her grown-up daughter, or some little place operated by a cripple or some fellow who cannot earn a living otherwise—You have to discriminate—

Mr. Higgins: Why then remove the discretion of the magistrate?

Mr. Curtis: We remove the jurisdiction of the magistrate because we have seen that very able counsel appears before the magistrate and can blind the reason, and I am not very happy with some of the decisions recently made by our courts. Now, Mr. Speaker, it was suggested by the Premier the other day that there are several ways in which the validity or not of this legislation can be tested. As was explained by him yesterday, there were two methods open to the trade. The trade does not have to open tomorrow morning, afternoon or night, nor all three in order to test the validity of this Act, and if any firm is open tomorrow simply for the purpose of testing this Act—Well let me say first of all they will succeed because the Act will be tested, but it will be hard to convince the public that there is not a little profit motive in the background. If the Board of Trade or the Retail Section or anybody else, or Water Street want to check the validity of this Act they can do so easily. We have provisions under legislation passed by this house, passed last year or the year before, whereby reference can be made to the Supreme Court to ascertain whether or not this legislation is legal. The application can be made to the Supreme Court, at the request of the Government. And I say now the Government will be prepared to make any such application if it is asked.

Mr. Higgins: Hear. Hear.

Mr. Smallwood: There has never been any doubt about that.

Mr. Curtis: Everybody has known that. That is the law. There is no need for anyone to violate the law to find out whether the law is legal or not—There is no need, but if they want to go ahead and open tomorrow and be hauled before the magistrate, and if they want to go from the magistrate to the Cen-

tral District Court and from the Central District to the Supreme Court, if they want to do all that, they can go their round-about way about it. But they are only wasting their time, Mr. Speaker. We can go direct to the Supreme Court; and for anyone to suggest that we are bringing in these drastic penalties as a spite action to stop them from testing the law, they are guilty of an infamous charge which ordinary, common sense people would not accept but which they in their foolish pride do believe.

Mr. Smallwood: "Foolish" and "stupid"—Do not forget the "stupid."

Mr. Curtis: So, Mr. Speaker, if they open they are taking the long hard way to get the thing settled. If they want to get the thing settled, we are prepared to go to the court immediately, but if they want to go the round-about way, if they want to have their names blazoned in history for violating the law of the land—God help Water Street, Mr. Speaker, if we have on Water Street men who are prepared to ignore the law to make a profit, because their entire business and the business life of the community and their business life is dependent on the maintenance of law and order, and they have no more right to open their shops tomorrow and do business than has any poor woman to walk in and lift some items they have on their counters. They have no more right to violate the law, on the one hand and expect the police to enforce it on the other.

Now, Mr. Speaker, there is no question about it, we must strengthen the law. And of course this section, to which I pay most attention in this legislation, is the clause which provides for an injunction. That is a clause, I notice, to which my hon. friends did not object. In fact I propose when we get into committee to strengthen that clause a bit, and make it applicable after conviction, so that in the case of any store, once having been convicted of a breach of this Act, an injunction may be issued to restrain it from making any further breaches. But the point I want to make quite clear, Mr. Speaker, there is nothing personal, there is nothing offensive as far as we are concerned.

Mr. Higgins: What about the clause on "Liability"?

Mr. Curtis: My hon. friend raised the question, and I do think that clause dealing with the liability of directors should have another look. I do not think, speaking personally, that all the directors who are here, who are on the spot, who have authorized the opening of the shop in violation of the Act should get off free. One man got up the other day and said—"I am authorized by my directors to do this and say this and say that." I am not prepared, personally, whatever this house may decide to do when we get into committee—I am not prepared personally to sit by and allow all these directors to sit back in comfortable chairs and send some stool-pigeon up, who has not enough sense to know what he is doing, and take the rap. I think, Mr. Speaker, that the directors who are here should be equally guilty, and should have to take the rap, the local directors. I think the house will agree it is not to bring in outside directors who are innocent. I think that drafting was done in my absence, when I was home, and I did not have the same chance to look at it as I would otherwise.

But, Mr. Speaker, I think I am expressing the feelings of the house when I say we all favour the principle of this Bill. Whatever reservations we may make as to this clause or that clause I think we all agree that the principle of this Bill should be assented to by this house, that those who violate the law must be punished. One, to satisfy the law and secondly, that the punishment should be so severe that they will not profit from a breach of the law.

Hon. M. P. Murray (Minister of Provincial Affairs): Mr. Speaker, I would like to join the Attorney General in making a few observations in support of the principle of this Bill. I think that the Attorney General has just said, has done a good deal to clear the air as to just exactly what we are talking about. We are not comparing the merits of Saturday over Monday or Thursday. That is not the principle. What the principle is, as I see it, is to see when a law is passed and sanctions are put in the measure, that teeth are put in. And the main, the underlying principle of this Bill is to see, when a law is passed, it should not be flouted with impunity.

Now, Sir, a suggestion has been made that there is something novel about this legisla-

tion, I would like to clear the air on that. The law which was proclaimed there a few weeks ago was done under an Act which was brought in, I believe, by the Commission of Government originally, in 1942. It has been on our Statute books for something like 15 or 16 years. That Act was an enabling Act, if you like, to allow a proclamation to be issued in view of certain contingencies. And one of the contingencies of that Act was that employers and employees get together and agree on a day, and then, by mere ministerial action, that day would be proclaimed and that would be all there was about it. That situation never arose. There have been discussions going on for something like five or six years, to my knowledge, and there was never any time when the employer and employee got together. So finally, the Government, after sounding out what the opinion might be by plebiscite last fall—which gave an overwhelming idea, I think, of what public opinion stood for—after five or six years of negotiating and after the statute had been on the books for something like sixteen years, only then was this proclamation made that Saturday should be the closing day. Now that is the law of the land, and the idea of that Bill, that which is now the law of the land will be observed—As far as I know there is nothing unconstitutional about that. As I said, the old measure has been on the books for 15 or 16 years and nobody ever doubted the constitutional reality, that the Cabinet had the power to do what it did. If we have not, and if we did unwittingly some unconstitutional act, of course the remedy is there to find out, as all our learned friends know, and the house was informed yesterday. Legal proceedings are laid down whereby the legality of any Act may be tested.

I say we either have the power or we have not. There is no reason to doubt we do have the power, and if there is any faint suggestion of doubt about it at all, the legal procedure is provided in order to test it. Whether we acted in a constitutional manner or not, the situation is that once the law has been passed. No legislature in the world could sit back and see that law flouted. Now have we acted in a novel manner? All this measure sets out is that if the law is broken, in the first instance, there is a fine of \$200. Considering that it would be a profitable venture to

break the law in this particular instance, I do not think that, in the first instance, the fine of \$200 is excessive.

Mr. Higgins: To a point of order, Mr. Speaker. That is the very thing which I was called to order for, discussing the amount set out in this Bill.

Mr. Murray: I am speaking on the principle. The principle is to set down certain fines. Surely it is within the principle of the Bill to argue whether these fines are excessive or not.

Mr. Speaker: We cannot have it both ways. I do think the hon. member can discuss the excess or otherwise of the fines when he gets into committee.

Mr. Murray: All right, Sir, I will not mention any amounts of money then—Now, Sir, we say the amount which that subsection provides for a first offence is not excessive considering the nature of the offence and all the surrounding circumstances. The fine laid down will not be prohibitive for anybody, and in the first instance I would say that fine is just about what it should be. Now let us go on further than that. It could be quite reasonable to think that a first offence could be committed inadvertently or without malice or forethought. That is why the first fine is as it is. But considering the situation where the offence is repeated, we get into a completely different set of circumstances altogether. We get into the situation where the law is being deliberately flouted, where the persons involved sit down coolly and deliberately and persistently say they are not going to obey the law and are going to fly in its face. Surely, Mr. Speaker, in view of the circumstances it is only reasonable that the fine doubles or quadruples.

Mr. Higgins: Transported.

Mr. Murray: Surely my hon. friend from St. John's East (Mr. Higgins) sees the position. As I stated, there is all the difference in the world between a first offence, which might be inadvertent or non-deliberate, and any party sitting down deliberately, coolly, calculable to persist in illegal action. And if the thing is carried on to the third offence, certainly a very drastic and severe fine is what is necessary.

Mr. Smallwood: Otherwise, crime would pay.

Mr. Murray: And deliberate, calculated crime must be stopped. I think it is sound law and sound sense that it should be so. That is the underlying principle of the Bill.

Mr. Duffy: That is the way unsound legislation is brought about.

Mr. Murray: I do not get the point—Where is the unsoundness? As I said, if this legislation is unsound the courts provide methods of testing. But as far as we know and as far as anyone in the house knows, and as far as the Crown knows this measure as far as the law leads us to believe is perfectly legal and brought about by an Act now on the books for 14 or 16 years, and no one ever doubted it in all that time. It provides things to do, things which it would do. As regards the other items in the Bill, the one about fines for directors not party to the offence. That I admit, and if motion is made to amend it in committee I will be glad to consider it. As far as the others, there is nothing whatever unlawful about them, as far as I can see. The one about advertising—The hon. Leader of the Opposition and his colleague alongside him are both well acquainted with legal matters, and know an attempt to conspire to commit an offence is an offence in itself. And if a person, by advertisement, announces he is going to break the law that is an attempt to break the law. There is no question about it, the whole principle of the Bill is to see nobody in Newfoundland shall flout the law, and we would be very poor legislators if we permitted any person to do so.

Mr. G. R. Renouf (St. John's South): Mr. Speaker, I would like to make a few remarks about this Bill, this proposed amendment. I would think at first sight that the less said about it at this present stage might serve the best course. But there are several aspects of this proposed amendment, Mr. Speaker, that leave me with some reflections. I would have preferred to have seen the business of the house uninterrupted so suddenly for the provision of an amendment such as this. We had some worthwhile legislation arising from the Speech from the Throne, and we have heard Bills introduced and other amendments before the house, all of which

were a very constructive nature. Now we are asked to put on what the old horses around the city used to have a few years ago, "blinkers." I don't quite see how it can be, Mr. Speaker, that an amendment like this suddenly arose—It was not upon a breach of the Act.

Premier Smallwood: If the hon. gentleman would allow me—It arose from a meeting of some retail merchants, held this very week, where they decided to break the law. Upon being informed of that I asked to have the amendment drafted.

Mr. Renouf: Mr. Speaker, that, I say, does not eliminate the question mark which gave rise to this proposed amendment.

Mr. Smallwood: It explains the timing of it.

Mr. Renouf: It may explain the timing, Mr. Speaker, but there are lots of meetings of groups in lots of parts of this country where, if we take rumour by the horns we could never track it down.

Mr. Smallwood: That is not a rumour.

Mr. Renouf: I think, Mr. Speaker, the proposed amendment in general has a complexion that nobody is very pleased about. No matter what way it is thrown back or forth, you cannot escape the odor that follows it. I contend, Mr. Speaker, that it cannot now be salvaged without a sense of utter loss of face on one side or the other. It cannot be salvaged without the greatest of toil. I feel that, in the first instance, it has served no other purpose than striking a note of disunity in this country at this time that is totally uncalled for at this season. I suggest, Mr. Speaker, above all it might have been left for a later date. This was a poor winter in which to raise this issue, and the purpose of it I cannot quite understand. It does highlight, does focus, the different location of this City of St. John's in relation to the rest of the country, no matter what you take it. And I feel that in another way, it has done the country in general a lot of harm. This amendment, and its dramatic "striking in emergency" has gone across Canada from here to Vancouver and it is going to be a contentious topic of conversation for some months to come, and I suppose at the Federal election it will be going

full blast. Now I do not want to be too critical. I do disagree with the principle of the amendment.

Mr. Nightingale (St. John's North): Point of order.

Mr. Speaker: Did the hon. member rise to a point of order?

Mr. Nightingale: I did, Mr. Speaker, He said it was a poor time—In other words, Mr. Speaker, there are only two more Saturdays they can have holidays in the City of St. John's. I am the only speaker from St. John's on this side. So far the members for St. John's, I know, are defending themselves very well in this thing, but it is really much ado about nothing, as there are only two more Saturdays, according to the holiday schedule, on which they can close their doors.

Mr. Speaker: If the hon. members will excuse me I do not think he had a point of order—I think he should have asked the hon. member who has the floor to yield for him to make that explanation.

Mr. Nightingale: Maybe, Mr. Speaker, I had the "blinkers" on.

Mr. Speaker: Will the hon. member please continue.

Mr. Renouf: Mr. Speaker, I do detect a note of reasonableness creeping into the ranks of the other side, and, of course, being somewhat of a peacemaker, I still consider a situation is never too bad, perhaps, to be rectified or to be amended or to be improved. On the other hand, Mr. Speaker, the Hon. the Attorney General expressed his great solicitude for the competitors of certain elements of the trade in this city. But I contend, Mr. Speaker, that the penalties suggested, which now we are asked to believe are merely delicately suggested for discussion, are not to be thought of too seriously. After all we are reasonable men and this is an amendment which is the basis for discussion. A few days ago it was an amendment which was to be ridden through by Saturday. No, I am inclined to think, Mr. Speaker, that I should not, as I indicated earlier, belabour this matter too long, but I do regret and I do feel that the

suggested amendments are extremely excessive, and I do feel that the last clause in the Bill lead to so many complications that time is not going to permit me to enumerate them. My hon. colleague, the member for St. John's East has spoken of some of them—But unless we would want to be here far into the night, Mr. Speaker, I ask for an adjournment.

Mr. Speaker: There is no need to ask for an adjournment. The hon. member has the floor. I will now call "six o'clock," in which case there is no need of adjournment, the Bill will come up and the hon. member will have the floor:

Mr. Smallwood: Mr. Speaker, if you call "six o'clock" do we not then meet at eight o'clock automatically. So the honourable gentleman, if he could conclude his remarks might just resume his seat.

Mr. Speaker: In that case, since the house does not intend to meet tonight, it might be better if the debate were adjourned.

Mr. Smallwood: I contend the debate should be adjourned by the hon. gentleman.

Mr. Speaker: In that case, it is moved and seconded the debate be adjourned: On motion, debate on second reading adjourned.

Hon. E. S. Spencer (Minister of Finance): Mr. Speaker, may I ask permission for the printing of the Public Accounts. I have brought them along this afternoon, and under the Act I am supposed to ask for permission to have them printed. The one copy I have here I shall pass to the Clerk, and merely ask the house's permission to have them printed, and will have the printed copies on Monday.

Mr. Higgins: The other ministers used to have them right away.

Mr. Smallwood: Between now and Monday they should be printed.

On notion all further Orders of the Day stand deferred, and the house at its rising adjourned until tomorrow, Monday, at three o'clock.

Monday, February 3rd, 1958

(Afternoon Session)

The house met at three o'clock.

Presenting Petitions:

Hon. Dr. J. McGrath (Minister of Health): Mr. Speaker, I have here for presentation to this honourable House four petitions. As they all deal with the same subject, perhaps I could present them first and then speak to all of them together.

The first one I am presenting is a petition from the Parish of St. Vincent's in St. Mary's Bay, and is signed, as all the others are, by practically everybody in the area. That parish takes in the settlements of Peter's River, St. Stevens and St. Vincent's.

The next petition is from St. Mary's Parish. That takes in all the settlements including Gascoigne Shore, Point La Haye, St. Mary's, Riverhead and Mal Bay.

The next petition is from St. Joseph's, which takes in the stretch along that side, Salmonier, St. Joseph's and O'Donnells', and finally from the Parish of Mt. Carmel on the north side of St. Mary's which takes in all of the settlements from North Harbour including Colinet down through to John's Point and down to Mount Carmel.

All these petitions, Mr. Speaker, are the same and beg this Honourable House to consider the needs of the people in that area for electric power. Now I can hardly, in introducing these petitions, do much more than mention the purpose. We all know how important the provision of electric power has become to these isolated places at the present time. Years ago there was no possibility and no one concerned himself about it. It was regarded as so far outside their scheme of things they could not expect it. But times have changed, and the provision of electric power to certain areas of Newfoundland, which so far do not have it now, becomes at least possible, and in becoming possible is now, of course, first in the minds of people in these areas.

These petitions include twenty-two settlements with possibly four thousand people. We all feel if that area is to progress at all in the future they must have access to reasonably priced electric power. I therefore, Mr. Speaker, in presenting these petitions to the house urge the house to accept them, and I

urge the Government and the house to do everything they can to meet the reasonable requirements of the people in this area.

Mr. Speaker: Since these petitions are so closely related I think the one motion is in order.

Hon. M. Murray (Minister of Provincial Affairs): Mr. Speaker, I rise to support the petitions just presented by my honourable friend from the neighbouring district of St. Mary's, and I do so, Sir, with a great deal of pleasure, because we have common problems. The St. Shott's area is geographically in the lower part of the district of St. Mary's but belongs to my district of Ferryland. If this electricity is to come to the settlement or the vicinity of St. Peter's River, I think the settlement of St. Shott's will have to be taken into consideration and the whole area represented as a whole. A couple of days ago, I presented a petition from the residents of Trepassey, Portugal Cove and Biscay Bay along similar lines. This petition, like the four just presented by my honourable friend, was signed by every adult male and female in the community. This, Sir, goes to show that along that area from Cape Race through St. Mary's if there is one thing the people are unanimous about, all the people, the clergy and the laity, merchants and fishermen, it is their request for electricity. Considering the day and age we live in, and considering the economic contribution this area of our country makes, and considering the accessibility of power there—the hydro potentiality in the area—I do not think the requests of all these people are at all unreasonable. I know there are difficulties to be surmounted, geographic difficulties. Some of the settlements are very small and widely separated. But, Sir, that is not a situation unique to Newfoundland. In other areas, the Prairie Provinces for instance, there are small homesteads and small settlements, smaller than in Newfoundland, and in the Highlands of Scotland and other places I can think of. They have tackled the problem and have surmounted it.

It seems to me if this is ever to come about there must be subvention from somewhere. I do not think it is a proposition for free enterprise. I do not think the existing electrical companies, United Towns or Newfoundland Light and Power will take it on

their own. There must be subvention from somewhere. Until quite recently we had hope of subvention from the Federal Government. In fact, we were led to believe from good authority that help would be forthcoming, and while in Ottawa we did follow with great interest some measure through the House of Commons.

Mr. Speaker: I think I must remind the honourable member he has only five minutes.

Mr. Murray: Anyhow, Mr. Speaker, I think I have made the point I wished to make. I have great pleasure in supporting the petitions just presented by my honourable colleague.

Mr. Hollett: Mr. Speaker, I rise also to support the petitions presented by my honourable friend, the Minister of Health. I have travelled that coast up there considerably and know to what extent they are in need of electrical power. They are a very thriving people up there. They are not only thriving but they are very hospitable, and they are very hard working. I am quite sure that a way has now been found whereby these people may be served with some of the power with which these districts are so well supplied—

Mr. Smallwood: Would the honourable gentleman tell us what that way is which has been found?

Mr. Hollett: The way is that the Government which resigned yesterday or the day before in Ottawa—I think the honourable the Premier will understand which Government I mean—have made it possible for these people to get extensions in that they have made it possible to raise the money to build transmission lines from the power reserves to the settlements mentioned in my honourable friend's petitions.

Dr. McGrath: May I ask the honourable gentleman where the reserves of power are he speaks about? I would like to know where they are.

Mr. Hollett: Well, if my honourable friend does not know of any reserves of power up there he has not travelled the country very much except around the roads. There is plenty.

Dr. McGrath: You mean developed or undeveloped power. If it is undeveloped there is no opportunity to develop it. That Bill gives us no opportunity to develop it.

Mr. Hollett: Has my honourable friend studied the Bill?

Dr. McGrath: I have indeed and very closely.

Mr. Hollett: Has my honourable friend read it is possible to build transmission lines. If we take power we have developed, is there no way open in this Act to build transmission lines?

Dr. McGrath: Transmission lines are very little use to us.

Mr. Smallwood: The honourable gentleman is all wrong. He had better stop right there—he has not studied it.

Mr. Speaker: Order.

Mr. Hollett: I state right here and now the Federal Government made it possible to build transmission lines in various places, not only in other places, but here in Newfoundland, from power reserves to places where power is needed. For that reason, and not only that reason, I do rise in support of the petitions from the members on the opposite side. If they do not want us to support petitions then we will try to keep our seats on future occasions. But I do think the people up there in need of power should have it. Everybody knows it is not economic to bring in coal from Sydney and build up plants to develop power—everybody knows that it is not all economic—but we have water and power can be developed to supply electrical power, and it does not take a great deal of power to supply light.

Mr. Smallwood: Mr. Speaker, I had no intention for speaking to this petition at this time. I had intended waiting until later this month or this year to speak about power. What the honourable leader of the Opposition has said, however, more or less forces me to speak earlier than I had intended doing.

Mr. Hollett: In support of the petition?

Mr. Smallwood: The honourable gentle-

man suggested to the house that the legislation recently adopted by Parliament at the session of the Government of Canada covers this situation in St. Mary's Bay.

Mr. Hollett: I did not say it covered it.

Mr. Smallwood: Well, the honourable gentleman suggested that was a remedy. Because this new legislation of the Parliament of Canada provided for the building of transmission lines this problem could be met by their building a transmission line. Now, Mr. Speaker, I wish that that were true, but unfortunately it is not true. Unfortunately this legislation is going to be ninety-nine per cent useless to Newfoundland.

What is needed is not that the Government of Canada will build transmission lines but distribution lines, and the Act does not provide for that. The Act provides only for transmission lines. It does not provide for distribution lines. The Act is therefore ninety-nine per cent useless to Newfoundland.

If the honourable member did not read the debate and is not familiar with the Parliament of Canada and does not know of my request to the Prime Minister that hydro-power be included in the Act, if he does not know of the Government's refusal to help Newfoundland by including hydro-power, that is not my fault. I cannot be answerable for what the honourable gentleman reads or does not.

Now I support the petition strongly. I regret that the legislation that Canada has recently adopted in the Parliament of Canada will not be of any help whatsoever—I regret it.

Mr. Hollett: It does not cost anything to build transmission lines.

Mr. Smallwood: It is not transmission lines are needed but distribution lines. If the honourable gentleman had read the debate he would know that transmission lines are useless. The Canadian Government will build them. But that is useless to us. There is not time to explain the difference, but if that debate had been followed by the honourable gentleman he would not need to be told the difference. He would know there was a difference.

We hope to get power in these places, but up

to this moment I am afraid it will not be through any help from the Government of Canada. I hope it may, but it won't be under this recent legislation. It may be under another Act. There was another Act passed a year or two or three years ago under which they may perhaps help. If so, we will get action under that Act but not under the one just passed.

Mr. Hollett: We do not mind which Government passed the Act. On motion petitions received for referral, to the Department to which they relate.

Presenting Reports of Standing and Select Committees:

Hon. W. J. Keough (Minister of Mines and Resources): Mr. Speaker, I beg leave to table copies of regulations passed since the house met last, under the Wild Life Act.

Hon. S. J. Hefferton (Minister of Supply): Mr. Speaker, I beg leave to table regulations made under the Social Assistance Act, 1954.

Hon. E. S. Spencer (Minister of Finance): Mr. Speaker, I call attention to the fact we now have provided the Public Accounts and sufficient copies are now on the table of the house to be distributed to all concerned. This is in accordance with a request I made prior to closing on Friday afternoon, that the Public Accounts be printed. I now beg leave to table them.

Giving Notices of Motions:

Mr. Smallwood: Mr. Speaker, on behalf of the Honourable Minister of Fisheries who will not be here until later this afternoon, I now give notice I will on tomorrow ask leave to introduce a Bill, "An Act Respecting Payment of Bounties on the Rebuilding and Repairing of Fishing and Coasting Vessels."

Mr. Spencer: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Revenue and Audit Act."

Giving Notices of Questions:

Notices of questions on tomorrow given by Mr. Hollett and Mr. Renouf.

ANSWERS TO QUESTIONS:

Question No. 41: Answer in course of preparation.

Question No. 42: (See appendix for Question and Answer):

Hon. B. J. Abott (Minister of Supply): Mr. Speaker, I regret that I have not the time to give a detailed answer to the question. However I have here a consolidated answer that I propose giving now.

In the first part the question is not specific, and no period is stated. In the circumstance the replies are based on the period since my assumption of office, i.e., May 18th., 1957 to January 31st., 1958.

Now, Mr. Speaker, I am sure the honourable member will appreciate as I said at the outset, the fact that it is very difficult to obtain a detailed statement. We have between two and three hundred suppliers on our list. To give you an idea—On the 27th. day of January this past month there were sixty-seven suppliers providing supplies to the various institutions—Sixty-seven different suppliers, and that amounted to around six thousand dollars. So I could go on and give a list. On the 23rd. of January we had sixty-six suppliers for food and other supplies for different institutions.

ORDERS OF THE DAY:

Adjourned debate on the Address in Reply.

Dr. J. McGrath: (Minister of Health): Mr. Speaker, following the example of the other speakers, I should like to start by offering my congratulations to the two honourable members who moved and seconded the motion for the Address in Reply.

I should also like to add my mite of praise to the outgoing Governor, Sir Leonard Outerbridge. Both as a member of the Government and a member of the service, I have had much contact with His Honour over the past few years, and I was in a position to appreciate the value of his service and how fortunate this Province was in having him as its general representative.

I would like also to add my welcome to the new Lieutenant-Governor, Honourable Mr. McPherson, whose qualifications for this high office are so evident to all who know him.

In the Speech from the Throne certainly one of the most interesting concepts was the

reference to the possibility of the great firm of Crown-Zellerbach coming to Newfoundland for the purpose of establishing a new paper mill. Every one in Newfoundland, every one in this house, on both sides, will, I know, watch with interest and anxiety until this great project is put on a firm basis.

I was also, as every one was, interested in the mention in the Speech from the Throne to the various new sources of income that will, we not only hope but know, be made available to the Provincial Government. There were four of them, I think, one perhaps not mentioned, the special tax rental provisions of the Tax Rental Agreement. That has not been completely processed as yet, I understand, but the Federal Government announced a certain sum of which Newfoundland, I think, can count on about a million and a half dollars additional. There is also, of course, the much larger sum we may hope to get under Term 29. These are appreciable sums which will accrue to the Province and help us to extend our health facilities, which will come to us from the Federal-Provincial Hospitalization Plan to be put into effect this year, as we hope it will be by July 1st.

Then there was what we might call the "bird in the hand" actually or in the process of being granted, the special grant for the Atlantic Provinces. Now I was very glad to hear the Honourable Leader of the Opposition giving the Premier some modest credit for his share in procuring our portion of the grant. But I do not believe the Province at large, nor this house properly, realizes the part that the Premier played in getting us our appropriate share of that very welcome grant. I cannot of course refer to the discussion that took place in the session in Ottawa, but there was enough conversation and discussion went on outside that conference room to make it abundantly clear that nobody in Ottawa, except perhaps the members of the Newfoundland Delegation had the foggiest idea what Newfoundland's relationship to that special grant really was. There seemed to be a firm conviction on everybody's part that it was a grant for the Maritime Provinces and that Newfoundland would be fully taken care of under the provision of Term 29. Nobody whom I spoke to or heard speak seemed to appreciate that even the most generous and

fair settlement under Term 29 could only operate to allow us to keep up our present level of public services.

Now, it is fully realized that our level of public services is not equal to that of the other Maritime Provinces. The special grant for the other Maritime Provinces was to be given to permit them to raise their existing level of public services, and if the concept had been allowed to hold that Newfoundland would get everything she should get from Term 29, then we would have been in a very bad way in relation to this special grant. No sooner did that become obvious than the Premier took immediate and effective action to demonstrate the true character and reality of the Newfoundland position, i.e., that we not only had a claim under this special grant in addition to Term 29, but a very special claim. The fact that in the distribution of that grant Newfoundland was given proportionately a much bigger proportion of the grant than any of the other Maritime Provinces clearly shows that he was able to put his views across and persuade those in authority that these views were right. I think that was really a triumph of diplomacy, and a transaction for which everybody in Newfoundland owes him a debt of gratitude.

(Government members—Here. Here).

Mr. Hollett: Mr. Speaker, may I be allowed a question—I wonder would the honourable Minister deny that the Honourable Mr. Diefenbaker knew exactly where Newfoundland fitted in the picture, and so stated publicly as he included Newfoundland in the Provinces concerned?

Dr. McGrath: That is quite so, Sir, and to his credit. But that statement was made after the point was made by the Premier of Newfoundland and after the request had been made. I am sorry I said nobody in Ottawa. I did not include the Prime Minister, of whose good faith I am perfectly assured. But it is perfectly clear that most officials in Ottawa did not appreciate our case nor did any of the other Provinces. The Prime Minister certainly did when it was brought to his attention by our Premier.

Now, Mr. Speaker, we know that the Address in Reply cannot deal with everything. I myself, was personally disappointed too, to see no reference to the rural electrifica-

tion. Fortunately, that deficiency was very quickly corrected on the floor of the house when it was announced that certain areas of Newfoundland, one of which is my own district, St. Mary's, would be made a subject of study to see what could be done to provide electrical power in these areas.

Just about that time we had high hopes of a Bill which we were told was coming from Ottawa and would assist not only the Maritime Provinces but the Atlantic Provinces to provide electrical power in rural areas. But, Sir, our hopes for that Bill were dashed completely by just one word, the word "Thermal" and it is evident that what the Bill was to do was to provide not only power in Nova Scotia and New Brunswick but provide them also with the means of prosecuting their coal industry.

Now we here certainly have no jealousy of the other Atlantic Provinces. They have been very considerate in their dealing with us, and we have no desire at all to have any objection to their special help to develop their areas, their particular natural resources, and anything the Federal Government do for them we here would certainly back up and gladly. But we have no coal. We have no oil. We have water power. Water power was definitely excluded from this Bill, even though the Premier of Newfoundland made a special application to the Prime Minister of Canada, and Newfoundland's representatives in the House of Commons asked to have the word "hydro" included or introduced, so that we too, as well as the other Atlantic Provinces, might get some benefit from this Bill.

Now, the Honourable Leader of the Opposition was kind enough to support the petitions that I brought in. I did not mean to be ungracious in any comment, and I am very, very thankful for his support but I honestly think he was not aware of the implications of the Bill.

I need not tell you, Mr. Speaker, I am very, very interested in the development of electrical power in St. Mary's Bay, as everybody in the bay is. I read that Bill very carefully, and went to some trouble to get its implications explained. My understanding is that the Bill will provide for the building of Thermal plants only, and that it will provide transmission lines, and transmission lines only. What we need is not transmission but distribution lines. These are not provided

for under the Bill, and neither are transformers nor any of the various other things necessary to distribute power to the district. My understanding is that a transmission line is a line which transmits power from the centre of generation to one spot. Well now, it is useless to use a transmission line to bring power to St. Mary's even if the power were there to transmit. While I have not gone deeply into this thing, I understand it is now the subject of conversations between the Premier and the power companies. But I have great doubt there is any power to transmit. I believe the only power for St. Mary's is in a development of hydro right in St. Mary's Bay itself.

Now, Sir, in the speeches on the Address in Reply I was glad to see both the Premier and the Leader of the Opposition refer to civil service salaries, and the appointment of a Royal Commission to deal with some of the matters that require dealing with. This point is certainly non-political, and I agree entirely with the Honourable Leader of the Opposition where he referred to certain pitiful pensions that some people are getting. It is only fair to say that the fact that a pension is ridiculously small does not necessarily mean it is unjust, because there are pensions provided for very little service. For instance, in some areas where there were very few people, post office requirements were very small, and someone would offer to take it on. I believe the custom was to make some small payment, sometimes I believe as small as twenty dollars. Well, you can imagine what pension would be due on twenty dollars. That pension would be ridiculous but not necessarily unfair. But there is unfairness because of various causes. There is no question of that in my mind—Sometimes because the salaries were so low compared to modern salaries.

I am glad to see there will be a commission to look into these matters. One particular thing strikes me, i.e., the need for adjustment for persons with a long time in the civil service, the so called "temporary civil servants." When I was in Ottawa, I was shown some buildings put up as temporary buildings during the first world war. If I had known the proper person to show me, I would have been shown buildings put up during the Boer War. Well some of the temporary appointments in the civil service are about as temporary as the Federal income tax. Certainly I think anywhere that a

man works for the Government over a long period of time, he should be treated as any other man. This conception of temporary appointments should be done away with. A man in a position year after year should not really be classified as temporary, or an exception, or a reason for separating one class of Government servant from another. Sir, the Commission, when it sits, should take up this subject. I feel it is a good time to put in a word for those civil servants called "temporary"—in effect people who under the present setup who do not have an opportunity to get pensions.

Mr. Hollett: Mr. Speaker, may I ask a question? I wonder could the honourable member state whether such a commission has been set up or is it in the process?

Dr. McGrath: I understand from the Premier's statement the other day he has been seeking members and he had one or two but he stated they were unable to serve—I understand it is about to be set up. Now, it is only natural that, as Minister of Health, I should be interested in that particular subject. It did get a reference in the Speech from the Throne. I understand the scope of the Address in Reply is so wide I hardly need an excuse to bring up the subject, but it gives me an excuse if I need one. Last year I gave a fairly wide description of the actual public health facilities we have in Newfoundland. At the present time I do not intend to weary the House with any repetition, but I think I might give what I might call a brief progress report. While last year was not one of tremendous advancement in the way of building and that kind of thing, as everybody knows funds for capital extensions in the last year were very scarce, and we were therefore not able to go ahead with things badly needed. Nevertheless, in the last year some very, very gratifying things happened. One of them was the fact that very early in the year there was published, through our agencies which collect the facts and figures, what I consider one of the best pieces of news of the year and to a lot of other people and the best news ever heard in their lives. Early this year it became evident that the scourge of tuberculosis had been sufficiently reduced that we are not in future going to need all the sanatorium beds. Now I think the Government has good reason to be proud of its share in that. I certainly have no intention of saying it was done by the Government nor by the De-

partment of Health. I think they made valuable contributions as did other people too, particularly the trained people both doctors and nurses and technicians who worked in that particular field of endeavour. We have to thank some great public service clubs, particularly the Anti-Tuberculosis Association and the Rotary Club responsible for the founding of that Association. I think we can all take pride and pleasure in the fact that great scourge, if not overcome, has at least been enormously reduced.

Another thing that was well worth while was done during the year, and I think it is one of the biggest advances in medicine, in the care of the sick, there has come in our time. This is something I think the Government can claim for, i.e., the establishment of the Children's Health Plan by which all children under sixteen in Newfoundland receive free hospital treatment. Within the present year, of course, we have advanced a step further and now, as of yesterday or the day before yesterday, children going into hospital will receive their medical and surgical services free of charge. In the last year, there were over nine thousand admittances of children, one hundred and thirty-one thousand, one hundred thirty-eight patient days, and in addition some eight thousand one hundred and fourteen children were given out-patient diagnosis in the various hospitals.

Another thing worthy of notice is the nursing system, the new system of nurses training in which we have taken away a lot of the ordinary hospital work that nurses in training are doing so as to give them an opportunity to take intensive courses in the first two years in the institutions and then, in the third year, go in as nursing interns. There are several advantages in this: (1) they do get more intensive training, of course, and (2) in their third year they are paid a working salary instead of a small stipend given to student nurses.

Now, as I remarked, building last year was restricted because of a shortage of funds. I hope that will not be the position in the coming year. Nevertheless, it was not an entirely sterile year as far as building was concerned because on two new wings at the General Hospital excavations were started and the steel is already erected. This would be mainly for the new X-ray laboratory set up, but more importantly, it would give us a really modern, useful and extensive centre for the treatment of cancer. We also opened

two new nursing stations, one at LaScie and one at Jackson's Arm and took over a nursing station at Baie Verte, previously connected with Bowaters. It has now been taken over by the local Department of Health and will be carried on in future by them.

Now, I have only mentioned here the new items coming up during the past year. I am sure everybody realizes that behind such a big effort as caring for the health of people of Newfoundland, which is very largely carried on through Government Agencies, but not entirely there must be a vast amount of devoted and unanimous services on the part of those who do it. I do not refer to the Administrators but to the nurses and orderlies, and these people who are doing the actual work that is required in the care of the sick. More particularly I would like to pay tribute to the work of the nurses in the cottage hospitals and nursing stations and nursing districts. We have a shortage of help. That is not confined in Newfoundland. There are nursing shortages everywhere. I do not think that anywhere there is a more devoted band of nurses doing this work as is being done by nurses in the out-ports of Newfoundland and in the cottage hospitals. There has never been a shortage of funds to pay for nursing—whatever else we have had to scimp and scrape on we never cut down the number of nurses to be made available—But they are not to be had. So that when any cottage hospital nurses become ill, or take a well deserved holiday, it is almost impossible to replace them, and the staff left have to do the extra duty which is imposed on what is normally regarded as an unreasonably heavy workload. The same applies to nurses in the nursing stations.

When a nurse is there alone, without other professional help, she faces problems and circumstances very, very difficult for a good many qualified doctors to face. The district nurses do not even have, sometimes the most comfortable quarters to live in, nor work in. I think that explains why we have the greatest difficulty in many of the isolated places in providing nurses. As soon as a nurse leaves a place, we get protesting telegrams and sometimes critical ones blaming us. The only reason the nurse leaves, or we do not give them a replacement is because we cannot get a nurse to do it. We are trying—Under the new system of training, and a further extension of the effort to re-

cruit staff outside, we hope we will be able to alleviate this situation. It is a bad situation. Nobody could pretend it is anything but that. But these who are in the forefront of that battle are doing yeomen service.

Now I know very well it is not enough to speak of things accomplished. I certainly want the house and the public to know that in the Department of Health there are no traces of complacency, and because we mention the things that have been done (and it is only right we should mention them, we should mention them, we should mention what achievements there have been along a very difficult path) it does not mean that because we think we have done this or that we have done a lot. We have done what we can, but there remains an awful lot still to be done.

I remember an old friend of mine (now dead) when I asked him how he was getting on said—"There is nothing wrong with me money could not cure." Now, I would not go so far as to say that my Department, well organized as it is, it is so well organized that the only thing we need is money. We need a lot of other things. Certainly, money acts very much as a blood transfusion acts on a sick person. It gives us the one thing without which it would be impossible to do other things. I am glad to say for the coming year and the years to come money is in better prospect than it was, and we may hope to carry out a large program of hospital extension now being planned. I won't give the details at the moment, because that naturally has to follow in more detailed manner when we discuss the budget, but I would like to suggest that we are aware of the deficiencies and are striving to repair them. We hope to build more hospitals and have more beds, particularly for children and mental patients where the greatest pressure is. We know that in the isolated outports, the medical services are sometimes spread pretty thin, and sometimes we know they are spread too thin. We know also that in many of these places, through lack of being near medical services, through lack of communications and through lack of roads, there still goes up the old cry of the father in Israel, when Jeremiah mourned for his daughter—"Is there no physician here?" Well, Mr. Speaker, I hope it is the intention of the house, it is the duty of the Government, it is the duty of my Department to do everything we can to overcome these obsta-

cles so that in the future, and if not immediately, then before too long, there will be no place in Newfoundland where any child, any person whether adult or child, will seek medical service or medical advice and have to seek it in vain.

Mr. J. O'Driscoll (Bell Island): Mr. Speaker, in rising to speak to this debate I would like to extend my congratulations to the honourable and gallant member for Labrador North for moving the Address in Reply and also the seconder, the honourable member for Burin. Whilst I am in the mood, I also wish to extend my congratulations to the honourable and learned member for St. John's South for his appointment to the Opposition and for his masterly opening address.

As a Newfoundlander I am very proud to be associated with the Liberal Government who have gone all out to better the living conditions of our people. When Confederation with the Mainland of Canada was first suggested by our Premier I was definitely against it, and did everything in my power to defeat it. As a matter of fact, I was instrumental in collecting over one hundred thousand dollars to fight the issue. I now thank God that we were unsuccessful. (Government members: Here. Here).

Mr. O'Driscoll: I have been called a traitor and a turn-coat and many other names because I came out with the Liberal party—However, sticks and stones may break my bones but names will never hurt me.

Mr. Smallwood: I found that out.

Mr. O'Driscoll: I joined the Liberal party for one reason and one reason only, and that was to help our Premier and the party to make Newfoundland a better place for Newfoundlanders. In spite of some severe reverses, Newfoundland has, and will continue to, forged ahead until she is second to none, to any other Province in the Dominion. Newfoundlanders are not second-class Canadians. We are better than the best, and the rest of Canada is slowly but surely finding that out.

In our Premier we have a leader, a wonderful leader, who in the short space of eight years has achieved more than any other Premier in the whole Dominion of Canada. It is true that the marriage is over, and we now stand full fledged as a Province of

Canada, and with our natural resources and undiscovered wealth Newfoundland will some day in the not too distant future emerge as Canada's chief Province. You do not believe that?

I have great faith in our Premier, in our Government in Newfoundland and in Newfoundlanders, and when the chips are down Newfoundlanders are really Newfoundlanders. They are at their best fighting every inch of the way, just like our Government is fighting now for our just rights and place in this great Dominion of Canada. As Sir Winston Churchill said in the darkest days of the last war—"Give us the tools and we will finish the job."

That is all Newfoundland is asking for, fighting for, the tools to finish the job, to make Newfoundland a better place to live in. Already in the last eight years the lot of the Newfoundland families have improved over one hundred per cent. With the advent of Confederation, Newfoundland was given a lease on life, a new lease. I doubt if there is one person in the whole of Newfoundland today who would honestly vote against Confederation, except perhaps a few die-hards here in St. John's—against the Government no matter who they may be—

The great thing that has happened to Newfoundland since the advent of Confederation is the Government's Health plan which the Minister of Health introduced a few days ago. This Health plan far outweighs anything that the Government has yet undertaken, and will mean more to Newfoundland than all the new industries put together. It will mean fitter families in the Province and will be the means of saving the lives of many of our Newfoundland children, and it will save many hundreds of dollars for each family. Our Minister of Health and the Premier deserve the thanks and gratitude of every family in Newfoundland for putting this plan into effect. Another election promise fulfilled.

If the Liberal Government keeps on legislation such wonderful programs, they will be in power at least another twenty years.

Now, Mr. Speaker, I would like to refer to my district, Bell Island. Like Newfoundland, in 1949, Bell Island had gotten a new shot in the arm that will greatly improve its lot; I refer to the acquisition of DOSCO by

the A.B. Roe Company. I look to great things for the island's future, improved living conditions, more social benefits, and what is more important still, we in the Government will also do our share in making the miner's life a more happy one. This year will see many improvements on the Iron Isle.

Bell Island is to have a new ferry. We hope it will be completed before this summer. The new ship will be a first class ferry in every respect and capable of operating in the roughest weather, it will have reinforced bows for ice breaking and will be able to carry twenty cars and two hundred passengers. With this additional boat Bell Island will have the best ferry system in its history—another promise fulfilled—

Mr. Higgins: Is not the Federal Government building that additional boat?

Mr. O'Driscoll: I don't care which Government it is if we are to have a new ferry.

Mr. Smallwood: At least we can thank Confederation for it.

Mr. O'Driscoll: Considerable progress has been made in connection with water and sewerage mains, and surveys have been conducted at great expense. I understand, if everything goes well, the project is due to get under way early this Spring.

A new housing project will immediately follow after the water and sewerage has been installed.

If the citizens of Bell Island want a hospital, it is up to them to take the initiative to form a citizens hospital committee and set the wheels in motion, and Dr. McGrath and his staff will give full information and advice as to how about getting it under way.

In the short time since Bell Island became a Liberal District, just fourteen months ago, many improvements have been effected. Roads have been widened and prepared for paving. Unfortunately the rock formation on Bell Island is not very suitable for a proper road surfacing, one week after one has been laid it is completely gone to power and dust, and the dust menace takes over. This has to be eliminated and the only way in which I can see that can be done is by having the roads paved.

A new Federal Post Office has been erected and will shortly be opened. This project was achieved by the efforts of Mr. Allan Frazer, the previous Liberal Federal Member.

Improvements have been made to the pub-

lic wharf. This also was the result of Mr. Frazer's endeavours.

Light and Power have been extended to the east front of the Island. Dial system telephones will be installed in May and should be completed by July.

A branch of the Board of Liquor Commission has also been opened on Bell Island. This results in keeping many thousands of dollars on the Island which would otherwise have been spent in St. John's—I am now referring to the purchase of merchandise and household goods.

When the Federal Post Office is completed Bell Island will have a public library. I have arranged with our Government that the present Post Office, which is owned by the Provincial Government, will be made available for a public library. This will be of great benefit to the people of Bell Island, and will fill a long needed want.

Yes, Mr. Speaker, under the Liberal Government Bell Island has been benefited and will go on to be one of the principle cities of Newfoundland. In closing I wish to point out to everyone that, whatever the Government pays out it must first collect. This applies to all types of Government, Federal, Provincial and Municipal.

On motion of Mr. Sheppard the debate on the Address in Reply was adjourned.
Second Reading of Bill, "An Act to Amend the St. John's Shop Act."

Mr. Smallwood: Mr. Speaker, perhaps it would suit the convenience of the house if before resuming the debate on the Shop Act we were to have a recess of ten minutes.

On motion the house recessed for ten minutes, after which Mr. Speaker resumed the Chair.

Mr. Speaker: The honourable member for St. John's South has the floor.

Mr. Renouf: Mr. Speaker, at the last sitting I made some preliminary remarks concerning the proposed amendment to the St. John's Shop Act. I indicated that I took a serious view of this proposed amendment. I indicated that in discussing it and in debating it we would have to put on symbolic blinkers, so that we could keep our eyes focused on a target, mainly on the principles of the proposed amendment. I do not know, Mr. Speaker, if I might with your indulgence, divert for a moment to a small point that is not completely in line with what I have to say, something that is not intended to add to the gaiety of the house.

Mr. Speaker: If the honourable member would excuse me—I am afraid he cannot ask my permission to allow him to get out for order if that is what he asks.

Mr. Renouf: It is not, Mr. Speaker, merely a statement of amusement. On Saturday morning as I was enjoying my breakfast, I listened to the radio and heard the announcer advertising the excellent product of Chalker's & Company, and I listened still further and I found that I was urged to buy choice meats today, on Saturday. The point at issue, Mr. Speaker, was that we are asked to consider an Act, a proposed amendment, which in principle is a rather unusual one. There are several points with which we could take issue. The Honourable the Attorney General made an explanation, or an apology, for certain features of the Bill, an explanation which in my opinion was very chary on the fundamental issue at stake.

There is one point we have to consider, and that this amendment can be seen in the light not only of the people involved directly, but the Bill brings in a fundamental principle of very far reaching effect. This proposed amendment has caused a very great shock and a very great stir in the minds of the people of Newfoundland. I contend that the board principle, the broadest of the principles, is that it is a complete departure from the historic stream of Newfoundland Legislature. I contend that it gives rise to thoughts that there is a subterranean poisonous spring that is polluting the stream of our Legislation in this country. I feel that the proposed Act is excessive in its tone. I think that it may have been, as my honourable friend, the member for St. John's Centre said, conceived in haste and perhaps repented at leisure. In proposed Legislation of this sort, one is left with the impression that time has been thrown back. The struggle of the early settlers in this country was for the relief of oppression. In the days of the Fishing Admirals, the early days of the settlers of this country, we were impeded by harsh, undue and unjust and bad Acts and laws.

This imposed amendment is much of that sort. We know that some of its practical applications, if it went through, would not be carried out. We know that the fundamental common sense of Newfoundlanders would prevail. But once let a piece of Legislation get into our Statute Books, (it does not matter anything about the intentions), we have

Legislation which in principle infringes upon the constitutional way of thinking of our law, it alters the conscientious and the traditional way in which law is enacted in Anglo-Saxon countries. I think I might even go further, and say this proposed amendment savours of the "hung, draw and quartered"—I feel very strongly, Mr. Speaker, on the matter of the principle in this Bill. I know, as I said before, we rely on the common sense of the Newfoundlanders. But that is not the point. If we get bad, wrong, repressive types of legislation of this sort on our Statute Books there is nothing to say but that that type of legislation will be introduced all over the country. I am not saying it will be, but the principle is wrong, to allow in this Newfoundland Legislature anything that is tainted with excess, anything that is allowed to interfere with the valid liberties acquired in this country by the struggle of our ancestors.

Mr. Curtis: Liberty to break the law?

Mr. Renouf: Liberties secured, Mr. Speaker, by the struggles of the people who have gone before us—Liberty to break the law is one thing. I am going to keep my blinkers right on my face, Mr. Speaker, and I am going to stick close to the principle. In reply to the Honourable the Attorney General, I quote this principle again. The Honourable the Attorney General did mention that these amendments were suggested, they might possibly be altered, they might be watered down.

Mr. Curtis: Or up.

Mr. Smallwood: Or up.

Mr. Renouf: How in the name of fortune, Mr. Speaker, could they be amended. They had no business to form a part of the subject matter we were to consider. Could not the Legislature have recommended more normal increases if increases of punishment were necessary. No. It did not go half way, it went full way, it went to excess.

There are several points in addition to this general comment which I have to make, Mr. Speaker. I feel very strongly about this whole principle. I have no personal reference to anyone in this House. I am standing up to express my personal views, I am standing up to express the views of my colleagues here on the Opposition side. I am standing up to express the views of Newfoundland in

general, a good many of whom are on the opposition side of the House.

We have several clauses in this proposed Bill which require comment. The last one, Section 18 is the most unfortunate of them all. My honourable colleague, the member for St. John's East expressed sympathy for the Honourable the Attorney General that that clause should be brought here for our consideration at all. The Honourable the Attorney General stated that the Act is in general application of recent days. I submit, Mr. Speaker, that such a clause as that may probably have its place in Legislation of a national character, in Legislation of an emergency character, in Legislation in time of crisis, but if laws such as that clause were on the Statute Books of Canada, they have found their way there during the past Liberal Administration. I do not think it is fair to the Attorney General to have that clause there. I honestly feel this proposed amendment would be equally good, equally feasible, equally just if that clause were eliminated. I honestly, Mr. Speaker, feel that clause has implications far more than the simple wording indicates; that it is a foreign type of Legislation to reach our books. That, I submit, Mr. Speaker, is the type of phrasology and type of system that savours of the Minister of the Interior. It is not fair to the Honourable the Attorney General. I will not say any more on that point. I made that remark not in a personal way, but I think it is bad. I think that puts the Honourable the Attorney General, as the honourable member for St. John's East said, in a very unenviable and unfair and unhappy position.

Mr. Curtis: Would the honourable member pardon me—Does he not realize the man holding the office of Attorney General has to decide in some cases whether to charge a man with murder or manslaughter, that the responsibilities of the office go far beyond the petty necessity of prosecutions under the Shop Act.

Mr. Renouf: I quite agree, Mr. Speaker, with the Attorney General.

Mr. Curtis: Do you resent it?

Mr. Renouf: No, Sir, I agree, Sir, that the pettiness of such things should be beyond the immediate attention. The action of the magistrate could quite easily handle things of this sort. I feel, Mr. Speaker, in all sincer-

ity the Attorney General should not or need not be placed in that position.

I think, Mr. Speaker, I have made it clear at the beginning that we have to make no references to classes, people, businessmen, small businessmen, middle businessmen or anything of that sort. But I will demonstrate to you for a brief moment what a peculiar position can arise from some of the principles under this Act.

You see this cube. This is an oxo cube. Someone told me it was the concentrated essence of something, which was the topic of conversation the other afternoon, concentrated "bull." Mr. Speaker, that cube is worth three cents. I bought it in a store the other night. It could mean absolutely explosive results for the citizens of this country, that simple cube bought at the wrong time. It could be the case of throwing a widow, a man, a small man, a big man, a middle-size man or a tiny man in jail for nine months. That is one of the peculiarities of this particular proposed amendment.

Mr. Curtis: The very thing this amendment is designed to stop. A lot of people on Water Street would prosecute them tomorrow for spite.

Mr. Renouf: We would not wish any people to be prosecuted for spite, be he large or be he small. As in all things I feel that this Legislation should be handled properly. I have had my say. I have said what I have to say in protest of the principle of this Bill in general. I do not wish to take up the time of the house in unduly labouring it. As I said the other day, I do not wish to take it piece by piece. I am going to suggest, I am going to say that the principle of the Bill is wrong. The principle of the Bill is faulty. The principle of the Bill is ill thought out, and I am going to leave it to the sane, sensible, common sense Newfoundlander on that side of the house to take a sensible view of it, and try to make the best of a bad job.

(Applause from the Opposition side of the house)

Mr. Sheppard (Hr. Grace): Mr. Speaker, after the rather impassioned oratory of my honourable friend opposite, we should probably re-examine the section as proposed in this amendment to the Shop Act. It has been stated here on several occasions that the parent Act which we now propose

to amend was passed in 1942. It has been on the Statute Books for some fifteen years. That Act gave certain authority to the Commissioner for Home Affairs, now the Minister for Provincial Affairs. Just a short while ago, the Minister, by the authority vested in him under the Parent Act, with the backing of a majority of the people who wished to go and express their choice in a free secret plebiscite, the Minister decided, no doubt with the approval of the Government, to issue a proclamation. When the proclamation was issued—I am trying to review the position as best I can, Mr. Speaker—When the proclamation was issued a very small, a very minor segment of the business people of St. John's came out openly and said they would break the law. The ranks of this house were closed, and I was very glad to see the Opposition join with this side of the house in saying that this was a situation which could not be tolerated. Can it be tolerated, in any civilized country, if any group of people come in open defiance and openly say they are going to break a law, when the law must be enforced. I feel, Mr. Speaker, if we decide this law must be enforced it is a good thing, and undoubtedly it is a good thing, a twenty-five dollar fine, and this is a part of the law, to deter people from doing a wrongful action. If we are to make that law stick then we must have penalties, and twenty-five dollars or not exceeding twenty-five dollars, under the old Act, is certainly not deterrent to the average person to whom this Bill applies, whether he be a small shopkeeper or big shopkeeper.

So that Bill now before us proposes to stiffen these penalties, Mr. Speaker. If the people to whom this Act applies have no intention of breaking the law, if they are going to go with the law, there is no need for fear of these penalties. The mere fact that they exist in the Bill itself is not going to work any hardship against the person who does not break the law, and if a person, or any group of people, wish to go and break the law then they know exactly where they stand. As I said, we are filling one part, probably a very small part, of the function of law, that is to act as a deterrent. Like the Honourable the Solicitor General I feel that probably it is wrong to make Directors of a company responsible for an action of which they are not aware, and to which, in the ordinary course of events they would not be

a party. I think the Honourable the Attorney General intimated that this clause could probably be modified.

Now the principle of preventing a person from advertising that he is going to do a wrong is now new. That is not new. As a matter of fact I understand that it is already a common law offence to publish the fact that you are, a person is about to do an unlawful act. It is an offence in common law, and by putting this in here we are only putting into the Statute something which exists as a generality.

As a former magistrate, Mr. Speaker, I feel that the courts, if they are given certain leeway, if they are given certain responsibilities, should be preserved in these responsibilities of a general nature. If individuals who have been appointed to the courts see fit to be lenient, or be more lenient than others, to keep within the law, to mete out an absurd type of punishment, then I feel that the remedy in that case is probably to substitute for that somebody else who would carry out the general wishes of the public on these matters or as the law intended him to carry it out.

My learned friend from St. John's South said that to put in a clause like this last clause, which says that prosecutions shall not be taken without the consent of the Attorney General is not in our law. Mr. Speaker, I can't quote the sections nor the facts nor the pages but I think you will find in the Canadian Criminal Code numerous offences. I thought the other day when the debate was going on of eight, and there are probably eighty more where this same thing applies. It is not novel. It is not new. If the Attorney General in his office (who is the chief law officer of the Crown and who is there to protect as well as to punish,) is to see that the laws are properly administered without fear or favour, then what is wrong with putting this in to a statute to give him the authority to decide—He has to decide, as he interjected there right now, whether a man is to be charged with murder or manslaughter.

Mr. Hollett: That is on the evidence—if a man deliberately commits murder he can charge him with murder.

Mr. Sheppard: Before the law enforcement agencies can proceed to lay a charge against an individual in numerous cases under our law, the consent of the Attorney General

has to be obtained, in a lot of minor cases. My honourable and learned friend from St. John's South spoke of the struggles of our early settlers, the days of the Fishing Admirals, our hard-won liberties. I wonder, Mr. Speaker, to what group of people in this country we can contribute most of our struggles? There are many people who are still feeling the effects of the struggle which they have lately shrugged off, and in my opinion I do not think the honourable and learned member for St. John's South showed very much taste in presenting a case for these very same people who, if they now had their way, would impose similar tyranny upon the some three or four thousand workers whom we represent on this side of the house.

Mr. Hollett: Mr. Speaker, it is my impression that we on this side of the house represent quite a sizeable percentage of the people of St. John's. I think considerably more than the people on the other side of the house.

Mr. Smallwood: Not in this question.

Mr. Curtis: What about the plebiscite?

Mr. Smallwood: Except the honourable gentleman himself does.

Mr. Hollett: The question before us now, Sir, is the amendment to the St. John's Shop Act, and these amendments are the ones to which we present our opposition. We oppose these amendments because we see at the moment no necessity for such amendments.

I believe it has been said here that the St. John's Shop Act has been in our Statute Books since 1942. I wonder if the Honourable the Attorney General will tell me just how many prosecutions have been undertaken in the St. John's Shop Act, how many people have been jailed because they committed a breach of the St. John's Shop Act?

Mr. Curtis: There were none in jail but there were several prosecutions.

Mr. Hollett: Is it not a fact that the penalties included in the St. John's Shop Act have sufficed until now?

Mr. Curtis: Until now.

Mr. Hollett: Is it a fact that they will not suffice even now?

Mr. Curtis: Yes.

Mr. Hollett: I would like to point out to the Honourable the Attorney General and to the Government that the St. John's Shop Act has been broken more times than any other act that I have ever heard of. I am talking about the breaking of the Shop Act. And the penalty is there. I want to ask the Honourable the Attorney General why no prosecutions have been taken to date? I want to ask the Government that—Why have no prosecutions been taken under the penalty clause of the St. John's Act since 1942? If there were no causes to apply this penalty clause, then why does the Government arrive at its decision to bring in this amendment, particularly this amendment with regard to increasing the penalty? Why are they doing it? I might say, Sir, in my opinion there are about four different principles involved in this particular amendment, and I propose to say a word or two on each of them.

My colleagues on my left have very well stated the case for the Opposition, for us on this side of the House. I think they have stated their case in such a way that it must have impressed nearly every member on the Government side of the house, except perhaps the honourable member for Harbour Grace. Now I want to say that I am very sorry that the Government has been advised to bring in this amendment. It seems to me that the Government has placed itself on the horns of a dilemma and do not know how to get off the one horn without getting pierced by the other. It is unfortunate that such Legislation should have been brought in because there was the St. John's Shop Act, and if John Jones or Bill Smith or Bowring Brothers or Ayres or anybody else broke that law well then, apply the Act as it is at the moment.

Mr. Curtis: That is what we are doing.

Mr. Hollett: That is what you have to do now, surely, and I expect it to be done because everybody in this house must agree that the stand which we and the Government have taken, as long as this remains law, we have to see it is carried out. There will come a time, undoubtedly, when different laws will have to be repealed because they no longer represent the feelings or sentiment of the people who come under the Law. But in this particular case the law has to be carried out. But I fail to see on what

ground the Government decided to bring in this amendment which not only increases the fine before any action is taken but before any prosecutions are filed. The Government is to increase the penalty—Why? Simply because some irresponsible people got up in some place and said we are not going to observe the law, advertised over the radio and over television they were not going to obey the law—We are going to open on Saturday.

Mr. Curtis: And they did.

Mr. Hollett: It is nonsense to bring in such Legislation when prosecutions could very well be taken under the law we already have. If they persist in breaking the law and people decide the present law is not stiff enough, then bring in the amendment to increase the penalties. It is not good enough for this Government to have brought in this particular amendment at this particular time. They should not have allowed themselves to get into this position—I am very sorry about it—We on this side of the house, as already said, will support the Government at any time to carry out the law of the Province, but we do not like such Legislation as this.

Now, Sir, I said there were about four different principles in addition to the one for an increase of the penalty. I want to refer now to the parent Act. That parent Act, under Section 14, says that the occupier of any shop who contravenes any of the provisions of this Act will be liable for a fine of twenty-five dollars for the first offence—Then you get the clause—this amendment comes in—the occupier of any shop etc., guilty of an offence is liable on summary conviction—in other words to penalty clauses there attached to the same Act. There is no attempt in this amendment to repeal the penalties clause in the parent Act. That may be an error or it may not be—But I do not think that there was absolutely no reason whatsoever for bringing in this penalty clause for increasing the penalties until such time as it had been proven that the penalty clause was not adequate to take care of the situation as it then arose.

That is the position we take.

Mr. Rowe: Is it not proven now?

Mr. Hollett: It has not been proven as yet. There are no cases in court yet, and as far as we know there have been no breaches as yet.

Mr. Curtis: Someone gets up and says—we are going to break the law. Did you see any shops open on Saturday?

Mr. Hollett: I am not making any confessions here—I might then be regarded as just inquisitive.

Mr. Curtis: You want your blinkers on as much as the honourable member.

Mr. Hollett: I know for a fact some shops opened on Saturday. I know for a fact some shops have been open in St. John's since 1942 when this Act was put on the Statutes, and I know for a fact that the Honourable the Attorney General, since he came into office in 1949, has not taken any prosecutions.

Mr. Strange: (Port de Grave): Mr. Speaker, would the Honourable Leader of the Opposition allow me to refer to that for a moment?

Mr. Speaker, this Shop Act came into force in 1942. I was Assistant-Chief of Police at the time, and I was for eleven years Chief of Police afterwards. The police more or less were responsible for sending in complaints of any breaches of the Shop Closing Act, and I, as Chief, was the one who received all police reports, and if necessary will follow on to the Attorney General's Department, or take action if the case were clear. The reason why there were no prosecutions for breaches of the Shop Act was that the Act was a bit complicated, so much so that evidence had to be definitely produced to a magistrate that the shopkeeper or a clerk in his shop did sell goods which were prohibited for sale at certain times and at certain hours. It was not so easy to obtain that evidence. In a number of cases where prosecution was taken, it was proven by evidence that the goods were sold and delivered within certain hours. But as I see it, this is not for selling nor delivering goods within certain hours or outside certain hours at all—This is for certain dates to be proclaimed as shop closing dates in the week, and has nothing at all to do with the Act where prosecutions were not taken and the Act not enforced. That is a different set of circumstances altogether. All we have to do now is to go down and make sure the shop is open for business and not closed, which is a

breach of the Act. Before it was selling and delivering of goods.

Mr. Hollett: Mr. Speaker, I am surprised you would allow such an unusual interruption to go on.

Mr. Speaker: The Honourable Leader of the Opposition himself allowed it.

Mr. Hollett: I did it, Mr. Speaker, because I expected the honourable member for Port de Grave would put his foot in it, and he did very nicely.

Mr. Speaker: If the honourable member would excuse me—When any honourable member has the floor, if any honourable member wished to correct him, he gets up and asks, "Will the honourable member allow me" as the honourable member for Port de Grave did, and the Honourable Leader of the Opposition kindly allowed. But this interrupting is done with the permission of the person who has the floor, and he can, if he feels the other person is speaking too long, object. It is not up to Mr. Speaker at all. Mr. Speaker does not enter into it.

Mr. Hollett: Mr. Speaker, the fault was mine. The honourable member for Port de Grave said it is impossible to prosecute people because it could not be proven that people actually sold goods, or words to that effect—That is not what they had to prove, Mr. Speaker. The honourable member, when Chief of Police, had to prove before the court that stores were open. That was enough to do.

Mr. Curtis: He had to do more than that.

Mr. Hollett: I shall read the section—No shops shall be open for the service of customers on any day except during the open hours, etc. Now how do you get around that?

Mr. Curtis: There are other clauses besides that—It is governed by other clauses.

Mr. Speaker: Order I think the debate is getting a little disorderly now, with three people talking at one time.

Mr. Hollett: I was trying to point out, Mr. Speaker, that all the prosecution had to prove, ever since 1942, was that the shop

was open and serving customers. What the honourable member for Port de Grave was trying to explain was that they could not prove anybody bought any goods. Now that is as I understand it. Well in that case, I take it will be proven tomorrow or the next day that somebody else sold goods or some thing of that kind.

This amendment here, Section (a) of 15, says—"Anybody who contravenes any of the provisions of the Section 4 is guilty." Section 4 says: "No shops shall be open for service of customers"—Exactly the same as before except that the penalty is increased—I am quite sure if the police force had been instructed in times past to prosecute for opening of stores and serving customers when stores should have been closed, they would have had no trouble to prove their case.

I agree when people advertise they are going to break the law, it is time for somebody to sit up and take notice. I agree with that. All right, they advertise they are going to break the law—They break it—all right, prosecute them under that Act. Do not, for goodness sake, be silly enough to bring in an amendment like this—in my opinion it is a silly amendment and not needed until it is proven that the penalty clause is not sufficient to take care of this situation that has arisen. I am not going into the size of the fines because we can deal with that point in Committee, if it ever comes to such a stage. Now, as to the section making the directors responsible. I do not know if I could be too fussy about arguing too strongly on that. Some of my own people on my own side of the house objected to it. But if a man is attached to a firm, and that firm advertises it is going to break the law and goes and breaks the law, that director ought to be smart enough to have heard something about it, and if he allows it to go on, I do not see why he should get away with it and allow the individual to be prosecuted.

Hon. E. S. Spencer (Minister of Finance): Here. Here.

Mr. Hollett: I am very glad one honourable member—

Mr. Smallwood: Here. Here. We all agree.

Mr. Hollett: Mind you, this is a strange situation. The whole situation is very peculiar and never happened before, so that any-

thing is likely to happen.

But I do say this, and I say it with all sincerity, according to my lights, directors ought to be held to their responsibility for everything in connection with their business. They are responsible for everything else and I see no reason why they ought not to be responsible if their firm deliberately goes out to break the law. I am not at all against it. I am against certain principles of this Bill. But I have yet to see why there is any reason why directors should go "scot" free and let some unfortunate creature "get the works." My honourable colleague on my left, who is very observant, has pointed out to me that there is a clause there to which I think now I might object; and that is the one whether he had knowledge of the contravention or not.

Mr. Curtis: That should come out.

Mr. Hollett: If a person proves he has no knowledge then the convicting magistrate or judge might consider it—After all a judge can consider things like that—But I would say he would be very lax in his duties to his company if he did not know such steps were being taken by the executive that they shops stay closed, or advertising that they are going to break the law. I do not know but I think if a person advertised he was going to break the law tomorrow that would be a great help to the police. But, of course, if the advertisers are being paid for such advertisements, that they are going to break the law, I agree with my colleague here on my left, surely something ought to be done about that—That is the third main principle.

There is also another principle involved, and that is Clause 18 which refers to Section 37 and Section 47 of the Summary Jurisdiction Act. I believe that has to do with the discretion of the magistrate. Some of the honourable members opposite have been magistrates, and I have been a magistrate myself. I say that it is unfortunate that the magistrate is not allowed any discretion in the matter. I pointed out one or two cases where he might exercise his discretion—I have never seen a law broken yet that came before me where the magistrate ought not to use his discretion. There are breaches of the law, in my opinion, which do not demand the same penalty as other breaches of the same law. I say that any person who deliberately sets out to break the law de-

serves the highest penalty, but there would be cases where a man comes before a magistrate and if it is proven he inadvertently, or by some forgetfulness or by some neglect or by some lack of knowledge of the law did break it, and when it is proven to the magistrate that this is so correct I do not think he deserves the full penalty of the law. That is another principle, I think, where the Government has erred. I do not think you should take away the discretion of the magistrate because, after all, the magistrate deals with these things every day of his life. That is his life, dealing with the people, personally dealing with the people, dealing with human beings, and he and he alone, when the evidence is all supplied to him, is the best judge—He is the best judge—I could cite you some cases from Scripture to make my point on that, but I do not think I will go into that at the moment.

Now, the one that concerns me particularly is the last principle, to which I referred—a prosecution shall not be taken under this Act without the consent of the Attorney General. There has been a lot said about that, and there is not much need of my saying any more except to say that I pity the Attorney General. I take it that, from now on, the police force will be watching every shop owner in St. John's, for the next few months, and they will bring in complaints saying John Jones or Bill Smith, or somebody else kept open on such and such a day or at certain hours contrary to the law. They will bring in these complaints, and complaints are going to be stacked up, (I do not know how far, but they could go pretty high.) Every one of these complaints the Attorney General has to go through and he is to hear a little bit of evidence to know exactly when it was, and so on, and he has to decide—"We will prosecute this one, but we will not prosecute this one here, we will prosecute this one, but not that one"—As sure as he makes these decisions, some of his political friends who do not see through the same political eye glasses that he sees through will say—"Well, because he is a good liberal and he contributed to the funds or he did this or that"—That is what people are going to say. I do not think our Attorney General should be allowed to have himself laid open to such charges. I do not think so.

I think the police will be instructed to see the

law is observed, and I think the police will go ahead and prosecute, at least I think that is what they ought to do. I do not think it should be a matter for the Attorney General to decide, which one of these will be prosecuted. Why should he? All lawbreakers should be prosecuted, and then you would get some semblance of justice—But if we are going to establish the fact that no prosecutions are going to be taken for criminal actions without the consent of the Attorney General then, I put it to you, Mr. Speaker, before long we are going to have a condition of things which ought not to exist in this Canada of ours, in this Newfoundland of ours—I say this with all deference to the opinions of the opposite side of the house, or this side of the house. I do not believe it is right. I do not believe it is right, the law-enforcement officers are the ones to decide if the law has been broken. I do not think it is something for the Attorney General, or should not be in this Act. I grant you there are cases, and one I think was mentioned by my honourable friend from Harbour Grace, the case of murder or similar charges—The police then collects all the evidence, but in cases such as that, undoubtedly the law-enforcement officers will consult the Attorney General to see what is the best charge which may or may not be used.

Mr. Sheppard: Will the honourable gentleman allow me? I wonder, Mr. Speaker, if the Honourable Leader of the Opposition is aware that under our Highway Traffic Act, the Canadian Public Works Act (I am sorry) the consent of the Attorney General is necessary for prosecution—where a person builds within thirty-three feet of the centre of the road—I wonder too, if the Honourable Leader of the Opposition is arguing that all statutes in Canada which contain this clause should now be repealed.

Mr. Hollett: I do not contend any such nonsense, Mr. Speaker. I was not contending any such thing. I do know there are, I suppose, a thousand shops in St. John's, more or less—Somebody said there are two thousand—worse again—if the Honourable the Attorney General has to consider every complaint which will be made to the police then he will do nothing else—He will do nothing else. "Prosecution shall not be taken under this Act without the consent of the Attorney General"—It may work out all

right—I do not think the Attorney General should be placed in such a predicament. It is an unenviable position to be placed in, and my honourable friend, the Attorney General knows it is an unenviable position to be placed in. I see no reason why it is needed there any way. I see no reason for it at all. I would say, Mr. Speaker, that this whole amendment, which has in it several principles, could very well be placed to one side, put under the table, put away on the shelf somewhere until such time that the Government feels it is absolutely essential and necessary. Yes, if people open their shops on a day which the Government says they must not open them they have to be prosecuted. We know that they have to take the penalty now existing, i.e., for a first offence, I think, twenty-five dollars and for a second offence fifty dollars and in default of payment, imprisonment for the first offence of a period not exceeding seven days and for the second offence not exceeding one month, and for the third offence a fine of one hundred dollars and in default of payment imprisonment for a period not exceeding three months. That is sufficient to take care of these. If there is any opprobrium on any merchant in St. John's being brought before the law for breaking it, a fine of twenty-five dollars is just as harmful as a fine of two hundred or five hundred dollars.

Mr. Smallwood: Not as harmful to the purse.

Mr. Hollett: To the people at large, this amendment is ample. They do not mind one thousand dollars as much as any member of this house would mind twenty-five dollars.

Mr. Smallwood: They pinch pennies until they scream.

Mr. Hollett: I would put it to the Government, it would be much wiser to leave this amendment alone. I understand some breaches have been made. If they have been made—Mind you I cannot at this moment say much about the Saturday holiday—I do not know what it is to do for St. John's. I do know, and I must say this, Mr. Speaker, I canvassed a large number of clerks.

Mr. Smallwood: Mr. Speaker, the honourable gentleman knows he is wrong—announcing his intentions, knowing he is about to break the law, and waiting for Your Honour to put the penalty on him—Don't let him get away with it.

Mr. Hollett: I agree with the Honourable the Premier, I am not able to sidestep.

Mr. Smallwood: It takes lots of experience and lots of skill.

Mr. Speaker: Order.

Mr. Hollett: The Premier manages to slip in some outrageous statements in some of these discussions on second reading, but he somehow or other manages to get away with it.

Mr. Smallwood: Skill. Finesse.

Mr. Speaker: No honourable member should advise the Speaker in advance that he intends to get out of order.

Mr. Smallwood: Taking a lesson from Water Street.

Mr. Hollett: I am honest, you see, Mr. Speaker.

I say, put this away—If any Government introduces legislation which is going to be harmful to the economy of the Province, of any one or more towns, then the Government will soon find that legislation will have to be repealed or amended.

I was about to say, when I was so nicely interrupted, that I found this to be the sentiment of the most of the clerks in St. John's. That was all I was proposing to say, I am sure that is not out of order—That is for the good of this house—Yes, they like to have Saturday with the children when they are home from school and want to go in the country, but it is all very well, we must not forget the other side of it too Fort Pepperrell pays out eighteen or twenty million dollars in St. John's.

Mr. Smallwood: Mr. Speaker, I claim the same privilege—I am going to reply. If the honourable gentleman does it so can I.

Mr. Speaker: I cannot allow it—the honourable gentleman said he went into the

country—I think he got on thin ice—He was definitely out of order from then on.

Mr. Spencer: Just refusing to obey in the same sense as the merchants are.

Mr. Hollett: Now, Mr. Speaker, I want to appeal to the common sense of the Government. We have a St. John's Shop Act. It has been there since 1942. There have been few if any prosecutions. Somebody apparently is ready now to go ahead and have some prosecutions. Very well, do it under the Act as it is now, and if that does not suffice then bring in your amendment, again for the increase of the penalty clause, bring in anything that will see the law is carried out. Until such time that you decide that law is not in the best interest of the country—We are opposed to this amendment, Mr. Speaker.

Mr. Smallwood: (Member for Green Bay): Mr. Speaker, during this debate we have heard two very moving speeches, from the member for St. John's South and the member for St. John's East, particularly with respect to Section 19, which has to do with the consent of the Attorney General before prosecution may be taken. Now, as I said, these speeches have been moving—They sounded fine, especially when they dealt with the general rights of a free dominion. These speeches indeed were very moving, but unfortunately they do not contain the true facts of the case.

The situation is that such legislation is not unique in the Province of Newfoundland nor in any other Province of Canada nor in the Federal Legislation. Now, Mr. Speaker, I could have gone to the Provincial Legislation for examples or to the general Federal Legislation, but to make my point more clearly, I decided to go to the Criminal Code of Canada. As everybody knows, the Criminal Code of Canada contains clauses dealing with fines. Now, if any law is to have effect, it has to have prosecutions for what the Opposition would call minor offences (if there is such a term). If that is such a terrible burden to be placed upon the Attorney General, then the illustrations I am going to take from the Criminal Code will, I think, demonstrate the responsibility the Attorney General has to take upon himself under Section 196. The Section in this Bill is very

slight when compared with the Criminal Code.

Now, Mr. Speaker, there are many sections in the Code, but I just intend to mention a few—The first section is 116 (3)—This section makes it an offence for witnesses in a trial who in the same trial, give contradictory evidence—persons convicted of such offences are liable to sentences of fourteen years imprisonment. But before that prosecution can be taken, the consent of the Attorney General of the Province in which the prosecution is taken must be obtained. The Attorney General has to take the responsibility upon himself. As I said, if a person is convicted of that offence he is liable to a sentence of fourteen years. That section is 150. The next section is Section 151 (3).

Mr. Speaker, this section deals with the freedom of the press. It deals with the restrictions on the publishing of reports of the juridical proceedings. Before a prosecution may be taken under this section, again the consent of the Attorney General has to be obtained. Now, Mr. Speaker, as I said, the section deals with the restrictions on the freedom of the press, concerning the reports of judicial proceedings. I think that the responsibility in such a case is much, much more important than it could ever be for the simple prosecutions under the Shops Act.

The next section is Section 157, subsection (4): This section, Mr. Speaker, deals with the corruption of children by adults. Anyone convicted of this offence is liable to a prison sentence of two years. But again before such a prosecution can be taken in any Province of Canada, the Attorney General of the Province in which the prosecution is taken must first take upon himself to decide whether or not to proceed with that prosecution. Again, Mr. Speaker, I say that the responsibility in such a matter as the corruption of children is far, far more important and a responsibility much greater than it ever could be under this, what I would call, simple Bill to prosecute a storekeeper.

Mr. Hollett: That is just the point we are trying to make.

Mr. Smallwood: The point I wish to make, Mr. Speaker, is that the honourable and learned members for St. John's South and

St. John's East talked about the rights of people, the freedom, the idea of the Attorney General having to say who was to be prosecuted. It was suggested—"Take the case of a good Liberal. He keeps his store open but he won't be prosecuted but here there is a Tory keeps his store open, oh yes, prosecute him." That is the very point I am trying to get at Mr. Speaker, as though that were a terrific responsibility upon the Attorney General. I say, Mr. Speaker, when compared with these sections of the Criminal Code, there is simply no comparison.

Now, I especially took the Criminal Code because it deals naturally since it is the Criminal Code, with the most important offences, it deals with the criminal law, and there are no greater offences than those in the criminal law. Now I could have gone to the Provincial Legislation of the Provinces of Newfoundland or any of the other Provinces or the legislation of Canada itself, the Federal Legislation. But, Mr. Speaker, I went to the Criminal Code of Canada because I considered this, and everyone must consider it and knows it is the most important legislation dealing with criminal offences.

Now take an ordinary example—I can give another—I am not sure of the name of the Act, but I know there is a Federal Statute dealing with the labels on drugs. I do know that under that Statute the owner of a drug-store (or a director of a limited liability company, if they sell medicine,) I think it is if medicine containing poison is sold without a label on the bottle the owner of the store is liable, and that man could be down in Hong Kong at the time the bottle is sold in the store in St. John's—

Now, as I said, this is just a part of the ordinary legislation.

Mr. Higgins: If I may, I think the Food and Drugs Law, Federal—it constituted an offence not to do the various things that are inherent in the Act—But the liability would arise also under the Common Law.

Mr. Smallwood: Yes, Mr. Speaker, that again is another example of the legislation going on to cover something covered by the Common Law. A good example of that, as my honourable and learned friend knows, is the Sale of Goods Act, which is simply a

consolidation of what already existed under the Common Law. This is a quite frequent type of legislation in these modern days.

To continue, Mr. Speaker, then again under Section 159, dealing with people who walk around in the nude in public places. Before prosecutions can be taken under this section, again the consent of the Attorney General has to be given.

Now, using the argument of the honourable and learned member for St. John's South they would say that undoubtedly if the nude was a Liberal it is more than likely the Attorney General would decide not to prosecute.

Some Honourable Member: Liberals have nothing to hide.

Mr. Smallwood: Just think, Mr. Speaker, what responsibility would be placed on the shoulders of the Attorney General in such cases, if men and women walked on the streets nude and he had to decide, as he does under this section, who would be prosecuted. I say, Mr. Speaker, the responsibility in such cases would be much graver than it is under the simple offence of a shop remaining open one day when the stores are closed.

Now, as I said, Mr. Speaker, I could have gone to the Provincial Statutes. There are numerous Provincial Statutes where a prosecution may be taken only with the consent of the Attorney General. As members of the house undoubtedly know, the Provincial Government simply does not deal solely in criminal law, the offences and fines are simply the means of enforcing Provincial Legislation.

Now, the honourable and learned member for St. John's South said that he would understand this Section 19 being placed in the Bill, if there were any national emergency. Mr. Speaker, I suggest there is not a national emergency or crisis constituted by the prospect of people walking around the streets in the nude, nor by people giving contradictory evidence in the same trial, nor a newspaper publishing certain restricted judicial reports. Again, Mr. Speaker, another offence was fraudulent concealment of documents and reports, and

another criminal offence was the offence of assisting a deserter in the army.

Now, Mr. Speaker, these speeches were really arousing the public who heard them, and those who heard them must have been aroused by them, as anyone would who did not understand the facts. But, as I said, Mr. Speaker, this is common legislation in the Federal Government, it is common legislation in the ten Provinces of Canada and in fact, Mr. Speaker, there is absolutely nothing unique about this legislation, it is universal over the world.

Premier Smallwood: Mr. Speaker, I do not think there is a great deal to which I need make any reply in the debate on this proposed amendment. The Opposition have not appealed to the Magna Carta nor the Bill of Rights nor the Four Freedoms, but they have suggested that somehow or another the basic rights and freedoms of our people are in danger, and the honourable member for St. John's South was, as was said, in an impassioned condition. He almost had his back to the wall fighting a last ditch fight in the interest of Water Street. He was almost willing to shed his blood for Water Street. He was almost willing, Sir, to expire on the floor of the house in the defence of the rights of the Water Street gang, not all of the gang, but some of the gang.

Mr. Renouf: I said there was no "class" in this, Mr. Speaker, I must—

Mr. J. R. Smallwood: There may not be a "class" but the masses of the people are interested in this legislation, and we here on this side of the house, all of us without exception, are interested in, and on the side of the masses in this matter.

The Honourable Leader of the Opposition wanted to know why we brought these amendments here. There is an Act—It is on the Statute Books. It says that the day shall be the day fixed for closing day, and that for violations of that law there will be certain penalties. He asked; "Why not leave it at that?" That is the question of the Honourable Leader of the Opposition. "Why bring in an amendment?" "Why up the penalties?" "Why increase the penalty in the case of the first offence from twenty-five dollars to two hundred dollars and in the case of the second offence from fifty dollars to a thousand dollars and in the case of the third offence from fifty dollars, as it now reads, to five

thousand dollars? Why is all this done?" He asks that question: "Why?"

Well, Sir, the answer is perfectly simple. As the Honourable Minister of Highways tells the story, in our private sessions, about an old lady up around Dunville, when she told the story, she said—"I was there. I was in me garden paying no attention to anybody when this thing happened." Well, there were we in this Legislature. Here was this Government with its mind intent upon other matters when suddenly without any warning a little gang or a little segment of the gang met in a private meeting on Water Street and decided they would not only break the law but in doing so, if they did not win, at least they would embarrass Smallwood. They embarrassed more than Smallwood. They embarrassed themselves.

The minute I heard that, in the forenoon, I came in that afternoon and told this Legislature of the fact that they had met the previous day and decided to break the law, these gentlemen who are above the law, these gentlemen who are too big to obey the law; these gentlemen who are too important to be ruled by the "scruff" that is over here on this side of the house. That is where the "scruff" is, in the eyes of the "Nabobs", "Rjahs", "Marahajs" and "Moguls" and what Dr. Campbell called the "Lounge lizards." We are just the "scruff." We are only the law-makers of Newfoundland. That is all we are—who are they? They are important. We are only law makers. They are millionaires. Who are we? We are only law-makers. Who are they? They are shopkeepers. Who are we? We are only the Legislature of Newfoundland. They will obey our laws if they please and will not if they don't. That is what they stated at that meeting, they said: "Well, we don't know if we can get away with it, but if we do not get away with it we will embarrass Smallwood." That was Bowring—That was young Derek—"We will embarrass Smallwood." That is the hothead, the fellow who did not want to come in here except through the front door. He will wait many a frosty Friday to get in through the front door, but to do any embarrassing of me in this Chamber—He will never get in. He is one little Nabob who will stay outside like the label on the bottle, like the chimney on the roof—outside—He will never get in here. That is why the amendments are brought in, to teach Water Street a lesson. I have

taught them lessons before and probably I will be forced to teach them lessons again, with the help of the Newfoundland people—We will teach them every lesson which they need to learn. We will teach them that lesson now. It is hard for them to take, pretty hard for them to take, but they are going to take and like it. It is that simple. That is why we brought the amendments in here. They are going to take it and going to like it, and they are going to obey the law this Legislature passes. If they do not, we might as well disband this Legislature.

Mr. Hollett: Excuse me. Surely the Honourable the Premier is not saying this amendment was brought in merely to punish a half dozen people on Water Street?

Mr. Smallwood: It was brought in not merely to punish a little handful who break the law, but to teach Water Street that the Legislature of Newfoundland is their boss. Mr. Ayre & Sons, your boss is this Legislature. Mr. Bowring Brothers, your boss, your master, is this house whether you like it or not—The people of Newfoundland say so. It is as simple as that. Who is going to be master in Newfoundland, this house or a segment of the Nabobs on Water Street? It is that simple. I challenge every man on that side to vote for this Legislation and uphold the supremacy of this Legislature, this Sovereign Legislation within its jurisdiction, the Sovereign Parliament of Newfoundland.

Where would the honourable gentleman's grandfather vote, who was in this house nearly a hundred years ago? Where would he vote on this issue? Where would the lamented father of the honourable gentleman there, where would he vote on this issue? He would vote to put Water Street in its place and teach it a lesson.

Mr. Higgins: Mr. Speaker, to a point of order—If the Honourable the Premier would allow me—If his suggestion is that anybody in this house is for Water Street, I do not think he has any evidence to support it.

Mr. Curtis: Except the speeches today.

Mr. Higgins: I made no speech today. I spoke on Friday. I will vote as I think is honest.

Mr. Smallwood: I think that too. I think all the honourable gentlemen will vote as they think is honest—What they think is honest is a matter of opinion.

Mr. Higgins: It won't be on the dictation of Water Street, nor any other street.

Mr. Hollett: On this amendment only?

Mr. Smallwood: That is so. Now, the Honourable Leader of the Opposition asks also why it is that there have been no prosecutions under the Legislation as it presently is, not these amendments but the existing Legislation. The answer, of course, is that there have been prosecutions. But why is it that within the last five years this Government has not taken very much action against the Water Street crowd? Why is it? It is for a very simple reason, i.e., for the last five years we have been pleading with Water Street, this Government has been pleading with Water Street again and again, publicly and not only here on the floor of this house but in many ways, not secretly but quite publicly for five years we have been pleading with Water Street to come to a settlement, to come to an agreement with the clerks on the closing day. They have never done it. Once they did it. They got it once, and came to my office and said—"Here it is in writing—We have agreed." But the clerks repudiated it and repudiated their representatives because their representatives did not represent them in this matter—they said they did, but they did not.

So we gave them five years to agree, and they have not agreed, not to this moment. Yet I say now, as I said in my statement here on the other day. We have been willing all through the five years and still are willing—and I repeat it now—We are still willing if Water Street and the clerks will agree to give them whatever they ask for. If they do not agree, we will give what the clerks ask for. That is fair enough—Not what the Nabobs ask for—We will side with the masses every time—and when the chips are down we are with the masses every time without exception. There is no exception to that at all. We are with the crowd. Now in this we are with the crowd. But if the crowd and the bosses agree, okay then is it all right with us, but if they do not we will side with the clerks and we will make Water Street obey the law, we will make them obey, in so

far as the police and the courts enables us to do it—That is simple, is it not? There is the law we hope will do it.

Mr. Hollett: You may not be able to do it.

Mr. Smallwood: I said we hoped the law will do it.

There was a very touching solicitude on the part of my honourable friends for the burden that Section 19 imposes on the Attorney General. They were worried about the great burden. But then it turned out they take two positions, futilely contradicting, one contradicting the other. They take both positions (1) that Section 19 will make the Attorney General too busy because there will be a multitude of details, little actions of all kinds, making him so busy he can do nothing else. One of my honourable friends said that if he is to have this responsibility placed upon him he will have no time for anything else. So they object to that—It will make him much too busy. It is too big a burden and will give him too much work, a multitude of little details. That is one position. The other position is that this thing is so unusual, this thing is so bad, this thing is so immoral; until it is suddenly pointed out that it is no such thing, it is common place.

The honourable member for Green Bay quoted cases in the Criminal Code of Canada, and many cases could be quoted from the ordinary statutory legislation of Canada, and many cases can be quoted from legislation passed in this very Chamber—He quoted a bunch of them there where action cannot be taken, prosecutions cannot be taken in court without the consent of the Attorney General—But suddenly my honourable profess to find something queer about it now, in this amendment, some strange and unusual, something even sinister.

Mr. Hollett: Why is it necessary? Tell us that.

Mr. Smallwood: The honourable member knows why it is necessary just as well as I do, because I have informed the Opposition privately why it is—Is that not so? I have informed them privately, and I will put it in words now although perhaps I should not do it, but I will—

There are probably twenty-five hundred little shops around St. John's, something between two thousand and three thousand. These little shops, a great many of them are owned and operated by widows, a great many by people in poor health who cannot do any physical work and cannot get a job. They are nearly all operated by very modest and relatively poor people. If we did not leave it to the discretion of the Attorney General as to which prosecutions were to be taken, let me tell you what would then happen if you vote this motion down. What would happen is that the Nabobs will get after the small fry, and then indeed the Attorney General will be busy, then the hundreds of actions will be taken and then the big shots will be after the little shots. We are not going to put up with that.

Mr. Duffy: The law should be framed so that could not apply.

Mr. Smallwood: The honourable member should try his hand at drafting that kind of Act.

Mr. Duffy: Permitting the shopkeepers to break a law they ought not to—It is now suggested they ought to break it.

Mr. Smallwood: We are not suggesting anything, except to amend this legislation and provide stiffer penalties. I think what will happen is this—I do not know, I only think, it is only my opinion. I am not a lawyer nor am I an authority on constitutional points, except Parliamentary. My opinion, as I understand the prosecutions having been sent out from the Attorney General's office for these eleven outlaws, law breakers, outlaws—

Mr. Hollett: I am afraid that is out of order.

Mr. Smallwood: They are outlaws. We are the Legislature of Newfoundland.

Mr. Speaker: Order.

Mr. Hollett: Mr. Speaker, I put it to you, it is not fair for any of us here in this house to call any men lawbreakers before conviction.

Mr. Smallwood: Yes it is—They are not only law breakers they are outlaws, that is what they are, outlaws. They announce in advance they are going to be outlaws and break the law and defy His Honour and all of you and all of us.

Mr. Duffy: If you would permit me to make a small point, Mr. Speaker. I am not taking it up for Water Street.

Mr. Smallwood: The honourable gentleman is not a law breaker.

Mr. Duffy: Thank you very much. The point I want to make is that I think it is very unfair to attack these gentlemen on Water Street for this reason, that up to the time they wanted to test this case, they observed most meticulously and they were the only group that did observe the Shops Act.

Mr. Smallwood: The honourable gentleman knows more than I do, I am afraid. The time is passing and I have only two or three minutes left (that clock, by the way, is a little fast). The honourable gentleman knows that if the Nabobs want to test the law they could have asked the Attorney General to make a reference to the Supreme Court—Now the reference if first to the Magistrate Court. Then properly they may appeal it to the District Court and they may appeal it to the Supreme Court. All this could be stopped. They do not have to defy the law, they do not have to set a bad example to all the people of Newfoundland, they do not need to do that, they do not have to stay open one minute but they could have come and said—"Mr. Attorney General, in the opinion of our lawyers this Act is ultra virus, outside the jurisdiction of your Legislature. That is our opinion and the opinion of our lawyers. Now we would like to have that settled in a decent, civilized fashion by making a reference to the Supreme Court"—Am I right?

Mr. Higgins: Perfectly right.

Mr. Smallwood: No, but they could not humble themselves to the Legislature of Newfoundland. What do they think they are going to do, that we will bow and give in to them? Who is the Government of Newfoundland—who is to be the Legislature, a few merchants on Water Street?

No, No, Mr. Speaker, we want the Act amended to put teeth in it, real teeth in it to show them we mean business. Now, when we have shown them we mean business, when they have no doubts left in their minds as to who is boss, then we may come back in the next session, a year from now, and ask this house to give further consideration to this whole question. But first and before everything let us prove who is the master in the House of Newfoundland.

(Applause from the Government side).

Mr. Speaker: I think at this time I might point out, somebody made a point of order just now when the Premier called certain people not in this house certain names. A Speaker can only protect the people that may be attacked in this house, Her Majesty the Queen, the Governor General and the Lieutenant Governor of the Province. Any other people, the Speaker cannot come to their defence.

Mr. Higgins: What about us?

Mr. Speaker: Any members of the house. On motion, Bill 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, and that the house at its rising do adjourn until tomorrow, Tuesday at 3:00 of the clock.

On motion, all further Orders of the Day do stand deferred, and the house at its rising do adjourn until tomorrow, Tuesday, February 4th. at 3:00 of the clock.

Tuesday, February 4th, 1958

(Afternoon Session)

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

Presenting Petitions:

Hon. Dr. J. McGrath (Minister of Health):

Mr. Speaker, I have here a petition from the people of Colinet Island, St. Mary's Bay, in which they petition this Honourable House to consider granting them a ferry. At the present time, they have no means of communications with the Mainland. The road goes out as far as Admiral's Beach and from there on they are isolated, especially during the season of the year when the fishing boats are hauled up for the winter.

I ask the House to give consideration to this petition and forward it to the Department to which it relates.

On motion petition received for referral to the Department to which it relates.

Presenting Reports of Standing and Select Committees:

Hon. J. T. Cheeseman (Minister of Fisheries): Mr. Speaker, I beg leave to lay on the Table of the House the certified annual report of the Fisheries Loan Board of Newfoundland.

Giving Notices of Motions:

None.

Giving Notices of Questions:

Notices of Questions on tomorrow given by Mr. Hollett, Mr. Higgins.

ANSWERS TO QUESTIONS:

Question No. 43:

Hon. J. R. Smallwood (Premier): Mr. Speaker, in reply to the question asked by the Honourable Leader of the Opposition I have to say that in respect of No. 1 of this question, no commissioners were appointed. With regard to No. 2—No reports have been made because no commissioners were appointed. Now I may add this further word. The persons involved in the problem to solve which we intend to appoint this commission are themselves attempting to find a solution. The Honourable Leader of the Opposition will remember what the commission was to have been appointed for, to try to resolve difficulties that exist along the South side of the Harbour of St. John's

in connection with the use of the breakwater built down along the shore of the harbour, out between the harbour, out between the harbour and certain commercial properties up and down that shore. The difficulty arose as to the use of that public breakwater or abutments. It is really a wharf, that runs, a jetty—but the commercial parties concerned are themselves trying to resolve their differences.

Mr. Hollett: Pursuant to that, Mr. Speaker, may I ask if the parties themselves do not soon come to an agreement—is it possible the Government might take some action?

Mr. Smallwood: Yes, of course, if the parties directly concerned fail to agree amongst themselves the Government, as usual, will take action.

Question No. 44.

Hon. Dr. F. W. Rowe (Minister of Education): Mr. Speaker, the Government has not set the actual date as yet for the commencement of the work. As to the second part of the question the answer is the same—The Government has not yet made a decision on that. I might say, just as soon as the thing is set and a decision taken on the commencement of the project, I shall be very glad to advise and make a public statement.

Hon. G. J. Power (Minister of Highways): Mr. Speaker, I beg leave to table replies to Question No. 21. and Question No. 39. I might say that under 39 (d) there is a question asked—How much machinery was purchased last year. The answer given is \$466,012.00. I took note that this is an error because the actual amount was \$240,000. (See appendix for Questions and Answers).

Mr. Hollett: Mr. Speaker, may I ask a subsequent question of the Honourable Minister? Did I understand that two and a quarter millions were paid over a period of a number of years, or has it been paid?

Mr. Power: Well the scheme was a five year payment period and five equal amounts.

Mr. Forsey: (Humber East) To a point of privilege, Mr. Speaker.

On last Thursday night the MCLI had a

debate, which was subsequently rebroadcast of CJON Radio Sunday night, and had a speaker for the affirmative, I just forget—But the subject might be: Be it resolved the Water Street merchants should run the Government of Newfoundland. The speaker, Mr. J. Parker made a statement that the Government did not follow out the recommendations of the special committee appointed to look into the Shop Closing. He stated (in making that statement) that this select committee was drawn up—appointed by the Premier.

I wish to state here that as a member of that Committee I received not one cent of remuneration nor pay for the time spent on that Committee. It is true I travelled the area of Humber and Stephenville and interviewed various people, but that was certainly at my own expense and that no cost to the Government nor to this House.

Mr. Speaker: The Committee in question was a Committee of the House of Assembly, set up by the House of Assembly. I notice it was stated, in error, that the Committee was appointed by the Premier once before. That was not so. It was a Committee of the House of Assembly, appointed by the House of Assembly and, as such, no member could receive any remuneration.

ORDERS OF THE DAY:

Adjourned debate on the Address in Reply.

Mr. Sheppard (Harbour Grace): Mr. Speaker, together with all the other members of the House who have spoken in the debate I too would like to add my congratulations to the new Lieutenant-Governor and to wish him a long and happy period to enjoy that office.

I would also join with the other speakers in extending to the former Lieutenant-Governor for all the great, useful and noble work which he performed during his term of office our appreciation, and I am sure, Mr. Speaker, it is our sincere wish that he too will be long spared to enjoy his retirement, together with his lady.

I would also like to congratulate the mover and seconder of the motion that a Committee be set up to draft an Address in Reply. I also had the ordeal of moving the motion last year and I know what that meant to the young members who did it this year. They

did excellent jobs and they are to be congratulated thereon.

The Opposition, Mr. Speaker, as usual, said there is nothing at all in the Speech from the Throne, and it is more notable for its omissions than for what it contains. But, I think, Mr. Speaker, that the reference here to this great new development, which we all sincerely hope and pray will materialize, if full justification for everything else and covers everything else which might be contained in it. I think that is the key note of the speech, and if this great development should happen within our lifetime I for one would like to be one of the members to have this portion of the speech framed and put in my house.

Mr. Speaker, I represent one of the oldest districts in the Province, a district which has carried with it a great deal of the history of this country, and that carries now a great many people who can trace their ancestors back hundreds of years of unbroken residence in this country.

The Town of Harbour Grace was once the second city of Newfoundland. It has fallen, or did fall, upon bad times and other places overtook it and passed it, but its people think themselves second to none within this Province, and they have a great deal to be proud of.

The Town of Harbour Grace, Mr. Speaker, has been stricken severely by fire on two or three occasions, and it is only now resurrecting itself from the last.

Some references have been made, Mr. Speaker, to the question of farm development in the Province. I wonder how many of the honourable members of the House visited that area to the north and east of Shearstown and Shearstown itself, which is the southernmost settlement in my district. I would suggest to the honourable members that they might, some fine Sunday afternoon, take a drive in the road through Shearstown, which runs in approximately ten miles from the highway. In the past eight years there have been some eight farms developed there, with the assistance and the aid and the encouragement of our Department of Natural Resources. These farms, Mr. Speaker, are now producing a great quantity of farm products which are being sold all over Newfoundland, and the settlement of Shearstown in one of the

foremost places in the Province now for the raising of sheep. There are flocks of sheep there numbering as high as two hundred.

Hon. J. R. Smallwood: The foremost, I would say, without a doubt.

Mr. Sheppard: Not only have these farmers of Shearstown gotten these great flocks together but they have actually done something, Mr. Speaker, which I think is unique in the history of farming in this country, they have developed, over there in that small community, a breed of sheep which is now really a Newfoundland breed, a sheep which is perfectly adjusted, as far as I know now, to our climatic conditions and not only yielding good quantities of wool but also fetching very high prices on the market as mutton.

In that condition, Mr. Speaker, that road to which I referred is a dead-end road. Beyond it, at the northwesterly end of that road it is only seven miles across to the Hodge Water Line. The area between the road and the Hodge Water Line, I understand on reliable information, is probably superior for farm development to that which has already been developed. I understand too that it had been planned, and I still hope the plan is on the books, that that road would be extended when the Trans-Canada Highway eventually comes out to come into St. John's, because not only will it open up another great tract of land for farming, but it will also make an easy access road for the north side of Conception Bay from Bay Roberts north and also for Trinity Bay traffic, which now comes across the New Harbour Barrens and Spaniards Bay to get into St. John's.

Another development over there, Mr. Speaker, which really lies on the border of my district with the district of Port de Grave, which has not received very many headlines in the papers and which I think is deserving of some interest, is the development of a community sheep pasture at Country Road, under the auspices of the Department of Natural Resources. There was a great tract of land in there which the Department felt could be developed into a community pasture. One of the crying needs of the sheep breeders in that area was for such a pasture where they could have their flocks properly looked after and where they would be free

from marauders, both four-legged and two-legged.

Whilst I am on the farming aspect, Mr. Speaker, I would also like to make reference to another great farm development which has taken place in my district, practically unnoticed. I refer to the farming development which has been carried on by Archibald Farms in Harbour Grace. Honourable members will probably notice that in St. John's now you will see a lot of packaged vegetables. If you care to examine a lot of these packages you will see that they come from the Conception Bay Area. The development has been undertaken on a scientific basis by Mr. Archibald.

With reference to roads—I suppose that roads and electricity are two of the greatest needs of our people all over this country. Last year, you will recall that I presented a petition for the residents of Spaniards Bay concerning a road which links Spaniards Bay with New Harbour in Trinity Bay. When our new road maintenance unit went into that area this year, I received the approval of the Department of Highways to have it go to work in that area first. I am glad to report, Mr. Speaker, that that new unit did approximately four miles of road, rebuilt it, reditched it, put in new culvers where needed and made a thoroughly good job of it for a cost of less than nine thousand dollars. Previous estimates made by the Department to rebuild eight miles of that road ran close to sixty thousand dollars. This unit is not a road building unit, but a maintenance unit.

Mr. Smallwood: Explain what is meant by unit.

Mr. Sheppard: This new road maintenance unit in my district, Mr. Speaker, consists of a front end loader, a gravel crusher and four dump trucks, a bulldozer, a grader and eleven men. That was the total amount of equipment and the total labour force used in doing this piece of road.

Mr. Smallwood: Is this the regular size unit?

Mr. Sheppard: As far as I am aware, that is the normal unit operating in all the districts on the Avalon Peninsula.

Mr. Hollett: What was the cost of that machinery?

Hon. G. J. Power (Minister of Highways): If the honourable gentleman will allow me—The machinery was bought out of current account maintenance. What we spent last year on the Avalon Peninsula for snow clearing, maintenance and reconstruction was a half million less than we spent the previous year, including the purchases of that machinery.

Mr. Hollett: Excuse me. If I may—Do I understand that the amount paid out—Do I understand you have five years to continue doing it?

Mr. Power: The other four years also come out of regular maintenance.

Mr. Hollett: It does not matter where it comes from—

Mr. Speaker: Order—I think these questions should be asked at another time. I think the honourable member should continue his speech.

Mr. Sheppard: Mr. Speaker, I do not mind interruptions at all.

Mr. Speaker: The honourable member could not be expected to have these figures.

Mr. Sheppard: I am very glad the Honourable Minister could answer the question for me.

Mr. Speaker: They could be asked at another time.

Mr. Sheppard: We might expect that unit spent the whole of the working season on that road. It did not. It was only there approximately eighteen days. It then moved on down to the road connecting Spaniards Bay with Island Cove. Then, coming out of Island Cove there is another road that goes across to Riverhead. That road is approximately nine or ten miles—That is from Spaniards Bay down into Island Cove and from Island Cove over to Riverhead, approximately nine or ten miles. This unit, before the season ends, completely rebuilt over seventy-five per cent of that road and in addition gravelled most of the road from Island Cove through Bishop's Cove to Spaniards Bay.

Mr. Speaker, when anybody asks me, (as I was asked on several occasions), what I thought of this new road maintenance unit, I can only say the same as I am going to say now—As far as I am concerned, and as far as my observations are concerned it is the one and only way to maintain our dirt roads, and I am quite sure the most economical way to do it. First, when that unit went over there were people who said to me—"This is the height of bull it cannot be done—These units cannot look after our roads." But I would say that unit did more in seven weeks than seven hundred men with pick and shovel would have done in seven weeks. I am convinced of that, and I am quite serious in saying that. Mr. Speaker, I am perfectly satisfied with the unit. The whole unit including machinery and men worked as a unit and did good work last year, and I am quite sure that next year they will do even better work because they will be used to the equipment and therefore will be able to produce more. Now in addition to that, that unit also supplied some seven hundred to a thousand loads of gravel for local work, good crushed gravel, not gravel out of somebody's cabbage garden, but gravel which has been properly crushed and which, when properly applied to a road, makes a good road surface.

While I am still on roads, Mr. Speaker, there is one crying need in my district—There is a road over there I am sure most of the people travelling along the Bay are quite familiar with, that portion of road known as "Lassie Road" Spaniards Bay. That goes back to the depression days when the road work was paid for by molasses and indian meal. That is where it got the name "lassie road". That road goes around the church in Spaniards Bay. It is now in a bad condition. The sea has practically all the wall on the outer side undermined. It has collapsed in several places several times, and it is my great fear that some day a heavily loaded truck or car is going down into the water and we are going to have a serious tragedy. I have spoken to the Minister about this also, and I feel sure that this matter will be attended to in due course, but I would like to stress the urgency of having something done with that.

One would also think, Mr. Speaker, that in a district such as mine we would have no

problem as far as electricity and telephone services are concerned. The Public Utility Companies in this country, I understand, first extended their transmission lines in that part of Conception Bay. Of course they were in St. John's but the telephone service to Harbour Grace, Bryant's Cove, Upper Island Cove and Bishop's Cove leaves much to be desired. We have, Mr. Speaker, an exchange at Harbour Grace which handles the calls from the South Side, Bryant's Cove, Island Cove, and there are as many as eighteen telephones on one pair of lines—eighteen telephones—There are people in Bryant's Cove, Island Cove and the South Side who have private business to transact and who demand a better service than that, but who, rather than trust a line that is open to seventeen other people, have to go to do their business by word of mouth or by writing. I have asked the Avalon Telephone Company to look into this matter. I also brought it to the attention of the Public Utilities Board and they too are not getting very far with it. But I do think that a company such as the Avalon Telephone Company, which has a franchise in that area, should be prepared to extend to these larger settlements a service more commensurate with the needs.

Bristol's Hope, one of the places which ranks high in the history of this country, is a small settlement within three-quarters of a mile of the main transmission line of United Towns Electric Company, but is without electricity and it is without a telephone. The main transmission line runs over the highway from Carbonear to Harbour Grace and Bristol Hope is not three-quarters of a mile from that highway. The United Towns Electric Company estimate the cost of feeder lines down there at approximately fourteen thousand dollars. They are not prepared to do it. I was also down to the Board of Public Utilities, and they have given me a flat refusal.—Yet there you have one of the places which attracts a great number of tourists. You have a great number of summer homes going up there. It is a really beautiful spot, a spot which is going to figure largely, I think, in the minds of tourists when they start coming into this country and to the Avalon Peninsula in great numbers. Yet the people down in that small settlement have still, if they need a

doctor, to walk or ride three miles up to Harbour Grace to get one, winter or summer—I do not think it is good enough. I am quite sure it is not good enough, with the main transmission line being there—Yet this company, which again has an absolute franchise, has an absolutely monopoly in that area, has raised their rates and gave us one of their reasons for raising their rates the fact that they wanted to service these non-profit areas, while still refusing to give a line down into Bristol's Hope.

My honourable friend the member for Carbonear-Bay de Verde, whose district borders mine has a somewhat similar problem to the one I am going to raise:

Mr. Speaker, we have heard a lot about the provision of a suitable wharf at Portugal Cove and a suitable ferry from Bell Island to Portugal Cove a suitable wharf at Bell Island and a suitable freight shed. Millions of dollars are being spent over there. We don't—at least I don't—begrudge Bell Island and St. John's that. But do you know, Mr. Speaker, that there are hundreds of miners working on Bell Island who each week return to their homes on that little, small boat, the "Kipawa"—deck loads, hold loads, cabin loads—As a matter of fact I sometimes wonder where in the world the captain of the boat even gets a place to steer. Now, what facilities are there in Harbour Grace for these people? At the places where the boat docks there is one small, wooden wharf. There is not even a "tilt" on that wharf, and yet people have to come there and wait for the boat, and miners coming over there and they have to wait for cars to bring them up. On numerous occasions I have seen the boat not even tie up to the wharf because other boats were using it. I have discussed this matter with my honourable friend from Carbonear-Bay de Verde. I feel that consideration should be given to adequate docking facilities on the other side of the Bay for these great numbers of people, miners, who have to travel from Harbour Main District, Harbour Grace District and Carbonear-Bay de Verde District, back and forth.

The two matters I am now going to mention, Mr. Speaker, can really be tied into one:— We hope in Harbour Grace District, when the people of this country finally start to move, assisted by the Government to

larger towns, that we will get some of the good fishermen who are anxious to move. I have discussed this matter before I came into politics and after I came into politics with the manager of the fish plant, North-east Fisheries, in Harbour Grace. He tells me that there is at the present time, right in Harbour Grace, room for twenty-five fishermen families—That is the minimum. There are no fishermen in Harbour Grace, just one or two small boats. I asked him if he thought that if twenty-five fishermen families came to Harbour Grace it would interfere with the sale of fish from the fishermen of Port de Grave, Carbonear-Bay de Verde district. He told me, "no." They can take all the fish that is offered from Trinity South, Carbonear, Bay de Verde, Harbour Main and Port de Grave districts. I have discussed the matter with the honourable Minister of Municipal Affairs and Supply, and we have also discussed it together with the Town Council of Harbour Grace, and we hope a scheme can be involved whereby Central Housing and Mortgage might be interested in coming into the place, make a survey and then when centralization gets rolling, as it is bound to get rolling in this country, we will be prepared in the Town of Harbour Grace to take a minimum of twenty-five good fishermen and their families—There are plenty of good fishermen anxious to move into a place where they can sell their fish.

Here is one purely Provincial matter, I suppose, as far as the district is concerned, Mr. Speaker, that I could mention—In Harbour Grace we now have two large oil companies which together have a storage capacity of some million and a half gallons, and another large company is presently surveying to acquire land and will be starting to build there fairly soon. They have a capacity of seven hundred thousand, or are planning on that. All of these products, Mr. Speaker, which are sold in Harbour Grace are subject to a tax of 1/10% per gallon, but the oil companies are situated on the main street of the town, namely on Water Street, and the town itself is responsible for the upkeep of a tarred road which is approximately three miles long. Now, why I raise this point is (the council I might add has no intention of taxing these companies for the oil which they ship outside of Harbour

Grace) that the Town Council of Harbour Grace is hoping that the main road of Harbour Grace, namely Water Street, could properly be included as a commercial road and become a highway in the same way as other highways passing through Conception Bay are now classified as highways; and together with the Central Government the council could be responsible for the upkeep.

In connection again with the fisheries, Mr. Speaker; one of the prime requirements, as I see it if people are to avail of the new ship repair and ship build bounties, actually will be the need for adequate facilities. Now as most honourable members are aware, a dock was operated in Harbour Grace, for a number of years, and on the Southside of Harbour Grace there are still some of the best shipwrights in the whole of Canada. I will not say in the Province of Newfoundland, but in the whole of Canada. I am hoping that either private enterprise or the department of Fisheries may see fit to enquire into whether or not the dock at Harbour Grace could be utilized—The harbour is ice free. It is a good harbour, and, after all, the facilities are there including a good labour force for first class, experienced shipwrights.

I think it would be rather remiss, Mr. Speaker, of me if I were not to pay some tribute to the people in Conception Bay and Harbour Grace—Harbour Grace District has just succeeded in completing, with the aid of a guarantee from the Government, a brand new recreation centre in the Town. This recreational centre is going to serve some fifty thousand people. I see the Honourable Leader of the Opposition smiling—but it is a fact, Mr. Speaker, that from Holyrood to Chance Cove in Trinity Bay there are some fifty thousand people, and this new centre is going to serve all those people, not only as a place for recreation but also as a central, focal point in Conception Bay for holding trade fairs and agricultural fairs. It was proven in 1947 that a trade and agricultural fair could be successful. I am sure many honourable members spent many a happy day at Harbour Grace when the last fair was held there. Not only did it afford a great deal of enjoyment, not only advertised goods, and not only created a focal point for all farmers of Conception

Bay to bring in their products but it also came out in the "black" to the tune of some ten thousand dollars.

I am sure too, Mr. Speaker, that most honourable members were very sorry this winter when they learned of the disastrous fire at Gold Sail Leather. Theirs' were first class articles, and nobody can deny that. They produced a first class article, which given the time, given the push on the proper markers, in my opinion, will make both of these plants operate as we would all like to see them operate, without any Government assistance whatsoever. I was disappointed at the recommendations in the "Little Report" in reference to Koch Shoes, but I would never argue with Mr. Little on the matter. But I do think also they could have come up with recommendations which would not remove that industry from Harbour Grace but still make it possible to function there.

Mr. Speaker, I try to be objective in my speech. I do not propose to get into politics at all. I suppose in a few days time all of us here will be taking to the highways and byways. I hope to meet some of my friends on this side of the House. I also hope to meet some of my friends on the other side of the House in the election, Sir, and at least—

Mr. Smallwood: They won't go that way—

Mr. Sheppard: I don't know—They are trying very hard over there, without success.

Mr. Smallwood: They will concentrate here.

Mr. Sheppard: I hope to see them—I hope to see everyone.

Mr. Hollett: What is that? The Federal Election. Oh, nonsense. A few Deputy Ministers taking part.

Mr. Sheppard: There are more than Deputy Ministers on this side of the House taking part—I intend to take part myself. I was going to say; I hope we meet and still agree to disagree.

Mr. S. Smith: (Port au Port district) Mr. Speaker, I wish to associate myself with previous speakers in congratulating the honourable and gallant member for Labrador North, the mover and the honourable

member for Burin the seconder, for their splendid speeches in moving the Address in Reply.

I also wish to congratulate the honourable and learned member for St. John's South on his election (by acclamation) to the Opposite and on his splendid opening session.

Mr. Speaker: To the House of Assembly, not to the "Opposition."

Mr. Smith: Mr. Speaker, I do not intend to try to elaborate on what has been said by the honourable members on the Government side in the speech in reply. I fully agree with what they have said, and I congratulate them on their able speeches.

I, like all other members in this House, as well as the people in Newfoundland, am delighted with the prospect of a third paper mill. In my opinion this is one of the highlights in the Speech from the Throne. We all realize the benefits it will bring to Newfoundland, and we trust and pray that it will materialize. I congratulate the Honourable the Premier on his endeavours so far and wish him every success.

Mr. Speaker, I was much impressed by the speech made by the honourable member for White Bay North and especially his references to the fisheries loan board. The district which I have the honour to represent is one of the finest districts in Newfoundland. But like most other districts, when the American bases started and construction work was plentiful, most of the fishermen gave up fishing and went to work on the bases and on construction work, and the fishing equipment went to ruin. Now that the work on the bases and construction work is somewhat curtailed a lot of the men who left the fishery would like to go back to the industry but have not the money nor credit to get what is required, boats, engines, fishing gear and so on. I am hoping that perhaps the Fisheries Loan Board will be the answer. I know a lot of the fishermen do not know a lot about the Fisheries Loan Board, nor how they can get small loans. I would humbly suggest that field workers visit districts like Port au Port and give the information that is needed. I hope the Fisherman's Loan Board will give small loans to fishermen who need dories, fishing gear and so on.

I have said before in this House the district which I represent has herring, codfish, lobster, smelt, mackerel and scallop, yes, and even tuna fish. It is a fisherman's goldmine and a sportsman's paradise.

Mr. Smallwood: Just name these fish again.

Mr. Smith: There are herring, codfish, lobster, smelt, mackerel, clams and scallop and tuna fish, and we have halibut there as well. (That is for my next speech).

Mr. Hollett: Sounds fishy—does it not?

Mr. Smith: Last summer, believe it or not, I spent a lot of time in Port au Port District. The reason I have been very much tied in with the shore fishermen is that born in Fortune Bay and a lot of our fishermen on the Port au Port Peninsula who fish in their dories come from Fortune Bay, Placentia Bay and I think some from Burin. I must say the herring, last fall and now were plentiful in Port au Port Bay; they are taken by seiners and shipped by boat to Bay of Islands. The cod fish were plentiful last year. They came in to the shores with the caplin, in fact they rolled on the beaches with the caplin, and it was no trouble to catch large cod fish, not "tom cods" but large cod fish with a salmon rod or bamboo pole. The lobsters are fairly plentiful. Mackerels and clams are plentiful and all that we need to encourage the fishermen there is to have a market for the fishermen.

Mr. Speaker, the fishermen in the district of Port au Port, along the Cape St. George Shore and Port au Port are handicapped for want of harbours, piers and wharves. A survey has been made and recommendations made by businessmen who are interested in the fisheries there—I know this comes under the aegis of the Federal Government but I hope this Government will do all in its power to support the honourable federal member for Humber-St. Georges, who is doing his best to get this work started.

Mr. Speaker, the building, improving and paving of roads I am sure meets with the approval of every honourable member in this House. I am sure that this year we will see much activity in Newfoundland. I am told by the Honourable Minister of Highways that mechanized units on the Avalon Peninsula have proven to be very successful and that the mechanized teams will be used

on the west coast this year, and I am sure the people of the west coast, especially the people of the district which I represent will be pleased to hear.

Mr. Speaker, the road from Corner Brook to Stephenville should be ditched, ballasted and put in shape for paving as soon as possible. I understand the road from Corner Brook as far as George's Lake could be put in shape and perhaps paved this year. I am sure the honourable members for Humber East and West and the honourable member for St. George's will agree that this should be done.

Hon. C. H. Ballam (Minister of Labour): Here. Here.

Mr. Smith: This is a very important part of the Trans Canada Highway, and it is the only way you can travel to Stephenville or to the TCA Terminal. It is true you can go by rail to Stephenville Crossing, but you must travel by road from Stephenville Crossing. I also strongly recommend the paving of the new road built by the American Engineers at Harmon Base and passed over to the Government last fall, and also that road from Stephenville to Port au Port should be finished, widened, ballasted and even paved. The roads on the Port au Port Peninsula, including the road from Point au Mal should be widened, ditched and ballasted. Mr. Speaker, we have no railway, harbour nor rivers nor wharves in the district I represent. We have to truck everything from Corner Brook to Port au Port through Stephenville Crossing. We have to depend on the roads, and the roads alone and that makes it very important that the roads in Port au Port District should be kept in first class condition, if possible, at all times.

Mr. Speaker, I wish to congratulate the municipalities for the splendid work that they have done, especially the work that is being done by the Mayor and Councillors of Stephenville. I have watched and admired the energetic councillors give so much of their time, voluntarily and without compensation, to the town of Stephenville. Stephenville has much to be proud of with its paved streets, water and sewerage, street lighting, stop signs, side walks and play grounds. I know the Government, as in the past, will do all in its power to give them financial assistance when needed.

In conclusion, Mr. Speaker, I wish to thank the Honourable Ministers and staff of all the Government Departments for their courtesy and help which they have given me at all times.
(Applause).

Hon. J. T. Cheeseman (Minister of Fisheries): Mr. Speaker, I beg leave to move the adjournment of the debate. On motion of Mr. Cheeseman the debate on the Address in Reply was adjourned. Honourable the Minister of Fisheries asks leave to introduce a bill, "An Act Further to Amend the Revenue and Audit Act."

On motion, Bill read a first time, ordered read a second time on tomorrow. Honourable the Minister of Finance asks leave to introduce a Bill, "An Act Further to Amend the Revenue and Audit Act."

On motion, Bill read a third time, ordered read a second time on tomorrow.

Premier Smallwood: Mr. Speaker, perhaps it would suit the convenience of the House if we were to have a recess now for ten minutes.

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

Honourable Minister of Mines and Resources to move the House into a Committee to consider a Resolution in relation to taxes on net income derived from mining operations conducted in pursuance of the agreement forming the schedule to the Act 5, Edward VII, Cap. X entitled, "An Act to Encourage the Manufacture of Pulp and Paper in this Colony", as amended.

On motion Mr. Speaker left the Chair.

Mr. Clarke, Chairman of Committee.

RESOLUTIONS

Resolutions No. 18 read by Mr. Clarke:—
Be it resolved by the House of Assembly in Legislative Session convened as follows:—
That it is expedient to bring in a measure governing the payment of a tax on the net income derived from mining operations conducted in pursuance of the Agreement forming the Schedule to the Act 5 Edward VII, Cap. X. entitled "An Act to Encourage the Manufacture of Pulp and Paper in this Colony", as amended.

Hon. W. J. Keough (Minister of Mines and Resources): Mr. Chairman, recently we

were able to resolve a difference of opinion that existed with regard to the mining taxes that should be paid in respect of the mining operation conducted at Buchans. The purpose of this resolution is to enable us to introduce a measure that embodies a proposed agreement at once acceptable to the company and to the Government and bring that agreement before the House.

When introducing the resolutions on second reading I will have a detailed explanation.

Motion, that the Committee report having passed this resolution, carried.

Mr. Speaker resumed the Chair,

Mr. Clarke: Mr. Speaker, the Committee of the Whole has considered the resolution to them referred and have adopted same.

On motion, report received.

On motion, resolution read a first and second time.

Motion, that this Bill, "An Act to Encourage the Manufacture of Pulp and Paper in this Colony, as amended," be read a first time, carried.

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

Second Reading of Bill, "An Act to Amend the Education Act."

Hon. F. W. Rowe (Minister of Education): Mr. Speaker, this Bill is designed to correct an error of judgment which occurred some years ago, in the parent Education Act. Section 6, of that Act, Chapter 101, has the following sub-clause— "Subject to the Approval of the Lieutenant-Governor in Council to make by-laws, rules and regulations for the establishment and management of Boards within its district."—It is a section which deals with the functions and responsibilities of school boards, and it stated that all regulations which school boards might make has to be submitted to the Lieutenant-Governor in Council for approval.

Actually, down through the years, that section of the Act has not been observed, and practiced, except on very important matters. There are upward of four hundred school boards in Newfoundland and it would be patently ridiculous if every single regulation, say for the cleaning of schools or for every time they decided to change the hours from, say, 9:00 A.M. to 9:15 A.M. for

time of opening or change the recess period, if all these things had to be referred to the Lieutenant-Governor in Council. In practice it has not been done. Usually the Superintendent of Education has been the one who has approved and sanctioned many of these minor regulations made by boards of education.

This amendment changes the words "Lieutenant-Governor in Council" to the words "Council of Education" and that Council of Education is made up of the Minister, who is Chairman, ex-officio, the Deputy Minister and the several superintendents—In practice that is where educational policy, under the Government, of course, is made. The effect of this is that in future this will make it possible for denominational authorities to affect a certain measure of control over school boards without, of course, subjecting school boards to this rather ridiculous process of having to submit every little, single detailed regulation the board might make—of which there might be fifty in the course of a year—and with four hundred boards if they did do that, the Board would be stymied in their work and the Government would do anything else except study and improve regulations made by boards of education.

This, without any way losing the control, will serve to make a practical solution to something which ineffective has been observed in the breach rather than in the observance.

Mr. Hollett: Mr. Speaker, on this side of the House we agree with the amendment. I would just take this opportunity to remind the Government again of what I consider its obligation with regard to those old retired school teachers and the matter of the pensions they are receiving. I do think, if you want to encourage young people to go into school teaching as a life's work, that you, the Government, certainly ought to see to it that those who have been labouring long years under very difficult circumstances in this Province (should I say country it would offend the Honourable the Premier) in the education of the children of this Province should not find themselves now, owing to the devaluation of the dollar brought about by the high cost of living, in a state almost of starvation. I submit, Mr. Speaker, it is the duty, the bounded duty, the obligation of

this Government, this House, to see to it that immediate steps are taken to increase the amount of the pensions which are paid.

Hon. E. S. Spencer: (Minister of Finance): What Bill are we on, Mr. Speaker?

Mr. Hollett: We are on the Education Act, and we cannot amend the Education Act unless we talk about teachers—I am quite sure the Honourable the Premier will agree with me in what I am saying.

Mr. Smallwood: This is rules and regulations for the establishment and management of schools within the district—We are not talking about teachers' pensions.

Mr. Hollett: Mr. Speaker, I am taking the opportunity to remind the Government.

Mr. Smallwood: Taking the opportunity is right.

Mr. Hollett: Thank you very much, Mr. Speaker. We agree with the principle. (I got away with it).

Mr. Rowe: Mr. Speaker, I take it is all right for me to take the opportunity of speaking—Well probably school boards might make regulations concerning teachers' salaries and pensions, and as the Honourable Leader of the Opposition spoke, I think—

Mr. Speaker: The Minister of Education might reply.

Mr. Rowe: Mr. Speaker, I wish to say this—I think it is of interest to the House and indeed to the people, this matter to which the Honourable Leader of the Opposition has referred. It is one which has given considerable concern to the Government and to the Department of Education. This year we have spent days and weeks analyzing and studying the problem. It is not a simple problem. It is very, very difficult one. Some of these older teachers are getting good pensions, those who had reasonable grades and taught their full years required under the Act, thirty years. There are others who had perhaps four or five years and had low grades and consequently received low salaries, paid in low premiums and in consequence received low pensions—but they got what they were entitled to under the

Act. But a person who taught school for perhaps six years with a low grade and got twenty-five dollars a month pension got what he was entitled to under the law, whereas perhaps next door a teacher may have been pensioned at one hundred and twenty-five dollars a month, which is a quite reasonable pension. It is not an easy problem for solution. We have gone into it and studied it very, very carefully. All I can say at the present time is that the matter is under consideration. We are fully aware I might say, of the hardship involved in some of these pensions, although everybody knows the present Government did not make these pensions nor the law whereby they were made. These teachers are, in a sense, victims of circumstances and perhaps victims of hard luck, and in many cases got low pensions because they did not teach school long enough to get high pensions. I think that is sufficient to say on this matter at the present time, Mr. Speaker.

There seems to be no other comment, nothing anyone else wishes to speak on, and I move second reading of the Bill.

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

Second Reading of Bill, "An Act Further To Amend the Urban and Rural Planning Act, 1953."

Hon. B.J. Abbott: (Minister of Supply) Mr. Speaker, Clause 2 of this Act, Section 4, Subsection (1) of the Urban and Rural Planning Act, 1953, Act No. 27, 1953 as repealed; and the object of this amendment is to increase the number of members on the Provincial Planning Advisory Board.

At the present time we have representatives from the various Departments of Government, and the existing Act provides for three. Now this amendment of course, is to increase the number of members.

Paragraph 3 of this amendment brings planning activities of Municipal Councils under the review of the Provincial Planning Advisory Board. This applies, of course, to the areas which are situated outside the City of St. John's and outside of the areas administered by the St. John's Municipal Council

Paragraph 4: Subsection (1) of Section 22 is amended by striking out the words "The authorized council may apply to the Minis-

ter for his approval of the Municipal Plan" and substituting therefore the words "the authorized council shall apply to the Minister for his approval of the Municipal Plan." The amendment makes it, of course, compulsory for submission to the Minister. The amendment to 40A, Clause 5, is the same as in Clause 3.

Mr. Speaker: If the honourable Minister would excuse me — I would rather he did not pick out clauses section by section. Strictly speaking, it is out of order to discuss clauses section by section during second reading. This should be done in committee. Refer to them, but not to point them out and examine them.

Mr. Abbott: Thank you, Mr. Speaker; Clause 6 of the Act provides for a board of assessors to place value upon land purchased by councils as a result of municipal plans. It is impractical for one board to serve the entire Province, and the amendment provides for appointing different boards for different areas.

Clause 7 is merely to correct typographical errors.

In Clause 8, the object is to apply the Act to propose highways as well as existing highways.

The amendment in Clause 9 is the same as that I referred to in Clause 3, bringing the planning Act of municipal councils under review of the Provincial Planning Advisory Board.

Then we come to Clause 10 — This amendment allows regulations to be made under the Act for areas outside the municipal boundaries. The second part of the clause is a mere correction of a typographical error.

Mr. Speaker, I move the second reading of the Bill.

I am sorry, there is still Clause 11 — The councils may be called upon to purchase land because a permit has been refused to build in an area not yet approved for Development under Municipal Planning. This amendment requires that the council shall not be required to purchase land unless it is suitable and right for development, but because of the planning the land cannot be used for the purpose or cannot be used for any purpose authorized under the plan — I move second reading of this Bill.

Mr. Hollett: Mr. Speaker, just one thought comes to my mind — We have no objection to the amendment, but will the Honourable Minister, when he replies give the House some idea as to what advantage has been taken by the various councils and municipalities of this particular act? Have they availed of the advice which is being offered by the Government? If so to what extent?

Mr. Speaker: I take it there are no other speakers to this motion.

Mr. Abbott: Mr. Speaker, in reply to the Honourable Leader of the Opposition I would like to say that the regular director of planning is kept quite busy by municipal councils. Time after time they seek his services, and at the present time he has quite a program of proposed programs. Special advisers have been availed of by the different councils throughout the Province, and as I said before, the plan or program which is outlined is a very extensive one — As a matter of fact he is unable to cope with the requests from the various municipal councils for his services.

Mr. Hollett: Who is the Director?

Mr. Abbott: Mr. Allston.

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

Second Reading of Bill, "An Act Further to Amend the Welfare of Children Act."

Hon. S.J. Hefferton (Minister of Welfare): Mr. Speaker, although there are several amendments to this particular act they are of such detailed nature that they can really be dealt with much more adequately in committee state than they can at this present reading. However, to outline them briefly —

Mr. Speaker: If the Honourable Minister would excuse me — It would be better in moving second reading of a Bill if the Honourable Minister would say that this Bill does such and such a thing or makes the following changes, rather than to say that Clause (1) does and this Clause (2) does that. Strictly speaking the reference to sections and clauses at second reading is not in order. It is better to say, the Bill provides, the Bill makes the following alterations. I would like honourable members to please

note that point — If the Honourable Minister would excuse me for interrupting.

Mr. Hefferton: Thank you, Mr. Speaker. The first change I would bring to the attention of the House is an amendment whereby the definition of the neglected child is brought into agreement with such terms as appear later on in the Act. Secondly, this amendment enables the director of child welfare to apply to the court for the support of neglected children at any time after the child comes into his care, and give the court the necessary information to make an order.

Then the amendment goes on to make similar provisions for delinquent children and makes provisions also for the return of delinquent children to the court, at any time after probation, if the provisions of probation have been carried out. There is no such provision in our legislation at the present time.

Our present legislation provides for a variation of the payments of arrears under affiliation orders, but it does not make any provision for variations of payments in the original court order. Our amendment makes provision whereby variations can be laid down when the court has dealt with the case. Then, the amendment goes on to make provisions for cancellation of affiliation orders if need for such cancellation should arise at some subsequent time. A further amendment provides for the enforcement of affiliation orders. This particular section, Mr. Speaker, if really one way of trying to bring our legislation in line with legislation common throughout the rest of the Province of Canada. In other words, it is our old "uniformity of legislation."

The amending legislation is intended to provide in the adoption section of the act for the prior written approval of the Director of Child Welfare before a child is received into a home for the purpose of adoption. We have found that is necessary because of a court case which was taken last year, where the magistrate ruled in favour of the position we had taken in the Department of Welfare, then on appeal to the Supreme Court the decision was reversed, and it was pointed out to us that our legislation should be amended if we wanted to take care of the thing which we had originally intended.

Finally, in the last section of the amending Legislation, it deals with a time of clarification, really. The main purpose of this clarification is to deter or prevent people from establishing boarding homes for children without proper supervision, and unless they have received approval showing that supervision is exercised before they can open such a home.

Mr. Higgins (St. John's East) Mr. Speaker, I must say I appreciate the reasonableness of the amendment that is suggested, but one thought runs through my mind. It seems to me there is one section not in the original act, which we all seem to have forgotten now, Section 24. Now, children are defined in the Act as anybody who has not attained his or here seventeenth birthday. Where we have so many boys over the age of sixteen working and so on, it seems to be farcical to have a statute on the books which is not enforced and never could be enforced. But, under Section 24, we have provisions that any constable or welfare officer or any officer of the child welfare etc., who suspects on reasonable grounds that any child has in his possession any cigarettes or cigarette papers or tobacco — (It seems to me that whilst we are on this amendment to bring this act up to date and cut out alot of things unnecessary, sooner or later the Minister should give some thought to a more reasonable approach, because I am told, I cannot say on how good an authority, that even now at the Boys' Home in Whitbourne in the case of boys over sixteen some of the officers there themselves recommend allow boys working in the field to have an occasional cigarette.) It seems to me, Sir, — (I do not know if it is practical at all this time to give any consideration to it,) that it does seem rather pointless to keep up things so obsolete as that.

As to the other amendments, Sir, I happen to know the case whereof the Minister spoke, and I think that business on adoptions is very important. When he is replying, I was going to ask, would the Minister be good enough on this question of affiliation orders to state where he is in a position to say whether or not the revised scale of payments in affiliation cases is raised. As the House will recall, it was raised from seven hundred and fifty dollars to one thousand

dollars, and if that is applicable to the United States Forces stationed here. I think you know the putative father can absolve his obligations by payment, over three years, of a sum of twelve hundred dollars. I do know if it has been made applicable to local people, but I am wondering.

Mr. Smallwood: What?

Mr. Higgins: The putative father is responsible for payment of twelve hundred dollars in three years.

Mr. Smallwood: Since when?

Mr. Higgins: This house passed that a couple of years ago.

Mr. Smallwood: Where was I?

Mr. Higgins: In the same seat where the Honourable the Premier now sits. I remember the incident very clearly. The Premier, no doubt, may have been thinking of bigger developments. The reason I asked is because I have heard it said that, in practice, it is not working out so well, as far as service personnel are concerned.

Mr. Hollett: Mr. Speaker, there is one other point my honourable friend probably noticed there i.e., the definition of the neglected child. Now, I fail to see how we ought to call in all cases a child a neglected child who is found anywhere after nine o'clock at night, I have had, I know, newsboys come to my door long after 9:00 o'clock to deliver certain newspapers. Would they be considered employed, and if they were, are they neglected children?

Mr. Speaker: If the Honourable Leader of the Opposition would excuse me — Is that definition in this Bill coming up now?

Mr. Higgins: Yes.

Mr. Speaker: Probably he could bring that up in Committee of the Whole stage.

Mr. Hollett: It is one of the principles of this amendment, reducing the age from seventeen to sixteen.

Mr. Speaker: The definition of a neglected child could hardly be the principle of the Bill.

Mr. Hollett: It is obviously the principle. Excuse me, Mr. Speaker, The principle under the parent act describes the child as one under seventeen. This makes it one under sixteen found employed anywhere. I want to refer to the fact that we are trying to do something for our fisheries. I remember when I was a boy, before I was sixteen I took off the heads of many a codfish in the stage and outside the home.

Mr. Smallwood: Did you ever cut any throats?

Mr. Hollett: Lots of throats also, but from the front, not from the back. I never cut anybody's throat from the back. But I can visualize fishermen around our coast coming in during the summer evenings with dory loads of fish. It is nine o'clock. He has a couple of boys, fourteen to sixteen years of age. If they come and help him then they are employed. They are neglected children.

Mr. Rowe: If the honourable gentleman would permit me. If I recollect from when I was in Public Welfare that is not covered, the family employment was not covered under that Act. I do not know what the situation is today.

Mr. Higgins: "Employed anywhere" the original Act says.

Mr. Rowe: In practice, it was never taken to apply to fishermen's sons or boys out after nine o'clock in the evening digging potatoes. It was not taken to apply to that.

Mr. Hollett: The Act says under Section 12 (7) the definition of a neglected child is any child or any person who is employed between the hours of (9:00 A.M. the following day)— "any person".

Mr. Higgins: Working for your family is not employed. They never pay you.

Mr. Hollett: I do not think we ought to call them neglected children because it becomes a standing joke — "There is a neglected child over there. His father cuts throats" or something like that. I think if it made some reference to family employment, exclude family employment or something like that. Now I am not advocating a child or sixteen or under ought to work some place for a

salary. I know that under certain circumstances that might be advisable — It might do a lot of good — It is just as well for them to do that as go around the streets. I think some reference ought to be made to that when we do come to the committee stage.

Mr. Hefferton: As the Honourable Leader of the Opposition just said, Mr. Speaker, there are certain things which might more properly be discussed when we come to a detailed explanation in committee stage, but if I may for a moment refer to the question which was asked by the Honourable Leader of the Opposition. I pointed out that the first amendment merely was an attempt to bring an earlier definition into line with what was written subsequently into the Act; and in the parent Act, it says — "It shall be unlawful to employ any child under the age of sixteen years." So that in the same Act you have seventeen years and sixteen years being mentioned. So that the amendment we propose here merely puts the two together in agreement.

Now the first question which the Honourable Leader of the Opposition raised about a neglected child, I think that is interpreted by the subsection (f) of Section 34. Certainly we do not call a child neglected because he happens to be on the street at certain times and under certain supervision and so on. The honourable and learned member for St. John's East raised a question which on the face of it is not easy to deal with. It is true you can debate them altogether, but whether we suffer more by deleting or including them, there is something which is debatable, I think.

Mr. Higgins: Section 32 makes an awful lot of people liable to two hundred dollars — Anybody giving a cigarette or cigarette paper to a child under seventeen.

Mr. Higgins: There are a lot of mal-factors on both sides of this House.

Mr. Hefferton: In answer to the other question raised the answer is (subject to correction) (1) the payments are applicable, to the best of my knowledge, to personnel of the United States Forces. There has been some difficulty and there will be some difficulty for a period of time because of transfers etc.

Mr. Rowe: Mr. Speaker, may I ask a ques-

tion before the honourable member sits down — I am trying to refresh my memory on that point the Honourable Leader of the Opposition raised. Is there not somewhere in the parent act where it says a child cannot be declared neglected if in the custody of the parent. I think that is the clause which covers what the Honourable Leader of the Opposition raised there.

Mr. Speaker: I think that matter might more properly be raised again when this clause comes up in Committee.

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

Second Reading of Bill, "An Act Further to Amend The Local Government Elections Act."

Hon. B.J. Abbott: (Minister of Municipal Affairs and Supply): Mr. Speaker, this amendment is requested to make it clear that, when two or more polling divisions are established, there shall be a deputy returning officer and a poll clerk for each division. Now the original provision used the word "may" and the amendment says "shall." Further more in the amendment reference to the voters list is being dropped. This removes a conflict which some sections of the Act.

The object of this amendment is also to set the statutory nomination day and thereby avoid the possibility of councils setting up two or more nomination days. Under the Act, the council is authorized to fix the time and place or places for receiving nominations. Also, under the original provisions, a person otherwise qualified could be nominated if his taxes for the preceding financial year had been paid even if these taxes for earlier years were still in arrears. The amendment requires the payment of all arrears in order to qualify.

The amendment is also requested to make it clear, if less than a full slate of candidates be nominated, those who are nominated shall be elected by acclamation. This is necessary to supplement the Local Government Act 1956, which provided that where less than a full slate is nominated, the Lieutenant-Governor in Council may appoint sufficient councillors to fill the slate.

There is another amendment, a rewording

of the original provision in order to make the intentions clearer. For example the expression "a separate list of electors shall be prepared for each ward or polling division", this was simply intended to mean that additional copies of the list of electors in the Municipality shall be made for each ward or each polling division. When the first council in a Municipality is elected, liability for taxes is not a qualification because no taxes have been imposed. This means that when the first town council is elected to succeed a board of trustees in a local improvement district, neither voters nor candidates need to be taxpayers, although the board has imposed taxes.

Some of you may recall the residents of Gander objected to this legislation, and reasonably so, when they were given an opportunity of electing a town council. Now, the amendment proposed makes liability for taxes a qualification of both voters and candidates in the first election when the area is already a local improvement district. In order to provide for the possibility that taxes may not have been imposed in the local government district, I suggest that the following words be added to subsection 2 of the Section 27 — "If any of the taxes imposed under Section 70 or 78 subsection (1) of the Local Government Act, 1956, are then being levied by the Board of Trustees". Mr. Speaker, I move the second reading of this Bill.

Mr. Higgins: Mr. Speaker, I appreciate the reason for repealing Section 10 of the original Act because you had the situation there that if enough candidates to fill the slate were nominated it is fine, but if insufficient candidates were nominated, apparently there was no machinery at all to provide for the election. This, I take it, was the reason for the rather curious situation that developed in Clarendville last year. On this point, Sir, Clarendville was not the only area that was in difficulty. I seem to have read there were other communities that had two or three nominations, but apparently it seems to have been the only one that was invalidated. Perhaps some time we may have a fuller discussion on that. I take it once this amendment is put through, we cannot ever again have a situation such as resulted last year and certainly did not add

to our reputation in the rest of Canada. We were an object of hilarity for the rest of the world.

Mr. Smallwood: We do not provide as many such occasions as the other Provinces do.

Mr. Higgins: I am quite prepared to believe that, but once is enough. The peculiar thing about it was, I think, the whole House was at fault because the women will never forgive us.

I must say, Sir, that the rest of the thing seems to be quite in order, as it really is giving us uniform legislation for all elections in the Province, and as such appears to be quite desirable.

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

COMMITTEE OF WHOLE HOUSE:

On motion that the House go into Committee of the Whole on various Bills, Mr. Speaker left the Chair.

Mr. Clarke Chairman of Committees. Committee of the Whole on Bill, "An Act Respecting the Designation of Beneficiaries Under Pensions and Other Plans."

Motion that the Committee report having passed this Bill without amendments. Carried.

Committee of the Whole on Bill, "An Act Further to Amend the Community Councils Act, 1956."

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

Committee of the Whole on Bill, "An Act to Amend the Local School Tax Act, 1957."

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

ST. JOHN'S SHOPS ACT

Committee of the Whole on Bill, "An Act Further to Amend the St. John's Shops Act."

On motion Clause 1 carried.

Mr. Hollett: Mr. Chairman, Clause 2 has to do with the increase in the penalty. Although I have previously expressed my opinion here on this particular clause, I must take this opportunity to reiterate that I see no reason why any penalty clause in any Act should be increased unless there is ade-

quate cause for such increase. Now, this Act was passed away back in 1942, and it has been said here by members on both sides of the House that there have been few if any prosecutions, and on occasion, as far as we know, was ever the penalty clause of twenty-five dollars for the first offence imposed. Now we are suddenly faced with this idea of increasing this first offence penalty up to one hundred dollars. It has been stated here by the Honourable the Premier (I see he is not in his place, I suspect he is somewhere in some place within reach of my voice) but we have heard the reason given that because some vagabond on Water Street decided to break the law, consequently it was felt necessary to put in stiffer penalties. I have already stated here that stiffening the penalty has no effect whatsoever. If the reasons given for increasing the penalty are as stated by the Honourable the Premier, stiffening that penalty will have no effect whatsoever.

Premier Smallwood: Mr. Chairman, to a point of order — I suggest to your honour that the only thing it is proper to debate now in Committee of the Whole is whether this should be two hundred dollars or two dollars or two thousand dollars or two million or two cents. The actual amount may be debated. But the reason it is completely out of order, I suggest to your Honour, is that it is a matter for second reading debate, and second reading is over. The second reading has been given the Bill and now we can only discuss the whole argument over again, what we had in second reading.

Mr. Hollett: Mr. Chairman, if I may — I am not concerned with the principle, I am concerned with the effect, and I was speaking of the effect of any increase in the fine. The principle of a fine is well known to anybody who takes the trouble to read the Act. We have already discussed that, but this matter of increasing the fine from twenty-five dollars to two hundred dollars, I say, if the reason for that is as was given from the opposite side of the House, then I do not agree that increase should be made. If we admitted that some breaches had been made, then this particular Bill, of course, or the penalties as provided by this Act must be applied, and it seems to me therefore to be too late at this stage to increase the penalty.

Mr. Smallwood: Mr. Chairman, the honourable member is clearly out of order.

Mr. Hollett: To increase the penalty — I am speaking merely, Sir —

Mr. Smallwood: Mr. Chairman, to a point of order, the honourable gentleman is clearly out of order.

Mr. Chairman: You are drifting a little near it there.

Mr. Hollett: Thank you, Sir I will put out both anchors. I think a fine of two hundred dollars on a small shopkeeper on New Gower Street or any other street in St. John's is one that is not in keeping with the offence which may be committed. This Bill will become law if it is passed, and it will be the law that if John Jones on some street in St. John's either inadvertently or deliberately commits a breach of the St. John's Shops Act, then nothing can save him from paying at least two hundred dollars, not less than two hundred dollars, and in default of payment imprisonment for a term of one month. We have had it stated here that it is not meant for the small shopkeeper. But I am saying the law is made for every man and woman in St. John's who has a store. We cannot except the stores on Water Street to those on Patrick Street nor any other street. Anybody, any shopkeeper who breaks the law is liable to a fine of two hundred dollars.

Mr. Forsey: Mr. Chairman, to a point of order.

Mr. Hollett: State your point of order.

Mr. Forsey: Are we debating what area or what group this refers to, or, as the Premier said, the amount of the fine.

Mr. Chairman: We are debating 15 (1) which is the amount of the fine.

Mr. Hollett: Yes, Mr. Chairman, and I am trying to give reasons for objecting to it. I am not discussing the Corner Brook Shops Act but the St. John's Shops Act. We are not discussing the Water Street Shops Act but the St. John's Shops Act.

Mr. Forsey: To a point of order, Mr. Chairman, as I see it the Honourable Leader of the Opposition is making a

speech which should have been made on second reading;

Mr. Chairman: I think the Honourable Leader of the Opposition is talking about subsection (1), the amount of the fine; and I am prepared to listen to him.

Mr. Hollett: Thank you, Mr. Chairman, I was trying to give a few reasons as to why I do not think there was any particular reason why the fine should be raised from twenty-five dollars up to two hundred dollars. I think I have said enough, at any rate I have said enough to arouse the ire of some of the back benchers. That was not the intention, of course, but I do say, Sir, it is a pity that we have been asked to make this law. I do not think it is right. I do not think it is right because I know a lot, and everybody here knows a lot, of small shopkeepers in the City of St. John's and everybody knows a lot of these shopkeepers can ill afford to pay a fine of two hundred dollars if by chance they open on the wrong day, on Saturday. Some of them are going to do it, there is no question about that, and there is no reason why the law enforcement officers shall not come and acquaint the Attorney-General of the breach, and there is nothing to stop the Attorney-General from saying: "very well, take out a summons" — If that small shopkeeper is brought before court there is no salvation for him, he pays two hundred dollars or goes to jail for one month. The magistrate has no discretion whatsoever. He has to pay two hundred dollars although he probably opens his shop not knowing he is breaking the law, for various reasons. At any rate he breaks the law — Any shopkeeper anywhere in St. John's is liable to that penalty. I very much object to that, Sir. Then we come to the second offence and a penalty of not less than one thousand dollars. I can see very well any shopkeeper in St. John's, off Water Street, being liable for the second offence by inadvertently opening his store. Any shopkeeper in St. John's, on or off Water Street, who inadvertently opens his store for the second offence has to fork out one thousand dollars or in default or payment be sentenced to a term of imprisonment of three months. Anyway, Sir, I would say this for the shopkeepers of St. John's, particularly the small shopkeepers (they are the ones today issuing credit more

than the bigger ones on Water Street, and there is never a week but they allow so much credit) in many cases I know of they have not the money to pay the fine; and consequently it is important that if they inadvertently open shop, it is without the danger of running the risk of having to pay a thousand dollars or two hundred dollars or, as in the subsection 3 there, five thousand dollars. Just imagine, Mr. Chairman, if a man is careless enough if you like, to open his small store anywhere in St. John's for the third time and he comes up for the third offence, nothing can save him from a fine of five thousand dollars, and if he cannot pay the fine then he will be in jail for nine months. I do not think, Mr. Chairman, that this amendment is at all necessary. I believe the penalty clause in the original Act is sufficiently large to insure that the original Act is carried out. At any rate I very much object to this amendment being made.

Mr. Higgins: Mr. Chairman, I agree entirely with the Honourable Leader of the Opposition, and for precisely the same reasons. If we take the position that the law is passed, and that anybody that breaks that law should be punished, then we must take with it the position that all law breakers are treated precisely the same. We have to know because of the fact if the discretion that hitherto existed in the magistrate should be removed, it means that anybody who comes before any court which has jurisdiction in this matter, if convicted, must of necessity face exactly the same penalty. Now that is not necessarily as it should be for the simple reason that, whilst all men are presumed to be equal before the law, all men are not equally equipped to meet the financial consequences of breaking the law. But if this stays as it is, Sir, we have a minimum fine of two hundred dollars for the first offence or in default of payment of the fine a term of one month. It is presumed in this day and age anybody can scrape up two hundred dollars for a fine. But let us assume that, through error or inadvertently, a small shopkeeper does transgress a second time, as he possibly could. He might not find, a thousand dollars, (for a big corporation, yes, a thousand dollars could be so posted on the books that it could be added up later on as a credit when income tax time comes around.) — But a small shopkeeper could

go to jail for three months, and then go on further, for nine months. Well, Sir, you have then, almost immediately, a punishment out of proportion — And, Sir, there is no necessity to have such stringent penalties. The legislation further contemplates that if anybody says he is going to do such a thing as open his shop for the sale of his goods, the right is vested in the Attorney General to apply to the Supreme Court to restrain him — Then once that takes place he is out of the sphere of the magistrate — and anyone who defies the order of the Supreme Court faces "contempt" proceedings and the consequence is too horrible to contemplate.

Mr. Chairman, I move that in subsection (a) of subsection (1) that the words "two hundred dollars" in the first line, be amended to read — "not less than twenty-five dollars and in default of payment to imprisonment for a term not exceeding seven days."

In Subsection (b), for a second offence — "To a fine of not less than fifty dollars and in default of payment to imprisonment for a term not exceeding one month." In subsection (c) for a third and any subsequent offence — "To a fine not less than one hundred dollars and in default of payment to imprisonment for a term not exceeding three months."

Hon. M.P. Murray (Minister of Provincial Affairs): Mr. Chairman, I rise to speak against the amendment — I think clause was printed with very good reason. Let us take a hypothetical position — Suppose there had been a law on the Statute Books for fourteen years, and suppose that for some reason or other, a segment or group of the community announced that there will be concerted, deliberate attempt to break the law. Suppose, as happens now, the Legislature is in session — Is not that Legislature entitled, Sir, to do everything in its power to see that that law as it exists is carried out?

Mr. Higgins: Mr. Chairman, to a point of order — I do not wish to interpret the Honourable Minister, but has that amendment been seconded?

Mr. Murray: It has been mentioned, Sir, that the thing is wrong in principle, the principle of an excessive fine, but I think in

this particular case all circumstances should be taken into consideration — Why are fines collected at all? It is not to make money. That is not the object. The object of applying a fine at all is to act as a deterrent more than to punish —

Mr. Smallwood: Mr. Chairman, to a point of order — I am sorry to interrupt the honourable gentleman, but I think the amendment is out of order, in which case my honourable colleague is out of order speaking for or against it. It is out of order in that it negates the principle adopted at second reading. If it does not, what principle was adopted? Here is an amendment which puts the figures back virtually to where they are now in the original Act.

Mr. Duffy: (St. John's Centre): Then there is no point in talking about it at all.

Mr. Smallwood: We adopted some principle here in Clause 2, 15 (a), (b) and (c) — Some principle has been adopted in second reading by the House. Now, can an amendment be proposed to negate (is that a good word?) to abrogate, to undo the principle adopted at second reading? Now certainly the principle, at the very least, that has been adopted in this clause by the House in this present session, yesterday in fact, the principle adopted is that there shall be a sharp increase in the amount of the fine. Surely that was the principle adopted.

Mr. Higgins: Increased—Not necessarily sharply.

Mr. Smallwood: Yes sharply because the amounts named here are considerably more.

Mr. Higgins: We are not allowed to discuss the amounts.

Mr. Smallwood: We are allowed to discuss the principle of a sharp and very stringent increase — and that principle of a sharp and rather spectacular increase in the amount of the fine, was that not adopted? What was adopted?

Mr. Higgins: An increase.

Mr. Smallwood: Certainly in the debate itself powerful objection was taken to this

clause in that the amounts were considered too great. Surely then the principle was that these great increases should take place, surely that was the principle adopted.

Mr. Higgins: Any increase was objectionable.

Mr. Smallwood: No, the size of the increases, the spectacular increase were what was objected to in debate on second reading. The principle adopted when the Bill was adopted in second reading was that large increases would be in effect. Now, to move an amendment that there be virtually the same amounts, (almost exactly back where they were,) for this Committee of the House to defy the adoption by the House itself of certain principles — We cannot do that. The whole is greater than the part. The part is never as great as the whole. This is only part of the House, only a Committee of the House, and the House itself adopted the principle yesterday. I submit, Mr. Chairman, with respect to the honourable gentleman's motion, the amendment is out of order.

Mr. Hollett: Surely, Mr. Chairman, we are not touching the principle at all, we are only altering the amounts.

Hon. L.R. Curtis (Attorney General): Is not that simply negating the motion?

Mr. Hollett: It is not negating it at all. It would be just as well to say twenty million dollars there, and it would be quite in order to make an amendment to that figure. We are only making an amendment to the figure.

Mr. Curtis: Mr. Chairman, I rise to a point of order that the motion of the honourable member for St. John's East puts the amendment or the fine exactly where they were in the original Bill and that being so his motion negates the principle.

Mr. Higgins: No, Mr. Chairman, in answer to that, the original fine, the one we yesterday agreed to was not sufficiently sharp and spectacular was a fine not exceeding twenty-five dollars or in default of payment a term of imprisonment not exceeding seven days. The amendment proposes a fine of not less than twenty-five dollars and of not less than seven days. I submit the

amendment is in order. The second offence, a fine of not less than fifty dollars and in default a term of imprisonment of not less than one month, and in the third offence for a fine of not less than one hundred dollars and in default a term of imprisonment of not less than three months.

Mr. Forsey: Mr. Chairman, speaking on that point of order — The honourable Leader of the Opposition and the honourable member for St. John's East talked about the poor shopkeeper going to be affected by this terrible amendment we are bringing in now. Surely any man in business is going to have sense enough, if he has sense enough to run a business, to learn the regulations governing the business. If we are to accept the philosophy given here this afternoon, it would mean this House would have to sit and renew every law that carries a heavy fine because the fine might be too heavy for the poor creature it might affect. It would not be too heavy for the great Water Street merchant and if he does not pay put him in jail, but give a reduced fine and he can defy the law all his life. That is what they are fighting for. They are not fighting for the poor man.

Mr. Chairman: Order please. It is now six o'clock, and if the Committee agrees, the Committee will rise, report progress on this particular Bill and ask leave to sit again.

Mr. Murray: I take it, Mr. Chairman, I will have the floor when the order is called.

Mr. Chairman: Yes.
On motion, the Committee adjourned to report progress.
Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole have considered the matters to it referred and has directed me to report Bill No. 2, Bill No. 8, and Bill No. 11, passed without amendment.
On motion report received, Bills ordered read a third time on tomorrow.

Mr. Clarke: Mr. Speaker, the Committee of the Whole considered Bill No. 13, made some progress and asks leave to sit again.
On motion report received, Bill ordered re-

ferred to Committee of the Whole again on tomorrow.

Mr. Curtis: Mr. Speaker, I move the remaining orders of the day to stand deferred, and the House do adjourn until tomorrow, Wednesday, February 5th. at 3:00 of the clock.

On motion all further Orders of the Day do stand deferred.

On motion the House at its rising adjourned until tomorrow, Wednesday February 5th. at 3:00 of the clock.

Wednesday, February 5, 1958

(Afternoon Session)

The house met at three o'clock.

Hon. J.R. Smallwood (Premier): Mr. Speaker, before you call the first order — During the forenoon today I had a conference with representatives of the community of St. Lawrence on the question of unemployment resulting from the closing down of the fluorspar mine and mill of the St. Lawrence Corporation, as well as the curtailment of the operations of the other company in the town. The Mayor of St. Lawrence, Mr. Theo Etchegary, led the delegation. The President of the Union, Mr. Aloysius P. Turpin, was present. The member for Burin district brought the delegation to me and participated in the discussion throughout. The Union was represented by their Counsel, who happens to be the Honourable Minister without Portfolio in this Government. I had present with me the Honourable the Attorney General, and the Provincial Economist, Professor Gordon Goundrey, attended.

We had a very frank discussion of the problem, which has become very serious for the whole community of St. Lawrence, and certain decisions were taken. I would not wish the house, or the people of St. Lawrence, to assume that we have found solutions or made any final settlement. I can say no more than this, that we have at least made what may in the end turn out to be the beginning of something leading ultimately to the re-opening of the mine and the plant. Again I must repeat that the people must not be too optimistic at this stage. I have

telegraphed Mr. Walter E. Seibert, the principle owner of the property, inviting him to come to St. John's for discussions with the Government, the town of St. Lawrence, and the representatives of the Union.

Presenting Petitions:

None.

Presenting Reports of Standing and Select Committees:

None.

ANSWERS TO QUESTIONS:

Hon. L.R. Curtis (Attorney-General): Mr. Speaker, on behalf of the Minister of Finance I ought to tell the Honourable Leader of the Opposition that this question, with the exception of the ninth part ought to be addressed to me, as Minister of Economic Development. If that is satisfactory to the Honourable Leader of the Opposition, I will ask my colleague, the Honourable Minister of Fisheries, to deal with the first eight sections of the question and I will undertake to deal with the ninth.

The next Question addressed to me is

Question No. 46:—

(1) In New York City.

(2) I have photographic copies of the agreement which I am glad to table.

(3) The answer is none. That answer needs a little elucidation perhaps. In the house in this present session an amount of, I think, forty-two thousand dollars, was contained in a long list of loans and guarantees to the American Encaustic Tiling Corporation, for a reasonable reason perhaps; not that any money had been lent to them but because the money had been expended on capital account in respect of this company — but it was not made as a loan to this company. The story is this: Talc Mine at Manuels, actually more properly it should be called the Pyrophyllite Mill. The Government brought that plant, building and machinery and bought also some, I think, twelve acres of land on the shore of the new harbour that is being created by the Canadian Government at Manuels, there at Long Pond; the house will be familiar with what is happening there in Conception Bay. Inside the beach there is a fairly large pond with a

neck or gut opening from the pond out into the waters of the Bay. That gut has been widened and deepened and dredging has been done inside in the pond and a new harbour has been created. The Government of Newfoundland bought, I think it was, twelve acres of land from the various owners in that area. Having bought both the mill and plant and everything constituting the pyrophyllite property, and having bought the land down by the pond, which is another area — (This incidentally is where the American Encaustic Tiling Corporation propose to erect another mill) — Having done that, the Government then sold all this property to this American Company for forty-two thousand dollars. This, as the Honourable Leader of the Opposition will see from the agreement, is to be repaid by the American Encaustic Tiling Corporation over a period of, I think, five or may be six years. They have in fact paid back for two years, with interest at four and a half per cent.

I would like to tell the Honourable Leader of the Opposition why it is that the sale of that property and that land to the American Encaustic Tiling Corporation was made on that basis, that is, that payment to the Government would be spread over a number of years. It is in the back of my mind. Unfortunately it is not in the front of my mind. The Director-General of Economic Development, who is completely familiar with the story, is arriving back this afternoon from San Francisco. If the Honourable Leader of the Opposition would remind me again tomorrow when the house meets, I will be able to give the reason. It has something to do with title or something of that nature. It is not any shortage of money on the part of that American Company, which is the biggest company of its kind in the United States. Practically every bathroom and kitchen in the United States that has tiled floors and walls is done with the tiling made by this company. They are famous in the United States.

Then as to the final part of the question — Where is the head office of that corporation? It is in New York and the factory is in Landale, Pennsylvania. It is a very old, very large and very highly respected company, and we are very blessed indeed to persuade a company like that to come in here. We

were I suppose, five years trying to find a purchaser for that property at Manuels, someone who would really come in and really operate it. Their plan is to build in the new harbour on this twelve acres a pier and a factory and bring the rock down the hill from where it is up the other side of the railway track; just beyond where the present factory building is, bringing that down to the waterfront of the new harbour and manufacturing it in the new factory which is to be built. What they are doing presently is really only to operate on an exceedingly small scale. That is the position at the present time.

I am sorry, Mr. Speaker, I was speaking to the Honourable Leader of the Opposition although the question came in fact from his colleague. I am sure he will be willing to convey to his colleagues what I have said.

Mr. Sheppard: Mr. Speaker, before the Orders of the Day are called, if I may rise to a point of privilege:

During the speech I made yesterday I said the Avalon Telephone Company was bringing a service to Riverhead on the South Side of Harbour Grace by one pair of lines on which there were eighteen subscribers. On checking my facts I now find that the situation is not as I said, but that there are two lines, one of which has eleven subscribers and the other has ten, which I am quite sure is much to the credit of the Avalon Telephone Company.

ORDERS OF THE DAY:

Adjourned debate on the Address in Reply.

Hon. J.T. Cheeseman (Minister of Fisheries): Mr. Speaker, I rise for the purpose of speaking on the motion for an Address in Reply to the gracious Speech from the Throne.

Now, Mr. Speaker, if I may be permitted to do so, I want to say this — Honourable members will probably find a good deal of what I have to say uninteresting and perhaps if they prefer to sleep whilst I speak, if it is in order with you, it will be in order with me.

Mr. Speaker, before getting into the main topic of my speech I should like to join with other honourable members who have already spoken in congratulating the mover

and seconder of the motion. The mover, the honourable member for Labrador North is, as is well known, one of the younger generation of master mariners and one who is a credit to his noble profession.

The seconds of the motion is the member for Burin, my native district, and the district that I had the honour to represent in this house nearly forty years ago. The honourable member for Burin has had a successful career as a school teacher and later as a Magistrate. The honourable member was also associated with me about a year and a half ago when we conducted the South Coast Commission of Enquiry. I am happy, Mr. Speaker, at this time to be able to pay tribute to his energy, his ability and his vast knowledge of the South West Coast, and of Newfoundland in general.

I am quite sure, Mr. Speaker, that both these young men, like several others of the younger men occupying seats in this Honourable house, will be heard from to good advantage in the future.

Next, Mr. Speaker, I should like to join with previous speakers in extending a welcome to my honourable friend the member for St. John's South.

Also I would like to join in paying tribute to the recently retired Lieutenant-Governor, Sir Leonard Outerbridge, who has rendered such wonderful service to this Province. I am sure it is generally agreed that both he and his wife have endeared themselves to all the people of the Province of Newfoundland.

Mr. Speaker, some things have changed since I first came to this house forty years ago, and others have not. I was reminded of one thing that has not changed when the Honourable Leader of the Opposition and the honourable members on the other side, replying to the Speech from the Throne, said "As usual it was noteworthy for what it did not contain" — That is usually said. I would, however, suggest that the Speech from the Throne did contain a number of things of real interest, the greatest of which, I suggest, is the prospect of our getting the Crown Zellerbach Company to come into Newfoundland to build a pulp and paper mill or mills.

I should like, Mr. Speaker, to pay tribute to Premier Smallwood for the wonderful work that he did, because we all know his persua-

sive powers, and I am sure that in this Province, regardless of political affiliations, all feel as we do here, that in being able to arrange to have such a great company undertake to look into the possibility of being able to establish in this Province, and having received from them the assurance that, if they find it possible and also economically sound, they will establish. I think that was a wonderful achievement. We all hope and pray, indeed we believe, that they will find that it will be economically possible to come to Newfoundland.

Mr. Speaker, the Speech from the Throne indicated that the Government hoped to receive two or three grants from the Federal Government. Well, we have already been officially notified that the Federal Government has set aside a hundred million dollars for the Atlantic Provinces, and that we are to receive, over a period of four years, thirty million dollars out of that one hundred million. This again was a great achievement — I am sure that had it not been for the persuasive powers of the Premier we would have been left out of that one hundred million dollar grant, because as in general knowledge, the Maritime Premiers had hoped to share that amongst themselves.

Mr. Hollett: If I may, Mr. Speaker, may I ask the honourable member if he really believes that was the opinion of the other Premiers, Maritime Premiers, that Newfoundland was not to get anything?

Mr. Cheeseman: Yes.

Hon. L.R. Curtis (Attorney-General): I will back that up.

Mr. Hollett: Certainly Mr. Diefenbaker did not say so at his opening address.

Hon. Dr. F.W. Rowe (Minister of Education): It was challenged by the Premier, that is why.

Premier Smallwood: Mr. Speaker, I wonder would my colleague permit me — I want to be absolutely fair — the Prime Minister, at that conference, in stating that he was prepared to recommend an amount for the Atlantic Provinces used the words "Atlantic Provinces" and did not use the words "Maritime Provinces". Now, I want to be

absolutely fair to the Prime Minister. When I spoke I said that I took note of the fact — Now the other Premiers spoke after the Prime Minister did, and I was the last of the Premiers to speak — The Premiers of Nova Scotia and New Brunswick said categorically that Newfoundland would be looked after in Term 29 and therefore we were not to get any of that — In my speech I referred to what they had said, and I pointed out how wrong they were and then (in fairness to the Prime Minister) I said this in my speech — "He said Atlantic Provinces and I assumed he included Newfoundland" — When I sat down he stood up and said — "That is right — that is what I meant by Atlantic Provinces" — He confirmed what I said. I must say that in fairness to the Prime Minister.

Mr. Hollett: Mr. Speaker, may I thank the Premier for this because there have been several statements made, and I do not want —

Mr. Speaker: I may say, all this was done with the co-operation and by the courtesy of the Honourable Minister of Fisheries.

Mr. Cheeseman: I am always co-operative and courteous, I hope, Mr. Speaker, and I hope and trust the Honourable Leader of the Opposition is now satisfied.

Mr. Hollett: I thought the Co-operative Society was divorced from the Fisheries.

Mr. Cheeseman: I gave it to the Honourable Minister of Mines and Resources, who is more capable than I am.

Mr. Speaker, I was also very happy to see by the Speech from the Throne that legislation would be introduced at this session whereby the Province will collect some taxes from the Bell Island mines. I hope that we shall get some of the back taxes as well as future taxes.

Mention was also made in the Speech from the Throne of the fact that we would bring in a Bill this year asking authority to pay bounties for rebuilding and repairing of vessels. The second reading on that Bill will take place today.

My department has under study plans for several other activities to be undertaken during the fiscal year, for the benefit of the fishing industry. I shall refer to these later

on, while I am dealing with the estimates for my department.

Mr. Speaker, in passing I might make reference to a fact which is perhaps not generally known, that is that of the thirty-six honourable members who sat in this house when I first came here and occupied a seat down there where my honourable friend from Bay de Verde now sits; of the thirty-six honourable members who sat here then but two of us now remain, one is Harvey Small, whom I am glad to say is in good health, and I am in moderately good health myself except that I have a bit of a cold. Strangely enough, by coincidence, Lieutenant Harvey Small at that time represented the district of Burgeo and La Poile, which district I have the honour to represent today.

I think, Mr. Speaker, it is quite unnecessary for me to tell honourable members anything about my district, the district of Burgeo and La Poile. I am sure it is such a well known district that it would be quite unnecessary for me to spend much time telling about it. It is the last remaining district, I believe, in Newfoundland where the majority of the people still depend upon the fisheries as their main source of livelihood. It is also probably the most neglected district in Newfoundland, as it has been from the first days of Responsible Government. But that district has contributed, down through the years, many millions upon millions of dollars from the fisheries, mostly from the hazardous winter fisheries.

Mr. Speaker, in the District of Burgeo and La Poile we have a total of something like twenty-five miles of highway — twenty-five miles — and that is presently in such a condition that it actually needs to be rebuilt. You would say that is a small lot of highway, but in the whole district, with a coastline of nearly two hundred miles, we have probably about another twenty-five miles of local roads.

Mr. Speaker, our only means of communications and travel in that district is by sea, the sea which is at once our harvest field and our highway.

Sir, even the recent amendment to the Unemployment Insurance Act, which enables fishermen to draw Unemployment Insurance, discriminates against many sections on the Southwest Coast, but particularly against the fishermen in my district. It is my

hope, Mr. Speaker, that I shall, before I am booted out of the district, that I shall be able to bring about many, many of the improvements that such a wonderful people so richly deserve. The people of the district of Burgeo and La Poile, I have no hesitation in saying, are in every respect amongst the finest to be found anywhere in North America.

Mr. Speaker, any honourable member of this house who has taken the trouble to read the report of the Southwest Coast Enquiry will have some idea of what conditions are like on the Southwest Coast not only in the District of Burgeo and La Poile but the whole Southwest Coast.

Sir, it has been suggested that if the Crown Zellerbach people come to Newfoundland, as we sincerely hope they will, that they will probably erect their mills somewhere on the Southwest Coast. I certainly hope so. It will certainly be a wonderful thing for the whole Southwest Coast and indeed for Newfoundland generally. But I think, Sir, that you, like myself, representing a Southwest Coast constituency, will agree that conditions are such on the coast that the Governments, both Federal and Provincial, will have to do something more than is being done at the present time to help the people of the Southwest Coast whilst they are waiting for the coming of the Crown Zellerbach project.

Mr. Speaker, when I accepted Premier Smallwood's invitation in July, 1956 to join his Cabinet and become Minister of Fisheries I did so knowing full well that I would have many problems and many frustrations. I accepted because I was egotistical, enough then and I still am to believe that, with fifty years of experience in all phases of the fishery in this country, that I would be able to make a contribution toward the fishing industry, something that would be helpful to the industry, before the time would come that I should go out on the old age pension.

I am happy to say, Mr. Speaker, that from the day that I joined Premier Smallwood and his Cabinet, up to this moment, I have received every co-operation from the Premier and from my colleagues. I make no apologies whatsoever for not having achieved more in my department during the past year and a half that I have been

there. Mr. Speaker, I would remind this house and I would remind the honourable members that within fifteen minutes after I became Minister of Fisheries I was handed the Fortune Bay Products Limited affair to deal with. It did not take me very long to decide that that was a bankrupt outfit, but before I had time to give that one a proper study there were others coming. I had to deal with other plants that were either about to collapse or had to be stored up in some way to keep them going. There were several plants, indeed, in which the Government had invested money that were encountering difficulties. As a matter of fact, Mr. Speaker, since I have been Minister of Fisheries and until very recently, (I hope it is now passed) the fresh frozen fish business has just been one crisis after another. The true fact of the matter is that since I assumed office I have devoted, I have been obliged to devote, so much of my time to the affairs of the fresh frozen fish industry that I have not had very much time for other matters which ought to be dealt with.

Mr. Speaker, it has been said in this session, and I suppose in every session of the house from time immemorial that nothing is being done for the fisheries. I heard that remark from some honourable member opposite in this session. I have had my office prepare for me what monies have been put into the fisheries by the Government during the past eight years. The answer prepared for me shows that from 1949 up to the end of 1957, the Government of Newfoundland aided the fishing industry in one way or another to the extent of some nineteen million dollars. I submit, Mr. Speaker, that nineteen million dollars is a sizeable amount of money in any Province, and fishermen as well as others must have benefited from these expenditures. I am not suggesting, Mr. Speaker, that all this money was wisely spent, neither am I suggesting that no more should be spent. In fact, I hope to be able to spend considerable amounts during the next fiscal year on matters connected with the fishery. I have in mind such things as will enable fishermen to acquire better boats, to assist fishermen in having better stages. I have under consideration in my department the matter of better salt storage and distribution. The proposed bounties for the rebuilding and repairing of schoon-

ers and I hope some other things will receive consideration as we go along, and indeed, Sir, we might very well yet advance some more money to some of the fish plants, if we can be convinced that it is necessary to do so in order to put them on a profitable and permanent basis. But, Mr. Speaker, I assure honourable members that I am not the easiest man in Newfoundland to convince.

In my mind, too much money was spent, in some directions at any rate. It is my firm conviction that one of the main reasons for the setback, one I say and not all, one of the main reasons for the setback during the last year or two in the frozen fish business was the fact that there was too much expansion, too much more was put into plants and not enough money was put into catching facilities, and more decidedly there was not enough working capital. The result is that today we have freezing facilities in this Province for at least twice the total quantity of frozen fish that we can sell in the foreseeable future.

Mr. Speaker, the carrying charges on this "over expansion" alone imposes a very heavy burden on the operators. It became necessary to close the Fortune Plant last year, and to close a small plant at Curling operated by O'Brien's Fisheries, and to close a small plant at Englee. Mr. Speaker, I realize that the closing of these plants was a severe blow to the economy of the communities in which they were located. It was a blow to the economy of the Province. But no place, as a result of having to close a plant last year, suffered more than the Peninsula of Burin.

Surely, Sir, it was no pleasure to me to have to recommend such steps to my colleague. As a Government, we did everything we possibly could to get these plants reactivated, but because of the tight money market and the low prices that had prevailed for frozen fish during the past three years, it was found impossible to get them going. Fortunately, during recent months the situation has improved. The "money market" has become a bit easier and the "fish market" has become a good deal better. So the Government was able to announce that we had succeeded in making an arrangement with the Bonavista Cold Storage Company Limited to operate the plant at Grand Bank,

to reopen the plant at Grand Bank, to reopen and to use some of the facilities of the Fortune Plant. Under this arrangement, some forty per cent of the people who will be employed by the Grand Bank Plant will be recruited from the Municipality of Fortune. We hope, Mr. Speaker, that the time is not far distant when it will be possible to have the Fortune Plant reactivated, and it would be my hope that we should be able to arrange, before too long, to have both the Grand Bank and the Fortune Plants operated under one management, as it well might be.

Mr. Speaker, I said a moment ago that the market out-look for frozen fish had improved. It has — It has. A few days ago I heard an honourable member in this house say that the fish stick business had "boomeranged". Mr. Speaker, this is not correct. I am not going to bother with the details, but believe me, briefly the situation is this: About seven years ago the fish stick business was quite new, and a great many people in the United States thought they saw in it a bonanza. The result was that all kinds of people got into it, a great many of them without experience, and with the expectation of making a quick buck. The inevitable happened. The weak ones have now been weeded out, and the fish stick business is now on sound basis. As a matter of interest, practically fifty per cent of all fresh frozen fish that we now ship from Newfoundland to the United States is sold to the processors of fish sticks. It is a division of the frozen fish business that I look forward to with considerable optimism.

Mr. Speaker, I said that I had expected the problems and frustrations. I have told you of some of the problems and some of the frustrations that a Minister of Fisheries in this Province has to contend with, which are these:

We no longer, as a Province of Canada, control such things, such important things, as marketing, bait services and a number of other important functions that were within the province of the Department of Fisheries prior to Confederation. In fact, the position of the Provincial Minister of Fisheries as it is now, to a great extent, amounts to being a liaison officer between the Federal Department of Fisheries in Ottawa and the Province of Newfoundland. Mr. Speaker, I

have exercised very great patience on many occasions in trying to keep things happening between there and here.

Sir, during the past year it is well known that no Department of the Government has any loose money for any special expenditure; however, I hope that this year we shall have more money and that my department will be able to make a greater contribution.

Mr. Speaker, I wish now to turn for a moment to the salt fishery. I said I believed the worst had passed with the frozen fish business and we are well on the road to recovery, but the salt fish business today, as always, is one of the major problems. The present unsatisfactory conditions, and indeed the outlook for the near future, is largely beyond our control but we ourselves cannot escape the blame; the fishermen cannot escape the blame. Too many fishermen are too concerned with quantity rather than quality. As to the merchants, their methods of buying have definitely encouraged carelessness in the curing of fish by the fishermen. Culling is almost a thing of the past. It is common knowledge to anyone associated with the trade that when fish merchants think there is a prospect of making a little profit, they then compete against each other. In order to get the fish away from their competitors I am afraid they don't always pay higher prices directly but what they do is take fish without properly culling it, without having it properly dried, and in general they discourage rather than encourage fishermen to make a good product.

If buyers would pay fair prices according to quality then we would have better fish and we would have more satisfied fishermen. Indeed I am quite sure that in the long run the merchants themselves would have better profits.

Mr. Speaker, I know that there are lots of people in Newfoundland who still think that the local department of fisheries has all the powers that they had before Confederation. Only a few days ago I received a letter from an officer of one of the locals down in my own district. He gave me quite a calling down. He told me if I did not straighten out this fishermen's unemployment insurance—that I had made a mess of that — there is no use to come back and look for votes.

What I had in mind, Mr. Speaker, was to say that in my opinion the inspection of fish for export, the inspection of salt fish, mainly dried fish, is at the lowest point that it has ever been since it was first introduced in 1920. I was associated with the inspection in 1920. I was chief inspector from 1933 to 1943. I know something of the inspection business and of its importance. I know, Mr. Speaker, I admit, that in my day I had a much easier task than has the present chief inspector or chief supervisor. In my day, I was able to draw on the merchantile firms for my inspectors. These were men who were well trained, they knew fish and knew markets. But under the present system, fish inspectors are recruited — fish inspection has become another civil servant white collar job — and Mr. Speaker, it won't work in practice.

Mr. Speaker, in June last I visited Spain and Italy and Portugal. In Portugal there was no fish of Newfoundland origin and none had been imported for a couple of years. I saw Newfoundland fish in Spain and I saw it in Italy. I examined the contents of several casks in both countries, and I regret to say that what I saw did not make me feel happy and only confirmed what I have just said about the inspection. Mr. Speaker, I saw casks bearing the same grade designation but the contents of which bore no resemblance. I saw in the same casks not one but several grades. I think, from memory, on one occasion, according to my own grading, I counted as much as five different grades in one cask.

Mr. Speaker, if we will produce the quality and sizes required by Portugal, Spain and Italy, we can sell a great deal more than we are selling now. I agree with the honourable member for White Bay North that it is only proper that we should get some special concessions or consideration for the facilities that we grant to the fishing fleets of these foreign countries. But we cannot expect these people to take from us merchandise that they do not want. If we want their business, we must give them what they require. In Europe, there is a lack of confidence in our grade and inspection, and not without good reason. Mr. Speaker, the fact of the matter is that in recent years Newfoundland has produced very little salt fish that is suitable for such high quality markets as Spain

and Italy. It is common knowledge, I think, that two cargoes of Newfoundland dried fish that went to Italy, toward the end of the year, were not well received, and I am reliably informed that a considerable portion of one cargo is on its way back to Canada, I presume to be sold in a market or markets for which it is suitable.

Now, Mr. Speaker, the manager of NAFEL and some of its directors were in Naples when I was there in June last. They saw what I saw. They saw that a lot of the fish that was there was not suitable for that market. Then I say, how can NAFEL be excused for permitting fish that is unsuitable, and that they ought to know is unsuitable, for being shipped to these markets? Why do they not see that the fish is shipped to the markets for which it is suitable? Such happenings as that which recently when Newfoundland fish had to be sent back from these countries is a very serious matter for Newfoundland. It is bound to give our fish a very bad reputation. I suggest, Mr. Speaker, that we should be more careful. I heard that (in both countries) the shipments of salt bulk that they had received from Newfoundland had not been satisfactory. In Italy I made a special effort to find out why it was not satisfactory. Some Italian buyers went so far as to say they thought it must be something inherent in the quality of our fish, that it just could not be cured and be equal to the fish they are getting. I found out all I could about it. Then when I came back to London I had a talk with Mr. Cecil Hawes of Hawes & Company, who has had fifty years selling experience in Europe of Newfoundland fish and fish of other origins.

When I came back to Newfoundland I decided that I would do an experiment. I know honourable members will ask, why should I do an experiment?, — the Federal Government have a grand place up in Valleyfield — But, Mr. Speaker, the kind of experiment I wanted to do was one where I hoped to get results whilst I was Minister and not have to wait until my grandson takes my place twenty years hence. So I conducted the experiment at Merasheen where there is a first class plant, which, as most honourable members know, was financed by the Government.

We cured, in accordance with the formula

that I had been given in Italy, a total of approximately nine hundred quintals. Although we paid a good price, three cents a pound from the knife, which is higher than the current price, we did not get the degree of co-operation from all the fishermen that I had hoped for. At any rate, we got a fairly good measure of support, and out of the nine hundred quintals that we cured we were able to ship six hundred — First, I sent a sample to Hawes & Company, and having examined it they advised me that they felt sure that I would be very suitable for Italy. So we shipped our six hundred quintals to Italy by one of the steamers carrying the dried fish to which I referred a few moments ago. I am happy to tell you, Mr. Speaker, and to tell the honourable members that that experiment has been a complete success.

I would, with your permission, quote a couple of excerpts from the report:—

On December 30th. I received a letter from Hawes & Company in which they said that their Italian agent had reported as follows:—"The quality of the fish is excellent, fleshy, nice and white, well worked, no grease on the skin, well split, satisfactory packages. The only criticism is that more attention might have been given to completely eliminating bits of dried blood on some of the fish and some raggedness around the fins."

Mr. Hawes himself said: "Needless to say, I am delighted that the experiment has turned out so well, and I would like to congratulate you and all concerned. There is no doubt that we could readily market substantial quantities of this fish. As a matter of interest I would mention." — (Then he quoted the name of the firm, who had indicated that they would be prepared to enter into a contract for delivery of another five thousand quintals during the next autumn. Then on the 10th of January Mr. Hawes wrote. (In the meantime Mr. Cecil Hawes had been down to Naples, with the manager and representatives of NAFEL, looking over the dried fish. When he got back to London he wrote me under the date of the 30th. of January. "The Buyers of the sample shipment of salt bulk fish still have about fifty bales left, which I took the opportunity to have looked at, but there is really nothing I can add to the previous report except to

say that the fish which had been bled could be distinguished from the other side by its superior colour. NAFEL representatives also saw the fish and were able to compare it with Icelantic salt bulk at the same time. The main difference was in the way that Icelantic fish had been treated. It was also slightly better in colour, although in the case of bled fish the difference was slight. The buyers mentioned quite definitely, and this is important, that the fish from Newfoundland made better eating fish than the Icelantic fish, they liked it better than the Icelantic fish."

Mr. Speaker, in the Department of Fisheries we are very proud of the success of that experiment. I intend to make further experiments this year at Merasheen and at Seldom, where we have plants. I firmly believe that if we cure the fish properly that we can sell upwards of one hundred thousand quintals of wet salted fish in Italy alone. But, Mr. Speaker, let no one make any mistake, you cannot cure fish in this manner, and fish that will be accepted in Italy, in fishermen's stages. It just cannot be done. You must have the proper facilities. You must have cold storage and you must have plenty of space.

Premier Smallwood: Don't dry it?

Mr. Cheeseman: We salted — Salt-bulk is usually the term used here. I may say we cured the fish in August and September and it was held in cold storage until December.

Mr. Smallwood: Did that thin it out much?

Mr. Cheeseman: Oh, no.

Mr. Speaker, I say that the position we should mainly concern ourselves with — perhaps I should say the Federal Government should be concerned with it, because it is their responsibility, trade and commerce — As far as we are concerned I suggest that before we encourage any increase in the production of salt fish of the type that we are already producing, we must improve our quality. If we cannot and if we increase our production of the present type and grades of fish, then there is only one thing is going to happen (in the not too distant future) and that will be a collapse of the entire salt fish industry.

During my recent visit to Ottawa I had a talk with the Minister of Trade and Commerce. I told him about our problems. He listened very attentively, thanked me for what I told him and expressed a good deal of interest in what I had told him about Brazil; and he said that he would bear in mind what I had told him. Now, Mr. Speaker, just what that will mean ultimately I do not know although I shall certainly follow it up.

Mr. Hollett: You will get what you want from this Government now, just ask them.

Mr. Cheeseman: I asked them.

Mr. Smallwood: Until the 31st of March.

Mr. Hollett: At least until the 31st. of March.

Mr. Cheeseman: Mr. Speaker, I want now to say a word about the bait service. I know that the Government of Newfoundland has been criticized because there was not sufficient bait. Now, Mr. Speaker, let me make it clear once and for all that the Provincial Government has nothing whatever to do with the bait service. That is entirely and solely the responsibility of the Federal Government. But I did everything that I possibly could, I badgered the local supervisor, I badgered the Federal Minister, I badgered everyone that I could to try and get bait — I agree with the honourable member who has said in this house that there are families now on dole who would have been self-supporting had the bait been obtainable at the proper time. Furthermore, Mr. Speaker, I say that if the Federal Department of Fisheries had been on the job, and had a proper appreciation of the needs, that they could have obtained bait for local producing — They eventually, as a result of, shall we say, "strenuous haggling" — I eventually persuaded them to purchase a limited quality. Unfortunately, it was already too late in the season to be of great benefit, but even at that late hour it was of some benefit.

I understand that recently the Minister of Fisheries has passed over the whole bait situation to one of his senior officials in Ottawa, to be looked into with a view to re-valuing it. I know the official who is now

looking into it. I have great confidence in him, and I am looking forward to an improvement in the near future.

Mr. Speaker, at this point I should like to say a word in reference to one or two statements made by my honourable friend, the member for White Bay North. The honourable member, of course, is also the acting head of the Federation of Fishermen. Honourable members will probably recall that he told this house that it was his opinion that there was not enough "dynamic force" in either the Federal or the Provincial Departments of Fisheries. Now, Mr. Speaker, I am willing to admit that since I have become Minister of Fisheries in the Provincial Department there has not been very much in the nature of "dynamics" around. I can only say, Mr. Speaker, that if anyone would take the trouble to look at the record they will probably agree with me, and I have no hesitation in saying this, that I would only wish that in some way there had been less "dynamics" before I took office — In some directions that is. I cannot answer for the Federal Department.

The honourable member has also told us that he is the oldest member on the salt committee and on the fisheries loan board. I too, Mr. Speaker, as probably some of you will remember, was a member of both these boards for a number of years; and frankly I cannot say to this house that I am greatly impressed by the achievements of the Fisheries Loan Board and I have yet to see anything of a very "dynamic" nature come from this either.

Mr. Hollett: Tit for tat.

Mr. Cheeseman: Mr. Speaker, I am sorry to see the honourable member for Placentia West (Mr. Canning) is not in his seat, because I have something to say to him — I will say it anyway —

Mr. Smallwood: He is at a hydro-electric hearing, I believe, for Burin District.

Mr. Cheeseman: What I want to draw attention of this house to is that in the course of his remarks the honourable member, speaking here last week, stated something to the effect that directors of fish plants on the Southwest Coast were getting from

twelve to thirty-five thousand dollars, and some of them were grandmothers and some school-boys, and so on.

Now, I suggest, Mr. Speaker, that the honourable member was misinformed because I am quite sure that he is not unkind by intent nor by nature; but he was certainly very wide of the mark. As the Minister of Fisheries, I know exactly what every director and every manager of every plant who has financial assistance from the Newfoundland Government is drawing — I want to tell this house now that no plant nor no manager, no director nor no manager of any plant in which this Government has invested or to which this Government has loaned money is drawing in combined directors fees and salaries anything approaching thirty-five thousand dollars a year. I say that in fairness to the people who are not able to speak for themselves.

Mr. Hollett: How about twenty-five thousand?

Mr. Cheeseman: The honourable member said also that there were grandmothers and schoolboys, I think — Well now, Mr. Speaker, I know one grandmother who is the director and the president of what is probably the most prosperous fresh fish business in Newfoundland. She is a director.

Mr. Smallwood: The most successful.

Mr. Cheeseman: Yes, and I know that she draws less than one-quarter of the thirty-five thousand. I know that she is at this moment in Florida enjoying the sunshine, enjoying a holiday at her own expense. She is the widow of the late Henry Petite, who very successfully managed one of the most important bank fishing businesses on the Southwest Coast. She did that for thirty years, and she is now living in retirement enjoying her well earned profits. Mr. Speaker, I suggest that perhaps it might not be a bad idea for the fish business if we had more grandmothers and fewer grandfathers in the fish business.

Sir, I am not going to keep you from your afternoon tea very much longer. I will finish very shortly.

Mr. Speaker, I am going to say something

now which will probably surprise many of you. Perhaps I had better be down by the outer door while I am saying it. You know we have a lot of people in Newfoundland who are continually writing, talking, and preaching about the salt fish business generally. They tell us that if only the people of Newfoundland could get anything like a half decent show in the fisheries business there is nothing in the world that they would enjoy as much, and they would like so much, as to go back to their fishing boats. Mr. Speaker, I am an ex-fisherman. I have had a lot to do with the fisheries. I think I know the people of Newfoundland as well as any one in Newfoundland. I have had a lot to do with them. I do not subscribe to the idea that we will ever again have a big upsurge in the number of fishermen in Newfoundland.

Mr. Speaker, Newfoundland, in my opinion, is belatedly following the pattern that was set by the New England States a hundred years ago, and later followed by New Brunswick, Prince Edward Island and more recently by Nova Scotia and now by Newfoundland. It is a matter of historic fact that, as fishing countries become industrialized the fishing effort slows up. Mr. Speaker, the people in Newfoundland, men and women, are no different from the people anywhere else in North America. I submit that the working people of North America and, as far as that goes it goes for Newfoundland too, the men and women would prefer working in some form of industrial employment rather than in the fish stages or in the fishing boats. It is a matter of history. I predict that as (as I think most of us expect) the industrial development of Newfoundland continues and the industrial development of the Mainland Canada continues, I predict that before the end of the present century there will be no one in Newfoundland producing salt fish, and I predict that a comparatively small number of Newfoundland fishermen (and they will be highly mechanized) will be producing, and that the major portion, if not all, of that fresh frozen fish will be sold in Canada and a great deal of it to the industrial workers of Newfoundland.

In conclusion, Mr. Speaker, I want to make it clear that in my opinion at any rate, which may be egotistical — I take second place to

no man for his interest in the fishery and the fishermen and the fish industry of Newfoundland. I have been associated with fishermen all my life. But I have too much respect for the fishermen of Newfoundland, I honour them too much to curry favour, or to be popular politically or otherwise, to say something I know not to be true. When I give an opinion, whether it be to the fishermen, merchants or to others, when I give an opinion on the fisheries I give what I believe to be an honest opinion; and I shall not hesitate as long as I am around to do just that, Mr. Speaker, just as I shall criticize the fishermen and merchants or others when I think the occasion requires it, and I will with equal vigor defend the fishermen and the merchants, and for as long as I have strength to do so, I shall continue my life's aim of trying to make a contribution that will be helpful to the fishermen in particular and to Newfoundland in general.

(Applause from both sides).

Mr. W. Smallwood: (member for Green Bay): Mr. Speaker, I move the adjournment of the debate.

Premier Smallwood: (Premier): Mr. Speaker, before we go on with the business of the house we might have a recess of ten minutes.

On motion, the house recessed for ten minutes, after which Mr. Speaker resumed the Chair.

Third Reading of Bill, "An Act Respecting the Designation of Beneficiaries under Pensions and Other Plans."

Mr. Higgins (St. John's East): Mr. Speaker, that is Bill Number 2. I am sorry the Honourable the Attorney General is not here today. There is a matter which we had been discussing outside the house yesterday.

On motion, Third Reading of Bill, "An Act Respecting the Designation of Beneficiaries Under Pensions and Other Plans" stand.

Third Reading of Bill, "An Act Further to Amend the Community Councils Act, 1956."

On motion, Bill read a third time, ordered passed and title be as on the Order Paper. Third Reading of Bill, "An Act to Amend the Local School Tax Act, 1957."

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

RESOLUTION: MINING TAXATION:

Honourable the Minister of Mines and Resources to move the House into a Committee of the Whole to consider a Resolution in relation to the imposition of a tax on land based on the minerals therein." On motion, Mr. Speaker left the Chair.

Mr. Clarke Chairman of Committee of the Whole.

Hon. W.J. Keough (Minister of Mines and Resources): Mr. Chairman, this is the piece of legislation fore shadowed in the Speech from the Throne in connection with the desire of the Government to introduce legislation to rectify the situation whereby we have been unable to collect mining taxes in the respect of the exploitation of our iron ores on Bell Island.

This resolution is obviously to seek authority to introduce a measure to correct that situation.

The operating company on Bell Island has not paid any mining taxes for several years now, although it has, in the meantime, received a considerable amount of the mineral resources of the Province. We think that is a situation which should be corrected. We hope to correct it by introducing a measure that will be of general application to any company that does not now pay proper mining taxes. The measure will, as the Resolution indicates, impose a tax on land of ten miles of each dollar of the minerals therein, on minerals in the land owned by the Company.

Mr. Chairman, I move the resolution.

Mr. Hollett: Mr. Chairman, I do not know if it is fair to ask the Minister at this time just what ten miles on a dollar could amount to and how many thousand miles under the soil will be assessed.

Will that come out under the Bill?

Mr. Keough: Mr. Chairman, if the Committee would be willing, it is my intention to make a detailed explanation on second reading of the Bill, and since the Bill has not been printed as yet and we do not have it here, I prefer the house would have the Bill before it.

On motion that the Committee rise and report having passed this resolution, passed. Mr. Speaker resumed to the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole considered the matters to them referred has passed certain resolutions and recommends the Bill be introduced to give effect to same.

On motion, report received.

On motion, resolution read a first time.

On motion a Bill, "An Act Relating to the Imposition of Taxes on Land Based on the Minerals Therein," read a first time, ordered read a second time on tomorrow.

Second Reading of a Bill, "An Act Respecting the Assessment of Property for the Purpose of the Imposition of Real Property Taxes by Councils of Municipalities."

Hon. B. J. Abbott (Minister of Municipal Affairs): Mr. Speaker, the first Municipalities Assessment Act was passed in 1952. When the time came to make an assessment in the new City of Corner Brook it was realized that this Act would not meet the needs of the assessors in my department and they would require professional assistance to make the valuations. Accordingly, my predecessor was authorized by Order in Council to retain the Citizens Research Institute of Canada to draft a new assessment Act. The attached Bill differs from the present Act very considerably, but I do not propose to deal with all the changes: Instead of the councils doing their own assessments, provision is made for the first assessment under the new Act to be made by the Provincial Director of Assessors. The Municipality will appoint an assessor of their own who would carry out an annual revision of the assessment made by the director.

Before any person can be appointed as a municipal assessor, he must be approved by the Director of Assessments, and after five years a completely new assessment must be made. This again would be made under the direction of the Director. The principal municipal assessment would be done therefore either by or under the close direction of the director, and only the annual revisions would be done by the municipal assessors. Again, instead of having courts of revision conducted by the magistrate once in three years, the new Act requires councils to ap-

point a commissioner to hold a court of revision every year. The procedure to be followed by the court is laid down in considerable detail in order to insure that the proceedings are conducted in a proper manner.

The railways are required to submit to the councils annual statements showing the value of property owned by them, and the director is required to assess the value of railway properties in the municipalities.

Because of the considerable amount of work performed by the Provincial Director of Assessments and his staff in carrying out municipal assessments, the new Act authorizes the Minister to apportion the cost of municipal assessments between the Government and the municipalities.

Mr. Speaker, I move second reading.

Mr. Higgins (St. John's East): Mr. Speaker, this is, as the Minister says, a new Act altogether. I notice it is proposed in this legislation that property for the purpose of taxation by municipalities, real property, shall be assessed at its actual value. Now, I do not know whether that is the accepted practice or not. In the City of St. John's homes and dwellings are assessed on the basis of their rental value. Then, as the house is probably aware, they have the business tax which is entirely different.

I was wondering if the Minister, when replying, might give an explanation as to why these assessments would be made on the actual value rather than on the rental value. I take it there is some reason for it.

Hon. L.R. Curtis (Attorney-General): That is the present practice.

Mr. Higgins: I was not quite sure, because we have found in St. John's that it is the practice to assess on a rental value. Whilst this of necessity means constant supervision to keep it working it has worked out more equitably for the owners of homes. If a person, for instance, has a house and the appraiser puts a valuation on it for rental value; say it would be worth ten thousand dollars the tax would be pretty heavy — but if there is no tenant other than the householder himself the appraiser can put down that it is worth forty dollars a month, and then the taxation is on the basis of eighteen per cent.

Mr. Curtis: Twenty per cent.

Mr. Higgins: Two per cent on that eighteen per cent. The honourable the Attorney General, like many other citizens, takes the position that the St. John's Municipal Council raised taxes two per cent. They did not. It was only two per cent on the eighteen per cent.

It seems to me, Mr. Speaker, that householders in some of our communities because of this Act might very well mean they would be paying a heavier taxation than they might perhaps be able to. As I say, the assessment position in St. John's is more realistic. The householder does not pay on the value of the house but on value of the rental of the house. If the householder, as sometimes occurs, takes in tenants, then he pays on the actual rental value he gets, a portion assessed against him for his portion.

As I said, there may be a perfectly valid reason for this Act, but I just mention that it occurs to me a little different from the practice in the old Municipal Act.

Mr. Forsey (Humber East): Mr. Speaker, in the Town of Deer Lake and City of Corner Brook they carry it on real property. I wonder if the honourable member for St. John's East could be permitted to explain just how they arrive at the valuation of new homes costing twenty thousand and a new home costing ten in the City.

Mr. Speaker: Order — I cannot permit the honourable member for St. John's East to explain anything. He has already spoken. He will have an opportunity in Committee of the Whole. The honourable Leader of the Opposition has the floor.

Mr. Hollett (Leader of the Opposition): Mr. Speaker, there is just one thing I noticed as I read through the Bill. I read it pretty carefully — The appointment of directors of assessors by the Lieutenant-Governor-in-Council — that means the Lieutenant-Governor-in-Council is to appoint a director of assessors for all the councils, all the municipalities. I take it, outside of St. John's area — Please correct me if I am wrong — That is the impression I got. I am not so sure that is the best way to go about this thing, because in the first place if you are going to

have a provincial appointment as director of assessments you have a political appointment. In the second place, you are taking away from each municipality what I consider an inherent right in that municipality to decide on their own taxation and how they shall assess the property within their own municipality. If I were living in a municipality and I knew that somebody from elsewhere came in, from the outside altogether, and assessed my property, not having been appointed by the council, I think I would raise an objection.

Now I do not know whether I would be justified at this stage or not — but it does not happen to us here — That is the only point, and perhaps when replying the Minister will be able to explain just why it is necessary to have to appoint a director of assessments for all municipalities outside St. John's. Why is it necessary to do that? Why is it that it cannot be left to the municipality itself to assess its own taxation, assess the value of the buildings and so on? I do not think it ought to be done by a person who got that particular job by reason of his politics. But politics apart, I don't agree with the principle of the Bill at all, in this particular aspect.

Hon. S.J. Hefferton (Minister of Welfare): Mr. Speaker, perhaps, as I might point out, first of all there is no new appointment envisaged in this particular Bill. We have had a provincial director of assessments for some considerable time, and there is a perfectly logical reason why we should have a director for the Whole Province.

First of all, he was given an opportunity some years ago to undergo a period of training on the Mainland in order that he might become familiar with the functions of assessing properties. Now it is necessary that we should have one Provincial Director in order that we might, as far as possible, carry out the same system of assessments throughout the entire Province for whatever municipalities might have applications to us for help, an accessor for preparing their assessment rolls. The question of a political appointment does not come into it at all in any shape or form, we are merely trying to get a man, as we did some years ago, and train him for his post and enable him to adopt the system which is applicable generally, a uniform system.

Mr. Hollett: Appointed by the Lieutenant-Governor-in-Council and therefore political.

Premier Smallwood: Every appointment made in Newfoundland is made by the Lieutenant-Governor-in-Council, therefore they are all political, and they are going to be always — They always were and always will be. What is wrong with that except when there are elections on?

Mr. Hollett: As applied to this Act?

Mr. Smallwood: As applied to every Act, it always was, always will be. The only time it is wrong is when there is an election on and anyone wants to make a little cheap propaganda.

Mr. Hollett: There is nothing cheap about that.

Mr. Smallwood: Very cheap.

Mr. Speaker: Order. The Honourable Minister for Municipal Affairs and Supply will continue. The Honourable Minister of Welfare, excuse me — I did not mean to deprive the Honourable Minister who has the floor.

Mr. Hefferton: As a matter of fact, Mr. Speaker, I might add that where municipalities have the right and power to appoint their own assessors we have found that at times there were variations because of lack of training, largely, in the carrying out of the duties imposed upon them. It is all the more necessary then, that they should have some advise so that in as far as possible there is the same uniformity of assessment carried throughout the whole Province, where it is required to be done. The honourable member for St. John's East raised the question of assessment on rental values rather than on real values. Now, I think the honourable member himself is aware that St. John's, although not unique in this particular, certainly it is not the practice in quite a number of places to carry appraisals on rentals values rather than real value. When this question of values came up in the Province of Newfoundland, we were faced with quite a number of difficulties, and it was felt that there were so many dis-

crepancies in rental values existing in the various places where valuation of property was called for that it was much better for us to adopt real values rather than rental values for the purpose of assessment.

Mr. Higgins: I may see where rentals in one district might be out of proportion to the real value.

Mr. Hefferton: I think that was the real reason why real values were accepted and we find, on the basis of experience over the past five years, that real values for evaluation purposes have given us less trouble and a better standard, if you like, and run more uniformly than assessment on a rental basis.

Mr. Higgins: That makes sense.

Mr. Hollett: Who is the director?

Mr. Curtis: Mr. Healey.

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

Second Reading of Bill, "An Act to Incorporate the City of Corner Brook and for Other Purposes in Connection Therewith."

Hon. B.J. Abbott (Minister of Municipal Affairs): Mr. Speaker, we all know that Corner Brook became a company town in the year 1922. I shall not weary this house by describing the stages by which this town grew to become the second city of our Province. But I should like to say that, due to mill expansion, the growth of the suburbs of Corner Brook West and Corner Brook East became enormous, and after considerable difficulty Corner Brook West became incorporated. An unsuccessful attempt was made to get better streets in the year 1942, but it was not until the year 1947 that Corner Brook East and Curling, the adjacent settlement, were incorporated. In 1950, the Goldenberg Report recommended a joint water and sewerage system, but suggested that it was then too early to have complete amalgamation. The Humber Municipal Association made various attempts, and with the increase in the population it became quite evident that amalgamation was necessary more and more. A plebiscite was taken in 1955, and the first City Council was elected that year

and took office in 1956, in January to be exact.

Mr. Speaker, the first council operated under what was known as the "Provisional Act," because they were desirous of finding from experience what kind of charter was required for the city; and secondly to give them time to draft a new Act. The result was the "Joint Municipalities Act and Local Government Act." The principal difference between it and the other Act is that there is a city manager and there are provisions which outline the powers of the manager. Provision is made for a deputy mayor, appointed every year, and the power to employ RCMP officers. The city has power to delegate its power to committees, except budgeting, borrowing and taxes. These are common practices on the Mainland. The approval of the Lieutenant Governor-in-Council is no longer required except for borrowing money, and taxing of the water and sewerage corporation and also budgeting.

Mr. Speaker, I move second reading.

Mr. Hollett: Mr. Speaker, we only received this Bill this afternoon, and I wonder if the Minister would adjourn the debate until tomorrow afternoon.

Mr. Abbott: I shall be glad to do that, Mr. Speaker.

On motion, debate on second reading adjourned.

Second Reading of Bill, "An Act Respecting the Payment of Bounties on the Rebuilding and Repair of Fishing and Coasting Vessels."

Hon. J.T. Cheeseman: (Minister of Fisheries): Mr. Speaker, it has been apparent for some time that our local coastal fleet as well as our local fishing fleet of schooners have been diminishing for two main reasons; the high cost of construction of new ships and the high cost of repairing or rebuilding. Many of the ships are fifteen years old and older. We have about seven hundred boats of all kinds, from fifteen tons up, now registered in Newfoundland, and over two hundred are over fifteen years old.

It was the decision of the Government that we should endeavour to assist in at least

keeping up to the present number of ships now afloat. There is, as honourable members know, a bounty for building new ships. The object of this Bill is to pay a bounty for rebuilding and repairing. It will be noted that we made a distinction between rebuilding and repairing. When a vessel is rebuilt she is practically new. It has to be hauled out of the water, and completely redone, and about the only things salvaged would be the gear and equipment, and consequently the cost to the owner would be heavier, must be heavier than the repairing of a ship. The cost of repairing would vary.

Then we decided that, in many parts of the Island, the small ships are very important, just as important as the big ones are in other parts; but the cost of rebuilding or repairing larger ships would require heavier timber and much of it has to be imported and is relatively greater in price than the timber used in smaller boats, which timber could be obtained locally. So it will be noted by this Bill that, different classifications of boats will carry different rates of bounties, both in rebuilding and repairing.

The Bill sets forth the terms and conditions under which bounties will be paid, and the rate at which the bounties will be paid.

It further provides that the Minister may make regulations under the Act, should the necessity arise. There might be some minor changes which might be necessary later on, and which could be dealt with by regulations.

Mr. Speaker, before coming to the conclusions that are contained in this Act, I availed of the opportunity to discuss the major proposals with skippers and owners who have had considerable experience and knowledge of the business, and I have tried to bring in a Bill that would be fairly reasonable and of worthwhile assistance.

Mr. Speaker, I move the second reading of this Bill.

Hon. D.J. Lewis (Minister Without Portfolio): Mr. Speaker, I feel that this measure is of such importance in the trade of this Province that a word of congratulation should be expressed to the Government for conceiving this idea, and a special word of congratulation should be extended to the Minister whose child it is.

Sir, in my humble view this is a piece of

legislation that is long over due in Newfoundland.

Mr. Hollett: Eight years anyway.

Mr. Lewis: Yes, and before. I may be wrong but I doubt if there ever was a measure which provided for the repair and bounties on repair of local vessels. I am aware of the fact that there was an Act which provided bounties for rebuilding.

It is a well known fact, Mr. Speaker, that the coasting vessel is a most essential unit in the economy of this Province. It serves a purpose that is vital in the interest of our people because of our insularity, because of the manner in which our people have settled around the perimeter of our coastline for six thousand miles, and because of the lack of communications, roads, railroads. We depend almost entirely and absolutely upon water transportation by way of smaller vessels for the movement of our goods. Therefore I suggest, Sir, that this Act or this Bill will receive and must receive the unqualified support of everybody concerned.

There are only one or two observations I would like to make about it, apart from supporting it: — I suggest that the Bill does not go far enough for two reasons (1) I notice that tonnage of vessels to which the bounties apply is limited to two hundred tons. Now it is true that there are very few of our local vessels that have tonnage exceeding that figure.

Mr. Cheeseman: Ten.

Mr. Lewis: But these ten form a very vital part of the coastal fleet. They, I believe, are confined almost entirely to what is known as the "Splinter Fleet", built here some years ago. Now, these vessels do not qualify under this Bill. As I see it now and as you know, Sir, they were practically all built in this Province. They are all soft wood vessels, and they are now getting very rapidly towards the end of their period of utility unless they are subject to an outstanding rebuilding or repairing job. With all respect, Mr. Speaker, I suggest the Minister might consider amplifying the provisions of this Bill so as to take into consideration that fact.

There is also another feature to which I would dare to refer, and I can see the subject has some objection, but nevertheless I

will express it for what it is worth: — This Bill visualizes major building, major repairing jobs; which, as the Honourable Minister pointed out, contemplates taking a vessel down practically to her floor and rebuilding her from that up. I question whether we are equipped in this Province to do the type of work on the larger vessels that is visualized here in a rebuilding job, because, as the Minister knows and honourable gentlemen in this house know, that calls for expert skill, and shipbuilding from the standpoint of rebuilding and repairing. First of all, it is a question of getting the type of timber and secondly we have not the yards in which to do it and thirdly, and I say this with some trepidations, the number of skilled shipbuilders around us at the present time is becoming remarkably few. I do not know if I am in order or not, Mr. Speaker, but I suggest that the Minister might consider whether or not in repairing vessels of that type the bounty may not be available to vessels of that type for repair even outside the Province, say in the Province of Nova Scotia. Apart from that altogether, (if that is not acceptable) I certainly think, Sir, that this Bill is one that should receive unqualified endorsement because of the very vital part that it is bound to play in the resuscitation and continuance of our coastal fleet. Because, Mr. Speaker, if we lose our vessels (and they are getting very, very scarce) if things continue as they are going, the condition is such that ten years from now a Newfoundland will wonder when he sees a coaster come into our harbours, and he will watch it coming in.

Our banking fleet, which fifteen or twenty years ago consisted of as many as forty-five vessels, is now converting to coasters, and I imagine that from Fortune Bay and Burin there are not any more than fifteen vessels that are available for transportation between here and the Mainland. Therefore, unless something is done and done very rapidly, these vessels are going to disappear. As the honourable Minister pointed out, replacement costs are so far out of line today, with their earning capacity, that it is just impossible to replace them.

I have very much pleasure, therefore, in supporting this measure.

Mr. Hollett (Leader of the Opposition): Mr.

Speaker, I rise on behalf of the Opposition to support the principle of this Bill. I too, like the honourable member for Harbour Main, want to offer to the Government and the Minister, — who happily is the Minister of Fisheries — I want to offer my congratulations to the Government and the Minister even if it did take eight years to bring it in. I want to congratulate them now for having done one of the finest things that, in my opinion, they have done to assist the fishermen since they came into office. It is a splendid move and we agree wholeheartedly with the principle of the Bill, and we on this side will support the Government in every effort to carry out this principle, the principle to assist our fishermen to hold on to this quickly vanishing fleet of coasters that we still have here in Newfoundland, and even though the Honourable Minister of Fisheries believes it is the end of the fishermen, and we won't have any fishermen —

Premier Smallwood: He did not say that.

Mr. Hollett: All right, salt fish fishermen. These are the only fishermen that I am really acquainted with, and after all you have to remember we only have three hundred fresh frozen fishermen.

Mr. Smallwood: We have ten times that many.

Mr. Hollett: I am talking about the ones manning the trawlers.

Mr. Smallwood: These are fishermen fishing into fish plants although they do not fish on trawlers and yet who are fishermen.

Mr. Hollett: I am referring to those on trawlers, vessels and ships — Now I am quite off my argument — The Honourable the Premier has a happy knack of doing that with me at the wrong moment.

I was saying that in my opinion it is one of the finest Bills that have been brought in. I have gone through the Bill and there are some things there to which I hope to offer a few suggestions to the Honourable Minister, and I am quite sure he and the Government will consider them and also consider those made by the Honourable Minis-

ter Without Portfolio. It is a needed thing. I have been talking to some of these coastal vessels owners, and the cost of building and repairing ships today is out of all proportion to what it was, say, twenty years ago, just as the cost of living has gone up. So, Sir, the cost of keeping a vessel afloat today had gone up and the state of our fishery at the present time has reached the stage where not only our fishery but our coastal trade, which is in a great measure depending upon the fishery, because if our fishery dies out we will have no populated coastal ports to which coasters may go — So, Sir, I say, unless we can do something to aid and abet not only the repairs and rebuilding of those we already have but also the production of other ships then I am afraid, as the honourable Minister has said, the salt fishery is doomed. But we do not want to see it doomed, Sir. As long as there is a market in Italy or in Spain or Portugal, the West Indies or elsewhere, we as Newfoundlanders must find it within our bones to produce the kind of fish these people want and sell it to them if we are any good at all. I think we are good. I think the Newfoundland fishermen can do almost anything. Heretofore, he built boats without assistance, caught fish, good fish, made fish and shipped it to market on his own, from Burin at any rate, and I suppose from other places. They made some money on it. I know it is a precarious business. Anything which has to do with fishing is precarious; and we have heard of people who go down to the sea in ships from time immemorial.

This is a splendid Bill, therefore. There are two or three things I think need some consideration, but I want to congratulate once more the Government — We on the Opposition do not very often get a chance, Mr. Speaker, but when we do, we gladly take the opportunity.

Mr. Smallwood: This is all we live for; all that keeps us going.

Mr. Hollett: I would like to say, Sir, a note has just been handed to me, in the last five minutes, to say that the Honourable W.J. Browne, the Federal Minister Without Portfolio, has just announced he has word from Honourable John Diefenbaker that the Government has decided to go ahead

with the Port of St. John's according to the Foundation Report, and they are going to spend not less than twelve million dollars on that — Therefore I say it is a grand Bill —

Premier Smallwood: This is the Foundation of Canada program, the Liberal program. They were hired by the Liberals to do it, were they not?

Mr. Hollett: I don't know.

Mr. Smallwood: The honourable gentleman does not?

Mr. Hollett: Mr. Speaker, I am quite sure if there was any money gotten out of the Liberals the money came out of the Newfoundland people. Do not forget last year we contributed twenty-seven million dollars to the Federal Treasury in income taxes and corporation taxes alone.

Mr. Speaker: I think the honourable member is now far afield —

Mr. Hollett: I was led astray, Mr. Speaker, by the Honourable the Premier. Anyway we are going to have a good harbour in St. John's and we got to have good fishing vessels also and good coasters — and again let me congratulate the people on the other side of the house for bringing in this Bill — Thank you, Mr. Speaker.

Mr. Lane: Mr. Speaker, I would like to support the Bill — We have been talking a lot about fishing vessels. I do not know whether we have any fishing vessels, not the old fishing vessels, that we can repair to carry on the fishing industry. I doubt it very much. But these vessels we have in Newfoundland are to us and to the fishermen what the trucking system is to Canada. And for a long time to come in the various islands in the northern areas, unless they can get supplies of salt and provisions to fishermen then they cannot carry on the fishing industry, even by setting up salt depots or anything else. We have no connections by land and therefore we must have vessels. We can have as many salt depots as we like, but we must have the ships to take it around. With our fleet fast dwindling that cannot be done. Then there is the matter of market for salt bulk fish.

The competition is keen. I think myself they got more for salt bulk last season due to the fact the mainland buyers came in and bought the fish. We have to provide the bottoms to come in and take the fish out. There are very few bottoms now that won't soon need repairs. These ships bring flour and heavier goods direct from the City of Halifax right to the merchants in the smaller outports, and so lower the cost of living. Then there are still these little ships that shoot around distributing the goods and the salt, and collecting the fish that must be brought to the point of export. These are an absolute necessity. We must have them. It is a great measure, and I am very happy it is being brought in at this time.

Hon. F.W. Rowe (Minister of Education): Mr. Speaker, there is just one comment I am going to make in connection with this Bill, which I support with all my heart — There is a tendency in some quarters, it seems to me, to show that this declining in our fishery fleet and in our coastal fleet is in some way or another largely a result of Confederation, and that it has taken place since 1949. Now I happen to have visited two of our fishing settlements in 1930, and in 1936 I went to live at Wesleyville, which at one time was the biggest centres on the northeast coast, as far as the Labrador fishery was concerned. At that time, between Greenspond and Cape Freels, there were twenty-one Labrador vessels. Ten years before that there had been one hundred, but between 1925 and 1935 the number had declined to twenty-one. When I left Wesleyville in 1940 there were, I believe, five vessels left from Wesleyville and at the time of Confederation there were two or three left. The same thing held true for Grand Bank, where I lived for two years. When I went to live there were something like fifteen or sixteen bankers. Within five or six years that number was down to five, and at the time of Confederation it was only four or five.

The point I want to make, Mr. Speaker, and I believe my honourable friend, the Minister of Fisheries, said this, by implication at any rate, earlier today; this decline in fishing vessels and coasting vessels is not something which came on us within the last ten years and certainly not something that should be attributed to Confederation. It is

a process which has been going on ever since possibly 1918 or 1919, and we have reached almost the end of it today.

Mr. Hollett: This is on the principle of the Bill, is it not?

Mr. Winsor: Mr. Speaker, I rise to support this Bill. I think it is a wonderful piece of legislation.

I find myself in agreement with the honourable member for Harbour Main — the unfortunate thing, as I see it, is that the Bill does not go far enough. Now, take a vessel from one hundred to two hundred and fifty tons or to two hundred tons — That type of vessel is not the most economical vessel to operate in Newfoundland today. A vessel of two hundred tons is too small and too big. She is too big for the local trade along Newfoundland's coast, and too small for trade to Sydney and Halifax. For instance, a vessel of two hundred tons proceeds to Sydney for a load of coal, and may be waiting for a week, it happens very often when vessels have to tie up in Sydney for a week or so waiting for cargo. Then, at a rate of seven dollars a ton you see where these vessels are not too economical to operate. A vessel of four hundred tons has a better chance of survival.

Mr. Speaker, I wholeheartedly support the suggestion of the Hon. member for Harbour Main that the tonnage should be increased for repairing these boats.

Mr. Strickland: Mr. Speaker, I suppose I should feel a little happy about this Bill because, although all honourable members have forgotten, I suppose, in my maiden speech last year I strongly urged the Liberal Government to make this provision that is made in this Bill for the repairing and rebuilding of our coastal fleet, and only one member in the house challenged me, I think it was the Honourable the Premier. I think I satisfied his question. I was a little bit hurt because the Honourable Leader of the Opposition did not jump to his feet that day. I think he missed the bus — Be that as it may, I agree with my honourable colleague on my right and on my left — I do not think the Bill goes far enough — I will have more to say on it when we deal with it in Committee of the Whole, especially from the point of view of a vessel costing fifteen thousand

dollars to repair. The Government will find the poor beggar who owns the boat had not the other seven thousand five hundred dollars, where are his repairs coming from?

Mr. Forsey (Humber East): Mr. Speaker, I rise to support this Bill too. That may seem funny coming from the District of Humber East. But I was born in the district of Burgeo and La Poile and have travelled that district quite extensively. I do not think it is in there, but I do hope some provision or safeguard will be considered so that, when assistance is given, we won't find some of the fishermen being tempted to move over to the Province of Nova Scotia and carry on the fishery there. I think I would like to see some provision that they would remain fishing in Newfoundland waters and from Newfoundland ports while the assistance from the Newfoundland Government is still applying. On motion, Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Second Reading of Bill, "An Act Further to Amend the Revenue and Audit Act."

Premier J.R. Smallwood: Mr. Speaker, the Minister of Finance is absent, and in his absence I move the second reading of this Bill, which would authorize the Government, when it sets about floating a bond issue at any time, to do so in the United States or in Canada as the case may be, according to the most suitable place in which to float a bond issue at the time.

Now it is not always possible, in fact it is rarely possible to foretell for any period of time in the future where the best place will be in which to float a bond issue. It will depend, of course, on the rate of exchange between Canada and the United States of America and furthermore it will depend on the rate of interest charged in the United States or in Canada from time to time: it will depend upon the looseness or tightness of credit in one country as against another country. The Revenue and Audit Act in all the Provinces authorizes the Government of the Province to float the issue as they see fit, assuming they have authority to float an issue at all, either in the United States or in Canada, as the circumstances may demand and dictate at the time.

Now, if we come into the house here this session, for example, and ask authority to

float a bond issue or come in next session or any session and ask authority to float a bond issue, it would of course be possible in every such act to have a proviso that the issue might be floated either in the United States and partly in Canada. But instead of putting it in each individual loan Act, the thought is to put it in the basic act which governs the conditions of all loans, which is the Revenue and Audit Act. In so doing, we are doing what all Provinces of Canada have already done. All Provinces of Canada have this same legislation in their Revenue and Audit Act.

Mr. Hollett: Mr. Speaker, there is just one observation — I have no objection to the Bill itself — It is my recollection that some money was raised in the United States of America last year. I think it was two million dollars. I wonder if the Honourable the Premier would state if there was permission in that Loan Act, having reference to that two million dollars, that we could borrow in the United States of America.

Mr. Smallwood: As a matter of fact the authority to float an issue in either the United States or Canada, to divide an issue between the United States and Canada, raising part in one country and part in another already existed in the Revenue and Audit Act. This, which is merely an amendment to that Act, does nothing more really than clarify the position that already exists. It does not create a position but merely clarifies the position already existing in the Revenue and Audit Act. I think we passed it the session before last, a year or two ago. This present amending Bill merely clarifies what already exists — So that we did have authority to float in the United States the issue we floated.

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

Mr. Curtis: I move, Mr. Speaker, the remaining Orders of the Day do stand deferred, and that the house at its rising do adjourn until tomorrow, Thursday at 3:00 of the clock.

Premier Smallwood: Mr. Speaker, before you put that motion may I say to the house

— If we progress steadily in the printing of legislation for this present session, we might give some thought between now and Monday to the idea of our holding night sessions beginning on Monday next. We are meeting for three hours a day. That is probably the shortest day of any legislation in Canada, of any Canadian Province. We might give some thought to commencing our usual yearly night sessions, on Monday next rather than at a later time in this present session — So we might, if we can keep ourselves busy with legislation, which is a matter of how rapidly the Bills can be printed, we would enable ourselves to have that adjournment before the end of February — Maybe on Tuesday night we could begin, if any members of the Opposition have anything on for Monday night — Oh, to raise the funds — That is a good cause.

Mr. Higgins: A deserving cause.

Mr. Smallwood: If we agreed to that, would it be understood the Liberal party gets ten per cent of what the Tory Party takes? — either that or meet next Monday night — I think that is very reasonable. So we might consider starting on Tuesday night. On motion, all remaining Orders of the Day do stand deferred. On motion, the house at its rising do adjourn until tomorrow, Thursday, February 6th. at 3:00 of the clock.

Thursday, February 6, 1958

(Afternoon Session)

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

Mr. Speaker: Before beginning the formal part of the business today there are just a few words that I would like to say. I would like the Press to give them some publicity so that people who are not members of the House may understand something of the rules.

On two occasions, I have had to interrupt motions for adjournment to ask that no noise be made by strangers in the galleries, and I am sorry to say, by members of the House. Since we like to see people come

here we must see they obey the rules. They must not make any noise at all, not even to applaud nor laugh, nor to interfere with the proceedings in any way. That is point number one.

Point number two:— The reading of newspapers is out of order by members of the House and by members of the public in the House.

Point number three:— Strangers are not admitted to the House either the upper or the lower gallery (by strangers we mean those who are not members of the House) until after the Minutes are read. Strangers who sit in the upper gallery are not to rest their arms or lean out over the rail. These are just the rules. Most people of ordinary common sense would know the rest of the rules.

I would like to say to the Sergeant-at-Arms, as the officer responsible for discipline, anyone either on the floor of the House or in the galleries who infringes any of these rules, he does not have to get an order from the Speaker to ask a person to cease from doing anything which he thinks he ought not to do — It is the duty of the Sergeant-at-Arms to order the person to desist from whatever wrong he is doing at that moment, and if the person does not obey then he speaks to the Constable who comes under the control of the Sergeant-at-Arms.

I merely mention these few rules for the guidance of people who may come here, and I would like the Press to give it some publicity. Members of the House already know these things, because I have taken occasion to tell them at private sessions before the House opened at all.

I don't wish to be misunderstood in the matter, but we must at all times maintain an orderly House, or at least I shall do my best to do that.

Presenting Petitions:

Hon. M.P. Murray (Minister of Provincial Affairs): Mr. Speaker, I rise to present a petition from the residents of Cappahayden with regard to the extension of electric lines in that settlement. At the present time, Sir, the line goes as far as the south side of Renew's, a distance of about four miles from the settlement of Cappahayden. The prayer of the petition is that the lines be extended for that distance. This line, Sir, I might say, is on the line from Renew's to Portugal Cove

and Trepassey, which we hope will be erected ultimately. So that in this case, if the line were extended now the ultimate distance to Trepassey would be saved by that amount.

The petition, Sir, is signed by every voter in that settlement, male and female. I have great pleasure in supporting it, Sir, and ask it to be laid on the Table of the House and referred to the Department to which it relates.

Hon. J.R. Smallwood (Premier): Mr. Speaker, I have a petition addressed to me by the people of Little Harbour West in Placentia Bay, dealing with a matter over which the Legislature of Newfoundland and the Government of Newfoundland have no jurisdiction. So I suppose properly I ought not to bring it before the House. I merely mention the nature of the petition. It is quite largely signed. I would say it is signed probably by all the people of Little Harbour West, and it prays that Little Harbour West be made a port of call for the "Steamer."

Now if I thought they meant the hospital boat I would not hesitate to bring it before this House. As I suspect, however, that is not the hospital boat but rather the Coastal boat that they have referred to, I think perhaps that I ought to say simply that this is not a matter the Government of Newfoundland has any control over and for that reason I suggest, Mr. Speaker, that it would not be quite proper for me to bring the petition before this House, so I shall not do so.

Mr. Speaker: I would suggest, in a case of that kind, the petition, would be referred to the Department of the Federal Government concerned, in this case the Department of Transport or the Canadian National Railway officials.

Presenting Reports of Standing and Select Committees:
None.

Giving Notice of Motions:

Hon. E.S. Spencer (Minister of Finance): Mr. Speaker, I give notice I will on tomorrow ask leave to move the House into Committee of the Whole to consider Certain Re-

solutions for the Granting of Supply to Her Majesty.

Giving Notices of Questions:

Notice of Questions on tomorrow given by Mr. Hollett;

Hon. M.M. Hollett (Leader of the Opposition): I have one question, Mr. Speaker, but I'm not sure I should bring this before the House. I give notice I will on tomorrow ask the Minister of Highways to lay on the Table of the House the following information:— What if any steps have been taken by the Department of Highways to pave the road through Clarenville and at the same time widen it at the narrow part where it goes along the cliff leading towards Shoal Harbour.

Mr. Speaker: Strictly speaking, this question gives some information. I think maybe I will let the Honourable Leader of the Opposition get away with it this time. That question says the Premier made a promise to the people of Clarenville. Now whether he had or not I do not know, now the question should be more properly worded — “whether steps are to be taken....”

Mr. Hollett: I agree, Mr. Speaker, there were a lot of promises made, I just want to point this out.

Mr. Speaker: The honourable member realizes —

Premier Smallwood: The Honourable Premier realizes the Honourable Leader of the Opposition is completely out of order.

Mr. Hollett: I don't know I am out of order.

Mr. Smallwood: If he does not, he has a lot to learn.

Mr. Hollett: I would suggest the decision of the Chair be adhered to— I fail to see where I am out of order.

Mr. Speaker: Order. If the Honourable Leader of the Opposition will excuse me, I will tell him where he is out of order. A question must not give information — and the question which the Honourable Leader of the Opposition just passed in to the

Clerk's Table did give certain Information. That is the point. The question might more properly have been worded to ask the Minister of Highways whether it is the intention of the Government to do something or other. I think the Honourable Leader of the Opposition sees the point.

Mr. Smallwood: There is an election on, Mr. Speaker.

Mr. Speaker: The premier is also out of order in interrupting.

Mr. Hollett: Thank you very much, Mr. Speaker. I will certainly abide by the decision of the Chair and shall not break that rule again. I want to ask the Minister of Mines and Resources, if I may do so without notice, what arrangements are in existence provincially in order to assist farmers in obtaining fertilizers.

Mr. Smallwood: The honourable member is out of order in not giving notice of any question. The order is — The Speaker called — “Notice of Questions” — Where is the notice of questions?

Mr. Speaker: Any other notice of questions?

Mr. Speaker: Any other notices of Questions?

ANSWERS TO QUESTIONS:

Question No. 47:

Mr. Smallwood: The Minister is not here, Mr. Speaker. That ought to have been addressed to me in any case, and I propose to answer it.

No Commissioners have been appointed except one and he was the Chairman. The Chairman is Commander Desberats. The salary he receives is twelve thousand dollars a year. The Commission, which consists only of the Chairman, has made no reports, if by reports the Honourable Leader of the Opposition means formal annual reports; if he means individual reports; he has made reports following upon his personal surveys of water power potentials in perhaps as many as a dozen parts of the Island. I could have these for him — But I do not think that is perhaps what he has in mind.

Question No. 48: In course of preparation.

Hon. E.S. Spencer (Minister of Finance): Mr. Speaker, I find that on the Order Paper of February 3rd. there is a question addressed to me by the honourable member for St. John's West or Centre or North or South, somewhere in St. John's— Question No. 41.

(1) The answer is \$314,287.40

(2) The answer is yes.

I also have, Mr. Speaker, a question directed to the Minister of Finance which I think could have been more properly directed to the Honourable Minister of Fisheries. Some of the information we in Finance have — and with the consent of my colleague the Honourable Minister of Fisheries, I give the information in reply to

Question No. 45: on the Order Paper of February 5th. in the name of the Honourable Leader of the Opposition. (1) and (2) were previously answered in full, in Question No. 18 earlier in this session.

(3) This is definitely a matter which could have been referred to the Honourable Minister of Fisheries but I am authorized by him to say — and incidentally, Mr. Speaker, for more clarity I think I might read that Section 3 " Table a copy of the survey made of the affairs of this company, and state what action, if any has been taken by the Government with reference to same."

The answer is presumably meant to refer to the survey by Arthur D. Little & Co. and it has been reported to the House here on previous occasions that the report is not completed. I am authorized by my honourable colleague, the Minister of Fisheries, to say that is the position — The report is definitely not completed.

Sections (4) and (5) have been previously answered in full, in reply to Question No. 28.

Section (6) deals with the amount of the original loan to O'Brien Fisheries Limited, and how much is due from the said company on account of Interest.

The answer is \$125,000.00 and the original loan \$125,000.00 and Interest \$5,000.00.

(7) The answer is \$1,600.00

(8) The answer is Nil. The question, Mr. Speaker, is unfortunately ambiguous; I have obtained certain information which, with your kind permission, I will give to the House.

(9) The answer, of course, is nil. There were no lobsters of course sold to the Government. However, we feel that the Honourable Leader of the Opposition was referring, no doubt, to the amount of money paid out by the Government for lobsters which had been sold to O'Brien Fisheries, and, in an effort to reimburse the fishermen, the Newfoundland Government took over the matter and did pay out forty thousand three hundred and thirty-nine dollars and fifty-four cents (\$40,339.54). A refund of six hundred and seventy-seven dollars and seventy-seven cents (\$677.77) has been obtained leaving a balance paid out of thirty-nine thousand six hundred and sixty-one dollars and seventy-seven cents (\$39,661.77). I am giving that information but it is not to be found in the copies of the answer which I shall supply, but the information is correct.

This refers to the indebtedness at the present time of the following firms: A. Adler of Canada, Ltd., Atlantic Gypsum Ltd, and Eckhardt Mills Ltd. The answers are seven hundred ninety-five thousand dollars (\$795,000); Atlantic Gypsum seven hundred fifty-eight thousand seven hundred thirty-four dollars and seventy-seven cents (\$758,734.77), and to Eckhardt Mills one million forty-six thousand ninety-two dollars and twenty-three cents (\$1,046,092.23).

I have pleasure, Mr. Speaker, in tabling the answer to **Question No. 45.**

Mr. Hollett: Mr. Speaker, before the Orders of the Day, I wonder if I could ask some Minister on the Oposite side, the Minister of Mines and Resources is not present, to give some information as to whether there are any arrangements in existence or any scheme by which farmers who wish to obtain fertilizer could obtain assistance from the Government. I wonder if anyone could give me that information?

Hon. L.R. Curtis (Attorney General): Mr. Speaker, if the Honourable Leader of the Opposition would repeat that question when the Premier is here perhaps he might be able to give the information.

Mr. Hollett: Yes, Mr. Speaker, what if any arrangement is in existence to assist farmers in obtaining fertilizer, i.e. any scheme

whereby farmers could get larger amounts of fertilizer, five or ten tons other than through the loan board?

Premier Smallwood: Mr. Speaker, the farmers through the years have been getting limestone very heavily subsidized by the Government of Canada and also subsidized by the Government of Newfoundland, both Governments subsidized it, and it has been in the estimates ever since we have been in office, and long before we were in office. That, so far as I know, is the only help that the Government gives farmers for enabling them to get fertilizer below cost.

Mr. Hollett: Lime and nothing else?

Mr. Smallwood: Agricultural limestone, which is the best of all fertilizers.

ORDERS OF THE DAY:

Adjourned debate on Address in Reply.

Mr. W. Smallwood (Member for Green Bay): Mr. Speaker, I wish to congratulate all the honourable members who have taken part in the debate on the Reply to the Speech from the Throne especially the mover and seconder.

I would also like to congratulate the honourable member for St. John's South on his election to this Honourable House.

Mr. Speaker, the most important piece of legislation during this session undoubtedly is that deal with Crown Zellerbach Corporation, one of the world's great pulp and paper manufactures. It is the hope of this Government and indeed of every Newfoundland, that, after this corporation makes its investigation during the coming year, it will decide to establish the pulp and paper mills in the Province. A third paper mill would be an economic blessing to this Province and especially to the district of Green Bay, where every second man makes his living from the forests. With the opening of a third pulp and paper mill vast new areas would have to be opened up, and I feel sure, Mr. Speaker, that if a third paper mill does come, does become a reality, that the loggers of Green Bay will stand second to none when it comes time to be employed.

Now, Mr. Speaker, as you undoubtedly

know, the loggers of Newfoundland were struck a hard blow during the season of 1957, especially Mr. Speaker, the loggers of Green Bay. This blow was due to the reduced pulp wood cut. Mr. Speaker, it took place right in the middle of the summer, so that there were hundreds of men from Green Bay district who were unemployed right from the middle of the summer, and many of these men have not worked a day since.

Mr. Speaker, the introduction of an amazing increase during the past two years in the use of the power saw in the lumber woods has been both a blessing and a curse at the same time. The blessing has been in the form of increased wages, due, Mr. Speaker, to the fact that a logger with the use of a power saw can cut two or three times as much wood as a man using the ordinary buck saw. The curse, Mr. Speaker, has been in the form of unemployment. The same number of loggers using power saws naturally cut the wood much sooner than they would if they continued to use buck saws. As a result, the amount of wood to be cut each year is cut in a much shorter time. In other words, Mr. Speaker, the men simply work themselves out of employment, and unfortunately as is often the case the pulp wood is cut in such a short time that the men are not working long enough to obtain sufficient stamps to enable them to become eligible to obtain unemployment insurance.

Now, Mr. Speaker, there is only one solution to this problem. Either the working force of lumber men will have to be reduced or the pulp wood cut will have to be vastly increased. It is the policy of this Government to have the pulp wood cut vastly increased, and to that end the Government, during the last few years, have expended much energy and time in interesting pulp and paper companies such as the Crown Zellerbach Corporation to taking a look at the prospects here in the Province of Newfoundland.

It was the Liberal Governments of the past who gave us our present paper mills, and undoubtedly it will be a Liberal Government which will give us our third mill.

Now, Mr. Speaker, as most people are undoubtedly aware, during the year 1957 the Minister of Highways introduced a new road construction scheme on the Avalon Peninsula. The scheme which was really an

experiment at the time has proved to be an outstanding success; in that much work is done in half the time that it used to take, and at much lesser cost. Mr. Speaker, as the member for Harbour Grace District announced a few days ago in his district, using this new road scheme, the roads have been vastly improved and in much shorter time. I congratulate the Minister of Highways on introducing this scheme and I think he will long be remembered and honoured for this scheme. However, Mr. Speaker, if the Minister of Highways wishes to have the good will of the people of Green Bay District he will, at least in the matter of new road construction, have to accomplish more than he did during the season of 1957. Of course, Mr. Speaker, it is my duty to say that this was not due simply to the Minister's refusal to build roads. We all know that it was due to the tight money market over which, of course, the Minister had no control.

Now, Mr. Speaker, I understood that this new road system will, in the coming year, extend beyond the confines of the Avalon Peninsula, and I hope, Mr. Speaker, that the Minister will consider having this good scheme put into effect down in my district. There are a few roads in the district Mr. Speaker, but I am completely satisfied that, with this new road construction, the same amount of money which has been spent in the past year on maintenance will give far greater results. Now, Mr. Speaker, as I said, there was very little new road construction in the Green Bay District during 1957, and what little new road construction there was begun too late in the season. Mr. Speaker, I suggest that the Highroads Department should realize that things are slightly different in the northern districts than they are on the Avalon Peninsula. Usually, Mr. Speaker, when the first snow falls in a district such as Green Bay and White Bay North and South, the snow usually stays on the ground, whereas it is a well known fact that on the Avalon Peninsula it is often economically possible to continue construction right on up to Christmas.

Mr. Speaker, the only new road in my district on which construction took place was the road to Roberts Arm. Although this road was not completed into the settlement of Roberts Arm, nevertheless, Mr. Speaker, it was possible during the late part of the

fall, when they had some frost, for large trucks to get into and out of Roberts Arm, so that the community finally had connections with the highroad system of the Province. Now, Mr. Speaker, this road for two or three miles is still in the first stage of construction and I do submit, Sir, that it is the most important stretch of road yet left in Newfoundland to be constructed, because, Sir, it will, when finished, serve approximately three thousand people. I feel sure there is no other road in the Province of Newfoundland today which will serve so many people once it is constructed. The total left from South Brook to Roberts Arm, I think is somewhere around eighteen miles, and approximately three or four miles are in a rough state so that it is possible when there is frost in the ground for trucks to get over the road.

Now, Mr. Speaker, I hope that during the coming season that this road to Roberts Arm will be finally constructed to the proper requirements. Unfortunately, Mr. Speaker, we have had such a mild winter that although early in the fall, when we had some frost trucks could get in and out, it is impossible today for these large trucks to get in and out of Roberts Arm although I understand the Department of Highways are doing their best to get this remedied.

Now there is also a small stretch of road under construction in the Green Bay District and that is the road from Little Bay to Wild Bight, that is three or four miles. Again, Mr. Speaker, this road was begun very late in the season so that very little work could be done on it. Mr. Speaker, I did notice while going through the District during the summer of 1957 that many former fishermen had, in recent years, been working in the lumber woods or at other jobs who have now returned to the fishery. But, Mr. Speaker, in settlement after settlement, I heard the complaint that as soon as the fish moved out to deeper water, where a different type of gear was necessary, that the men simply had to stop fishing solely for the lack of proper gear. But, Mr. Speaker, I also noticed that in many settlements, where in the Fall of 1956 I did not even see the fish, and if there had been fish I would have seen them—I went to every house in every settlement and I did not, Mr. Speaker, in these settlements in 1956 see a fish. There were large numbers in some places of men

returning to the fisheries. Of course, in the settlements that had never given up the fishery, such as Leading Tickle, Nippers Harbour, Indian Burying Ground, Hare and Shoe Coves, the men were busily engaged in the fishery as usual. I would say, Mr. Speaker, that these settlements I have just named must be among the most industrious fishing settlements in the country. Most of these of course, are on the North Shore of Green Bay, in Green Bay District. Now, Mr. Speaker, while on this subject of the fishery I must mention the settlement of Nippers Harbour, which, although I happen to cover every district in the country, I do think that it must be one of the most progressive fishing communities in all of Newfoundland, I know it is in Green Bay District. There is no doubt about that. All one has to do is to sail into the harbour and it will be quite evident. Mr. Speaker, although this Government has nothing to do with it, the people of Nippers Harbour are in need of a breakwater. As I said, Mr. Speaker, it is one of the most progressive fishing communities in Newfoundland, but I would also state it is one settlement which has received very, very little assistance of any type from the Provincial Government or the Federal Government; and it is a credit to the people themselves, having received such little assistance, that they are so progressive and prosperous—progressive but not conservative—

Mr. Hollett: I think they must be conservative.

I wonder would the honourable member allow me a question—Would he tell, or could he tell how many fishermen there are in Nippers Harbour—I know they are very industrious but has he any idea how many fishermen are there?

Mr. Smallwood: No, I am very sorry I do not know the number—It is somewhere around ninety to one hundred, I would imagine. I must say that while walking along the beach in Nippers Harbour I came across a sight I had not seen anywhere else in the District, I actually thought it was the surf on the beach, but, no, Mr. Speaker, it actually was the dried bones of fish. I never saw the like before in my life—two or three feet thick on the beach. If that is any indication of fishing, and I do think it is, I must say I

never saw the like before—for quite a distance on the beach there were fish bones two to three feet thick.

Hon. J. R. Smallwood (Premier): There cannot be much tide or they would be washed out.

Mr. W. Smallwood: There is quite a tide in the harbour at Nippers Harbour. As a matter of fact there is such a tide it is not unusual to have the stakes torn out—That is why it is so important for the people of Nippers Harbour, for the fishermen, to have a breakwater.

Mr. Speaker, there is one other piece of legislation which I think is very important, and that is the legislation dealing with the bounty for ship repairs. During the last year, several fishing boat owners and coastal boat owners have called in to see me, stating that they could no longer operate their boats because they simply could not afford the cost of repairs. But unfortunately, the present legislation seems to be of no assistance to these men. The strange part about it, Mr. Speaker,—I did look into the matter—the strange part about it is that any individual who owns his own boat and wanted it repaired could not get it done; whereas if he sold the boat to someone else, the vendee in such a case could obtain a loan to buy the boat and also get the boat repaired,—whereas if the man kept the boat himself he could not get any assistance to have it repaired. I understand that the legislation that we are introducing in this session is intended to cover the cost of repairs, for which I think, Mr. Speaker, the Government is to be congratulated. I do say that personally I think it was long overdue, and undoubtedly it will save the few remaining fishing and coastal boats.

Premier Smallwood: Mr. Speaker, I am sorry to interrupt the honourable gentleman but he is out of order I think it is my duty to say so. There is an opportunity on the Order Paper for him and for all other honourable members to discuss this question of ship building. There is a Bill before the House. It is on the Order Paper. We already had some discussion on it yesterday, and will again today and so it is out of order, I am afraid, in this present speech from the

Throne or the Address in Reply. I suggest, even on the Address in Reply where you have the widest possible scope, that scope is not so wide as to include matters which are specifically provided for in a separate debate already on the Order Paper; and I think that we ought to obey the rules.

Mr. Speaker: Order. The point is well taken. When there is a Bill before the House, then there is an opportunity for that to be discussed at a later date and therefore to refer to it in this debate is out of order. I think the honourable member now realizes the point. Will the honourable member please continue.

Mr. W. Smallwood: Mr. Speaker, the matter of centralization is very important in the Green Bay District where one finds so many isolated communities. Now, Mr. Speaker, the people seem to have the idea that all they have to do is decide to move from one settlement to another and automatically become entitled to some Government assistance. Mr. Speaker, I do suggest that the Government give this idea of centralization very careful study, and I do submit that it should be carried on in a more or less restricted manner. I think that certain definite rules should be laid down and the thing should become quite formal. Otherwise, the people simply are going to have the wrong idea, as they do today. Mr. Speaker, this centralization scheme has not been fully worked out, as far as I know, but I understand, Sir, the Government has set up a committee to make recommendations for this centralization scheme, and I feel sure, Sir, that most of the honourable members of this House would appreciate having some details of the plan before this session ends. Some statement, I suggest, should be given so that the people of Newfoundland who are interested in centralization will have a better idea and so that some, if not all, of their misconceptions may be cleared up.

Mr. Speaker, the people of Heads Harbour moved from that settlement during the summer of 1957. Unfortunately these people have not received any assistance from the Government. But, Mr. Speaker, this is not the fault of the Government. The people simply did not organize. The thing was

not done in a formal manner, as it should have been. Most of the people moved individually, and, as I said, Sir, there was no combination, so the people moved from Heads Harbour to Roberts Arm—some moved from Heads Harbour to Philley's Island,—some went to Springdale and some few elsewhere. Now that is just the point, Mr. Speaker: If people are to abandon particular settlements, the plan must state that they have a choice of certain settlements to go to. I mean, to leave one small settlement just to move to another one is just as bad. But, as I said, Mr. Speaker, these people moved and were under the impression that they would get Government assistance. The move has now been accomplished, and the reason I understand they did not get the assistance when the facts were finally presented to the Government is that the money allocated to this centralization scheme during 1957 had all been spent.

Premier Smallwood: Did they apply before they moved—did they apply for help before they moved as a group?

Mr. W. Smallwood: Unfortunately, that is what I say—before the facts were presented to the Government the money which had been allocated for the plan had been spent—It was really sometime in September although the people were moving all during the summer. Nevertheless, Mr. Speaker, I do feel that since these people have moved, the Minister concerned will see to it that these people receive the assistance to which they are entitled.

Mr. Hollett: Here. Here.

Mr. Smallwood: Now, Mr. Speaker, I also wish to give notice to the Department concerned that the people of Glovers Harbour are desirous of moving from the community during the year 1958. Glovers Harbour is just about opposite Leading Tickle. Mr. Speaker, I would ask that the Minister concerned take notice of this fact and have a man, maybe a Welfare Officer, sent to the community and investigate the conditions and inform the people just exactly what they have to do before they actually do become entitled to the assistance, so that no mistake will be made this year.

Mr. Speaker, before closing I would like to announce that I have been informed by the Canadian National Telegraph Officials here in St. John's that the long-distance telephone line from Badger to Springdale had been completed, the wires have been put up and the telephone will be installed. I understand, within the next week or two, so that it will be possible for the people of Springdale and nearby communities to phone anywhere in Newfoundland. Mr. Speaker, again on this matter of centralization—While in the district during the Fall of 1956 and again during the Summer of 1957 I noticed that, (while in the settlement of Shoe Cove and also in the settlement of Indian Burying Grounds both of which settlements are exclusively fishing settlements,) I found people who were fishing there for the summer months. These people, I understand came from King's Point. Now, Mr. Speaker, that, I think, is what we need in the community—The point I am trying to make, Mr. Speaker, is that where the fish are it does not necessarily mean the fishermen have to live. King's Point is in the very bottom of Green Bay and Shoe Cove is right down nearly at the Cape, and these men from King's Point fish in the Shoe Cove in the Summer and early part of the Fall, and then return and live in the settlement of King's Point, which is quite a large settlement. In this plan for centralization, I would suggest to the Government that when moving these people from isolated settlements, it would be impressed upon these men from these settlements, if they make their living from the fishery, it does not mean that for instance they are to be moved to places such as Point Leamington or Roberts Arm, South Brook and Springdale—I do suggest, Mr. Speaker, that these men who make their living at the fishery, if they live in isolated communities, there is nothing to keep them from going back to these communities during the late Spring and Summer and early Fall months and earning their living the same as always. But, Mr. Speaker, there is no need for these people to live in these isolated communities all the year around.

(Applause).

Mr. L. Strange (Port de Grave): Mr.

Speaker, I rise to make a few remarks and comments in connection with the Speech from the Throne, and two items referred to there, the paper mill and the bounty on the repairs and rebuilding ships. I will say just a few words in connection with my own district of Port de Grave.

This of course is only a preamble of what I am really going to say about it, and my program as far as my district is concerned is the same as I referred to last year in my maiden speech. Part of my district is a fishing district; (in fact it is the only district in Conception Bay clear of Bay de Verde,) a community comprising people residing in Ship Cove, Blow-Me-Down, Cape Cove and Port de Grave Proper—that is the fishing part of that settlement—I think that anybody knows the people in that section such as I do know that they are people that earn their living and their bread from the sea, and they want no "hand-outs" except something to help in earning their living in the fishery. If loans are required for the building of boats suitable to operate the fishing business, I think it is absolutely necessary and I think it is one of the best loans ever given out to the people, especially to those in Port de Grave District. They fish direct from Port de Grave to Cape St. Francis and around this side of Cape St. Francis and all the south side of Conception Bay from Bell Island right up across—and anyone living in the vicinity of Bell Island or on the south shore can look out any day and see boats fishing from Port de Grave. They have good boats over there at the present time, some of the best and largest that have been seen in Port de Grave District in my time, and long before. But it must be remembered that these boats were built by the people themselves, the fishermen that operate the fishery build their own boats, and if they receive a loan or a bounty towards the building of these boats of a certain tonnage and receive a loan to go towards an engine to go in the boat I think it is money well spent by this Government. I have seen codfish, frozen fish caught here on the back of Bell Island and all up on the southern shore of Conception Bay long after New Year's Day; frozen solid right fresh when delivered.

Mr. Hollett: You do not mean frozen when they were brought out of the water?

Mr. Strange: Frozen when they come out of the water naturally, not frozen in a freezer. I must admit that, during the last few years, our fishermen over there in that district sell most of their fish fresh, and although the buyer is not in my district but in Carbonear and Harbour Grace District I must compliment S.W. Moores & Company because what they have accomplished for Port de Grave. What fish is caught in Port de Grave is loaded from the boats on big trucks by the fishermen and transferred direct to Harbour Grace fish plant. I understand these people have gotten loans from the Government to assist in these plants, and I think I am perfectly safe in stating these loans have been paid back.

Premier Smallwood: In fairness—not loans on the plant in Harbour Grace but loans on draggers. Two draggers have been liquidated since.

Mr. Strange: To encourage the fishery.

Mr. Smallwood: If the honourable gentleman told me the firm of W.J. Moores objected very strong, the loans have been since paid back,—two of them have been paid back,—and they still owe for part of another.

Mr. Strange: Anyway, whatever the facts are, whether it was Atlantic Fisheries or whatever fisheries it was, when there was an effort made, through good management, and I say good management, and this money has been repaid or part of it has been repaid I think it is a credit to Moores and Company or whoever is responsible for it.

Mr. Smallwood: Here. Here. It seems to be a little novel.

Mr. Strange: I know definitely our fishermen over in Port de Grave District give every credit to that plant. It is a way of disposing of their catch and takes an awful lot of work off them. When they are drying their fish, as everyone knows, men, women and children spend their time on the flakes and in the stages—men, women and children in that district, and the relief of getting to sell their fish fresh takes all that away or practically all, which means a great benefit. I think the fishermen over there are to be

credited a hundred per cent. Those fishermen over there, during the depression days—kept right to the water and to the boat and still carried on. They say in that time, during the depression days, they barely scraped through; some did and some did not, but they in the last eight years—and I am not referring to the “Eight Years” of this Government—have enjoyed the best times ever known over there.

Mr. Higgins: Not the last eight months.

Mr. Strange: The last eight years as far as the fishery is concerned, they have had wonderful success over there and great prosperity. I know a fisherman over there, a shareman, made as much as two thousand and fifty dollars in a year as shareman in these boats.

Mr. Hollett: I understood they got no help from the Government.

Mr. Strange: I understood they got loans towards the purchase of engines or bounties towards the building of boats—That is my understanding—How many are paid back I don't know—I am not in a position to know. They are a credit to the place, and I think everybody who knows that section over there will give them the credit. There is no question at all about that.

Hon. J. T. Cheeseman (Minister of Fisheries): Do they have any director?

Mr. Strange: They have no directors, they never had any directors over there—They are fishermen—I have not had a request from that section of Port de Grave for the past twelve months for assistance—looking for assistance—that is as good a record I think as you will find in any part of the Province.

Mr. Hollett: Much better.

Mr. Strange: Now, Mr. Speaker, the other part of the district is made up of farmers and labourers looking for a day's work, when they can get a day's work, for wages.

Mr. Hollett: Roache's Line.

Mr. Strange: I think it is a credit to Roache's

Line too. I am not one of these trying to take credit away from Roache's Line, and what is on Roache's Line? I know it is just like the fishery today. I was once in the fishery myself, nineteen years, before ever I came this way, in schooners to the Labrador nineteen years, and I have an idea of the fishery. But I tell you this much, you won't get the crowd going today to do what we did, I bet any money on that.

Premier Smallwood: Which may be a good thing.

Mr. Cheeseman: There is no reason why they should.

Mr. Strange: I have an idea—I went through it all, and you won't get too many of them to put on their oil skins now either—but there are people, in my opinion, that will go back to the fishery, people that are suitable for the fishery and looking to nothing better than the fishery. You will find that in different places around the Province, but you won't find it generally.

Mr. Hollett: They will be here in the year 2000.

Mr. Strange: Yes, a certain class, that is right.

Mr. Cheeseman: Fresh fish.

Mr. Strange: That is the only fishermen, in my opinion, you are going to get in this Province.

Now, Sir, there is something else I have to say in connection with other people over there. Last year the Honourable Minister of Highways started a program of roadwork, and I have to offer my thanks and congratulations for the work done in Port de Grave District. It was a place where there was a lot required to be done on the roads, and it is so near the City everybody's eyes are on it. The unit was placed over there by the Minister of Highways and did a good job. I think the honourable member for Harbour Grace referred to it the same way I have. I must say that every time I went to the Department, (and I went there quite often, in fact I was told my footprints were down there,) I must say I was treated with every courtesy both by the Minister of the Department, the

Deputy-Minister and staff—and when the season was done for that unit I went back to The Highways Department and gave my thanks and congratulations for the work done in a short couple of months or so. That is all they were over there, two to three months last year, and it was late when they arrived and early when they finished, but it was a good job.

Mr. Hollett: What road was that on?

Mr. Strange: The road right through Brigus, Clarke's Beach, all the district, North River—and most of it was gravel naturally, and in a very poor time it was done, pouring rain, but it is very well appreciated by the people over there and I appreciate it very much—and for what I can hear this year—

Premier Smallwood: Is it an improvement over the old system?

Mr. Strange: It is an improvement, Mr. Speaker, a very great improvement. There is a lot of gravelling being done, and the road is starting to be built up to the proper grade—I asked for the reconditioning of that road in that district for the purpose of paving—that is the only condition—if we can ever get money for it—and that is needed. Take Clarke's Beach and Brigus, Cupids and such places over there, which you know are very historic—Captain Bob Bartlett and all the Bartletts over there—an historical community—John Guy's monument—Port de Grave is one of the oldest—and—I don't give away any secret now—there is a big rock down in the landwash in Port de Grave, quite a boulder, at low water mark, and there is a footprint just like you put your boot down in concrete while wet and there is the mark, your footprint—I would say it is two or three inches deep.

Mr. Smallwood: The last "Tory" over there.

Mr. Strange: That is in Port de Grave in the landwash.

Mr. Smallwood: George Drew was over there—He put it there when he was over there.

Mr. Strange: George Drew claimed he has relatives over there. He did, but it is a long time ago—I don't think there is anything to show for it.

Mr. Speaker, I won't delay the House any more, all I ask is that as far as the road program is concerned that it start early this year, earlier than last year—I hope the District I represent will be given every consideration for improvements such as were made last year, so that when my time is up for leaving here as representative of Port of Grave District, I will have the satisfaction of going out and being able to say and hear people say that the roads are in better condition than ever they were in their history.

Mr. Smallwood: You will get a bigger majority than ever.

(Applause)

Mr. Jones: Mr. Speaker, I rise at this time to ask for the adjournment of the debate.

On motion, the debate on the Address in Reply was adjourned.

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

Honourable Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act Further to Amend the Local Government Act, 1956."

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

Third Reading of Bill, "An Act Respecting the Designation of Beneficiaries Under Pensions and Other Plans."

On motion Bill read a third time, ordered passed and title to be as on the Order Paper.

Second Reading of Bill, "An Act to Incorporate the City of Corner Brook and For Other Purposes in Connection Therewith."

Mr. Speaker: The debate on this motion was adjourned.

Mr. Hollett: Mr. Speaker, I asked that this be adjourned until today. I might say that I have gone through every section of the Bill, and whilst there are things that may come up in Committee stage I don't think there are any objections we might have to it, of any moment at any rate, so I speak for my colleagues in say that we favour the principle of the Bill.

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

Second Reading of Bill, "An Act Further to Amend the Act 5 Edward VII, 10," entitled "An Act to Encourage the Manufacture of Pulp and Paper in this Colony."

Hon. W. J. Keough (Minister of Mines and Resources): Mr. Speaker, as I have already indicated we recently were able to resolve the difference of opinion that has existed about the mining tax that should be paid in respect of the mining operation carried on at Buchans, and this Bill sets forth the proposed solution. It is a solution which is acceptable to the Government and is acceptable to the company, and it would prove, I think, to be a solution which is acceptable to the House.

On June 15th, 1905 the House of Assembly passed an Act to encourage the manufacture of pulp and paper in the colony, and the Act provided among other things for the Anglo-Newfoundland Development Company to have certain lands in the district of Red Indian and Victoria Lakes. In all, there was involved an area of two thousand square miles. The 1905 agreement conveyed the mineral rights in the demised area to the Anglo-Newfoundland Development Company, and the Crown was to get, by way of royalty, a sum equivalent to five per cent of the net profits. For the purpose of ascertaining the net profits, it was provided that there should be deducted from the gross receipts from the sale of the minerals certain items among which were to be—and this phrase is the keynote in the difference of opinion that existed all taxes payable to the Government.

Now, since 1928 the Buchans Mining Company has been carrying on mining operations at Buchans, under an agreement with the Anglo-Newfoundland Development Company, and amongst the items deducted for the purpose of calculating the mining taxes payable to the Government of Newfoundland prior to Confederation were income tax paid to the Government of Newfoundland. But since these income taxes were paid to the Government of Newfoundland, it was held that the 1905 agreement was broad enough to admit to their deduction. Now, by the Act No. 46 of 1950, the Company was given the right to calculate

and compute its mining taxes in accordance with the terms of the 1905 agreement, or in accordance with the terms set out in the Mining Tax Act, which ever might prove to be the most advantageous to the Company in any given year.

Since Confederation, the Company in computing its taxable income for the purpose of paying Mining Taxes to the Government of Newfoundland, has been deducting income taxes paid to the Government of Canada; and the Department of Mines and Resources held that the Company was not entitled to deduct income taxes paid to the Government of Canada. The Department held this view on these grounds:- The taxes referred to as deductible in the 1905 agreement were only such taxes as were payable to the Government of Newfoundland, since the Government of Newfoundland was the only Government that had the right to dispose of the minerals in the demised area. Now, this difference of opinion lead to the development of this situation:- The Company calculated its tax liability,—its mining tax liability—for the years 1949 to 1956 inclusive at one million six hundred and ninety-five thousand dollars; and paid that amount. The Department calculated the tax liability for the same period of years at two million forty-five thousand dollars—The difference of opinion involves three hundred and forty thousand dollars.

Whilst not retreating from the position it took, the Company, during the course of negotiations with the Government, made an offer to correct the difficulty, and part of that offer was that the Company would pay to the Government in full and final satisfaction of all its mining taxes up to the end of December 1956 an additional sum of a quarter of a million dollars. That would be just over one hundred thousand dollars short of what the Department claimed that the Company owed the Government.

No, on the advice of or with the approval of the Auditor General, the Government decided to accept the company's offer, not on the basis that the Company was entitled to deduct Federal Income Taxes but on the basis that the tax rental agreement entered into with the Government of Canada was repugnant to the Company. Now, Term 27 (4) of the Terms of Union reads this way:- "The Government of the Province of Newfoundland shall not by any agreement en-

tered into pursuant to this Term be required to impose upon any person nor corporations taxation repugnant to the provisions of any contract entered into with such persons or corporations before the date of the agreement and existing at the date of the Agreement."—The Agreement referred to in that Term is the Tax Rental Agreement.

Now, if Newfoundland had decided not to rent its direct taxation field to Canada, then the Government of Newfoundland would have continued to impose corporation taxes, but at a reduced rate because it would still have Federal Corporation Income Taxes to pay. Suppose the Province of Newfoundland had not decided to rent its direct taxation field then, and suppose it had imposed a corporation tax of seven per cent, then over the period of years in question the Company would have paid in income tax to the Government of Newfoundland about two million dollars, and that two million dollars, of course, would have been deductible for the purpose of computing mining taxes payable to the Government of Newfoundland. Now, it is estimated that because of the company's deductions in respect of Federal Income Tax, the amount paid to the Government of Newfoundland in respect of mining taxes were five per cent short of what they should have been and five per cent of two million dollars is one hundred thousand dollars, which is just about what the Department says the Company owed the Government after paying the additional quarter of a million dollars. Now, if the Government of Newfoundland decides to ignore that Tax Rental Agreement as repugnant to the Company, then the Company would indeed owe the Government that one hundred thousand dollars; but under the Terms of Union we may not ignore that it is repugnant, and the measure of the repugnance of the Tax Rental Agreement to the Company over the period in question is about one hundred thousand dollars; and we are prepared to say that amount is an over-estimation of mining taxes, and on the basis of that, that is the intent of Term 27 (4) in its application to the Company and not on the basis that the Company is entitled to deduct Federal Income Tax. The Government decided to accept the company's offer, subject, of course, to ratification by this Legislature. In order

to avoid a conflict with the Terms of Union in future, the Government agrees that there should be a fifty per cent deduction of Federal Income Tax from the income subject to mining taxes in Newfoundland. For clarification as to how the company should henceforth compute taxable income for the purpose of mining taxes, it is proposed the Company shall have the right, as from the first day of January 1957, to deduct fifty per cent of their Federal Income Tax paid in respect of its mining operation on the demised areas. Now, it is calculated that, under the provisions of that proposed amendment, their return in reference to the profit will be somewhat better than they had been since 1949, and when I speak of the returns in reference being somewhat better than they had been since 1949, I am thinking of the returns in revenue as consisting of not only the one point sixteen million already paid in by the Company but also of the quarter of a million dollars recently offered.

Mr. Speaker, I move the second reading of this Bill.

Mr. Hollett: Mr. Speaker, there is not very much that we have to say on this because the technical details have been made fairly clear, as clear, I think, as they could be made to us by the Minister, and they seem quite acceptable as long as we do not admit to the fact, or at least as long as we don't admit, that we are going to allow this Company to deduct the full amount of their income tax before paying the five per cent—Then I think we are fairly safe—But I do note from what the Minister said that the Government is allowing them to deduct fifty per cent in the future, and will enter into an agreement, apparently to allow them to deduct fifty per cent of the income tax payable to the Federal Government before assessing the five per cent mining tax. I believe I am right in saying that. I wonder if that is not an admission that they have the right to deduct Federal Income Tax? If that is so, I am not quite so sure we are on such safe ground as I had hoped first when the Honourable Minister of Mines and Resources began to speak; because I do feel that this Province should not be asked to forfeit its legal five per cent on the net profits of the Buchan's Mining people simply because the Federal

Government has seen fit to take certain corporation taxes from them.

I do not know whether we should forfeit any amount of our legitimate share under the original 1905 Act,—the legitimate share of five per cent mining tax,—simply because the Federal Government now steps in as it did in 1949 and take their share—Why, therefore, should the finances of the Province be lessened to that extent. I take it the Honourable Minister and the Government have had legal advice on this matter; and consequently I am prepared to believe they are doing what is in the best interest of the Province—But I do say that there ought to be some provision—some saving clause—in any agreement which may be made, because I don't think we ought to give up any rights—and God knows they are very small, the rights we have to collect taxes from either pulp and paper or mining people in the past. I do not think we ought to let go our small grasp on any rights we did have—But I may say I am prepared to accept the Minister's opinion, and I think it is his opinion that they have made the best possible agreement under the present circumstances—But I do say, let us have something there that will not force us to let go in any way what we had hold of in the first place,—that five per cent of net profits on all ores produced. We know what the net profits are. If we were to read out what is to be taken out before the amount of net profit is assessed, we would find practically nothing left but the net. I think that is what the Attorney General said, and he is perfectly right.

Mr. Speaker, we are prepared to accept the proposition in this particular Bill.

Premier Smallwood: Mr. Speaker, the fact of the matter is that this subject was dealt with at very careful length in a conference held in my office between the officers and some of the higher employees of the Anglo-Newfoundland Development Company and Buchans Mining Company together with their lawyer, Mr. Phalen; and on the Government side the Minister of Mines and Resources, the Attorney General and one or two other Ministers, the Minister of Health, the Minister of Finance and the Auditor General, Mr. Allen and the Controller of the Treasury, the Deputy Minister

of Finance, Mr. Marshall and the Deputy Minister of Mines, Mr. Gover and the Assistant Deputy Minister of Justice. We had them all there, all our top ranking officials who were competent to understand these matters and to advise us on them, together with top ranking Minister in the fields evolved i.e., the Minister of Mines and Resources, Finances and so on. It was as a result of these conferences and discussions that the officials of the Government, not the members of the Government but the officials (Mr. Speaker, I always regret the very loose use made within Newfoundland—I have not seen it much outside Newfoundland—of the word “officials” I am sometimes called an official of the Government. I have never felt for a moment that I was an official of the Government. I have felt I am a member. I have never felt one of the Ministers was an official of the Government. I have always felt they were members of the Government and that indeed they were the Government. Officials, I take it, means employees of the Government, the civil service officials of the Government.) So when I say these matters were considered carefully by the officials of the Government and that they advised the Government, I am drawing up a very clear distinction between the members of the Government on the one hand and the employees or officials or servants of the Government on the other, and the action we are taking in this legislation is an action suggested to us by our officials, concurred in by them and concurred in by us—But of course it is the Ministers who must take the responsibility for it. I give the names of the officials who were present not at all to put responsibility for this Bill on their shoulders. We take the responsibility because we are the Queen’s Government in Newfoundland and we must take the responsibility of recommending it to this House, and we do that—But I think I should give the House the benefit of the background, and say that in this highly technical matter, we acted largely on the information and advice tendered to us by some of the top ranking officials in the Government service.

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

Second Reading of Bill, “An Act to Provide

for a Tax on Land Based on the Minerals Therein.”

Hon. W. J. Keough (Minister of Mines & Resources): Mr. Speaker, the specific purpose of this Bill is to enable the Government to collect reasonable and proper taxes from the exploitation of our iron ore deposits on Bell Island.

Now the House will find that, since the Bill is a measure of general application, it will enable the Government in the future to ensure that it gets reasonable and proper taxes from the exploitation of all our mineral resources—but the specific purpose of the Bill is for application to any company which does not pay proper taxes, or which claims that it is unable to find the way to pay proper mining taxes because of a weakness in the Mining Tax Act.

Now, the weakness in the Mining Tax Act to which I refer is that which arises through having to avoid a conflict of its royalty provisions with the provisions of the Tax Rental Agreement, whereby Newfoundland is unable to collect royalties in respect of the production of minerals from lands that have been granted “fee simple.” The Government has not been able to find a way to strengthen the Mining Tax Act without that conflict, and so it has been more or less compelled to resort to the principle of taxation involved in this Bill.

Newfoundland is not the only Province which has been confronted with exactly the same problem. Legislation is already in effect in three other Provinces of Canada, British Columbia, Saskatchewan and Manitoba. Now, when a similar Act was introduced into British Columbia last year, I do not know what the reason was but for some reason, the Act was not explained as fully as it might have been. In any case, the whole mining industry of British Columbia got the impression that the specific purpose of the Act was to get enormous revenue out of mining companies by onerous taxes on mining operations. That, of course, brought severe criticism from the whole industry of Canada to bear upon the Government of British Columbia.

Now, I do hope that our purpose in introducing this measure will be clearly understood and that we will avoid that criticism, because it is most essential there should be no misunderstanding about

Newfoundland's purpose and honest desire to attract and welcome and encourage mining operators to conduct operations in this Province under conditions not less favourable than those existing in any other Province.

I may say that the principle involved in this Bill has been tested in the Supreme Court of Canada and has been upheld, and it is therefore a good law.

Now, the Tax Rental Agreement provides that Government of a participating Province may not collect royalties from the production of minerals produced from lands that have been alienated from Her Majesty in right of the Province. It could not have been anticipated back in the days before Confederation that these circumstances would ever arise, back in the days when the Governments of the day gave out mineral grants in "fee simple." In those days, nobody had ever heard of the Tax Rental Agreement, and the country, (not the Province in those days,) collected royalties without let or hindrance from any source. Now Confederation changed all that, at least to the extent that the desirable provisions of the Tax Rental Agreement, whereby the wealth of Canada is extended would render inoperable the traditional "Royalties."

One result of this section of the Tax Rental Agreement was to make it possible for mining companies who wished not to pay mining taxes at all;—or perhaps in order to be just,—to make it very difficult for them to find a way of paying mining taxes. For whatever reason, we do know that the operating company on Bell Island has not paid any mining tax for a number of years now, although it has, in the meantime, removed millions of tons of our natural resources. I must say in passing that the Attorney General has told me that the Company has been willing to pay these taxes if they could find a way of paying them. There are two factors of this legislation which I would like to stress. I would like to stress, first of all, that this legislation will not be used and cannot be used to impose a tax upon landholders or owners in this Province, unless a mine is operating on the land owned by the owner or holder, or unless a mine has operated there. In other words, there can be no assessment for a tax because the land might contain minerals unless

these minerals have been mined or are being mined. The second thing I would like to emphasize is that this legislation is not designed to increase taxes on mining operations. The clear purpose of the Bill, I repeat, is to enable the Government to provide a formula whereby the Government can collect reasonable taxes in respect of the exploitation of our iron ore on Bell Island. Now, it is true that, because the measure is one of general application, it will be possible to apply it to any other company in the future which does not pay what we consider to be reasonable and proper taxes.

I may be asked what are reasonable and proper taxes. Well, the Mining Tax Act in respect of iron ore provides that the tax shall be twenty per cent of the net profits, the sum not to be in excess of an amount equal to ten cents a ton on the first million and a half tons and eight cents a ton on any amount thereafter. So that a tax the equivalent of an amount calculated according to that formula would be reasonable, would be proper taxation.

Now, during the years 1952 to 1957 the company operating on Bell Island has mined thirteen and a half million tons of iron ore. If during that time, the company had paid mining taxes to the Province according to the formula just indicated it would have paid a sum of the order of a million and a quarter dollars. In actual fact, the Province did not receive one single red cent in mining taxes from the company during that time. Now, will the House please note I did not say the Government of the Province did not receive a single red cent from the company. What I said was that the Province did not receive a single, red cent in mining taxes from the company.

The measure that we propose here is designed to correct that situation. I think that the House will agree it is a situation that should be corrected, particularly when I call the attention of the House to these figures and these statistics about DOSCO, which is the parent company of the operating company on Bell Island. For the calendar year 1956, DOSCO and its subsidiary had a combined income of seven millions, after charging up depreciation of five point nine millions and income tax and a quarter millions. In 1956, DOSCO paid a dividend of two point one million dollars. The balance of undistributed net income as at December

31st. 1956 was thirty-six point eight million, say thirty-seven million dollars and at December 31st. 1956, current liabilities of twenty-two point four million or a net capital working position of forty-nine point nine million, say fifty million dollars. It is one of the wealthiest corporations in Canada, and its principal asset is the Bell Island Ore Mine.

No Now, perhaps I should indicate briefly how the measure we have before the House would be applied in practice. If a mining company does not pay proper mining taxes, then the Lieutenant-Governor-in-Council will have the right to declare the area in which the mines are operating to be what is designated in the Act as a producing area, and in a producing area, Government engineers by and with the assistance of the company which may not be withheld, will assess the tonnage of the minerals in the land owned by the company, and using current market prices place a value on the minerals in the land owned by the company, and the company will be taxed ten miles per dollar on the assessed value. Now it should be noted that the assessment is one the current value of the minerals in place in the earth before being mined—It is a tax on the value of the minerals in place in the land. If, for any reason, the company does not pay an assessment after due procedure provided for in the Act, then the minerals and the land becomes the property of the Crown and may be disposed of outside the ambit of the contents of the Tax Rental Agreement. There is, of course, ample provision for appeal to the courts in the event the company concerned considers the assessment has been unreasonably made.

The House should bear in mind that, in trying to deal with this problem of the inability to collect taxes in respect of the mining operation on Bell Island, the Government had to make a choice between having no effective authority at all to collect mining tax and coming into the House and perhaps asking for authority that is necessary. But in the absence of a happy medium, it had to decide to ask for the authority contained in this Act—As I have said, Newfoundland is the fourth Province of Canada to be confronted with this problem and to have solved it in the same fashion. I do think that, if the Act becomes law, it will shortly become a dormant statute because it would probably

be much more advantageous to any mining company to find a way to pay mining taxes to the Government rather than to have the provisions of this Act applied against them. Mr. Speaker, I move the second reading of this Bill.

Mr. Hollett: Mr. Speaker, I have not had an opportunity to read this Bill. Could we have an adjournment to have an opportunity to read it? On motion, debate on second reading adjourned until tomorrow.

On motion, that the House go into Committee of the Whole on Various Bills, Mr. Speaker left the Chair.

Mr. Clarke Chairman of the Committee of the Whole.

Committee of the Whole on Bill, "An Act to Amend the Education Act."

Mr. Hollett: Before you carry that, Sir, I wonder if it would be in order to ask the Honourable Minister of Education if there are a number of Newfoundlanders going to, I believe, a conference on the Mainland, I believe in Ottawa? I heard something about it.

Premier Smallwood: I do not think that is a departmental visit.

Mr. Hollett: Oh, it is not.

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

Committee of the Whole on Bill, "An Act Further to Amend the Urban and Rural Planning Act."

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

Committee of the Whole on Bill, "An Act Further to Amend the Welfare of Children Act."

Mr. Hollett: Mr. Chairman, could we make some provision there in Clause 2 concerning the fishery? I do know that there are going to be a lot of our youths under the age of sixteen helping their parents after nine o'clock at night if we are to keep on the salt fish industry, and I do not like to see them described as in this section as "neglected children."

Mr. Smallwood: Is there not a definite definition in any case in the original Act? "Self-employed" and the like—"members of the family"? If they are working with their parents they are not regarded as neglected—Probably the Minister could enlighten us on that?

Hon. S. J. Hefferton (Minister of Welfare): In part I of the Parent Act, Mr. Chairman, it deals with the very point raised by the Honourable Leader of the Opposition, and I think it is made out clearly there just what neglected children are and just what neglected children are not. Certainly a child doing a certain amount of work under control of his guardian and so on is not a neglected child.

Mr. Hollett: Could the Minister quote that section?

Mr. Hefferton: In the Parent Act, Section 12 it gives the definition.

Mr. Hollett: I was wondering if the Honourable Minister might read it for us.

Mr. Smallwood: Just summarize it.

Mr. Hefferton: A neglected child, Sir, means a child abandoned or deserted by both parents, or if one is dead, by the survivor, or by his guardian, or whose parent (if one only be living) or parents has or have allowed him to be brought up by another person at that person's expense for such time and under such circumstances as to satisfy the Court that such parent or the parents has or have been unmindful of his or her duties, or whose surviving parent is undergoing imprisonment and there is no other person who may be required to maintain such child;

(2) whose parents, only living parent, guardian, or other person in whose charge he may be, cannot by reason of disease, or misfortune, or infirmity, properly care for him; (3) who was born out of lawful wedlock and whose mother is unable to maintain him or unfit to care properly for him, or refuse or neglect to maintain such child;

(4) who is found wandering about and not having any settled place or abode or proper guardianship, is found sleeping at night in barns or outhouses or in the open air;

(5) who is found living or associating with vicious or disreputable persons;

(6) who is found associating or dwelling with a thief, drunkard or vagrant—or by reason of neglect or drunkenness or other voice of the parents or guardians of such child, is suffered to grow up without salutary control and education, or in circumstance exposing such child to an idle and dissolute life;

(7) whose home by reason of improvidence, neglect, cruelty or depravity on the part of the parents, guardian or other person in whose care he may be, is an unfit place for such a child;

(8) whose parent or guardian neglects, when able to do so, to provide medical, surgical or other remedial care necessary for his health and well being, or who refuses to permit such care to be supplied to the child when ordered by a competent authority;

(9) who at any time is found begging in any street, building or place of public resort; or loitering in or near a public place after nine o'clock in the evening, not accompanied by his parent or guardian or by some adult person with the consent of such parent or guardian;

(10) who patronizes or habitually visits any tavern or other place where intoxicating liquors are sold, or who patronizes or habitually visits any public pool-room or gambling house;

(11) who is employed in any restaurant or in any brewery or any shop, licensed premises, tavern or other place where intoxicating liquors are made, bottled, or sold;

(12) who, being under the age of fourteen years, habitually hawks or peddles or sells articles in the streets or public places after nine o'clock at night;

(13) who by reason of inadequate parental control has been allowed to commit petty crimes, or who is growing up without salutary parental control or under circumstances tending to make him idle or dissolute;

(14) who, without just cause and without the consent of his parents, guardian or other custodian habitually absents himself from his home;

(15) who habitually uses obscene, profane or indecent language, or is guilty of immoral conduct in any place whatsoever;

(16) who has been unlawfully assaulted or beaten by his parent or is ill-used or treated

with cruelty and neglect by his parent or the person with whom he resides;

(17) who is found to have in his possession obscene pictures or drawings or any obscene printed or written matter;

(18) who is employed anywhere between the hours of nine o'clock p.m. of one day and eight o'clock a.m. on the following days;

(19) who

(i) being a female; or

(ii) being a male under the age of twelve years; or

(iii) being a male over the age of twelve years and under the age of fourteen years, without written consent of his parents, is found peddling or selling newspapers or other articles for hire or reward on any street or public place at any time during the day or night;

(20) who is not in regular attendance or has been enrolled at a public school contrary to the provisions of the School Attendance Act and its amendment or amendments.

Mr. Hollett: There is nothing covering it there, as far as I can see. According to this section, you are repealing sub-section 18 where it describes a child as a person under seventeen, and here you say a neglected child is a child who being under the age of sixteen being employed anywhere between the hours of nine o'clock p.m. of one day and eight o'clock a.m. of the following day. In other words, as I pointed out, if a child under the age of sixteen is found in the stage "cutting throats" (of fish) or taking out sound-bones or what not is a neglected child?

Mr. Hefferton: No, my answer is no he is not, if he is there with the consent of his guardian or parent.

Mr. Hollett: His parents may be dead, as far as I am concerned.

Mr. Smallwood: If he has no parents he has a guardian, and if he has neither he is definitely a neglected child.

Mr. Hollett: If he is working there with the consent of his parents he is not a neglected child—Is that clear? Could you read this section which defines it? You see, Mr. Chairman, this Government is so all out for prosecuting people these days you can

never tell but some parent might be prosecuted for allowing a child in the stage or something like that—However, if I have the assurance of the Minister—

Mr. Hefferton: You have the assurance, and Mr. Chairman, I might point out and say again, this amendment only brings it in line with the sub-section in this Act which is Section 34 (1)

On motion, clause 1 through 5 carried.

Hon. L. R. Curtis (Attorney General): On Clause 6, Mr. Chairman, there is one point which gives authority for the court to hold a hearing into the financial circumstances of the parents—Is that something new, I have an idea it is? What does it mean exactly?

Mr. Hefferton: It shall be within the power of the court to make an order upon the parent to contribute to the support of the child such sums as the court may determine. The court cannot determine the amount to be paid unless it has some idea of the circumstances of the particular parent. The authority is there to make the necessary investigation.

On motion, clauses 6 through 10 carried: Motion that the Committee report having passed this Bill without amendment, carried.

Committee of the Whole on Bill—"An Act Further to Amend the Local Government (Elections) Act."

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

Committee of the Whole on Bill—"An Act Respecting the Assessment of Property for the Purpose of the Imposition of Real Property Taxes by Councils of Municipalities." On motion Clause 1 carried.

Clause 2:

Premier Smallwood: Mr. Chairman, I move that in Clause 2, first line the words "the city of Corner Brook and" be stricken out.

On motion, Clause 2 as amended carried. On motion, Clause 2 through 51 carried. On motion, Forms 1, 2 and 3 carried.

Motion that the Committee report having passed this Bill with some amendments carried.

Committee of the Whole on Bill, "An Act Respecting the Payment of Bounties On the Rebuilding and Repair of Fishing and Coastal Vessels."

Mr. P. Canning (Placentia West): Mr. Chairman, I have been unavoidably absent from the House for the last two or three days. The Bill came in in the last two days and I have not had time to read it—if the Committee would agree I would like to have it deferred.
Clause 1.

Hon. J. T. Cheeseman (Minister of Fisheries): Mr. Chairman, I wish to make an amendment in regard to increasing the maximum tonnage from two hundred to four hundred tons in Clause 8—sub-cause 4 (c)

Mr. Hollett: We have not come to that section as yet.

Mr. Chairman: I wonder if the Honourable Minister of Fisheries would give notice of the amendment because if we amend this clause now we can't go back to the others.

Mr. Smallwood: I wonder, Mr. Chairman, as the honourable member for Placentia West wanted the Bill held over, the Committee stage of this Bill be held over as he wanted time to consider it. I thought he might be informed, and the committee informed, of the Minister's desire to amend 9 (4) in the sense he has already indicated by raising the tonnage from two hundred to four hundred tons so that in studying the Bill between now and tomorrow we could read four hundred where it now says two hundred, but not actually move the amendment now but only notify the committee of that desire when the clause is reached.

Mr. Hollett: That is agreeable, Sir.
Motion that the Committee report progress on this Bill, carried.
On motion, the Committee rose to report progress; and ask leave to sit again.
Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole have considered Bills No. 14, No. 15, and No. 17 and directs me to report

same with no amendment. On motion, report received, Bills ordered read a third time on tomorrow.

Mr. Clarke: Mr. Speaker, the Committee of the Whole have considered Bill No. 20 and directed me to report same with some amendment.

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

Mr. Clarke: Mr. Speaker, the Committee of the Whole have considered Bill No. 22, made some progress and ask leave to sit again.

On motion report received, Committee of the Whole ordered sit again on tomorrow.

Mr. Curtis: Mr. Speaker, I move that all the remaining Orders of the Day do stand deferred and the House at its rising do adjourn until tomorrow, Friday, at 3:00 of the clock.

Friday, February 7th. 1958
(Afternoon Session)

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

Presentating Petitions:

Hon. S. J. Hefferton (Minister of Welfare): Mr. Speaker, I beg leave to present a petition from the residents of Norman's Cove and Long Cove in the District of Trinity South. The petition prays for the extension of power lines into their area. They point out, what is true, that there is only a matter of ten miles from the power system which runs up and down the district of Trinity South.

This petition may be called a repetition of action taken by the residents of this and neighbouring areas for the past two or three years. The company has promised to make some surveys of the project but so far nothing definite has been accomplished.

I have very much pleasure, Mr. Speaker, in supporting the prayer of the petitioners and ask leave that the petition be tabled and referred to the Department to which it relates.

On motion petition received for reference to the department concerned.

Presenting Report of Standing and Select Committees:

None.

Notices of Motion:

Hon. G. J. Power (Minister of Highways):

Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Highway Traffic Act." I also give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Highways Act, 1957."

Hon. L. R. Curtis (Attorney General): Mr. Speaker, I give notice on behalf of the Honourable Minister of Mines and Resources that he will on tomorrow move the House into Committee of the Whole to consider resolutions in relation to the payment of a Tax imposed under the Mining Tax Act by persons who have paid the Tax imposed under the Minerals Lands Taxation Act, 1958."

Notices of Questions:

None.

ANSWERS TO QUESTIONS:**Question No. 49:**

Mr. Power: Mr. Speaker, our paving program for this year, I think, will be considered but has not been finalized yet. When I make a statement on the paying program for this year I will give the House the information requested in the honourable member's question.

Mr. Hollett: (Leader of the Opposition): May I ask the Honourable Minister if that statement is due very shortly?

Mr. Power: Oh, within the next two or three weeks.

Mr. Hollett: Mr. Speaker, if I may, before you go on with the Orders of the Day, refer to an answer given yesterday in connection with Atlantic Gypsum. I asked for the total indebtedness up to the present time and the answer given me was seven hundred and fifty-eight thousand etc. On checking on that, I find there must be an error made because that is only the indebtedness since it was taken over by the Gyproc people. I just

want to make it clear the present indebtedness is much more than that.

Mr. Curtis: It is not, because it is Government owned.

Mr. Hollett: If I may explain—The Government spent three million and fifty-six thousand dollars for building but it presently owes one million six hundred and thirteen thousand; and fifty thousand dollars—that would only indicate seven hundred and fifty-eight—I just want to draw attention to that.

Hon. J. R. Smallwood (Premier): Mr. Speaker, again, more or less to the same topic as the Honourable Leader of the Opposition has raised, I wish that members of the Opposition and I wish the Honourable Leader of the Opposition would inform members of his party who are not present today that in directing questions at Ministers it is completely erroneous to suppose that any question which has money mentioned in it ought therefore to be directed to the Minister of Finance. Now, the fishery matters involving fishery loans and which involve money ought to be directed to the Minister of Fisheries; and Highway matters money ought to be directed to the Minister of Highways and not to the Minister of Finance, and question affecting industries, even where money is concerned, ought to be directed to the Minister of Economic Development; otherwise every question in this House that is connected with money would have to be directed all to one Minister, the Minister of Finance. But the Minister of Finance is exactly what it says, the Minister responsible for the collection of revenue and not for the spending of it. The spending is done by Ministers all over the Government. He has a supervisory interest in all spending, and he has an exclusive interest in the collection of revenue. But it does not follow that because he is Minister of Finance that all questions having money in them must necessarily be directed to him. Otherwise the other Ministers would have no questions to answer and the one Minister would have them all to answer.

Mr. Speaker: Well the Honourable Leader of the Opposition made a speech, the Honourable the Premier made a speech, and

now I will make one—When I call “Orders of the Day” I do not want members in the future to refer back to questions. I would like them to ask supplementary questions before I call Orders of the Day. I will in future pause after questions for a moment or two. That is the time then to bring up supplementary questions or any other matter—But after I call Orders of the Day, then we must go on to the Orders of the Day—But before I call Orders of the Day, questions or supplementary questions may be asked or a member may get up and rise to a point of privilege or something like that—But after the Orders of the Day are called, and after the Premier, as Leader of the House, calls a number and I give the number and begin to put the motion I am going to take a very dim view of it if I am interrupted. Mr. Speaker should not be interrupted—not here anyway—

Hon. E. S. Spencer (Minister of Finance): Mr. Speaker, I have the honour to announce a message from His Honour the Lieutenant-Governor:—

The Honourable the Minister of Finance: I, the Lieutenant-Governor of the Province of Newfoundland, transmit Estimates of sums required for the public services of the Province for the year ending the 31st, March 1958, as supplementary supply, and in accordance with the provisions of the British North America Act of 1867, as amended, I recommend these Estimates to the House of Assembly.

(Sgd. Campbell MacPherson
Lieutenant-Governor.

On motion, Mr. Speaker left the Chair.

Mr. Clarke: Chairman of Committee of the Whole to Consider Certain Resolutions for Granting Supply to Her Majesty.

Premier Smallwood: Mr. Chairman, I understand my honourable colleague, the Minister of Finance is anxious to explain to the members all these votes—Now then he can explain it on either stage, the Committee stage or when the Bill is before the House. If the Honourable Leader of the Opposition would indicate what is his preference—If he is to start asking questions at the resolution stage then perhaps the Minister of Finance would prefer to make his explanation now, but if the Hon-

ourable Leader of the Opposition would like or wish to ask the questions when the Bill is before the House, then the Minister of Finance might prefer to speak then. If the Honourable Leader of the Opposite would indicate that?

Mr. Hollett: I think we might go ahead with it now.

Mr. Spencer: Mr. Chairman, in introducing this Bill and dealing with the sub-heads that have been read by Mr. Clerk of the House, I propose, for the benefit of the Committee, to give a few explanations which have been provided for me by the Department. Honourable members will recall that, in my Budget Speech I estimated total current account revenue for the year 1957-58 at forty-eight million nine hundred and fifty-three thousand dollars. At the same time, current account expenditure was estimated in a total of forty-eight millions eight hundred and seventy-four thousand dollars—The latter figure was increased to forty-eight millions eight hundred and eighty-six thousand as a result of the action taken on the floors of this House i.e., there were certain increases recommended by the House which brought the figure from forty-eight million eight hundred and seventy-four thousand to forty-eight million eight hundred and eighty-six thousand; and the outcome was the estimated surplus on current account of sixty-seven thousand dollars. The House is fully aware of the fact that the estimate for any one year must of necessity be prepared many months prior to the termination of the previous year, and variations in individual sums making up the total estimates for any one year are therefore quite unpredictable, and it thus becomes necessary to replace the estimates in a latter stage in the financial year. This is usually done at a period within eight or nine months of the year concerned, when it is possible restate the estimates on the basis of eight months of actual expenditure plus three or four months of estimates expenditure. It can then be done for more accurately than is the case when the main estimates for any one year are prepared for submission to, and approval by, the House. In accordance with this procedure, the estimates for 1957-1958 have been recast. The result of this recasting has shown that,

everything being taken into account, consideration of items of over and under expenditure, the revenue originally estimated at forty-eight point nine million is now estimated at an aggregate total of forty-nine point two-two-two (\$49,222,900.) This represents a net improvement in revenue of some two hundred and seventy thousand dollars over the original estimate. It follows that the original estimated surplus of current revenue and expenditure will result in an actual deficit of two million six hundred and seventy-two thousand seven hundred dollars, if expenditure proceeds along the line now envisaged.

I do not wish, Mr. Chairman, to take up the time of the Committee with a detailed explanation of the countless variations of headings which go to make up the revised figures of revenue and expenditure. I think it will suffice if I merely point to the major factors leading to the increased requirement of three million dollars under current expenditures. Of the seventeen divisions under which our annual estimates are now prepared, thirteen of these show an anticipated over or under expenditure which reveal a net saving of one hundred and fifty-four thousand dollars. The three million may be said to be due to additional requirements; one hundred and nineteen thousand dollars under Legislature heading, three hundred and eighteen thousand under Health, six hundred and forty-eight thousand dollars under Highways and two million and seventy-five (\$2,075,000) under Welfare. These individuals totals add up to three millions one hundred and sixty-three thousand dollars; but by application of the one hundred and fifty-four thousand dollars savings previously referred to, the result is as stated before, a net over-expenditure of three million and nine thousand six hundred dollars.

The explanation of these increases is as follows:—

The additional one hundred and nineteen thousand, which honourable members will find in the Schedule read by the Clerk today under Supply, (under the heading of Legislature,) is due to the earlier than usual calling together of the House of Assembly. As the Committee will readily understand, members salaries and allowances originally estimated at one hundred per cent of requirements is short by fifty per cent of the

actual needs. Normally, when the House is called together during the month of March, it has been the practice for the past six or seven years that charges in respect of fifty per cent of the members salaries and allowances for the session falls against the year concerned and the balance is paid from the vote of the next ensuing year. Hence, the Legislative vote for 1957-58 met fifty per cent of the cost of members' salaries arising from the previous year's session. It is now anticipated that all the salaries and allowances in respect of this session will fall against this year's vote.

The three hundred and eighteen thousand dollars excess under the Department of Health is due to a number of under-provisions scattered right through the heads of expenditure, as well as a provision of forty thousand dollars for issues during the months of February and March 1958 on account of medical care for children under sixteen years of age.

The six hundred and forty-eight thousand dollars under Highways is due almost entirely to under-provision in respect of maintenance of roads and bridges.

The two million seventy-five thousand dollars under Welfare, by far the heaviest over-expenditure, is attributable to two factors; an under-provision on account of social assistance due to the fact that the unemployment position in 1957-58 was unfortunately more acute than could possibly have been foreseen when the original estimates for the year were drawn up; and the cost of increasing the social assistance benefits estimated at one million seventy-five thousand dollars being the cost of the increase in allowances with effect from the 1st. of January 1958. I should mention that the Department of Finance is seeking an additional provision of five hundred and forty-seven thousand dollars under the supply Bill which will be presented to this House in due course. That amount, which is fully offset by savings of some seven hundred and forty-nine thousand under consolidated fund services is due to our late and staggered interest under the Bond Market in 1957. The House will recall that the Government deliberately refrained from entering the market and only by small steps, during the years, with a view to avoiding extra interest payments and also in the hope that loans could be obtained at lesser

rates. So, as was intimated in the last budget speech, the Government did endeavour to curtail capital expenditure on that account. So that the amount of seven hundred and forty-nine thousand is a saving under that heading—it also, of course, was due to the consequent savings under "interest" and provisions for the servicing of the public accounts. In the main, it was due to the fact that it was impossible to forecast accurately the cost of raising the thirteen million dollars which we borrowed in 1957-58.

Turning now to capital account expenditure; the original estimate for 1957-58 was set at eighteen point four million dollars. The revised figures stands at fifteen point seven million dollars due to the curtailment program to which I have already referred. Here again, on the capital expenditure side, there were a number of variations on three heads of expenditure which revealed an under-provision of three hundred and thirty-two thousand dollars; but these excesses were fully offset by savings on other heads largely as a result of the decision to reduce the volume of capital expenditure in 1957-58 to a level which could, in view of the then prevailing conditions in the money market, be financed by bond issues. The end result is that the revised estimates of capital expenditure show a net downward reduction, at seventeen point seven million, or of two point seven millions in comparison with the original of eighteen point four.

The supply requirement is set out in the Bill which is being presented for consideration and action by the House, showing total additional requirement of three million seven hundred and fifty-one thousand four hundred dollars. This total amount is made up of the additional provisions of three million six hundred and forty-eight thousand two hundred dollars for existing services, plus one hundred and three thousand one hundred dollars for new services in respect of which no provision was made in the original estimates in June 1957, and subsequently covered by a supply vote for the year. There was a small payment of a gratuity to the widow of one of the late professors of the University, and that was done under the Department of Finance head.

There were token provisions of one hundred dollars each to meet the cost of the holiday referendum, which cost eight

thousand dollars in all, and, under Provincial Affairs, the cost of a tour arranged by the Canadian Council of the Symphonic Orchestra in an amount of one thousand dollars, under Education—It might be well to say at this point, Mr. Chairman, that in regard to that proposition of the Canadian Council, in their effort of improving the culture of Canada, they are proposing to send to Newfoundland this year, at a cost of perhaps some ten or fifteen thousand dollars or more, a Symphonic Orchestra to perform for the benefit of Newfoundlanders. The Government were asked if they would care to encourage this project and so made a contribution. That is the one thousand dollars referred to under this heading—It was supplied under the educational vote.

The Expropriations under the accounts of 1957 estimated at five thousand eight hundred dollars under Mines and Resources; and re-opening of the sub-head "Whale Fishery" to provide for expenditure of two thousand four hundred dollars, current account, under the Department of Fisheries—These are the figures for the various heads of expenditure which go to make up the excess referred to above. Finally, there is twenty-two thousand five hundred dollars provided to complete our payments in respect of the Carbonear Hospital, and eight thousand dollars being a contribution towards the cost of the construction of a new nurses home at St. Clare's Mercy Hospital, under the Department of Health.

Mr. Duffy: (St. John's Centre): Would you give the amount again, please?

Mr. Spencer: Eight thousand dollars in all. Mr. Chairman, I trust that the explanation given here will assist this Committee to determine the whys and wherefore of this supplementary Supply Bill for three million seven hundred and fifty-one thousand four hundred dollars.

Mr. Hollett: Five hundred forty-seven thousand seven hundred dollars—Under Finance—It is practically impossible to follow the Minister of Finance—I wonder if the Minister would state that again, under Finance—

Mr. Spencer: I think it might be given here in this document which I located:

Finance is explained in this way, Mr. Chairman, that five hundred forty-seven thousand seven hundred dollars on supplementary supply which Finance is seeking was offset in the first instance by a saving of seven hundred and forty-nine thousand dollars—The explanation for the expenditure arises in the main from the under provision of four hundred and fifty-one thousand under the heading of "Debt Management"—In the main that is it—Four hundred and fifty-one thousand of the five hundred and forty-seven hundred dollars short provision has its origin in the fact that it was impossible to forecast the cost of raising the thirteen million dollars loan, which was raised in three or four different amounts. These varied, of course, and Finance could not tell at the beginning of the year just what these rates might be, and hence the five hundred and forty-seven thousand dollars.

Mr. Hollett: I wonder would the Minister tell exactly what it costs to raise that?

Mr. Spencer: No, I cannot tell you the exact amount on that.

Mr. Hollett: Could the Minister tell us what is the discount rates—I think there were three or four separate loans?

Mr. Spencer: They varied, the original one was five and half, down to five and a quarter.

Mr. Hollett: That is interest rate, I believe—The Discount Rate? I mean were they ninety-seven, ninety-eight?

Mr. Spencer: They too varied. The lowest rate being sold at ninety-eight and a half, I believe. Now, of course, Mr. Chairman, one could spend a week on this. I do not think it is quite necessary. The loan in the United States was sold at ninety-eight point ninety-one or something of that kind, practically ninety-nine, actually ninety-eight point nine. It follows, of course, there was an exchange rate against that, so that the Province did not get the full ninety-nine point eight per cent sold to bond holders, but the coupon rate, I think really counts.

These were at five and a half and gradually they have been getting down to five and a quarter, and we hoped to get the last one at five but could not very well do it, although they went over very rapidly and sold exceedingly well, and we are very proud the credit rate of the Province is improving; that is the indication of the two which sold at ninety-eight and a half.

Mr. Hollett: While on that matter of Finance, I am not so sure of something I raised here concerning the Minutes of Council—My friend the Deputy Mayor is not here—but we have a member on the opposite side of the House.

A few days ago I got an account of all the monies which have been raised I think anybody who brought the "Financial Times" could see—I do know we guaranteed municipal bonds and when municipal bonds fetch no more than eighty-eight dollars or not quite eighty-eight dollars I think it is time for somebody to take notice, because (I just draw that to the attention of the House) we are in a sense responsible because we guarantee such loans. Now, I am glad to see our Government bonds do sell very well, but I am sorry to note municipal bonds did not sell very well, and we had a considerable loss to the people of this town.

Mr. Spencer: Those were the municipal bonds of St. John's, I believe the Honourable Leader of the Opposition refers to—I think there was one case where these bonds were actually sold at ninety but the cost rate was eighty-eight; that is quite true, it was sold at ninety and the interest rate on it was another two per cent—That is the only bond issue sold and backed by the Government of Newfoundland during the past year.

Mr. Hollett: Under Municipal Affairs, one hundred dollars—That is a token amount apparently—Could the Minister give us some idea what the approximate amount will be for Provincial Affairs, or is it just in the air sort of?

Premier Smallwood: The one hundred dollars is to authorize a vote that did not exist—The money is down there in the Department. There is no vote for this. It is just creating a vote. That is why it is there as a

token. It is not the need of the money, it is the need of the authority of the House to spend the money in that Department on that item.

Mr. Hollett: In other words then, the Provincial Affairs Department has not overspent the amount voted by the House last year?

Mr. Smallwood: That is right. This amount of one hundred dollars may just as well be one dollar there. It is a token amount to create authority to spend it.

Mr. Hollett: The question in my mind is if it is there due to the fact we are not quite sure what amount is necessary.

Mr. Smallwood: No. That is what it is, to create legislative authority to spend money on a certain item. It is not that the Department needs the money—They have the money.

Mr. Hollett: In that case, would the Honourable Minister tell me what the expenditure is to be for, for which no money is voted?

Mr. Spencer: I think, Mr. Chairman, it should be fairly obvious. The detailed heading is not given. As the Honourable Premier is good enough to point out, it is merely a token vote. There are sub-heads that may come, and up to this moment there is nobody on the earth, I may say, who can tell what these amounts may be. They may not be called upon at all—They merely give the Department authority to provide money and should there be any over expenditure, it follows the Department would have to come back to the House and seek the necessary supply or authority to cover it.

Mr. Smallwood: It may be indeed, it may be the referendum—In the current printed estimate passed by this House last spring there was no vote for the referendum, and the Department of Provincial Affairs had the referendum without a vote—they used the money saved off something else—they used savings they made on other things to pay the cost of the referendum, but they now must come before the House and get

legislative sanction for spending money on the referendum—That is the meaning.

Mr. Hollett: Yes, Mr. Chairman, I was thinking the Minister could have been told by the responsible people just why there was a need of a token vote. I mean, what new service has arisen for which nobody had any money.

Mr. Smallwood: The referendum.

Mr. Hollett: That was eight thousand dollars.

Mr. Smallwood: That is paid for, I assume, but now what is sought by the Minister of Finance on behalf of that Department is legislative sanction for spending the money on a referendum for which the House did not provide in the budget last year—So they have to come at this opportunity and seek legislative sanction for having spent money that the House did not vote for the particular purpose. That is the meaning of the token vote.

Mr. Hollett: It could have a score of meanings—If we vote a hundred dollars there, the Department can go ahead and spend a mint.

Hon. G. J. Power (Minister of Highways): Not exceeding their total vote—It is a contravailing savings. This is legislative permission to use contravailing savings on a vote not mentioned in the estimates—That is what it means.

Mr. Hollett: In other words, no more money will be spent under that particular vote than was authorized last year for the Department of Provincial Affairs—Am I given to understand that by the Minister?

Mr. Spencer: That is exactly what I said in the explanation, Mr. Chairman, the actual wording I used was that was one hundred dollars went to meet the cost of the holiday referendum in this one case costing in all eight thousand dollars.

Mr. Hollett: Put in eight thousand dollars where the hundred is.

Mr. Smallwood: It is disposed of, done

with, now this one hundred dollars when passed gives legislative authority. That is all—Goodness sakes, it is only a token vote.

Mr. Hollett: Economic Development, one hundred thirty-four thousand three hundred dollars—Mr. Chairman, I wonder if I could have some explanation in that one? Could the Minister tell us what that is for—It is about half as much again as the amount voted last year.

Mr. Smallwood: I think being that I know the explanation of that—It is for a number of things done during the past year by the Department, some of which were authorized but did not have enough funds voted by the House to cover them, and some remaining ones were things not authorized by the House and therefore no money at all was voted for them. The total amount of the two is one hundred thirty-four thousand, three hundred dollars. Now, some of the things I remember are—We had some expenses in film making not provided for, which we have paid for during the current financial year. Then we had some tourist publicity, some pamphlets printed, I think several hundred thousand of them, for circulation across Canada and down in the United States. Indeed they are on my desk today. I intended bringing them over to table for the interest of the House, really an excellent piece of publicity. I was greatly impressed by them. I saw them today for the first time, down in the Tourist Office. I would imagine, I do not know, but I would certainly imagine that included in that one hundred and thirty-four thousand dollars would be some amounts advanced to some of the industries. It could not be much because there was much more than that advanced in all for the year. But that amount is made up of three types of expenditure; items provided for last year but not sufficiently provided for in the estimates, (2 items not provided for to any extent in last year's estimates but things done during the current year; and the expenses of the Arthur D. Little enquiry, which were not voted in the estimates last year. So we did that on executive authority, spent the money to pay Arthur D. Little Incorporated. Now, by means of this vote, amongst other things we ask legislative sanction for having spent the money to engage the Arthur D. Little

Company—Now if the Opposition wishes to argue they won't vote the money if the Government refuses to table the report and as far as their vote can prevent they will prevent giving authority for spending of that money—Well, we will have to take that on chin.

Mr. Duffy: We are allowed to ask the cost, I suppose?

Mr. Smallwood: Indeed, but I would suggest the answer to that question be asked for in the ordinary course—I do not know the figures but would certainly be glad to table the answer. The Committee will have to bear in mind the Arthur D. Little Company is paid by two Departments, the Department of Economic Development for their examination of the so-called new industries, and by the Fisheries department for their examination of the whole frozen fish industry—this they are examining for us, at the request of the Minister of Fisheries. I think perhaps the Department of Economic Development may be paying Arthur D. Little for both examinations, the one in the fishing industry and the other into the so-called new industries—It is not complete—

Mr. Hollett: I am going to thank the Premier for a certain amount of explanation on that amount. I maintain, Mr. Chairman, that when the Government comes to the House and asks for specific amounts, such as an amount of one hundred thirty-four thousand four hundred dollars, they should at least in detail, state what they want the amounts for which make up that particular one hundred thirty-four thousand four hundred dollars. We have only had partial answers, saying there is some amount for films—and when I look at the amounts allocated by the House, I find "documentary films" fifteen thousand dollars. Now then, we should know before we vote any more just what was paid and how much more is to be paid—The same thing applies to pamphlets put out by the tourist people—We had "General Publicity" twenty-three thousand dollars granted last year by this House, and now we are asked to spend some more, according to the Honourable the Premier, on pamphlets. Surely we should be told how much is for pamphlets and how much for film and how

much for something else before we are asked to vote.

Mr. Smallwood: I doubt that the Minister has them with him, but I will undertake to do that—We are at the Resolution Stage. Later when the Bill comes before the House, as the Resolution is presently before the Committee, I will undertake to get the information. In fact, the Minister has it in his own office, and he will bring it down here; if he does not I will.

Mr. Spencer: Mr. Chairman, we never have shown a complete breakdown, so I did not bring them.

Mr. Hollett: The only thing I ask—and I want to thank the Honourable the Premier—we would like to have the particulars—We are not unduly critical.

Mr. Smallwood: Of course, especially when we mention Economic Development, the House is scarcely even curious.

Mr. Hollett: Also the Tourist Division,—the Tourist Division cost us last year, according to the estimates, some ninety-five thousand nine hundred dollars, to bring tourists to this country—If I am allowed to say a word, I could take quite a while on tourist development—What was accomplished? What are we getting for the ninety-five thousand dollars voted?—and now they want some more—If the Honourable the Premier would inform us about that and we could have details before we discuss it—The Minister should understand that—That would apply to the other items as well.

Mr. Smallwood: The Honourable Minister already explained all the items except this one.

Mr. Hollett: On Highways, five hundred twenty-eight thousand one hundred dollars, could we also have the explanation on that?

Mr. Spencer: Mr. Chairman, just in case the Honourable Leader of the Opposition, or any member of the Committee, did not get my wording in that explanation for Highways; I merely repeat that the amount of five hundred twenty-eight thousand one

hundred dollars under Highways is due almost entirely to under-provision, which incidentally could not be foreseen in respect of maintenance of roads and bridges. It is fairly obvious that when a bridge begins to topple during the year, chances are nobody in this Government knows that until long after this House closes. That is one item—That is the explanation given by me—The amount was due almost entirely to under-provision for these two heads, i.e., the Maintenance of Roads and Bridges.

Mr. Power: I might say that is an excess over the estimates, but every year since I have been in this Government, there has been an excess expenditure, the expenditure on roads and bridges has been far in excess of the estimates, actually with all the reconstruction that is done under the heading of "Maintenance", purchase of machinery by installments, there was a heavier drain on Maintenance vote—for instance I believe my honourable colleague from White Bay South had considerable reconstruction done in the district under the maintenance vote. There are several cases of that. Actually the over-expenditure is less in 1957-58 than it was in 1956-57.

Mr. Smallwood: The Minister does not take too much credit.

Mr. Power: There was not any money for a reconditioning vote, and we had to get it somewhere—What I mean to say was that, by the end of the year, the 31st. of March, the estimated expenditure on snow clearing and maintenance will be approximately four million, and last year it actually was four million six hundred and fifty-eight thousand.

Mr. Smallwood: Mr. Chairman, I wonder if all members of the Committee really foolishly think that because of contravailing savings and so on (every member ought to understand this) When the budget is passed next year, once a year, by the House of Assembly, and the estimates are passed, that means that the House of Assembly has voted to each Department of the Government certain sums of money; five million dollars to this Department, three million to that Department and one million to another Department and half a million to another

Department and ten million to another Department and so on; and all these put together will make up forty or fifty million dollars or whatever the total may be. Now, the House closes and the Ministers go back to their Departments and start their year's program. Let us say the Minister of Highways has a total of ten million dollars voted to him for the twelve months. That is not just a lump sum of ten million dollars. That is broken down in maybe fifty different heads or items in the printed estimates, and there are probably five hundred items listed out there, so much for each item. Now, suppose that, in the year, instead of spending ten million he spent nine—That is a million over. That million cannot be transferred to another Department. It cannot—The savings that are made in a year in one Department cannot be transferred to another Department of the Crown. But inside that Department, if there is a savings made in the year on one item—Say there is a one hundred thousand dollar item and they only spent ninety thousand dollars, and another item there where it was one hundred thousand dollars and they spent one hundred ten thousand. They can transfer the savings on one item to cover the cost of another item in the same Department. Contravailing saving, in other words, can be used inside a Department to make up the over-expenditure on something else in the same Department, but cannot be shifted from one Department to another.

Now, we have to come before the House and explain that—Take a hypothetical case—Suppose there were two items in the same Department, one is over a thousand dollars and the other is four or five hundred dollars, two items. The thousand dollar item is fully spent and in fact instead of a thousand it is eleven hundred dollars, but the five hundred dollar item, instead of five hundred there is only two hundred spent and three hundred not spent, so you take the hundred from this five hundred and that enables you to pay the thousand dollars item that cost eleven hundred. But now in the year you do something that nothing is provided for and the cost is two hundred dollars, so you take the remaining two hundred dollars and spend it and come before the House with a token vote asking for another hundred—That is the explanation

of the token vote. It is all that it is. It is never anything else but that.

Mr. Hollett: But get an Order-in-Council before sending it?

Mr. Smallwood: The Minister comes to the Cabinet and says—We want to do this, we have no vote for it—So we authorize him to do it—The first thing we ask is if he has contravailing savings. He says, "yes, but not enough to pay for this." "How much have you got?" "Well, I've got two hundred dollars contravailing savings but the thing is going to cost four hundred." We say, "All right, do it, use your two hundred contravailing savings and when we bring supplementary supply before the House we will get not only the extra two hundred you need but legislative authority to do it." He goes on and does it. Remember, when the House is closed the general Government must go on, we must govern and when we have no legislative authority and the House has not passed any law authorizing us to do it, and the same thing comes up and we felt it must be done, and we have the money to do it or most of the money to do it, in that case we go ahead and do it and then bring in supplementary supply and ask the House not only for the money to pay for it but for the legislative authority. When the Committee and the House passes these items, that constitutes the authority.

Mr. Duffy: The token amount has no relation to the actual amount?

Mr. Smallwood: None in the least. Take a Department where there are no contravailing savings yet they have an item costs five hundred dollars—In that case, the item that would be there would be exactly five hundred dollars; but if they have some of the cost and they pay for it and some is not paid for they put in the difference, and that amount that is put in there where you see an amount of one hundred dollars means all has been paid for, it is a token, nothing else.

Mr. Hollett: At any rate, Mr. Chairman, this Highways item added to all the other amounts shows that we have a deficit up to the end of March of two million, six hundred and twenty-seven thousand—I think that is the deficit according to the

estimates. I am thinking of that and thinking of the fact that the Government did not borrow all the money authorized it was to borrow. If I remember correctly the amount was seventeen million. The Government did not borrow seventeen million. In other words if the Government borrowed another four million dollars, let us hope we would have had a surplus, but instead we have a deficit. No that is on current account I am talking now. On current account there is an actual deficit.

I am personally content with the explanation so far, but I do say that the House ought to have particulars on all these items, real particulars and not just guesses. I think that is what the Finance people are for, to give the House all the particulars on the various amounts which are needed. For instance, we know that under Public Welfare there are two million, nine thousand nine hundred dollars needed but do not know what for. It is attributed to social assistance and to the increase in social assistance and so on, but the definite amounts are not specified. I know this is only supplementary supply, and I know that we will get the full story after the end of March, so we are not too much concerned about it.

On motion, Resolution passed.

On motion, the Committee rose to report having passed these Resolutions.

Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of Supply considered the matters to them referred and have passed certain Resolutions and recommend that a Bill be introduced to give effect to same.

On motion, report received.

On motion, Resolutions read a first and second time.

On motion, a Bill, "An Act 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-Eight and for Other Purposes Relating to the Public Services", read a first time, ordered read a second time presently.

Premier Smallwood: Mr. Speaker, the Honourable Leader of the Opposition was promised, when the House was in Committee on the Resolutions, that the detailed

breakdown of one of the totals in the Resolutions, the total of one hundred thirty-four thousand three hundred dollars, would be given. The breakdown is as follows:—Hardwoods, twenty-six thousand dollars; Atlantic Gloves, thirteen thousand, two hundred dollars and Newfoundland Tanneries ten thousand dollars. That is roughly fifty thousand dollars. Then there is fifty thousand exactly for Arthur D. Little Incorporated. That is one hundred thousand dollars of it. Then there is five thousand, four hundred dollars for the acquisition of land at Manuels in connection with the pyrophyllite plant, five thousand, four hundred dollars. Now, the Director, General of Economic Development six thousand dollars, two thousand of which was for travelling. That is actual fares, aircraft fares and the like and four thousand expenses i.e., hotels, telephone costs when he travels. I would say within the last two weeks he has easily spent the best part of a thousand dollars on telephone calls from San Francisco to me here. I have been on the phone for as much as one hour, and another time three hours, on the phone without a break, between San Francisco and St. John's. The Bill was terrific for long distance calls between San Francisco and here, and then in London talking back and forth—and these bills are all put on Mr. Pushie's bill, telephone charges to him. It does not matter very much to whom they are charged when a party is travelling like that, negotiating, it is all the one Government and for the one purpose. Then the Tourist Loan Board—There is an amount there of five hundred dollars. What that is I don't know—Tourist publicity I did mention that. That is seventeen thousand; two hundred more than that was voted—Then the Minister (me) travelling was three thousand seven hundred dollars, for hotels and so on. I would estimate I travelled about once and a half times around the world, I think, during that period. General office expenses, two thousand three hundred dollars, what they are I do not know.

Now if the Honourable Leader of the Opposition wants a breakdown of any one of these items he is welcome to have it and entitled to have it, and he is welcome.

Mr. Duffy: Four thousand dollars—

Mr. Smallwood: That is the whole year, not just one trip. The telephone Bill I would say was probably over a thousand dollars. We travelled from here to New York and from New York to San Francisco and back to New York and from New York to London and from London back to Montreal and to Ottawa. You cannot get out of touch, you have to be in daily touch, and that costs money. Now, if all these people could come to St. John's we would save the travelling expenses, hotels and telephones expenses and telegraph expenses, and we would have quite a few people coming to see us. But they cannot come, so we have to go to them.

Mr. Speaker: I might point out before putting the motion that this Bill does not go back to Committee, it receives all three readings.

Mr. Hollett: In that case this is second reading—Is it? I do not know whether I am in order or not, Mr. Speaker, but these amounts for Hardwoods, Atlantic Gloves and the Tannery, are these amounts over and above expenditures since the Arthur D. Little Report?

Mr. Smallwood: I frankly do not know. I do not know any more than the man in the moon what they are. I can find out and I can give the Honourable Leader of the Opposition a complete breakdown if he asks for it. Frankly, I do not know what they are.

Mr. Hollett: Mr. Speaker, we are all a bit concerned about industries like the Hardboards which cost, I think, up to pretty near six million dollars, and every year there are items charged up against the Government and the Government has to pay this, that and the other thing. Did we have a report of the Arthur D. Little Co. on the Hardwoods or did we not?

Mr. Smallwood: They made a preliminary report and are to make another, I think, six months after.

Mr. Hollett: I know this is second reading but this is important—I do think the Honourable the Premier should reconsider and table some of these reports. After all, as suggested a few months ago, we are voting out money for the Arthur D. Little Report,

fifty thousand dollars, I believe; and we are not permitted to see these reports. I do think the Honourable the Premier ought to reconsider and let us have the report. We cannot hide things, and people who gossip, as they do gossip in this world are not the people who see the plain, naked truth before them, the people who gossip do so without knowing the facts. If we had these plain facts they are not going to hurt anybody. We all know some of these industries are most disturbing not only to us but to the Honourable the Premier, and members on the opposite side of the House, but when the truth is known, knowing it is nothing but the truth and not gossip, I think at least the Opposition has the right to see these reports. The Cabinet has the right to see them and the Government members but we on this side of the House have not, it seems. I would just make that point once more.

On motion, Bill read a second time.

On motion, Bill read a third time, ordered passed and title to be as on the Order Paper. On motion, the House recessed for ten minutes after which Mr. Speaker resumed the Chair.

Adjourned Debate on the Address in Reply:

Mr. E. Jones (Burin District): Mr. Speaker, concluding my remarks in seconding the motion which originated this debate I said at a later date I would have a few words to say in connection with the affairs of my own district. I will endeavour this evening to restrict myself and address myself very briefly to things concerning Burin District which I represent.

I would like to thank all honourable members for their kind remarks of congratulations on my speech on opening day and also to join them in their congratulations to the retiring Lieutenant-Governor and our new Lieutenant-Governor and also the newest member to the House, the honourable member for St. John's South.

Mr. Speaker, the District of Burin during the last twelve months has gone through what is probably one of the hardest years in its history. There has been what could very well be called a serious economic setback. You know that I refer to the closing of one of the mines at St. Lawrence, and the curtailment of the payroll in another; the closing of two fish plants, first the one at Fortune, and then the other at Grand Bank.

It is not my intention, Mr. Speaker, to dwell at any length on either of these four industries this afternoon. The position of the Grand Bank, Fortune fish plants, as we all heard from the Honourable Minister of Fisheries yesterday is still under review. The day before, the Honourable the Premier said in effect that negotiations were being re-opened in connection with the St. Lawrence Corporation operators in St. Lawrence, and I am of the opinion, Sir, that any remarks of mine in this House this evening, however justified or however true, might do something to impede these negotiations and developments. I am quite prepared, Mr. Speaker, to leave matters stand as they are and hope that within the next few months we will be able to report something a little better and happier for St. Lawrence, Fortune and Grand Bank.

Premier Smallwood: Here. Here.

Mr. Jones: The only bright side of the picture in the District of Burin this year is the tremendous upsurge in the inshore fishery, in that area which extends from Lawn to Point Crewe. If I recall correctly, in my remarks to this House last year I spoke of the depression in this area. In the last session, (and my figures are not up to date,) there were thirty thousand drafts of salt bulk fish caught and sold in this area as compared with five thousand the year before. The increase in the number of men employed in the fishery, in round figures, rose from three to five, in other words less than twice the number of men caught six times as much fish. I think you will agree, Sir, that is a remarkable increase. It is the first time in fifteen years that the caplin struck in this area in any quantity; the most disappointed man in the area was one from Lamaline who was in St. John's attending church meetings when the caplin struck in, and he got home too late to put out his traps. It was heartening to visit Lamaline, and for that matter St. Lawrence during the fishing season and see them scrambling for fish and for salt and bait—I will come to that later—

The Honourable Minister of Fisheries remarked yesterday on the need of a stricter cull of new grade. Now, it is a well known fact that a codfish begins to deteriorate the minute it comes over the "gunnel" of a boat, and I think that salt bulk can and will de-

teriorate much faster, if not properly handled, than will the light salted, dried commodity. I do not think it is sufficient argument to say we are not exporting salt bulk fish because we are sending it to Nova Scotia. This fish eventually finds its way into the foreign markets, and I am afraid if it is good, Nova Scotia take the credit, and if it is bad Newfoundland takes the blame. I would strongly urge, Mr. Speaker, that steps be instituted immediately to have some sort of inspection, some sort of grading of this salt bulk fish immediately it is caught, and not have it left to the whims and fancies of the various buyers to decide whether or not an article is fit to be ready for market.

Hon. J. T. Cheeseman (Minister of Fisheries): That is a Federal matter.

Mr. Jones: It may be a Federal matter, Mr. Speaker, but it is of Provincial interest; it is the interest of the economy of this Province to see that any article we put out on the market is not substandard.

That brings up a question, Mr. Speaker; in the handling of salt bulk fish. I have already said it has been fifteen years since any amount of fishing was done in this area and traps, boats and stages have deteriorated. There is a need, and a great need, for community stages. I will just say this in passing, because I am aware the Provincial Fisheries department has the matter well in hand and if not this season, then probably the next, we will be in a position to improve our shore facilities in the area.

It is of interest to mention too that along with the upsurge in the quantity of fish caught the Firm of Fishery Products Limited is endeavouring to establish a modern method of curing the fish. I have already said, Mr. Speaker, that it is not my intention to dwell on the fresh fish industry. Last spring, when the Honourable the Minister of Highways announced a program of mechanization for the maintenance of highroads, I was definitely and openly opposed to any mechanization in my district. However, during the summer one unit, or I should say one part of a unit, worked in the Lamaline area over a stretch of road approximately eighty miles long that had received no attention, I do not know for how many years. I cannot re-

member when it was last attended to. I have had reports on that road when completed, on several occasions, and I will say that today it is one of the best, if not the best section of road in the entire district.

Mr. Smallwood: What did the unit or part unit consist of?

Mr. Jones: If I recall, a loader, grader, five trucks and a dozer and a gravel plant.

Mr. Smallwood: That is practically complete.

Mr. Jones: Mr. Speaker, it was not new equipment and I am completely convinced that this unit, using old equipment in a very difficult area, has done exceptionally well. I was very happy to learn from the Honourable Minister a few days ago that it is hoped that during the coming years we will have six such units in the district, and that subdivision will be made for the Burin Area that will give closer control over the operators of the units, and I feel sure that it will pay off in dividends both in money saved and in roads maintained.

At this point, Mr. Speaker, I would like to reiterate a request that I made last year that a branch road be built to Wandsworth. Wandsworth is the only community left in the Burin District without road. These people there have cars and it is only a matter of a few thousand dollars and the road could be built.

While on the subject of roads I would like to point out too, Sir, all of our local roads on the Burin Peninsula are motorable roads; they either run from a spur from the high-road, from the community out of the high-roads at different points or directly in and out of a community. It is necessary in this day and age, Mr. Speaker, that all local roads should be brought to motorable standards, and I offer a suggestion to the High-roads Department,—(not that I wish to put any more work on them,) that the High-roads Department in the absence of any local control over the various boards, would exercise closer supervision over these local roads.

Winterland, as you know, is the only farming community in the entire district. As a matter of fact it is the only community that

does not border on the sea. Now, all the men at Winterland are not farmers; however there are a number who are making a success of it, and have been during the past eight years. With the assistance of the Department of Mines and Resources they were able to extend their holdings considerably, I think to the extent of twenty-five acres each by clearing additional land. During the summer, a survey was made of the bog lands on the Burin Peninsula and it was found, amongst other things, that the bog lands are far more extensive than anybody realized. I am still waiting, Mr. Speaker, for the report of the experts, and I have been told personally that the report will be most encouraging. In this connection, the St. Lawrence Corporation of St. Lawrence has undertaken, as a public service to the District, to place one of their officials in the United States on a survey of the potential market for peat moss for hums and also for, I think the word is "therapeutical" purposes. We are also waiting with interest the report of this gentleman. We feel that if a market can be found for peat moss litter in the United States, it would be a welcome addition, and may point the way to success for any bog development we have on the peninsula.

I think, Mr. Speaker, that last year I had a few words to say about the municipal services of the Peninsula. We have, within the district, four town councils excluding St. Lawrence, where there has been no appreciable increase in population within the last five years. The population of Burin has increased thirty-nine per cent, the population of Grand Bank by fourteen and the population of Fortune by forty per cent. These, you will understand, are round figures. These communities, these municipalities, are labouring under a great and tremendous debt incurred for the extension of their services, and they now find themselves in the unenviable position that they are unable to carry any more debt, and they are not able to extend their services to meet the needs of the tremendous increase in population. I submit, Sir, that the time is long overdue when we must take a look at the financing of our town councils, if they are going to fulfill the job they were meant to do, to give our people a better type of living with all the amenities of civilization. I think we also have to take a serious look at our tax structure within the municipalities.

The same thing applies, Mr. Speaker, in the field of health. I have already said that the community of Grand Bank increased in population by fourteen per cent. The hospital at Grand Bank is serving an area extending now from Garnish to Lamaline, half way in Fortune Bay, half way around the Peninsula. This entire area is dependent upon the Grand Bank Hospital for services. We have two doctors. The hospital is fully staffed. There is a shortage of beds, I understand, at the present moment, and the hospital is full and there is an overflow into boarding houses. The Honourable Minister of Health intimated a few days ago a detailed account should be given of the building program for the coming year. I hope, Mr. Speaker, and the people of Grand Bank hope, that included in these estimates will be a provision for an extension to the Grand Bank hospital. We need more beds and we need more beds at the Burin hospital. At both hospitals also we need more waiting-room space for out-patients. The hospital at Burin I am told and I have no reason to disbelieve it, and I think a similar situation exists at Grand Bank, have seventy or eighty out-patients a day in the out-patients' clinic and the waiting-room space is very crowded, and very often people from as far as Boat Harbour have to wait out-of-doors at Burin. A very small expenditure of money would provide some sort of waiting-room for these patients.

I was quite interested to hear the honourable member for Green Bay mention centralization. Centralization has been a live issue, Mr. Speaker, for the past two or three years. In this connection I am reminded of a story—I won't vouch for the facts of it—As you know, all the people left Burnette. I am told they left one horse there, they kicked in the barn door so it could get in and out to feed and left it there for the winter. Some good souls on the Mainland thought it was cruel to leave a horse on the island all winter and lodged a complaint with the Department of Welfare. The Honourable Minister sent a welfare officer over to the Island to investigate and the last I heard of it, Mr. Speaker, the Honourable the Attorney General had to send a policeman to look for the welfare officer.

Mr. Speaker, the fact is that in spite of the depression, if you can call it that, at Grand Bank and Fortune, (the plants are closed,)

in spite of the set-back at Fortune and Grand Bank during the past year, the people have continued to move into both these towns. The trend is on towards centralization, or as I prefer to say, relocation, and I do not think we can stop it. Mr. Speaker, look around this House this evening and I think you will find all of us, with very few exceptions, have taken advantage of some sort of centralization program.

Mr. Smallwood: Relocation.

Mr. Jones: I would like to say this; any legislation that might be brought forward in the future governing or concerning this movement should not be too restrictive. The people will move. They will move with our assistance or they will move in spite of us. Legislation should be geared, Mr. Speaker, to control and assist but not to restrict.

We are all aware, Mr. Speaker, that unemployment insurance—again this is probably a Federal matter,—but I insist it is in the interest of the Province, an unemployment insurance office was recently set up at Grand Bank. I know for a fact that that office has been of inestimable value to the people of Grand Bank and Fortune. Since the office was opened I have not received one single, solitary complaint nor enquiry from that area. Unfortunately, the services of this office have not been extended to Burin, Marystown or St. Lawrence. Now, I know it is virtually impossible and impractical to set up an office in every town and hamlet and village, but I would suggest that if one of the officials in this office were authorized to travel weekly or monthly or even at peak seasons of the year, in the fall, to these various communities, much of the trouble, delay, confusion and inconvenience which has been experienced would be remedied. The problem has been taken care of in Grand Bank and Fortune, and I think with a travelling official it would be taken care of elsewhere. I think that the honourable member for White Bay North has already referred to this matter.

Mr. Speaker, although I was absent from the House I understand that in reply to a question or in some other respect the Honourable the Premier a few days ago said that no concerted effort would be taken on the South West Coast Commission report until the Crown Zellerback deal became a reality.

Mr. Smallwood: Decision.

Mr. Jones: The Honourable the Minister of Fisheries yesterday expressed regret and disappointment that such was the case. I agree, Mr. Speaker, that if all the recommendations that we have included in the South West Coast Commission Report were implemented, we probably would not need any Crown Zellerbach. However, within the covers of this report, Mr. Speaker, there are numerous recommendations and suggestions which need not expenditure of money. Many of them refer directly to a change in administration, many ask for a more concerted effort—For example, in experimental fishing, these things just require a change of policy, and some cases very small change of policy, on the part of the officials of both Governments.

The honourable member for Placentia West, a few days ago in referring to the Walsh Report said it should be the Bible of Newfoundland as far as the fisheries were concerned. Well I would suggest, Mr. Speaker, that when centralization in Newfoundland is being considered, that this report be taken as the New Testament. Mr. Speaker, I assured the Honourable House that I would not be too long. I said twenty minutes but I have been twenty-five. I believe I will close by just saying this, to return to what I said earlier in my remarks today, the District of Burin has been hard hit; it looks at last that it may be coming out of it, but the district of Burin has survived under harder blows and survived.

Mr. Cheeseman: Here. Here.

Mr. Jones: They built the bank fishery of Newfoundland when they had no harbour on the south side of Fortune Bay, and I have no doubt that Burin District will survive this; I feel sure that the people of Burin have confidence in the Government, or in the efforts that the Government are making to try to solve these vexing problems, and I feel sure, Mr. Speaker, that the Government has confidence in the people of the District of Burin too, and with mutual confidence and faith I think we will weather the storm.

Mr. Smallwood: Here. Here.

(Applause).

Mr. I. Mercer: Mr. Speaker, I move the adjournment of the debate.

On motion, the debate on the Address in Reply was adjourned.

Second Reading of Bill, "An Act to Provide for a Tax on Land Based on the Minerals Therein."

Mr. Speaker: The debate on second reading of this Bill was adjourned yesterday by the Honourable Leader of the Opposition.

Hon. M. M. Hollett: (Leader of the Opposition): Mr. Speaker, I have endeavoured to the best of my ability to study this Bill, but I will admit here I am still somewhat at a loss—

Premier Smallwood: You are not alone.

Mr. Hollett: To understand all the implications therein. I do see that it is an effort which is being made by the Government, or an attempt by the Government, to collect taxes from mining companies; but now it will succeed I do not know and how they are going to raise them I am not quite sure. I am depending on the Minister of Mines and Resources to inform me on the whole issue again in his reply.

Another thing there, it states that a tax rate of some ten mills per dollar on the assessment of minerals underneath the soil. I do not know whether, if there is ten billion tons under the soil assessed, that we are to get ten mills per dollar of ten billion tons, i.e., one cent per dollar, that is one hundred million dollars per year. Are we to get that for the one year or is it to be collected over a series of years? Now if that is so, of course, we are going to collect a considerable amount of revenue from Wabush, if you like. Wabush, it was said the other day, has some four thousand million tons, I believe, or two thousand million tons in the Javelin Concession and two thousand million tons or four billion tons altogether in Wabush.

Mr. Smallwood: That does not apply to these areas at all.

Mr. Hollett: It applies to all areas, is not that the intention?

Mr. Smallwood: No, it applies only to Bell Island, in fact it will apply only to Bell Island

because all other areas known to contain iron ore are already covered by specific legislation.

Mr. Hollett: I thought the act did not refer only to iron ore but referred to all minerals.

Mr. Smallwood: All not already covered by specific legislation.

Mr. Hollett: If this is meant simply for Bell Island, why does it not say so in the Bill? I think we had another in connection with pulp and paper which referred to Buchans and that one would be taken care of under that Act.

All right, let us go back to the Bill and Bell Island, does anyone know how many million tons are underneath the soil—Who is going to assess it? If there are ten billion tons there, under the soil, are we going to collect on the assessed value of the ten billion tons. I trust that the Minister will explain that to us.

I worked out some cost on the thing, and I say that if we were to apply it even to Bell Island, we probably would be collecting considerable amounts of revenue from there. I noticed that Clauses 19 and 20 seem to conflict:—"All taxes assessed or imposed under this Act are in addition to any tax imposed on or in respect of land under any other Act" and "Where, under any other Act of the Legislature or under any agreement entered into by or on behalf of the Province with any owner before or after this Act came into force, an owner had made any payment to Her Majesty in right of Newfoundland in respect of any minerals, the payment made by the owner in respect of minerals produced from a parcel of land in any year shall be deemed to be (a) a payment on account, if less than, or (b) payment in full, if equal to or more than the tax payable under this Act."

Now I understand that there was a tax of ten cents per ton, I believe it was, on all ore that was to be mined at Bell Island; at least that existed up to 1949; it may be none has been collected since that time. But under these two sections there, if the mines at Bell Island would pay us that ten cents a ton, then I say this Act would not apply to them; in my opinion, although I may be wrong. In other words, if they pay the ten cents per ton, according to the Act, the original Act, then

this Act will not apply and they will have to pay nothing under this.

Mr. Smallwood: And according to our intentions.

Mr. Hollett: I am glad I mentioned it. I was not quite sure, and if you do not ask things when you are not quite sure you understand, Mr. Speaker, you are not likely to understand.

Mr. Smallwood: Sometimes even when you do.

Mr. Hollett: Yes—I was wondering why has not the Government gone ahead and collected the ten cents a ton?

Mr. Smallwood: The honourable gentleman does not know the reason for that?

Mr. Hollett: I have an idea, but I ask the Minister to kindly give a fuller explanation when making his reply, because it was a fact laid down by law that Bell Island was to pay us ten cents per ton on all ore produced. Why they have not done it?—the Minister will tell us?

Mr. Smallwood: What was the honourable gentleman doing yesterday when the Minister was explaining all that, wool gathering?

Mr. Hollett: Is it simply because they are paying a tax on profits on Bell Island, because I understand they have not had any profits over there. I understand the Iron Ore Company on Bell Island have never had any profits, so if they are using the plea that because they have to pay corporation taxes to the Federal Government as an excuse to refrain from paying the ten cents per ton then I might be able to understand it. Perhaps the Minister would be able to understand that. If he did tell me yesterday I did not get it quite clearly.

I see very little wrong with the Bill. I am rather disappointed to know that it is on Bell Island, or in respect of Bell Island, even though there are some measures taken with regard to collecting from some of the other presently operating mines. But we have other operating mines, and I see no reason why this should not apply to them also. Tomorrow or the next day, they will be putting

up excuses for not paying anything to this Government. I think, Sir, the Premier knows more than anybody else that most of the natural resources of this country have been given away, if you like, for a very small consideration, as far as the people of this country are concerned. And I say that the Government is doing perfectly right in endeavouring to get revenue, not only from Bell Island but from all our producing mines, whether they be here or on the Labrador. If this Act were to apply to some of these huge deposits on the Labrador, I am afraid it might just scare certain individuals from coming into the country to look for ore—I won't mention any names at the present time—I see nothing very wrong with this, Mr. Speaker, if the Act applies only to the case of Bell Island, all I would ask is that the Minister give us a fuller explanation of the matter when he replies.

Hon. W. J. Keough (Minister of Mines and Resources): Mr. Speaker, I take it no other honourable member wishes to speak to this motion.

Premier Smallwood: Mr. Speaker, I don't know if the Honourable Leader of the Opposition is joking or just pulling our legs, or is serious, when he said he did not understand why it is the Government did not collect any revenue from the operating Company at Bell Island. The Minister yesterday gave it a most thorough explanation, with great clarity and great completeness. We have signed a tax rental agreement with the Government of Canada and we are bound by its terms. One of the terms in that, expecting in the case of Crown Lands, the Government of the Province concerned will not and cannot and must not collect royalties in respect of any minerals, i.e., any minerals extracted. That is one of the conditions.

Well, Bell Island is not Crown owned. It is not Crown Land. It is privately owned land, and the minerals inside that private land may not have royalties imposed on them under the terms of the Tax Rental Agreement. It is that simple. We thought we might get over that. A few years ago we passed a law, here in this House, providing for the payment of ten cents a ton by that company on every ton they shipped or extracted, up to the first million and eight

cents a ton on every ton after the first million; that would be an average of nine cents a ton if it were two million tons. Now that is a "Royalty." If it had stopped there, it would have been unlawful, it would have violated the Tax Rental Agreement. But it went on to say that twenty per cent of the profits of that company would be paid—to the Treasury of Newfoundland, but not more than ten cents a ton or eight cents a ton. Well, if they had made any profit we would have collected up to twenty per cent, but not exceeding ten and eight cents a ton. But the trouble is the company had been separately incorporated at Wabana Ore Company Limited. I think that was the name, Wabana Iron Ore Company Limited. Anyway, whatever the name, as a separate company, separate organization, separate incorporated Company which, from the moment it was separately incorporated had never shown a cent of profit and never will, and I do not suppose that it is intended ever to make any profit, that company as such is merely a company to extract iron ore without a profit. The ore is shipped without a profit to the parent company in Sydney or where they make the profit—but this Government cannot impose taxes on a company in Nova Scotia—we can impose it but no one will pay any attention to the imposition. We cannot enforce it. So that, in effect, we cannot tax a company in Nova Scotia, the Company to which the iron ore is sold. Now, the Company in Nova Scotia that buys that iron ore sells it again in Germany, some in England, some in Nova Scotia, and makes a profit in so doing. But we cannot touch that profit because it is not a company in this Province, not within our reach. So we might just go on for ever and a day, with the law there now on the Statute Books of Newfoundland, saying they must pay twenty per cent of their profit but the amount they pay shall not be more than ten cents a ton on the first million or eight cents on each ton over the first one million each year. That law continues to the crack of doom and it may never produce a single dollar of revenue for Newfoundland.

So, what are we going to do about it? We can't repeal the Tax Rental Agreement we have with the Government of Canada. We can not do that. We must continue to have that. All the have-not Provinces must continue to have the Tax Rental Agreement

with the Government of Canada. We must have that, but just so long as we do, we are forbidden to collect a royalty on minerals produced from lands that are not Crown Lands. If it is Crown Land, we can of course collect royalties, but not on other lands. Well, what will we do? Do without revenue from Bell Island? Obviously not. Now, we have had meeting after meeting and conference after conference with DOSCO and with the Minister of Finance of Canada. We have gone to Ottawa and have had meeting after meeting with the Minister of Finance, and these meetings, some of them have been attended by high ranking officers of DOSCO.

DOSCO has professed to realize that they cannot hope to go on without paying taxes to us. They have said quite frankly; "we have to pay you taxes. We know that, and should like to find a way to do it, in the lawful way, and the way that will not mean the imposition of double taxes on us." In other words, any taxes they pay us it is as broad as it is long to them; any taxes they pay us,—they pay Newfoundland,—if these taxes are treated by the Canadian Government, by the Minister of National Revenue, as an expense that they have in operating over there when they come to compile the amount of taxes payable to Ottawa then it is as broad as it is long to them, and they are quite happy to do it. So what do we do? Do we say; "That is your headache. We will slap this on you, this ten mills to the dollar on the minerals you have down in the earth. This is lawful. That is lawful for the Province, that is within the Tax Rental Agreement. We will impose that on you. We will not hesitate." We told them what we were going to do every year, annually. Of course we have told them what we are going to do, if they do not find a way to pay us the money which would work out at ten cents a ton for the first million tons, when they stick to our formula, ten cents a ton for the first million and eight cents a ton for everything about the first million tons annually.

Now, they will pay that either under some formula or their own (we don't care what it is). If they are exempt from payment of an equivalent amount to Ottawa—we don't care what they pay Ottawa.—Ottawa is well able to look after its own interest when it comes to collecting revenue from the people of the ten Provinces and the corpora-

tions of the ten Provinces. We are not worried about that. We do not care about how they are going to arrange the particulars with Ottawa. What we are worried about is to get revenue for Newfoundland, for the Newfoundland Treasury, to build roads on Bell Island and hospitals and water and sewerage systems on Bell Island, but we think Bell Island has got to pay a share of the costs of doing that. There is no better way to get it off Bell Island than to get it off the great Company mining ore over there. That is all the Bill is about. Now the Honourable Leader of the Opposition knows as much about it as we all do, and he knew it before I got up. I think he likes to hear me speak, and I think he did this just to get me up to speak. That is all—He loves to hear me.

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

Second Reading of Bill, "An Act Further to Amend the Local Government Act, 1956."

Hon. B. J. Abbott: (Minister of Supply): "Mr. Speaker, the purpose of this amendment is to make it clear that when municipal boundaries are extended, the existing taxes and regulations apply to the area newly taken in.

A provision is also made for converting the town into a community—If you will remember, under the Community Councils Act, a few towns, incorporated before that Act was passed, have now requested to do that.

There is also provision to prevent an unqualified person from being sworn as a councillor, even though he may have been nominated and elected due to an error on the part of the election officials. Originally, the Lieutenant-Governor-in-Council could appoint a slate of councillors only when these councillors had been elected. The amendment authorizes appointment to such a council when no councillors are nominated, or indeed when, for any reason, less than a full slate is elected. The amendment makes it clear that a full slate must be sworn in before the old council goes out of office. The original provision could be interpreted to mean that a seat on the council could not become vacant unless it was so declared by a quorum of the council. Well, should a majority of the members tender

their resignation in writing, there would not be a quorum to pass the required resolution and yet appointments to being the number up to a quorum could not be made because the vacancy does not legally exist. To get over this difficulty, the amendment provides that seats become vacant when a councillor resigns or is declared bankrupt, or when the council declares the seat to be vacant by resolution, for a number of specified reasons.

There is also a new provision which enables the Minister to authorize a minority of the council to carry on the business of the town, subject, of course, to conditions which the Minister may impose until that quorum can be obtained. The original provision required the town clerk to make copies of records etc. for taxpayers. There are cases where persons demand copies of everything that is found in the office. The amendment authorizes the taxpayers to examine the records and make his own copies and the clerk is only required to make extracts of minuted or other documents when a court so orders.

There is a new provision which empowers councils to employ the Constabulary or RCMP in the same ways as the RCMP are employed by the Corner Brook City Council.

There is also an amendment which enables the Lieutenant-Governor-in-Council to revoke an order changing a local improvement district into a municipality, thereby permitting the area to revert to its former status. The object, of course, is to provide for a situation at Gander where the residents there refuse to elect a council after the local improvement district was changed into a municipality.

Provision is also made to include liability for taxes into the qualification of voters and candidates in the election of the council that succeeds a Board of Trustees. In addition, the requirement that the Board must be in office for two years is dropped so that it will not be necessary to wait two years before an election can be held at Gander. No action was taken to change Gander back to a Local Improvement District because the existing legislation allows six months between the order and the election of the council to succeed the Board of Trustees.

The Local Government Act requires a council to impose its taxes during the first

three months of the financial year. The Assessment Act now permits the Minister to extend the time for completing the assessment roll, and the amendment permits councils to impose taxes more than three months after the beginning of the financial year when the time for completing their roll has been extended.

There is also an amendment which deletes the provision relative to the appointment of assessors. The House will remember that the Assessment Act before this House some time ago made provision for appointment of assessors. Then there is the last of property which is exempt from municipal taxes, property especially exempted by an Act of the Legislation, property owned by historical societies and for non-profit purposes.

Deer Lake and North West River have requested authority to establish airports and make agreements with the Federal and Provincial Governments relating to airports, so that provision is made in this amendment for that and also Gander, which has requested authority to own and maintain a cemetery at that place.

An amendment is made to settle the liability of owners of corner lots fronting on two streets for costs of streets and other municipal improvements. Mr. Speaker, I move the second reading of this Bill.

Mr. Hollett: Mr. Speaker, I have read through this Bill and I have listened with interest to the Honourable Minister as he gave the general principles of the Bill. Personally I see very little that is wrong in this particular Bill and very little that we on this side could not agree with.

I was rather struck with Section 9 of this Bill which repeals Section 8 of the parent Act, and I am wondering why the necessity for that particular amendment. Has it any relation to the Clarenville issue? I take it it has. The reason I am attracted to it is because of subsection 2—"When for any reason the number of councillors holding office is less than a quorum, the clerk shall within twenty-four hours notify the Minister of that fact and the Minister may in his absolute discretion authorize the councillors holding office to:

(a) perform the functions of the council for which the prior approval of the Minister of the Lieutenant-Governor-in-Council is required, subject to that approval being given

in each case as required under this Act; and (b) perform such other functions as he may specify subject to such conditions as he may prescribe."

Now I wonder where the Minister got the necessary authority to do what he did in connection with the Clarenville plebiscite? In that case, I understand, because of some person being appointed as Chairman contrary to the wishes of the majority of the elected council, some of them resigned and left a minority, and there were not enough councillors to carry on the business, I suppose. But following on that, the Minister declared that the election was illegal or void. I hope that he will be able to explain to me when he is replying—under what section and under what authority the Minister did declare the election void? Personally I think if I went to the people in Clarenville or any other local Government area and was elected I would not like to have the Minister of Supply come along and say—"Look, you have been elected but the election is void and you had better get out."—That is exactly what was done. I ask myself is this legislation wise which is brought in here or this amendment to this Section 18, or is this put there to justify the actions of the Minister? Is this there to legalize the action taken by the Minister? I am quite sure the Minister would be in a position to give us that information. I do not want to go into the details of that particular thing. I am a great believer in local councils. The more we have the better. We have to have these under existing Government in the Dominion of Canada, under our system of Government we have to have councils and so on.

Premier Smallwood: Why?

Mr. Hollett: It is absolutely essential, I think, under the system.

Mr. Smallwood: Under what system?

Mr. Hollett: The system we are living under at the present time.

Mr. Smallwood: Supposing we were not, there would be even more necessity if we were not a Province.

Mr. Hollett: What is the sense in supposing we were not?

Mr. Smallwood: It is, I agree, only senseless.

Mr. Hollett: The Premier a year or two ago threatened to lead us out of Confederation. I hardly think so. I hardly think he has the force or drive or energy he had ten years ago.

Mr. Smallwood: Try me out.

Mr. Speaker: Order. I think the Honourable Leader of the Opposition has purposely allowed the Premier to lead him off the track.

Mr. Hollett: Mr. Speaker, I am not off the track by any means, but when I am off the track I have to manoeuvre to get back.

Mr. Smallwood: I have heard the honourable member flounder so much as to nearly had to go and put him back on the field again.

Mr. Hollett: That was an unfortunate circumstance, I admit, in the Clarenville thing. All I want to know is, and let the world know, if the Honourable Minister of Supply was justified in doing what he did. I know the Government takes the responsibility for what the Minister does, but I would like to have the Minister tell me just under what section he made the order, when he did as he did, and ordered a new election later. I suppose the Minister would be able to tell us that. There is nothing I can see wrong. If he did not have the authority in the first instance, he should have it.

Mr. G. R. Renouf: (St. John's South): Mr. Speaker, I would just like to endorse what the Honourable Leader of the Opposition has said in relation to the authority for actions of that nature. I think that the development of local Government in this country is a very healthy, wholesome sign. I do think that when we come to Committee stage there are some point that we should all go through very thoroughly, and see that it is in the proper and accurate form in all respects before conclusion.

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

Hon. L. R. Curtis (Attorney General): Mr. Speaker, I move the remaining Orders do stand deferred and the House at its rising do adjourn until tomorrow, Monday at 3:00 of the clock.

Monday, February 10, 1958
(Afternoon Session)

The house met at three o'clock.

Presenting Petitions:

Mr. G. Nightingale (St. John's North): Mr. Speaker, it is my great pleasure at this time to present a petition from the constituency of St. John's North. I would like to read it to you, Sir: "We the undersigned voters being residents of that subdivision known as Penetanquishene in the district of St. John's North, containing in all thirty six homes and practically fifty families, hereby petition the Government, through you, concerning the deplorable condition of the road leading to this area. At the present time, the road is entirely impassable due in part to the mild weather but mostly to neglect over the past few years. We are given to understand by the Avalon Realty Company the maintenance of this road is the responsibility of the Government, and then again the Government says it is the responsibility of the Avalon Realty Company. What we desire to know is whose responsibility it is. However it is, something must be done immediately to secure safe passage for residents to and from their homes. Trusting, Sir, our petition will not fall on deaf ears but rather receive sympathetic consideration."

Now, Sir, I may say we have in the City of St. John's and just outside the "fringe area," which eventually will be part of St. John's and I know to really do this job as it should be done for the future, would cost three quarters of a million dollars.

Hon. J.R. Smallwood (Premier): Where is this place?

Mr. Nightingale: Portugal Cove Road.

Mr. J. G. Higgins (St. John's East): Near Windsor Lake.

Mr. Nightingale: Mr. Speaker, may I have the floor again?

Mr. Speaker: Order, the honourable member has the floor.

Mr. Nightingale: Mr. Speaker, I might say that this particular spot is the same height as Windsor Lake and it has many wells and septic tanks, which are in deplorable condition and are so close to the water mains of the city of St. John's. The flow will eventually find its way to the watershed, and I will say this much, if we ever get a defective pipe in the water main leading into the city, it will suck a lot of seepage from the septic tanks and we may have an epidemic.

Mr. Speaker, these people are not looking for water and sewerage but for a road, but everyone knows you cannot build a road without having the sewer lines laid down first. Therefore if the Government department could actually survey that section, lay it out and let these people pay for half the curbs and gutters and the Government pay the other, it would be a square deal, such as other cities do. I think the Metropolitan Board has that in hand and is doing a good job, and it is too bad we were not in a position a few years ago when mistakes were made. We also have one at Amherst Heights. I understand there they already have the money for the concrete curbs and gutters. Quite possibly, with a little pressure from the Metropolitan Area Board the City of St. John's may be made to finish the job. It is a disgrace to see a section like that. These sections outside the city should also be controlled by the Metropolitan Area Board (through the Attorney General, I presume) to see there is a curb and gutter.

Hon. L.R. Curtis (Attorney General): What have I got to do with it?

Mr. Nightingale: The Minister of Municipal Affairs should bring it to the attention of the Attorney General that this place, with people who have twenty-five thousand dollar homes and fifteen and twenty thousand dollar homes, are wearing long rubbers to go through the mud, and when they get in the house the wife bawls the devil out of them. With a proper curb and gutter laid out and surveyed correctly, this would not happen, the water would run off and everything would be okay until such time as they get the three quarters of a million dollars to

put the water and sewerage in. That is all, Mr. Speaker, I have much pleasure in presenting this petition.

On motion, petition received for referral to the department to which it relates.

Mr. J. Mercer (Fogo): Mr. Speaker, I wish to present a petition from the people of Joe Batts Arm, Barred Island and Shoal Bay. I may say, Mr. Speaker, that although this petition which I am presenting now is signed by only six hundred and fifty people, it is on behalf of all the people of Fogo Island. I know there have been many petitions presented here this session for the supply of electrical power, yet this is one, Mr. Speaker, on which I could dwell at some length, but shall not do so at this time because I believe I will probably have an opportunity later on this afternoon to talk about it. But, Sir, it is a petition signed by six hundred and fifty people from these three settlements on behalf of the people of Fogo Island for the supply of electricity. I support the prayer of this petition and ask that it be laid on the Table of the house and referred to the department to which it relates.

On motion, petition received, ordered referred to the department to which it relates.

Reports of Standing and Select Committees:

None.

Giving Notice of Motions:

None.

ANSWERS TO QUESTIONS:

None.

Mr. Hollett: Mr. Speaker, before going on I would like to ask the Government (I don't know which honourable minister looks after air-strips) I was wondering if any request had been made from the people of Fogo Island for an airstrip in that area. I do not know if the Attorney General knows, or probably the honourable member for that district could reply to that?

Mr. I. Mercer (Fogo District): Mr. Speaker,

I can assure the honourable member we will hear about that a little later on this afternoon.

Mr. Speaker: There are no questions on today's Order Paper. Are there any answers to questions appearing on former Order Papers?

ORDERS OF THE DAY:

Adjourned debate on the Address in Reply.

Mr. I. Mercer (Fogo District): Mr. Speaker, I would like too, as a matter of record offer my heartiest congratulations to His Honour the Lieutenant-Governor. I did, immediately upon the appointment, cable him, while he was in London, but as a matter of public record I should like to again offer my congratulations and say that, having known the man privately and in business for the past twenty years, I am quite satisfied that no person could uphold the honour and dignity of that office better than he can. At the same time I also feel that he will always bring to that office the sense of duty and the ability to carry out the work required.

I should also, again as a matter of public record, make known my congratulations to the mover and seconder of the motion for the Address in Reply. I say again "as a public record" because, like all of the members, I have and did immediately upon adjournment of the session of this house, on the first day of this house, offer them my congratulations.

I should also like to make it a matter of public record to congratulate the mover and seconder because Mr. Speaker, I believe I had the honour and privilege, at least three if not four times, of taking part as either a mover or seconder during the past seven years, and I realize that it is a speech in which you are restrained by protocol of the opening of the house and it is a rather difficult speech to make for that reason. Therefore, when you sit down and listen to others make these speeches, as both the honourable members did in this case, having done it so often before, you can well appreciate the manner in which they did it and carried out not only their duty but also their privilege and honour; because it is al-

ways a privilege and honour, in addition to being a difficult task. I sincerely congratulate them.

Now, there is one other congratulation to be made by me here, and that is to the Honourable and learned member for St. John's South. Again, of course, immediately upon his being sworn into office I offered him my personal congratulations. But I also want to make it public record. I have known the honourable and learned member for St. John's South at least since 1932 or 1933. As a matter of fact, Mr. Speaker, two of the four honourable members of the Opposition were my schoolmates in 1933. I am quite satisfied that he will be a great benefit to this House of Assembly during the next three or four years.

I suppose I should also make mention of the fact, Mr. Speaker, that I think it was notable here for the first two weeks of this session that I was not present in my seat, and another honourable member, the honourable member for Trinity North was not present in his seat. I do not believe it has been explained publicly why we were not here. I think a word or two on that would not be amiss at this time. We had been engaged in a private case in the Supreme Court, which had been set for January 20 in November 1957 when nobody knew that the House of Assembly, this house, would open on Jan. 20. There was therefore nothing we could do about it. The one remaining court room in the Supreme Court had been reserved by the Chief Justice for the twentieth of January until the second day of February. There was, therefore, nothing that the honourable member for Trinity North and I could do — although we were on opposite sides of the case, mind you — there was nothing we could do except be present during that time.

Now, Mr. Speaker, I have been some time thinking about what I would say in this debate. Having considered it, I began to feel that perhaps I should deal with the Speech from the Throne, particularly from my point of view. As I said, this is my seventh time speaking in a debate of this nature here in this house; and I have I believe and as most members can bear out and as I am sure Hansard will bear out, been very buoyant and keyed up. I have been wondering this time, having listened to and read in the papers and over the radio and on television

reports of several speeches in this house, I wondered whether or not I should be buoyant this time or should I be gloomy. When I say that, should I be gloomy this year with regard to the Speech from the Throne, I am not worrying about the Federal Elections. I am not gloomy about that, I am not gloomy about the Shop Act, I am not even gloomy about activities going on outside the house which, although it is outside the house, may effect adversely or otherwise one of the greatest industries of this country. I am not even worried about that. But I have listened to several honourable members particularly on this side of the house, and I am very sorry that I was not here to hear the honourable gentlemen from the Opposition. I have listened to several members on this side of the house about the third, or the possibility of, a third pulp and paper mill in Newfoundland and every single one of them have been saying that, of course, it will be, it is a foregone conclusion it will be on the Southwest Coast. That has caused me to wonder whether or not I should be a bit gloomy, because if it is on the Southwest Coast or the South Coast, from the financial point of view of Fogo District, it cannot be a great deal of benefit.

You see, Mr. Speaker, if the mill for instance began construction in Fortune Bay or Bay D'Espoir or in Come by Chance even, near my own home, by the time workmen walked or sailed from Fogo down across the country the labour would be finished.

Hon. J.R. Smallwood (Premier): Mr. Speaker, I wonder if the honourable gentleman would allow me for a moment — if this mill is built in fact, one of the principle sources of pulp-wood for the mill would be in the honourable gentleman's own district. The Horwood block of timber in his own district was bought by this Government from the Horwood Lumber Company to be reserved for the third paper mill. We have bought that block of wood and it is now in the honourable gentleman's own district and will be one of the principle sources of pulpwood for the third paper mill.

Mr. Hollett: The sun is shining again.

Mr. Mercer: Which, Mr. Speaker, I am coming to in another connection a little later

on in this address when I begin to talk of roads. Now I am sure you are going to be with me in getting the roads done. I want to get done. I am sure the Premier is going to be with me. Then I hear the Minister of Fisheries practically sounding the death knell of the salt fishery in Newfoundland during the century.

Hon. J.T. Cheeseman (Minister of Fisheries): If you get industrial development.

Mr. Mercer: Because of these things therefore, I was wondering if I should be gloomy. But having considered very thoroughly, I see no reason to be gloomy about things in fact I see every reason to be more buoyant than ever. I said that I could not see the benefit of employment from a third paper mill on the South Coast to the people of Fogo District. Now, I was interrupted by the Premier before I had an opportunity to say, of course, that is a slight exaggeration. Naturally a third pulp and paper mill in any part of Newfoundland is going to be of general benefit to the whole of the country. But, directly, to the people of the North East extremity, and mind you, Mr. Speaker, Fogo District is one of the four corners of Newfoundland, it is the most easterly extremity of Newfoundland. And directly, from a labour point of view, I do not see any more benefit to Fogo Island from a mill on the Southwest Coast than I would see to a person in St. John's from the Grand Falls Pulp and Paper Mill or the Corner Brook Pulp and Paper Mill. Generally speaking, naturally, it is for the benefit of the whole country, and affects the economy of the whole of Newfoundland, but the Premier struck a note I wanted to hit later. He said the Government had purchased a block of timber land down there in Horwoods Bay, which would be used — Well, as he said, to the great benefit to Fogo District from a third pulp and paper mill in Newfoundland — when we speak of Fogo District, Mr. Speaker, we are mostly misunderstood, people think of Fogo Island. Now Fogo Island is only a small part of the district of Fogo, Fogo Island, Change Islands and Indian Island, these three islands comprise just about fifty per cent of the people of Fogo District. The remaining fifty per cent live on the coastline from Cape Freels westward along the Strait short to Deadman's

Bay, Musgrave Harbour, Ladle Cove and Aspey Cove and Rocky Bay, which takes in Carmanville and Fredericton, and on down to Gander Bay and up to Dog Bay, or what is known as Horwoods North and Horwoods South. These actually spread from Cape Freels westward to Boyds Cove in Notre Dame Bay. In that area (apart from the area the Premier announced the Government purchased property for the benefit of a third pulp and paper mill) from the west side of Gander Bay to the east side of Notre Dame Bay, which takes in Horwoods Bay and Dog Bay (as some people call it) there is a big area with lots of wooded areas and lots of timber. But there are also vast tracks of timber between Gander Bay and Cape Freels. There is, however, not one mile, not one foot of road.

Last year I practically drew a map, certainly I drew a verbal map here of the roads that would be required if all the roads needed in that district were built. I was going to say I was sorry the Minister of Highways is here, but I am not, because he is going to get it from me at first hand whether he likes it or not. All that is required in that district, and what must be done to open up industry, is a road from Ragged Harbour to Carmanville and from Main Point to Gander, i.e., the Town of Gander or to Johnson's Pond there near the town of Gander; and a road from Victoria Cove across the peninsula right at the bottom of Dog Bay or Horwoods Bay as some people call it, on over to Boyd's Cove on the eastern shore of Notre Dame Bay. All of that, Mr. Speaker, takes in only sixty-five miles of highroad and all of that can open up timber lands which the Premier mentioned a moment ago, and it would open up far more than that. It would open up timber land a lot of which, I believe, are conceded or have been in the years gone by to Bowaters. Between the eastern shore of Gander Bay and Cape Freels there are vast tracks of timber, and not only are there vast tracks of timber in that area but there is good fertile land in that area. So that those sixty-five miles of road, and sixty-five miles of highway is not a great deal for a district to be asking for nor much of a hand-out; — those sixty-five miles of road will open up —

Premier Smallwood: About a million dollars.

Mr. Mercer: Yes — Not very much —

Mr. Smallwood: If you say it quickly.

Mr. Mercer: I am only asking for it, Mr. Speaker, over a period of five years, so that it is less than a quarter of a million dollars a year.

Mr. Smallwood: That is right.

Mr. Mercer: It will open up not only road transportation to the people, and take the people out of their utter isolation into which they have been since the world began, or at least since they have been settled there. It would not take them out of isolation only, but would confer all the benefits to which I made reference in that speech last year.

Mr. Smallwood: How many settlements?

Mr. Mercer: Gander South; Main Point; Fredrickton; Noggin Cove; Carmanville; Ladle Cove Aspen Cove; Dog Cove; Ragged Harbour; Musgrave Harbour — Then you join the road which the Government during the past five or six years already put there to take you down to Deadman's Bay through Lunsden into Cape Freels and down into Bonavista Bay.

Mr. Smallwood: May I ask the honourable gentleman a question? These places he has just named, what places in that list would not be served by the road we are building from Musgrave Harbour, Doting Cove on one end and Gander Airport on the other end?

Mr. Mercer: None of them, Mr. Speaker, but I should explain — the Premier was not here last year in this house when I said that the year before that, in 1956, the Government had built a road joining the shores of Gander Bay midway between the two settlements of Main Point for a stretch of fifteen miles to Carmanville. This past year, 1957, the Government did start on the road from Ragged Harbour towards Carmanville.

Mr. Smallwood: Ragged Harbour is Doting Cove?

Mr. Mercer: It is actually the most eastern

part. This year also, the Government did start on the road between, beginning at Main Point, Gander Bay, towards Gander. They did start that, and I believe they will, but I want to make sure. I want to make them mad, Mr. Speaker.

Mr. Hollett: Have you answered the Premier's question yet?

Mr. Mercer: Would there be any of these settlements not connected up when these miles of road are done? Now, let us say first these two roads which I mention, which are two main roads, two of the roads which I said could build the economy and future of half of Fogo District, and that is the road from Ragged Harbour, or, as the Premier says, Doting Cove to Carmanville and from Main Point to the town of Gander or Johnson's Pond, to which there is already a road from Gander.

Premier Smallwood: Excuse me, that is not Johnson's Pond it is Jonathan's Pond."

Mr. Mercer: Alright, Jonathan's Pond.

Mr. Hollett: He is not familiar with the district at all.

Mr. Smallwood: I know every inch of it.

Mr. Mercer: There is not one inch of the road I have not walked over from Cape Freels to Boyd's Cove.

Mr. Hollett: Did you go to Ragged Harbour?

Mr. Mercer: I certainly did. These two highroads will have a total of fifty seven miles of road. Now that fifty-seven miles of road will take in every settlement — to answer the Premier's question — every settlement which I enumerated to him just now. But that fifty-seven miles of road will not take in what I mentioned, just before the Premier came back into the house, and that is from Victoria Cove across to Boyd's Cove in Notre Dame Bay, which is approximately fifteen miles.

Mr. Smallwood: That is the other side of Gander Bay?

Mr. Mercer: Victoria Cove, Clark's Head on the western shore of Gander Bay. As I said, there is not a great mileage of road to be done, and yet if that were done, not only would it take the people out of isolation from the point of view of hospital and medical facilities, but it would open up vast tracks of timber areas and fertile land.

Mr. Hollett: Could we have a recess, Mr. Speaker?

Mr. Mercer: Now, they are getting ready for me again, Sir — of course while I am on the road question I might as well continue on it and finish off that. These are the main roads. There are some secondary roads, Mr. Speaker. I believe we will get this summer the road from Carmanville to Doting Cove and Ragged Harbour. Then there are a few miles of road to go out to Aspey Cove and Ladle Cove and two or three miles here and there; not very many places, but I would say about fifteen miles of road altogether, secondary roads.

On Fogo Island itself there are required — if we want to help the people out of their isolation and if we want to give them access to public facilities such as hospitals — there are required perhaps about fifteen miles of road, new roads and there are another fifteen miles which need to be reconditioned. It is not a great problem. Now, it is a fairly expensive problem. Mr. Speaker, I have to admit that. It is a very expensive problem. I think perhaps that is why the district of Fogo has been so long neglected. In the history of this country it has been neglected to my mind, Mr. Speaker, not so much through the fault of the Governments in the past but through geographical faults. As I said before, fifty percent of the population of the district are living on these three islands, Fogo Island, Change Island and Indian Island.

Mr. Smallwood: Half the people of Fogo district are on these three islands?

Mr. Mercer: Yes. I suppose that Fogo district is perhaps unique in the history of Newfoundland. Now, I know that the Attorney General would say that his district of Twillingate has a lot of people living on islands. But the Islands are situated in such

a manner, as far as I can see now from looking over the section, and take and give a causeway here and there, he can drive from here down.

Mr. Smallwood: I think one causeway.

Mr. Mercer: But I think it is going to be a long time before I can get into a motor car and drive across the Hamilton Sound to Seldom Come By. We will never be able to do it, and I do not think anybody would ever expect it. It is just an impossibility. So that we are therefore in a unique position in Fogo District. Yet, while we have been perhaps in one of the most isolated areas because of half the population of the district living on an Island, because of that it has been, and will be, so terribly expensive to carry on to help give the necessary public facilities to which everybody in all districts are entitled, because of that we are in the position of finding it very expensive to give the medical facilities there; and naturally because of these things we are very much more isolated than any other district. Yet, Mr. Speaker, despite all these disadvantages the people of the district of Fogo (and I do not think any objections will be raised against my saying this) the people of the district of Fogo, despite all these disadvantages have come out as one of the most industrious and prosperous people in the whole of Newfoundland. I believe today that, although they are separated so much from the mainland particularly Change Islands, Pass Island and Indian Island and from the ordinary civilized facilities of human nature, they have, through sheer determination and hard work kept themselves as one of the most prosperous people in Newfoundland and one of the most highly civilized, and without the facilities which the rest or most of the rest of this country has been able to obtain, because of geographical differences. Now, it is because of this that I am suggesting that both the Provincial Government and the Federal Government should pay more attention, spend more money, in the district of Fogo during the next few years in order to give them equal opportunity with the rest of Newfoundland, spend more money there than in any other district in this Island.

Mr. Smallwood: Put the two districts to-

gether in that respect, Burgeo and La Poile and Fogo District.

Mr. Mercer: Alright, I will make one exception, make it Fogo District and Burgeo and La Poile, although we are in a much more difficult position in Fogo than in Burgeo and La Poile. If I were going, Mr. Speaker, to put in any exceptions at all I would put in Burgeo and La Poile, Sir, But I would not put it first. I would put St. Barbe.

Mr. Smallwood: St. Barbe is getting roads build right now.

Mr. Mercer: They still have to get a good many miles of road yet — And perhaps White Bay North — Alright, Mr. Speaker, if the house does not agree with that, I will throw out the other two and make it Burgeo and La Poile and Fogo — let us have these two districts.

Mr. Hollett: What about the Labrador?

Mr. Smallwood: Yes, the Labrador? The Speaker has sent a note down — “What about Fortune Bay”?

Mr. Mercer: I should, Mr. Speaker, out of courtesy have included that one first. I realized also that Your Honour is unfortunately in the position that representing Fortune Bay you cannot speak for the district. I believe though, on the other hand, that the district has been fairly well spoken for in the house by other members of the Southwest Coast.

Mr. Smallwood: And outside the house by Mr. Speaker.

Mr. Cheeseman: We stand together on the Southwest Coast.

Mr. Mercer: Now, Sir, while we are in this horrible position geographically in some ways we are not in such a terribly bad position. I suppose in Fogo District, as Your Honour knows, we are bounded on the east by the district of Bonavista North, on the South by the District of Gander and on the west by the district of Twillingate. Now, I do not see any disadvantage in being wedged in between the Premier, the Minister of Welfare and the Attorney General. I see no

disadvantage there. I am hoping some advantages might come from it; in fact the only other thing I would like to complete the circle would be to have the Minister of Highways representing the North Atlantic.

Mr. Smallwood: Or say the Wadhams.

Mr. Mercer: The Wadhams come into the district of Fogo, across from Cape Freels in the North Atlantic, the Minister of Highways could take in all that. Now, Sir, the fisheries — I believe we will get the roads. I am quite satisfied with the progress which was made last year, in connection with the five year plan which I formulated here last year for the district of Fogo. I am quite satisfied with the start which the Government made on that five year program with regard to the road connections, and I am very hopeful that this year we will get even a little bit further on. And I believe, Sir, that if I live until this house prorogues or dissolves at the end of its term, I will have a pretty fair amount of work done which I outlined in my five year plan last fall for the district.

Mr. Hollett: What was the five year plan? Will the honourable member tell us what the five year plan was for Fogo District?

Mr. Mercer: Well of course it involved both the Provincial and the Federal Governments.

Mr. Hollett: I can't speak for the Federal Government.

Mr. Mercer: Most of the road work in my five year plan I have already mentioned here this afternoon, because, as I said before, these are the only roads required.

Mr. Hollett: You want fifteen miles on Fogo Island.

Mr. Mercer: Fifteen miles of new road and fifteen miles reconditioned. Don't twist that now. I don't know who you are sending down there in the Federal Election.

Mr. Smallwood: Does it matter?

Mr. Mercer: I do not think it matters at all, but we might as well know. Now another big question is the fishery. I will come back to

that. Hospitals; A hospital at Fogo proper and the construction of a new hospital at Carmanville. If the centralization program which the Government is talking about is worked out properly, schools, nursing stations. There are ten of these in the district now, and I want ten to properly look after the people, because there is only the one hospital in the district at the present time. I would like to get another cottage hospital there. Even with two cottage hospitals in the district, we need about ten nursing stations at different points.

Bait depots; salt bulk and curing stations and an airstrip. These are the things which I outlined on a map, and showed where I wanted them to go, for my five year plan. We got started, I am quite satisfied on that. This Government, during the past year has given me a good start. I only wish the Federal Government had given the same start on an airstrip as the Provincial Government has already given on the road programme. Now to come to the fisheries. Here again I wondered whether I should be gloomy because of certain remarks made by the Provincial Minister of Fisheries when he predicted that the salt fish, as carried on at the present time, would be finished during this century. Now Mr. Speaker, the fishery problem I suppose is perhaps and has been the most controversial problem in Newfoundland during the whole of our history. It has probably been the most complex problem in Newfoundland. It has probably been the greatest headache in Newfoundland, and it has probably made more wealth for more people and crucified more others than anything else in Newfoundland. And, Sir, we are still wondering about it. Now the Minister of Fisheries made a statement which made me wonder, should I be gloomy at this time? I do not think so because, Mr. Speaker, I believe that Newfoundland, while it may not perhaps regain its original historic position of being the first fishing nation on earth, while it may not regain that, I do believe that it can regain some of its markets lost during the past twenty years, and become foremost amongst the competitors of today.

Hon. J.T. Cheeseman: (Minister of Fisheries): Mr. Speaker, I wonder if the honourable member would permit me a

moment. There has been a good deal of misconception, I believe, about what I said about the future in the salt fishery. I would like to set the honourable member right, if I may. I did not express gloom, I certainly did not, and where all this talk of gloom comes from I do not know — What I said was, and what I contended was, that if the industrial development envisaged for the whole of Canada, including Newfoundland, if that industrial development continued, then I foresee that in Newfoundland, as has happened in New England and on the Mainland of Canada, and as is happening here and has been evidenced by the way our people left the fishery and went to the base work and other industrial work, that our people who want a more secure way of life will give up the salt fishing which has always been on the verge of impoverishment. The salt fish we are producing is a food item for the poorest people in the world, and in North America we have the highest cost of living in the world; and our people in Newfoundland (and I am proud of it, I am one who came from a fishing boat to where I am today, and there are hundreds and thousands in Newfoundland like me who wanted to go ahead from there and did not want to be on the border of starvation) — And I repeat and say, for the honourable member's district — if there is a better way of life, it is what they want, and if industrial development takes place, it is a better way of life than producing salt fish to be sold to the poorest people in the world.

Mr. Hollett: If I may, Mr. Speaker?

Mr. Speaker: One moment — The honourable member yielded to the Honourable Minister of Fisheries. I do not think he has yielded to anyone else.

Mr. Mercer: I yield.

Mr. Hollett: Thank you very much. Arising out of what the Honourable Minister of Fisheries just said; I believe he said — if my memory serves me right — if industrial development continues in Newfoundland as it has heretofore, then of course there will be no fishermen by the end of the century.

Mr. Smallwood: He did not say that — He said "In Canada."

Mr. Hollett: Could we have the Hansard on that, Mr. Speaker.

Mr. Speaker: Order.

Mr. Smallwood: He said; "in Canada, including Newfoundland." If the industrial development "continues in Canada including Newfoundland." The honourable member was dozing, Mr. Speaker.

Mr. Speaker: Order. Will the honourable member for Fogo please continue — and I think he had better keep the floor.

Mr. Mercer: Excuse me, Mr. Speaker, for stirring up a hornet's nest. I was about to carry on to say that I did not interpret the statement as I think many people have. I think, as a matter of fact, not only did the Minister of Fisheries say that in the whole of Canada, including Newfoundland, would the salt fishery die within this century, but he also added another qualification, "if it were carried on as it now is." That is a different thing from saying it is going to die. Therefore, he must have in his mind maybe some way other, some other way of carrying on the salt fish industry.

Mr. Cheeseman: If the Federal Government will subsidize it, yes.

Mr. Mercer: Now, Mr. Speaker, Newfoundland is, I suppose, the only place in the world sitting in a bed of fish. We are, I believe, the only parcel of land in the world surrounded by fish. We have Iceland, Portugal and the Faroe Islands, who are big competitors with us in the Mediterranean Markets in the codfish trade. But they are not surrounded by fish. They have to go far off-shore. You have Spain, Portugal and France who are competitors with us in their home markets and in the Mediterranean. They have to come to Newfoundland; and in the Caribbean again they have to come to Newfoundland, and go to Greenland and other parts of the North Atlantic and catch it, whereas we have the fish surrounding us. That is the one thing, Mr. Speaker, that I don't understand. We are surrounded by, we are living in the midst of fish. It is not unlike the farmers in Saskatchewan or Alberta with their wheat; but there at least they have to spend some money on growing

it and then go out and harvest it. We have to spend no money on growing codfish. It is a natural resource, God given. All we have to do is catch it, cure it, deliver it to the market. Now that is only three operations in the fishery.

Mr. Cheeseman: What about the cost?

Mr. Mercer: Never mind the cost. I say there are only three operations catch, cure and deliver. Now if you go to look for a mine you have to spend millions and hundreds of millions on finding a mine and then spend millions more on trying to raise means of getting the ore out, and then perhaps millions more trying to separate it from the things which should not be in it, and then still you have to get your markets. And God only knows, Mr. Speaker, with respect to mineral resources, practically every single piece of land in this universe has minerals in it of one kind or another. There is terrific competition, and there must be, for all types of minerals. But we only have a few places in the world where codfish are found, and therefore we have not the same competition.

Premier Smallwood: The trouble is that there are only a few places that are eating it too. That is a hard one to answer.

Mr. Mercer: Mr. Speaker, I expected that question to come up so, before I came to this house this afternoon, I talked with the Minister of Health and asked him if codfish contained anything good for human beings, is it good for food, has it got anything to boost it up as a health element? The answer given me by the Minister of Health is that it is a close runner-up to beef in many elements of food value for the human body. Now, if that is correct, if medical science has decided that — and then I asked if that were correct would salt codfish do as well as fresh — I asked him about that, and he told me, yes. You and I know you can have three or four meals of fish for the price of one roast of beef. If that is so, Mr. Speaker, if it has those elements, those life-giving elements, if it has that, then surely the people of the world in addition to Greece; Italy; Portugal and in addition to the few people down in the States eating a bit of fresh frozen fish and so on — surely the people of the world

will eat fish. If we have the markets then and we do not have to go out and help to grow codfish, as we only have to catch, cure and deliver, it then surely our scientists today should be able to find economic means for catching curing and transporting that article of food, which is right around us all the time, to the markets of the world.

Mr. Hollett: NAFEL.

Mr. Mercer: At least competitively, with the people who come over here from Portugal and take it back again.

Mr. Cheeseman: What is the comparative consumption of fish and meat in St. John's?

Mr. Mercer: I don't know, Mr. Speaker, what the comparative consumption of meat and fish in St. John's is. I would say it is a very high proportion of meat.

Mr. Cheeseman: No, but we may be a lot more wealthy and just as healthy if we ate more fish.

On motion, the house recessed for ten minutes, after which Mr. Speaker resumed the Chair.

Mr. Mercer: Mr. Speaker, there is just one further point I want to make in connection with the fisheries. I was very glad to see the Federal Government taking over part of the responsibility for fisheries, particularly from the point of view of export markets; because I believe, Sir, that one of the blessings of Confederation is that we have now much greater bargaining power by being a part of the Canadian Nation. We have much greater bargaining power than if we were just Newfoundland alone. At the same time, I do think that some of the other things which are now controlled by the Federal Government should have more of a local flavor from the point of view of control, for example, bait depots — I do not believe that the Federal Government does or can give the right thought to the individual requirement for such services as bait depots around various parts of Newfoundland. It is purely a local problem. And unless the, use the Provincial Office much more than they have been doing since they took over control of our bait — (For instance, I am

parts of the district for bait depots) Well, the people consider that, as a member for the Provincial District I should be able to get them. There is no sense in my writing back and saying I have no control over that. And if you write the Federal Government, the Federal Department of Fisheries merely writes back and says — "you have a bait depot there and you don't need one in the other place. It is only twenty miles away. Why not go there and get bait?" No, Mr. Speaker, it is these local problems which I believe and feel that the Federal Government should not be controlling, because they are not getting the attention paid to them that should be paid.

Now, Sir, I presented a petition in this house this afternoon from Fogo Island with regard to electric power. That is not the only petition I have had from the district of Fogo for electric power. I have had petitions from the people of Musgrave Harbour, Ladle Cove; Aspey Cove; Ragged Harbour and Lumsden North and South. We are getting into the position in Newfoundland today where these people want electric power, and as a matter of fact, Mr. Speaker, they are entitled to it, because you cannot have any type of industry today, even the fishery cannot be run economically without a proper supply of electric power. So that, apart from the social need, they require it in order to live, in order to produce, in order to exist today, and we must have electricity. It seems from an announcement from the Federal Government in recent weeks that the Provincial Government is going to have to go it on its own for electric power development. They ave (and mind you again there is the expense angle) but they have the electric power in Fogo District to be developed. I have talked to hydro power engineers who have surveyed such places as Ragged Harbour River and Horwoods Bay River and Shoal Bay River on Fogo Island and Seldom. Either one of them is capable of development of hydro power sufficient to supply the settlements surrounding these areas, which would take in the whole of the district. But there again it is a great expense. Nevertheless, I do not consider, when the people ask for electrical power development, I do not consider they are asking for a handout — They are not — Governments have a duty, in my opinion, Sir, to develop hydro power in the same way as they have a

duty to construct highways; because hydro-power and highroads are your two props on which industry is founded, and no private individual can be expected to go to these rural areas and develop hydro power any more than they can expect them to go in and construct highroads. That is the duty of the Government, and in my opinion one of the main duties of any Government. Whether that is done by the Federal Government, as they are doing it in New Brunswick and Nova Scotia now, or whether it is done by agreement between the two Governments or by one Government alone, I submit that it has to be done. I was asked in the early part of this address, Mr. Speaker, by the honourable Leader of the Opposition a question with regard to an airstrip on Fogo Island. I told him I would answer him. I think it was a very good question, because again it is a means of transportation, and perhaps one of the principle means, whereby people on the island can exist in the future. I announced a year ago, or a little over a year ago, that the Federal Government had advised me they had set aside money for the construction of an airstrip on Fogo Island. The survey was supposed to have commenced in the Spring of 1957. Well, this House knows, (unofficially at any rate, as far as this house is concerned) that in June 1957, which was not long after our spring began, the Government changed in Ottawa.

Mr. J.G. Higgins: (St. John's East): I suggest this house knows "very officially" that there has been a change in Ottawa.

Mr. Mercer: And there was nothing more said about it. However, I contacted the Minister of Transport, the present minister, the Honourable George Hees, and he wired me back saying that the surveyors of his department having gone over Fogo Island could not find a place, could not locate a place on Fogo Island which could be developed economically as an airstrip. Now that struck me a little bit funny, Mr. Speaker, because I never heard of a Government developing an airstrip economically. So that I could not understand it. I asked if he could tell me what that meant, and he could not. But in the meantime the Minister of Transport did, in fairness to him say to me also — "look, if your people

on Fogo Island can find a place down there which can be developed economically as an airstrip, then we will give it further consideration." Now, the last thing I heard about it, for the benefit of the honourable Leader of the Opposition, is that I wired the town council of Fogo. They wired back this morning saying they had found a place and could I wire the Minister of Transport accordingly, which I did.

Mr. M.M. Hollett: (Leader of the Opposition): May I interrupt the honourable gentlemen to inform him, Mr. Speaker, that I also had a wire from the town council of Fogo saying they had acquired sufficient land for an airstrip, and asking would I take it up with the Honourable Mr. Hees, the Minister of Transport. I have done so, and I hope that both of us will be able to throw some weight that way.

Mr. Mercer: Thank you. You did wire him? Now, Sir, the only other point which I would like to make (and it will include this address) is that there has been quite a deal said in this house, as indeed there usually is, on the Speech from the Throne, about the various grants which we may or may not get from Ottawa. As far as I am concerned, Mr. Speaker, I look upon such grants as only a breathing space, financially a breathing space, which will help the Government of any province to concentrate on development of its own natural resources. And while I say, by all means let us explore and let us give every assistance to and every encouragement to any one who wishes to develop a third paper mill, let us do all of that and let us, during that breathing space by all means explore and give encouragement to people to develop any mineral resources, but at the same time I still have to revert to the fact that we have a number of countries who do consume a lot of fish, we have the fish and therefore let us develop that industry, by all means, and supply the people who want it.

Hon. B. J. Abbott: (Minister of Supply): Mr. Speaker, I move the adjournment of the debate on the Address in Reply:

On motion, the debate on the Address in Reply was adjourned.

Third Reading of Bill "An Act to Amend the Education Act." On motion Bill read a

third time, ordered passed and title to be as on the Order Paper.

Third Reading of Bill "An Act Further to Amend the Urban and Rural Planning Act" — On motion, Bill read a third time, ordered passed and title to be as on the Order Paper.

Third Reading of Bill "An Act Further to Amend the Welfare of Children Act" — On motion, Bill read a third time, ordered passed and title to be as on the Order Paper.

Third Reading of Bill "An Act Further to Amend the Local Government (Election) Act" — On motion, Bill read a third time, ordered passed and title to be as on the Order Paper.

Third Reading of Bill — "An Act Respecting the Assessment of Property for the Purposes of the Imposition of Real Property Taxes by Councils of Municipalities" — On motion, Bill read a third time, ordered passed and title to be as on the Order Paper.

Hon. J.R. Smallwood: (Premier): Mr. Speaker, with the forbearance of the house, I should like to give notice of motion: Agreed:

Mr. Smallwood: I give notice I will on tomorrow ask leave to Move the House into Committee of the Whole to Consider Certain Resolutions designed to Authorize the Government to Enter Into agreement with Crown Zellerbach Corporation:

First Reading of Bill "An Act to Amend the Department of Highways Act."

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

First Reading of Bill, "An Act Further to Amend the Highway Traffic Act."

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

Honourable Minister of Mines and Resources to move the house into Committee of the Whole to consider Resolution in Relation to the Payment of a Tax Imposed under the Mining Tax Act by Persons Who Have paid the Tax imposed under the Mineral Lands Taxation Act, 1958."

On motion, Mr. Speaker left the Chair.

Mr. Clarke Chairman of Committee of the Whole:

Hon. W.J. Keough: (Minister of Mines and Resources): Mr. Chairman, this resolution, as if evident from the wording of it, is neces-

sitated by a piece of legislation presently before the house, at Committee of the Whole Stage, and the Resolution seeks to introduce a Bill which will except the Mineral Land Tax Act from the provisions in the Mining Tax Act, which provide that the taxes imposed by the Mining Tax Act are in substitution of all taxes imposed upon land from which ore is mined. If we did not exempt the Mineral Land Tax Act from the provision, we might have this sort of situation arising; a mining company might make a nominal payment in respect of taxes due under the Mining Tax Act, since that would be in substitution of all other taxes — then we could not enforce the Mineral Land Tax provisions —

Mr. Hollett: To a point of order, Mr. Chairman — If I may — Are we justified in introducing this piece of legislation before we know whether the Act is to become law or not? Are we justified in doing that, Mr. Chairman?

Hon. L.R. Curtis: (Attorney General): I think, Mr. Chairman, the position is this — as the house knows, all legislation becomes law only as and when the Lieutenant-Governor has given it his assent. And it is perfectly in order and proper for us to consider two pieces of complimentary legislation. Obviously, if one does not go through, the other will not be presented to His Honour for assent. But it is always necessary, if you have complementary legislation, to put both pieces of legislation through the various stages of the house; but the matter only becomes law after the matter comes up for the Lieutenant-Governor's assent.

Premier Smallwood: Mr. Chairman, further to that same point; if the Honourable Leader of the Opposition would look at any Bill at all that comes before the house, or had come before the house in the present session, he will see it says "be it enacted", meaning to say it is hereby enacted by the Lieutenant-Governor and the House of Assembly in Legislative Session convened as follows: No Act is passed until it has been enacted by the Lieutenant-Governor and the House of Assembly; and the final touch to an Act which makes it law is when the Lieutenant-Governor gives it Royal Assent, and it is not law until then — "Be it enacted

by the Lieutenant—Governor and the House of Assembly in Legislative Session convened, as follows:"Then it becomes law.

Mr. Hollett: Mr. Chairman, I raised the point because it looked to me rather odd. Because, Mr. Chairman the Honourable the Premier, as Leader of the house, can call this particular order every single day now; and does it become law before the previous legislation becomes law?

Mr. Curtis: Would you have the Lieutenant-Governor come once and assent to one and then come to assent to another?

Mr. Hollett: I put it to you, Mr. Chairman, this piece of legislation is dependent on the piece of legislation which is now before the house, I believe in Committee of the Whole Stage. I do not see why we should do this until we know if the other is to become law.

Mr. Smallwood: Mr. Chairman, the Honourable Leader of the Opposition surely must be aware, as he has been here for years, that complementary legislation has been passed, I suppose, in every session. There is nothing new in this. It is completely ordinary, even humdrum procedure. There is nothing new, nothing queer, nothing strange, nothing unusual, nothing novel about it. It is very ordinary and commonplace.

Mr. Chairman: I was in some doubt about the point raised by the Honourable Leader of the Opposition, but as the two pieces of legislation are complementary, and if one goes through then, it almost nullifies the other one, as one is dependent upon the other — I do not see at all, although it is dependent on a piece of legislation that is still pending — The fact that the two of them are complementary and the passing of one and the non-passing of the other would possibly cancel each out — So I think it would probably be in order to carry on with the resolutions.

Mr. Hollett: I accept your ruling, Mr. Chairman.

Mr. Keough: It would be necessary to ex-

empt the Act from the particular provisions of the Mining Tax Act which I mentioned. Then, the second purpose is this — To provide, where the assessment assessed against a company under the Mineral Lands Tax Act is in excess of the taxes that might be due under the Mining Tax Act, in that case payment on assessment under the Mineral Lands Act will be regarded as payment in full, but where the assessment under the Mineral Lands Tax Act is less than the amount which might be due under the Mining Tax Act, then the assessment under the Mineral Land Tax Act will be regarded as payment on the Act.

On motion, that the Committee rise and report having passed the resolutions, Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole considered the matter to them referred, passed certain Resolutions and recommended a Bill be introduced to give effect to same.

On motion, report received.

On motion, Resolutions read a first time, on motion Resolutions read a second time.

On motion, a Bill, "An Act Further to Amend the Mining Tax Act" read a first time, ordered read a second time on tomorrow.

On motion, that the house go into Committee of the Whole on various Bills, Mr. Speaker left the Chair.

Mr. Clarke, Chairman of Committee of the Whole.

Committee of the Whole on Bill, "An Act Respecting the Payment of Bounties on the Rebuilding and Repairing of Fishing and Coasting Vessels."

On motion, Clause 1 carried.

Mr. P. Canning: (Placentia West): Mr. Chairman, in (c) Sir, of Clause 2 — "Coasting" means the carrying of water transportation of goods and materials of every description to or from ports in Newfoundland. I am sorry, Sir, it is (j) not (c) — "Rebuilt" means rebuilt in Newfoundland with new materials in accordance with this Act, and the regulations after a vessel has been hauled completely out of the water and stripped for rebuilding." I do not know if I am mistaken, Mr. Chairman, but I think, or I am convinced, that it is possible to rebuild a ship without hauling it completely out of

the water. And I would like to point out to the house that "hauling up" will entail a great expense, depending on tonnage of the ship. It could cost from anywhere around a few hundred dollars to three or four thousand dollars. With wooden ships, the way they are built, the bottoms are hardwood. Everybody knows these things about wooden ships; that it is possible for the bottom of a ship to last twenty, thirty or forty years; it is mostly birch, Newfoundland birch, so it may last as long as twenty years — twenty more or less — I have seen a one hundred and twenty ton vessel, about two years ago, rebuilt in my district, and it was not hauled up, and it was at considerable saving to the owner. So I would like to have the Minister comment, or somebody else, but that is my opinion; that a ship can be rebuilt without being hauled out of the water, completely out of the water, as it says there. I do not think it is necessary.

Mr. Chairman: If you are making an amendment to Clause (2) we must deal with that.

Mr. Canning: I am not suggesting an amendment — I am not too happy over it, but there may be some explanation. I also have another criticism to subsection (m) "Repairs" means repaired in Newfoundland with new materials in accordance with this Act, and the regulations where the repairs require only partial stripping and do not affect the existing hull structure of the vessel, and includes the making of alterations and conversions." This is the one I was looking for at first — Now, Mr. Chairman, I cannot agree with this part at all, and I could not conscientiously vote — It says "Repairs" means repaired in Newfoundland — I will explain why. If a ship from forty-five or fifty tons to four hundred and fifty — they must be repaired in Newfoundland — we are going to run up against situations where a vessel may leave Newfoundland today to go to Halifax, and when she is fifty miles from Halifax, or a hundred miles, they run into a storm and she could have all her superstructure damaged, her wheel house washed away, (as often happens, of course) and the steering gear damaged; and the cost would be four or five thousand and as high as ten thousand. She is a hundred miles

from Halifax and has to be repaired in Newfoundland.

Another objection is that, today, we have not the facilities in Newfoundland, — and even though we may have them she could not come back to dry dock — She may come back here and have to wait three months to get in, and so the owner loses three months. That is No. one. I do not think there is anywhere else in Newfoundland unless it is in Clarenville. They have the facilities perhaps in Grand Bank to repair that ship. The only dock here, as far as I know, is the one at St. John's. If she had to be towed in, she would pass St. Pierre — and as the Committee knows, or anybody who has been following the current events in shipping, we have quite a few of our smaller boats going to St. Pierre in the last few years — But she won't come under the bounty for repairs at St. Pierre.

Number (two) is that if she is up near Halifax or near Sydney and she has to be towed back to St. John's or Clarenville, again depending on what sort of ship is going to tow her, it will cost, (if some of the ships say of fifteen thousand tons decided to tow her back) it is at least a thousand dollars a day. That may be covered by insurance.

Mr. Cheeseman: That is not insurance.

Mr. Canning: I am not talking about insurance — I am talking about being towed back.

Mr. Smallwood: Where it is done by damage at sea, the insurance covers everything. It is only where she is worn out and needs to be rebuilt.

Mr. Cheeseman: This Act has no bearing on insurance.

Mr. Canning: Anyway, if they sprang a leak and she got into Halifax and when she gets in she is turned down by the inspector; I do not think the insurance company would have her towed back then. The mistake I made was talking about damage at sea. But if she turns up at Halifax, and it is discovered that the top of her is very bad, and she is not seaworthy, then she still has to be towed back and it is still going to cost, I don't know, five, six, seven, eight or nine

hundred dollars a day and perhaps more to tow her back.

Now, the cost, as far as I can understand from the people who have had stuff repaired on vessels, repaired on the mainland, the cost is much lower. So that it is my candid opinion, Sir, that instead of Newfoundland there that should read "Canada." I cannot see why, if the skipper discovers ship needs repairs while she is up there where the facilities are to get it done and she will lose less time, why she could not still come under the bounty and be repaired on the Mainland of Canada as well as in Newfoundland.

Mr. Cheeseman: Yes, I think I might explain — Mr. Chairman, if I may I should like to reply to the objections raised by the honourable member for Placentia West — In the first place let me say that this Bill is not introduced to take the place of insurance. This Bill is introduced to pay subsidies and bounties towards the cost of rebuilding and/or repairing vessels; that is, if it becomes necessary to rebuild through the ordinary course of wear and tear and not as a result of an accident. Accidents are normally covered by insurance. So, Mr. Chairman, let it be clear — this Bill does not intend to replace ordinary marine insurance.

Now, Mr. Chairman, the honourable member has said that, in his opinion, it is not necessary to haul vessels out of the water to rebuild them. I, Sir, have had some considerable personal experience in this matter, but I did not rely entirely upon that in framing this proposed Act. I consulted with the Director of Ship Building in my own department, and I consulted with the skippers who have vessels to repair and rebuild, and it is the general consensus of opinion of the people whom I have consulted, and on the basis of my own experience, that it is not possible to properly rebuild a vessel whilst it is afloat, and that it must be taken out of the water because, in fact, a vessel that is rebuilt is virtually a new vessel. The only difference between the newly build vessel and a rebuilt vessel is that, in the case of a newly built vessel, in order to qualify for a subsidy or bounty, the builder must have all new equipment, whereas, if he rebuilds a vessel there is not a great deal of the old, but if there is anything of the old, — a keel or some

main part of the timber may be alright — he leaves it there, but all the salvage is in the gear and equipment. It must be passed by an inspector in order to use it. But the rebuilding of a vessel also constitutes building which cannot be done unless she is hauled out of the water. We are all agreed to that, and I am not willing to concede, Mr. Chairman, that a vessel to be rebuilt need not be hauled out of the water. It was for this reason we decided in that Act — if any of you who remember, or who will look back in the old Act (We had a ship repair Act I believe in 1925, and it just said "ship repair".) Well, this time we put it in two parts, rebuilding and repairing, because whilst we say it is absolutely necessary to take a vessel completely out of the water to rebuild it, it is not necessary to take a vessel out of the water to effect very considerable repairs, and repairing a vessel is a less expensive job than rebuilding — So we made the distinction; and it is proposed to have the two different methods apply. I hope that answers the objections made by my honourable friend. As I say, I think he confused it with an insurance job, but we are not proposing to take the place of the insurance companies.

Mr. Canning: Mr. Chairman, I am really not satisfied with it. I was mixed up with insurance, but I said a ship near Halifax and damaged — I would like the honourable minister to explain to us again, and tell us where the line is between repairing and rebuilding. I may not be clear on that. I mean, I contend that if a ship's bottom is of hardwood or birch, as we build in Newfoundland, the hardwood comes to the water line, or a little above the water line; and I contend it is possible to rebuild that ship or what I consider rebuilding here by my definition of rebuilding, the whole bottom from stem to stern from a few inches from the water line. We have seen it done down through the years, the mast of the ship from the water line had to be renewed. I would consider that as rebuilding. Furthermore, you can actually change the structure of the top part of the ship by doing it that way. Then with regard to the second part — if anything happens to a ship outside the harbour that becomes an insurance job, alright. But I know of a vessel at the present moment which went to the mainland and she is

under repairs. It was discovered, when she got into port, that she was not seaworthy, leaking or something else and she needed repairs. What I said is — if she needs three, four or five thousand dollars worth of repairs — probably the owner cannot afford to have her repaired, and cannot afford to have her brought back to Newfoundland. My opinion, therefore, is that it is too bad he cannot have her repaired on the mainland of Canada as well as in Newfoundland, so that he might benefit from the bounty.

Mr. Cheeseman: Mr. Chairman, I am sorry I overlooked that in my reply. If I might say I have a certain amount of sympathy with people who might like to have their vessels repair in some other Province, for various reasons, but I submit that it is most impractical. Firstly, it would not be possible for our inspectors (our department which will be responsible) to see the work through its various stages. Secondly, I do not think that it would be fair indeed to the workmen and the woodsmen of this Province for us to subsidize work to be done in some other Province. Mr. Chairman, I do not know of any Province in Canada that would pay a subsidy for similar work to be done in some other Province. We thought about this and discussed it, and we could see that, under certain circumstances, it would probably be to the advantage of certain ship owners, particularly large ship owners (a minority of the number of ships) to have them repaired outside the Province. But that does not apply to the great majority of ships that will be repaired under this Act. I submit, Sir, and I think, the general opinion would be that it would be impractical for us to have the work done outside the Province, because we cannot supervise it, and since the Province of Newfoundland is paying the bounty, the work ought to be done within the Province.

Mr. Canning: Mr. Chairman, I hardly agree with that. All the work we can get done within the Province surely should remain in the Province; but I still contend if we have a one hundred ton vessel in Halifax today that needs repairs and that owner cannot afford to do it, it is more important for Newfoundland that the ship be repaired — Perhaps he cannot afford to get her back here for repairs and surely it is more benefit

to have that vessel repaired up there, when our fleet is almost gone, than to give her up and sell her for scrap.

Regarding the inspection, I am sure the inspection at Halifax is capable of looking after them, and I think they would cooperate with our inspection here in Newfoundland. I hope we get more cooperation from the Mainland than that.

Premier Smallwood: Mr. Chairman, in the ordinary course of events, it is unthinkable that the Government of Newfoundland should take money out of the Treasury and pass it over to a shipyard in Nova Scotia or anywhere else outside Newfoundland for the repairs of Newfoundland boats. The obvious thing to do is to pay the money to the shipyard or ship repair yard within the Province of Newfoundland. You do not build up the distinctive economy of your own Province by buying everything you need from outside the Province, and by getting every bit of work you have to be done outside the Province, and by bringing contractors of all kinds for any work you have to be done from outside the Province, unless the Province has so strong an economy of its own that you can go in completely for foreign trade. If you have an economy so strong in its own right, you might indeed be wise then to bring in the cheapest from the cheapest market anything you wanted to buy, whether repairs to a schooner or to build a road or erect a building or products or equipment or supplies of any kind for the Government department but in the cheapest markets — “free trade” — there is a lot to be said for that, an awful lot. Let us take one point at a time:

What a Government has to decide, and what the legislature has to decide, is in the long run, what is best for the Province? A few months after we were in office (nine years ago almost) we passed an Order in Council which has been in effect ever since — When the Government buys for public institutions, we buy a million or a couple of million dollars worth a year, we buy it in Newfoundland. Newfoundland products, if they exist, provided they do not cost the Government more than fifteen percent, I think it is fifteen percent, over and above what the same product would cost if we were to bring it in from the mainland, or from some other part of the world. That is a deliberate policy

to encourage the production of things within this Province. Now, that is the very opposite of "free trade." Free trade means you can go to the cheapest market, wherever it is — behind the Iron Curtain or in front of it, in China; Timbaktu; Nova Scotia; — anywhere at all in the world, go to the cheapest, lowest priced market. That is "free trade." We have not got "free trade" and every Province of Canada, either rightly or wrongly, every Province of Canada encourages its own industries. There is scarcely a Province in Canada that does not — For instance, there are Provinces in Canada who won't permit a single bottle of beer inside its boundaries from other parts of Canada only the beer manufacturers inside — and all other Provinces permit it in, but arbitrarily set a higher price to encourage the manufacture of locally produced beers. That is an example which is followed in thousands of other ways. It may be right and it may be wrong. I have in my office a paper written by Brookes Claxton, when he was privately practising law in Montreal, a study of all the expediences discovered across Canada to defeat economic confederation, to enable Provinces within their own provincial boundaries to set up the opposite of "free trade" to promote the flow of provincial trade within its own boundaries. Dozens of devices have been discovered and brought into effect because it is the desire of every Province to encourage industry within its own boundaries, and encourage what they call "Home" Industries. Economically it may be all wrong, I do not know. But I do not know how Newfoundland can be the exception. I do not know that we can afford to be the exception, and whether we can make an exception for the repair or rebuilding of Newfoundland bottoms, I do not know. If we do it, it will be an exception. I don't know. It depends on which is the greater — the present dire condition of the local bottoms industry (It is an industry) the present condition of that industry versus the general opinion that you should patronize your own industries, patronize your own shipyard. Now, it may be argued that we have not got any shipyards.

Mr. Cheeseman: Most of the work can be done at home.

Mr. Smallwood: My honourable friend stresses a case of a ship springing a leak, and the Canadian Shipping Act won't let her out until she is repaired. She was turned down by the inspection and not allowed outside that harbour unless repaired. Then the question is, will we take money out of our treasury and pay it to repair that ship in Halifax, or will we let her stay there until she rots? It looks as though we should have a party caucus and try to settle that matter, and see what we can do. The question is whether the ship bounty should be paid on work, repairing and rebuilding outside the Province. I think perhaps we should —

Mr. Winsor: If we could have an emergency —

Mr. Smallwood: If we get the proper definition of emergency. If a man wanted to have his ship spring a leak, you know, a half a mile outside and could still get in and get the bounty — I question whether we could get a workable and practical definition.

Mr. Cheeseman: Don't ask me.

Mr. Smallwood: Generally speaking we should not; we agree on that. That is not the way to build up Newfoundland to pay bounties out to Nova Scotia. But there is a case to be made for doing it in a situation as bad as the situation of our local bottoms. So bad are they now, and so few of them, (it is in danger of disappearing) perhaps we should not look at things like that and repair them wherever they are. Personally I do not care — perhaps it would be better if we had the matter deferred here and gave some further prayerful thought to it, have a little discussion, perhaps, and then come back into the Chamber again. Perhaps that would be the better thing to do.

Mr. J. Forsey: (Humber East): Mr. Chairman, this Bill is a great step forward. I think the Minister has given a lot of thought to it. I think we could well leave the Bill, Sir. Any man having a vessel should certainly have some idea of the condition of the vessel that would make him check on repairs or rebuilding before leaving for any other part of Canada, outside the Province of Newfoundland, particularly when he can get a

bounty for repairs and rebuilding. I think we should leave it to the Minister and if the necessity arises —

Mr. Canning: Mr. Chairman, every freighter that goes out of the harbour has to have an inspection before she goes out, and I surely don't doubt for a moment the honourable Minister's knowledge of boats.

Mr. Cheeseman: I take advice, it is not just my knowledge.

Mr. Canning: He has forgotten more than I know, Mr. Chairman. Still I am concerned about two or three things. We must remember some of these freighters are privately owned by people who are doing little better than making ends meet. The boats are getting old, and the fleet is practically gone — everybody knows that, and during the last few years it is practically gone. And I still contend and believe that there will be times when they go from here to the Mainland, and will there discover that they are unfit for sea.

Mr. Cheeseman: What would happen if they went to Boston, U.S.A.?

Mr. Canning: Pay it there too? No, I would not go as far as that. But I still say they should be repaired in Canada.

Mr. G.R. Renouf: (St. John's South): Mr. Chairman, I was going to make merely one remark — I think the proposed Bill has a concept perfectly in line with what we all wish to see. If there is any contention or difference of opinion, after all, it is not the first time an amendment was brought into an Act later on. It is almost futile, I would say, to destroy the general idea of the proposed Bill at the moment, and if hardship arises, and if necessity is seen as time goes on for further consideration of the Bill, as I said, an amendment is not out of the question for such a type of legislation.

Mr. Hollett: Mr. Chairman, I think I find myself in accord with the honourable Minister of Fisheries in his remarks as echoed and re-echoed by various members of the Government. Unless the honourable member for Placentia West intends to make or move an amendment I would like to refer back to

(c) of sub-section 2, "Coasting" I am not so sure you are not taking into consideration there every ship that comes into Newfoundland with goods or goes out of Newfoundland. I would suggest to the honourable Minister that some little amendment is necessary there in reference to "Coasting," because, under that particular definition of coasting, I see where all these people from Prince Edward Island and New Brunswick, Jamaica and elsewhere can have their ships bring goods in here and they could come under that definition. I was wondering if the minister could give some explanation as to that definition.

Mr. Cheeseman: Mr. Chairman, in reply to the Honourable Leader of the Opposition, this of course he will appreciate is the legal angle, and not something that I would have personal knowledge of. I enquired about that, and my information is that the Act specifically applies to vessels registered in Newfoundland therefore Clause (c) refers to Newfoundland registered vessels.

Mr. Hollett: Does it say that in the Act?

Mr. Cheeseman: In the Act there is a clause which says "registered in Newfoundland."

Mr. Smallwood: On page five at the bottom; I understand that covers the situation referred to.

Mr. Cheeseman: That is my legal advice.

Mr. Hollett: Is it not possible, Mr. Chairman, for any firm outside of Newfoundland any shipowning firm to have their ships registered in Newfoundland? There are lots of ships registered in countries where they do not belong.

Mr. Cheeseman: I suggest the Honourable the Attorney General might better answer that than I.

Mr. Hollett: Yes — I am only questioning the definition, and would like the Attorney General to have another look at it.

Mr. Smallwood: Mr. Chairman, we are not planning to meet tonight because if we did we would interfere very seriously with a very important social event. The Liberal

Party is getting a commission, I believe, of ten per cent of the tickets to be sold for tonight's event.

Mr. Higgins: Complimentary tickets?

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

Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole has discussed Bill NO. 22, made progress and has instructed me to report same and ask leave to sit again.

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

Mr. Curtis: Mr. Speaker, I move that all remaining orders of the day do stand deferred, and that the House at its rising do adjourn until tomorrow, Tuesday, February 11th. at three of the clock.

Tuesday, February 11th., 1958

The house met at three o'clock.

Hon. J.R. Smallwood (Premier): Mr. Speaker, before the Lieutenant Governor arrives, as I think he will do in a few moments from now, may I take advantage of the opportunity to say that we hope tomorrow to be in a position to unveil the first four bronze busts of former public men, carved for the house in recent months. The busts have arrived and are in the building at the present moment, and it is hoped that tomorrow here in the Chamber the Honourable Leader of the Opposition and I jointly will unveil these first four bronze busts.

There are two pairs. The first two are of the men most prominently identified with the winning of Representative Government, i.e., Dr. William Carson and Patrick Morris, and the other pair are two of the men most prominently identified with Responsible Government in 1855, the first Premier of Newfoundland, Sir Philip Francis Little and the first Speaker of the House of Assembly under Responsible Government, John B. Garland. These four busts will be here tomorrow to be unveiled jointly by the Honourable Leader of the Opposition and myself. I thought we could govern ourselves accordingly and make every effort for every

honourable member to be present and in his seat on that rather noteworthy occasion in the history of this house.

ROYAL ASSENT:

His Honour the Lieutenant Governor arrived in the house.

Mr. Speaker left the Chair.

His Honour the Lieutenant Governor took the Chair.

Mr. Speaker: Your Honour it is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects, her faithful commons in Newfoundland, to present to Your Honour a Bill for the Appropriation of Supplementary Supply granted in the present session. A Bill, "An Act for Granting to Her Majesty Certain Sums of Money for Deferring Certain Expenses of the Public Service for the Financial Year Ending the Thirty-First Day of March, nineteen hundred and fifty-eight, and for other Purposes Relating to the Public Services."

His Honour: In Her Majesty's name I thank her Loyal Subjects, I accept their benevolence and I assent to this Bill.

Mr. Speaker: May it please Your Honour, the General Assembly of the Province has at its present session certain Bills to which in the name and on behalf of the General Assembly I respectfully request Your Honour's assent: —

"An Act Further to Amend the Blind Persons Allowance Act."

"An Act Further to Amend the Workmen's Compensation Act."

"An Act to Amend the Vocational Education Act."

"An Act to Amend the Old Age Assistance Act."

"An Act to Amend the Crown Lands (Mines and Quarries) Act."

"An Act to Amend the Social Assistance Act."

"An Act to Amend the Education (Teachers' Training) Act."

"An Act Further to Amend the School Attendance Act."

"An Act to Amend the Commissioners of Oaths Act, 1954."

"An Act Respecting the Designation of Beneficiaries Under Pensions and Other Plans."

"An Act to Amend the Local School Tax Act, 1957."

"An Act Further to Amend the Education Act."

"An Act Further to Amend the Welfare of Children Act."

"An Act Further to Amend the Local Government (Election) Act."

"An Act Further to Amend the Community Councils Act, 1956."

"An Act Respecting the Assessment of Property for the Purpose of the Imposition of real Property Taxes by Councils of Municipalities."

His Honour: In Her Majesty's name I assent to these Bills.

His Honour left the Chamber.

Mr. Speaker resumed the Chair.

Mr. Speaker: Order. I have the honour to inform the house that at 3:15 this afternoon His Honour, the Lieutenant Governor visited this Chamber and assented certain Bills including a Bill for the granting of Supplementary Supply to Her Majesty.

Presenting Petitions:

Mr. S. Smith: (Port au Port): Mr. Speaker, I beg leave to table a petition from two hundred and fifty residents of my district requesting that power lines be extended from Ship Cove on the Port au Port Peninsula along the Cape St. George Shore of Cape St. George, etc. The West Coast Power Company has power development at Flat Bay providing power for the Community of St. George's, Stephenville Crossing, Stephenville, Port au Port and Aguathuna. In 1956, the company extended the lines to service communities along the Cape St. George Shore as far as Ship Cove. In 1957, the Company further extended its power service on the peninsula. The people on the Cape St. George Shore of the peninsula are now agitating for an extension of power to Cape St. George. In 1957 there were eight hundred and fifty-six people in this area and today there are one thousand nine hundred. There are one hundred ninety-six buildings to be serviced including a number of business places, schools, halls and churches. In this day and age, these

people should not be without these essential modern conveniences. I have every pleasure in supporting their petition.

Mr. Speaker, I beg leave to lay this petition on the table of the house and ask that it be referred to the Department to which it relates.

Hon. W. J. Keough: (Minister of Mines and Resources): Mr. Speaker, I rise to support the petition presented by my honourable colleague from Port au Port. I am happy to see him taking a hand in a matter that I have been "beating my gums" about since I first came into this house in 1949.

The house will recall that, up until October 1956, I represented what is now the District of Port au Port as well as the District of St. George's. Early in 1956, the West Coast Power Company told me they would, that year extend their power lines to Ships Cove on the Port au Port Peninsula and would in 1957, extend their power lines further to service the Community of Lourdes. I am happy to learn now from my honourable colleague the company has delivered on that promise, and there is no reason they should not now go on to extend power lines along the Cape St. George Shore, and afford the people of these places modern amenities that arise from electrical power—The company certainly does have the power.

Now you might say that I have a bit of selfish interest in supporting my colleague's petition. The more pressure, I suppose, brought to bear the greater the chances are of the company being persuaded to extend power west of St. George's. At the moment, there is a power development at Look-Out Brook at St. George's. They developed about nine hundred horse-power in 1956. They built a new pentstock and increased the housing capacity of the power house there with a view to installing an additional generator this year, 1958, to give them an additional capacity of another thirty-eight hundred horse-power. That would give plenty of power to service areas west of St. Georges not serviced at the moment. Now, out there are two of the major farming areas of the Province; the area consisting of the settlement of Heatherton, McKays, Robinsons, Jefferies and Cartyville area. The farmers out there are good farmers. They know how to farm. There is no doubt about

the extent and quality of their produce. As a matter of fact in 1956 one farmer at Robinsons produced seven thousand sacks of potatoes, a lot in anybody's language. Under this handicap of a lack of electric power they have to compete for the local market with farmers from the Mainland who have all the advantages of electrical power and paved roads running past their farms. The matter of power today for farmers is no longer a matter of convenience, it is a matter of survival.

Mr. Speaker, I have much pleasure in supporting the petition of my honourable colleague.

On motion, petition received for referral to the Department to which it relates.

Mr. U. Strickland: (Bonavista South): Mr. Speaker, I beg leave to present a petition from the people of Sweet Bay in the electoral District of Bonavista South. In this petition, the people are praying that the Government would give some active consideration to the construction of about one-quarter of a mile of road in order that they might by-pass that section near the settlement of Sweet Bay. I may say I have some knowledge of the area, and it is a very, very dangerous hill, and at certain times of the year even the snow-plowers or operators would not plow over this hill. Mr. Speaker, we have to keep in mind that this link is the only link the people have with the outside areas, the only road leading to the Cabot Highway, and fish and feeds and everything else must go over this piece of road; and if a doctor is required in the settlement he must go over this road, and if a clergyman is required he must travel over this section of road. I suggest it is only extreme devotion to duty that have carried them over this hill at certain times during the winter season.

Mr. Speaker, I beg leave to table this petition, I strongly support it and urge the Government to do all they possibly can to ensure construction of this piece of road.

I beg leave to table the petition and ask that it be referred to the Department to which it relates.

On motion, petition received for referral to the Department to which it relates.

Mr. E. Jones: (Burin): Mr. Speaker, I beg leave to present a petition on behalf of the

residents of Lamaline West in the District of Burin. The petition is signed by seventy-six householders in the community, and the prayer of the petition is that assistance will be given to the community in bringing drinking water into the settlement. At the moment, the supply of fresh water is two thousand feet from the community and the people are obliged to bring it in by horse and cart and wheelbarrows and in wheel tubs. The petition does not ask that water be distributed. Their idea is that if some sort of pipe were provided with an outlet, they could then carry the water by individual lines to the various houses.

While on the subject, Mr. Speaker, I would also recommend that the quality and purity of this drinking water be investigated.

I take great pleasure in supporting the prayer of the petition. I beg leave to have it placed on the table of the house and referred to the Department to which it relates.

On motion, petition received for referral to the Department to which it relates.

Mr. M. Whalen: (Hr. Main): Mr. Speaker, I beg leave to present a petition on behalf of the people of Conception Harbour. The prayer of this petition is for the widening and rebuilding of Conception Harbour Road leading through Conception Harbour to several other communities; for this reason, Mr. Speaker — The heavy traffic to supply the needs of about fifteen hundred people, in consequence of which it is generally in very bad condition.

The petition is signed by four hundred people, and it is also supported by a number of wholesale business houses in Conception Bay who have to use this road. I earnestly endorse the prayer of this petition, Mr. Speaker, and ask it be laid on the table of the house and referred to the Department to which it relates. On motion, petition received for referral to the Department to which it relates.

Presenting Reports of Standing and Select Committees:

None.

Giving Notice of Motions:

Hon. E. S. Spencer: (Minister of Finance): Mr. Speaker, I give notice that I will on

tomorrow move the house into Committee of the Whole to consider Interim Supply.

Giving Notice of Questions:

None.

ANSWERS TO QUESTIONS

None.

ORDERS OF THE DAY:

Adjourned debate on the Address in Reply.

Hon. B. J. Abbott: (Minister of Supply): Mr. Speaker, first I should like to associate myself with the previous speakers in congratulating the honourable member for Labrador North the mover of the Address in Reply, and the seconder the honourable member for Burin for the very fine manner in which they carried out their respective duties. I am sure the speeches were well worthy even of men of far greater experience in this honourable house.

I have been especially interested in the honourable member for Labrador North. In the early 1920's, I was principal of the Memorial School at Wesleyville, and for a number of years the honourable member on my left was a pupil of mine. I am sure if he were to tell you some anecdotes of his school days, he would relate to you some very amusing incidents which took place under that very severe school-master. The honourable members comes from a family which is well-known throughout this Province and indeed is well-known throughout other Provinces. Another great Newfoundlander of the same name sat in this house in the early 1920's. It goes without saying that he too of that name served his country well as a master mariner. Also another of the same name served his country well as a great citizen of Wesleyville, Bonavista North.

The seconder of the motion was a magistrate for a number of years, and he too served with dignity and with distinction in that great profession. I have privately congratulated the honourable and learned member for St. John's South. I have known him for a number of years and I feel sure that his years of experience in law, and his

strength of character, will add power to the debates of this honourable house.

In the person of His Honour the Lieutenant Governor, we have one whose career has been eminently successful and one of which he may feel proud. I feel sure that he too will maintain and uphold the dignity of his high office as did his predecessor, Newfoundland's esteemed gentleman, Sir Leonard Outerbridge.

Mr. Speaker, the Speech from the Throne for many years in our parliamentary history has been a very formal document, a speech which critically contains nothing, (at least that is what the honourable members of the Opposition would say,) and after all that is their business to say it. It is a document outlining in a very short and brief manner the policies and the legislation program of the Government.

However, the Speech from the Throne reveals the possibility of a third pulp and paper mill. For several years, the Honourable the Premier has expressed his faith in a third paper mill in this country. No one can deny his untiring efforts in that direction. Now, this house will be asked to consider an agreement with that great corporation, Crown Zellerbach.

Some of us in this honourable house who have lived in towns where the paper and pulp industry has been carried on know full well the great advantages derived from such an industry. We know how well and how happy the people are, and we know what measure of prosperity exists in these towns, and what facilities are placed at the disposal of the people. So that, in the light of experience, we look forward to greater things for Newfoundland in the pulp and paper industry.

Mr. Speaker, the first eight years of union with Canada have been years of consequence. We look to the recommendations of the Royal Commission of the Revision of the Term 29 for the continuing of public services at current levels and standards.

We have heard of our share from the special grant for the four Atlantic Provinces, and it is hoped that projects to revise upward the existing financial arrangement between the Government of Canada, on the one hand, and the Governments of the respective Provinces, on the other, will result in a substantial amount for Newfoundland, in order to

carry on the deferred improvements, and to carry them on as early as possible.

As a Province, we have made great progress in the first nine years of union. We have made notable improvements in health, education, welfare, road construction. But I want to speak for a while on Municipal Development and planning in Newfoundland. The story of the development and improvement of rural municipalities of a Province — of the historic beginnings of its towns and cities — is to a very great extent the story of the advances in democratic, social progress and the economic well being of that Province as a whole. A Province, or for that matter a nation, is only the communal aggregate of the people that dwell within it, of individual men and women. Consequently, it is by studying the constitution and cells of the body politic, the cities, the towns and the smaller rural municipalities, where the individual comes into immediate contact with his immediate Government that the positive achievements of a Province can best be measured, and its future most surely predicted. A tree is only as healthy as its roots, and the roots are more or less the vital source of the fruitfulness and beauty of the tree. So it is with this in mind that I propose to give you some account of the problems and of the progress of Local Government in Newfoundland, and indeed of the problems which we have yet to solve. Before Union with Canada, there were in Newfoundland sixteen towns and one city which enjoyed the status of municipalities. At present there are two cities and thirty-five towns and three local improvement districts exercising, with the financial and advisory assistance of the Provincial Government, the privilege of Local Government, with the exception of St. John's whose municipal powers are described in a special Act of Government, the City of Corner Brook and all other towns and rural districts enjoyed the full range of municipal powers permitted under the Local Government Act.

Communities incorporated under the Community Councils Act enjoy more limited powers, especially in respect of taxation. In the case of communities governed by this Act, the local councils can initiate and pursue municipal policies only with the full consent of the local electors and taxpayers. There are at present, in the Province, three

Local Improvement Districts — Gander, La Scie and Happy Valley. These communities have not yet reached the stage where they may elect the members of their respective councils.

Government Grants and Loans:

One hundred and fifty thousand of our people live under some form of municipal Government. Of the forty-three settlements of which the population is over one thousand or more, thirty have been incorporated. This leaves a dozen or more of our larger towns without Local Government, and for the most part, without any of those public services and facilities which it is the primary purpose of a municipality to supply. Some idea of the Provincial Government's intensive development of Local Government since 1949 may be conveyed by the figures representing the total amount of its investment in schemes of municipal improvement and assistance.

From April 1st, 1949 to December 31st, 1957, Provincial Government grants and loans made to Newfoundland municipalities totalled five million, three hundred thirteen thousand, four hundred ninety-two dollars, and ninety-four cents. In the year 1949-50, loans and grants to municipalities came to three hundred thirty-three thousand, eight hundred and twelve dollars. From April 1st, 1957 to December 31st, 1957, nine hundred forty thousand, three hundred fifteen dollars, and seventy-four cents. In other words, in that period, April 1st, 1949 to December 31st, 1957, the number of municipalities had grown and the grants had grown to that extent; in the first year, three hundred thirty-eight thousand, eight hundred and twelve dollars, and in this past year nine hundred forty thousand, three hundred and fifteen dollars. In many instances, these loans and grants were used to install water and sewerage facilities.

The following eighteen municipalities are served with either complete water and sewerage lines: — Harbour Grace, Carbonear, Clarenville, Greenspond, Lewisporte, Windsor, Deer Lake, Stephenville, Channel — Port aux Basques, Belleoram, Springdale, Fortune, Grand Bank, Placentia, Freshwater, Jerseyville, Berry Head, and Corner Brook.

Now, in order to assist these municipalities in these projects, the Government of the day has granted them loans or guaranteed the payment of principal and interest on debentures issued by these towns. Take for instance Corner Brook:—

Corner Brook was authorized to float a bond issue of two million dollars. They sold debentures to the amount of one million, nine hundred thousand dollars, in 1956 and 1957, the proceeds of the sale being used for the construction of a city hall, the paving of roads and other public works. Interest charges are being met at maturities, and repayment on the principal amounts to twenty-five thousand dollars, thus leaving a balance outstanding of one million eight hundred seventy-five thousand dollars. Interest and redemptions average one hundred and sixty-eight thousand, one hundred fifty-seven dollars, about seven dollars and twenty-seven cents per capita yearly.

During the years 1954, 1955, 1956 and 1957, the Corner Brook Water and Sewerage Corporation sold five debenture issues, each repayable over twenty years, for the amount of four million, four hundred thousand dollars, leaving a balance outstanding of three million, nine hundred twenty thousand dollars to date; repayment of principal on these issues having amounted to eighty thousand dollars. The interest charges have been met regularly. The average amount of interest and redemption is two hundred ninety-four thousand, seven hundred ninety dollars, representing about twelve dollars and seventy cents per capita annually.

In addition to that, the Corner Brook Amalgamated School Board sold a debenture issue of eight hundred thousand dollars at five and one-half per cent interest, repayable over twenty years, in order to finance the construction of a new school building. No repayments on principal are yet due, but interest charges in October 1957 have been met.

The average total amount for interest and redemptions on the debenture issues of the City Water and Sewerage Corporation and the Amalgamated School is five hundred thirty-eight thousand, four hundred ninety-three dollars, which represents about twenty-three dollars and twenty-four cents per capita yearly.

We now take the town of Clarenville: — In 1955 this town was granted a Government loan of three thousand dollars, repayable over twenty years. Estimated annual repayments on this loan have not yet been made. Another loan, estimated at four hundred thousand dollars, will be required for the provision of a water and sewerage system, town hall, fire station, street lights, playgrounds and the paving of streets. Repayment and interests on the Government loan will average two hundred twenty dollars annually, this is about eighteen cents per capita.

Springdale-South Brook: — In a debenture issue for one hundred sixty thousand dollars, at four per cent repayable over twenty years, was sold by the town of Springdale—South Brook: — In 1951 a debenture issue for one hundred sixty thousand dollars, at four per cent repayable over twenty years, was sold by the town of Springdale—South Brook for the purpose of installing a water system. Principal repayments to date amount to twenty-one thousand dollars, leaving a balance outstanding of one hundred thirty-nine thousand dollars. Interest charges have been met regularly. The issue is guaranteed by the Provincial Government, as to principal and interest. Government loans, amounting to twenty thousand, five hundred dollars were made between the year 1950 and 1952. Repayments to date on these loans amount to two thousand, one hundred dollars, leaving a balance outstanding of eighteen thousand, four hundred dollars. There are no arrears of interest. The average amount of interest and repayment on Government loan is one thousand nine hundred fifty-two dollars a year, and the average amount of interest and redemptions on the debenture issue is thirteen thousand, one hundred seventy-two dollars a year. Thus, a total debt service charge amounts to fifteen thousand, one hundred twenty-four dollars annually, about seven dollars and eleven cents per capita. It is estimated that an amount of ninety-seven thousand dollars will be required to meet the cost of providing an electricity utility, a new fire pumper and hose, a playground and the paving of local roads. We now come to the town of Wesleyville, formerly a great Labrador Fishery centre or a centre from where large schooners sailed

many years ago. In 1954, a Provincial Government loan of two thousand dollars at five per cent repayable over five years was made to the town of Wesleyville. No repayments have as yet been made on this loan but there are no arrears of interest. Their average amount for interest and repayments on the loan is five hundred fifty-six dollars. This represents about forty-two cents per capita per year. Wesleyville has requested a water system, and it is estimated that, to provide this water system, will cost in the vicinity of three hundred thousand dollars. Now, this amount may be beyond the financial resources of this town, unless there is a substantial increase in the population. It seems, however, that the population of the area is centralizing more at Badger's Quay — Valleyfield, where the fish plant is being operated. In addition to that amount, a further twenty thousand will be required to take care of a fire station and pumper.

Stephenville: — In 1954 Stephenville floated a debenture issue for six hundred thousand dollars, repayable over a twenty year period. It was sold by the town for the purpose of installing a water and sewerage system there. The principal repayments to date amount to two thousand dollars, leaving a balance outstanding of five hundred and seventy-eight thousand dollars. The interest charges have been met regularly, and debentures are guaranteed by the Provincial Government as to the principal and interest. The average amount for interest and redemption for this town amounts to forty-eight thousand, nine hundred and twenty-three dollars. This works out to about thirteen dollars and three cents per capita per year. It is estimated that an amount of ninety-five thousand dollars will be required at Stephenville to build a new town hall, a fire station, and to provide playgrounds and street lights.

Then we come to the town of Windsor: — In 1956 a debenture issue of eight hundred thousand dollars at four and one-half per cent, repayable over twenty years, was sold by the Town of Windsor for the purpose of installing water and sewerage systems. In 1957, a further issue of three hundred thousand dollars at five and one-half per cent, repayable over twenty years, was sold for the same purpose. No principal repayments are yet due on these issues, and no interest charges have been met by the

Council at maturity date. Now, both issues for Windsor are guaranteed by the Government as to principal and interest, but because the system is not yet operating no income is being derived, and interim assistance by the government by way of loans has been necessary in order to meet the interest charges on the first issue. These loans amount to sixty thousand dollars and will be repaid from the proceeds of the sale of the debentures early in 1958. Therefore interest payments on the repayments of these loans do not appear in the future debt charges.

During the years 1951 and 1953, loans to the extent of twenty-one thousand five hundred dollars have been made by the Provincial Government. Of this amount, four thousand dollars has been repaid, leaving a balance of seventeen thousand, five hundred dollars outstanding. There are no arrears of interest on these loans. The average amount for interest and redemption on the debenture issues is eighty-eight thousand, five hundred twenty-eight dollars a year. The average amount for interest and repayment of Government loans is two thousand, one hundred ten dollars a year. Thus, the total debt service charge is about ninety thousand, six hundred thirty-eight dollars annually, or about twenty dollars and eight cents per capita. That seems to be quite an amount for a population of some five thousand people. But, in addition to that amount, Windsor will require another amount of four hundred and nine thousand dollars for the water and sewerage system, reconstruction of roads, street lights, playgrounds and a new garbage truck.

We will now go on to the South Coast, to Grand Bank, where you will find that in 1951, the Town of Grand Bank sold a debenture of two hundred thousand dollars at four per cent. This was repayable over a twenty year period. This was for the purpose of financing the installation of a water and sewerage system. The interest charges have been met regularly, and repayments on principal to date have amounted to thirty-two thousand dollars, so that we have a balance of one hundred sixty-eight thousand dollars outstanding. A loan of thirty thousand dollars at four per cent interest, repayable over a twenty year period, was made to the town in 1952 by the Provin-

cial Government. Repayments on principal amount to one thousand dollars, leaving a balance outstanding of twenty-nine thousand dollars. There are no arrears of interest. The total debt charges on debentures and Government loans amount to eighteen thousand and twenty-six dollars a year, about seven dollars and forty-two cents per capita.

We now return to the East Coast, to the Town of Greenspond:— Greenspond received in 1954 a Provincial Government loan of fifteen thousand eight hundred sixty dollars at four and one-half per cent interest, repayable over twenty years. No repayments of principal have been made on this loan but there are arrears of interest; which to my mind is not too bad.

Harbour Grace: — In 1951 the Town of Harbour Grace floated a debenture issue of fifty thousand dollars at four per cent interest, repayable over twenty years. To date, repayment on principal amounts to eight thousand dollars, leaving a balance outstanding of forty-two thousand dollars. The interest charges at Harbour Grace have been met regularly. In the years 1955 and 1956 other loans amounting to sixteen thousand, nine hundred seventy-one dollars were made by the Provincial Government. There are no arrears of interest on these loans, and repayments of principal to date amounts to one thousand, eight hundred and twenty-six dollars, thus leaving a balance outstanding of fifteen thousand, one hundred and forty-five dollars. This figures out to about two dollars and forty-nine cents per capita for the people of Harbour Grace.

Jerseyside, Placentia: — In October 1956, a loan of six thousand, two hundred and fifty dollars at four and one-half per cent interest repayable over twenty years was granted to the town of Jerseyside by the Provincial Government. This was granted to the town, and another loan amounting to eighty-five thousand dollars was given the Council, guaranteed to the Royal Bank of Canada in 1956-57. This council received its loans in order to install a water system in the town, and the loans are to be repaid from the proceeds of the sale in 1958 of one hundred ten thousand dollars of debentures. Now, in Jerseyside, the average amount for interest and the repayment of Government loans is four hundred fifty-

five dollars annually, about sixty-five cents per capital. When the Council's next proposed debenture issue of fifty thousand dollars is sold, its total debt charges will be about ten thousand, nine hundred and seventy-six dollars annually, about fifteen dollars and forty cents per capita. The present needs of the town are a town hall and fire station, paved roads and a water and sewer line.

We come now to the town of Lewisporte, which is a very progressive town, one of the earliest to receive incorporation. In 1951 the town floated a debenture issue to the amount of one hundred twenty thousand dollars at four per cent, repayable over twenty years. The principal repayments to date amount to twenty-four thousand dollars, so that they have a balance outstanding of ninety-six thousand dollars. Interest payments have been met regularly. The issue, of course, is guaranteed by the Provincial Government. In July 1957 a further issue of one hundred ten thousand dollars at five and one-half per cent, repayable over eighteen years was sold. No interest nor repayments of principal are yet due on this issue. This issue was a part of a two hundred and fifteen thousand dollars issue authorized and guaranteed by the Provincial Government. In addition to that, in 1950, a provincial loan was made to the town of nine thousand dollars. Repayments of interest to date amount to one thousand, five hundred dollars, so that we have the balance outstanding at the present of seven thousand, five hundred dollars. Interest payments have been met regularly; and the average amount for interest and redemption on the debenture issues is seventeen thousand, nine hundred and thirty-eight dollars annually, which represents eight dollars and ninety-five cents per capita. All that is required to bring municipal services in Lewisporte up to a minimum standards is the paving from two to two-and-one-half miles of road, at an estimated cost of one hundred and twenty thousand dollars.

Placentia: — Government loans in the amount of five thousand, seven hundred dollars were made to this town during the year 1946-47. Needless to say, that was before Union. Repayments of principal to date amounts to two thousand five hundred dollars, leaving a balance outstanding of three thousand two hundred dollars. There

are no arrears of interest. The average amount for interest and repayment of Government loans is nine dollars and seventy-five cents per capita per year. At this town, the existing water and system is utterly inadequate and should be improved and extended. In order to do this, it would cost another eighty thousand dollars. The reconstruction of the roads at Placentia will cost an additional forty thousand dollars, so that it will require a total of one hundred and twenty thousand dollars in order to bring these services up to standard.

In the town of St. Lawrence, on the South Coast, in 1953 a debenture issue of three hundred and seventy-five thousand dollars was sold. This was for the purpose of installing a water and sewerage system in the town. The principal repayments to date amount to forty thousand dollars so that you have a balance there of three hundred and thirty-five thousand dollars. This issue, of course, is guaranteed by the Provincial Government. While the interest charges have been met at maturity dates, they have not, in all instances, been met without Government assistance. Due, as you all know, to the closing down of the fluorspar mines at St. Lawrence, (which recruited the greater part of its labour force from this community,) the collection of taxes was considerably reduced. In addition to the funds received from the sale of its debenture issue, the municipality received Government loans to the amount of sixty-eight thousand dollars. These loans were given during the years 1955-57. No payment of principal has as yet been made, and arrears of interest amount to approximately nine hundred dollars. The average amount of interest and redemptions on the debenture issue is twenty-eight thousand, nine hundred and sixty-seven dollars a year. The average amount for interest and payments of Government loans is five thousand and seventy dollars a year. Thus, the total debt service charge is about thirty-four thousand and thirty-seven dollars a year, about eighteen dollars and fifty-three cents per capita. It is estimated that an amount of fifty-six thousand dollars will be required to cover the cost of a new pump, and the paving of local roads.

In the town of Mount Pearl Park—Glendale—which is quite near us here in the city — A loan of thirty-five thousand dollars was given in 1957. This was guaran-

teed by the Provincial Government. It is estimated that the cost of providing services for the town of Mount Pearl Park—Glendale will be one million, nine hundred thousand dollars. A survey has been conducted and that is the estimate, the amount of one million, nine hundred thousand dollars, to give it the proper services.

In the town of St. Anthony, which is one of our most northerly municipalities, loans in 1955 and 1957 amounted to four thousand, two hundred and fifty dollars. There are no arrears on interest on the loans. The town is most anxious to improve its services and to extend its services. An estimate cost of these services have been made. The estimate is over three hundred thousand dollars; in order to give St. Anthony a town hall, a fire station, pumper and equipment, paved streets and an adequate water system. The average amount now due, apart from this estimated amount, is five hundred and twenty-five dollars, which represents thirty cents per capita, per year.

We now come to the town of Deer Lake: — The town of Deer Lake sold a debenture issue to the amount of two hundred and forty thousand dollars for the purpose for extending and installing a water and sewerage system. To date, repayments on the principal have amounted to twenty-five thousand dollars and interest charges have been met regularly. These debentures in accordance with Government policy, are guaranteed by the Province. Interest and redemptions amount to eighteen thousand, two hundred dollars yearly, about five dollars and twenty-eight cents per capita. Deer Lake propose an extension to its sewerage system or, as a matter of fact, a new sewerage system. It is estimated that this will cost around three hundred fifty thousand dollars.

The town of Fortune: — We heard the honourable member for Burin speaking a few days ago and pleading so well for the town of Fortune. As minister of Municipal Affairs, I can certainly endorse what he has said about Fortune. But, Mr. Speaker, in 1951, the town of Fortune, the Town Council of Fortune, in order to install a water and sewerage system, issued a debenture of one hundred and fifteen thousand dollars. These debentures are repayable over twenty years. In 1955, another issue of sixty

thousand dollars was made in order to finance the extension of that system. Now, all of these debentures have been guaranteed by the Provincial Government. While payments of principal and interest have been met at maturity dates, nevertheless they have not in all cases been met without some assistance. Now, one reason why they have not met their interest is due to the modification of the Government's policy in the payment of debenture debts incurred by municipalities. Experience in the problem of financing has shown that payment of revenue grants on water rates would, in the long run, be more advantageous to the municipalities, and indeed to the public at large than applied in the old system. In accordance with the latter the Councils were assured of the dissolution of up to fifty per cent of their debenture debt charges of the Government. Under the system which we now have in use, councils must qualify for Government assistance by their collection of water rates. The financial position, of course, of Fortune was further aggravated by the closing down of operations at the local fish plant at that place. The local fish plant, as we all know, was the largest employer of labour in that town. So that, with the combined results of these various changes in the economy, the payment of fees was not forthcoming, with the consequence the council found itself unable to meet its commitments. From 1952 to 1957 the Provincial Government loaned to the town council forty-three thousand, three hundred and five dollars. No returns on either this loan nor on the interest payments have as yet been made. To date, the arrears of interest amount to approximately two thousand dollars, and the total debt charges for services per year is seventeen thousand, five hundred and fifty dollars, which represents a per capita debt of one thousand four hundred and sixty-seven dollars.

Channel-Port-aux-Basques: — In 1952 the Town Council of Port-aux-Basques-Channel (I am getting now into the district of my honourable colleague on my right. He tells me I must be careful what I say). This Council issued a debenture of a quarter of a million at four and one-half per cent. This was for the purpose of installing a water system. The interest and repayments have been met regularly.

Hon. J. T. Cheeseman: (Minister of Fisheries): Of course.

Mr. Abbott: In addition to this, in the last few years the Provincial Government gave them more loans totalling seventy-five thousand dollars, and on these loans repayments have been made. So that you have the total debt service charges now coming to about twenty-four thousand dollars a year or seven dollars and thirty-four cents per capita. It is estimated that Channel-Port-aux-Basques will require another two hundred thousand dollars in order to provide them with a town hall, a fire station, pumper equipment and the paving of streets.

The adjacent settlement known as Mouse Island is to be incorporated as a town and an additional forty thousand dollars will be required if they are to provide that with water lines.

We come now to the towns in His Honour the Speaker's District: — The town known as Belleoram has had local Government since 1949. There are only five hundred and fifty-five residents there. They have received loans amounting to fifty-eight thousand, eight hundred and sixty-two dollars. The interest payments on these loans, I am pleased to say, have been met and, indeed, four thousand, two hundred dollars of the principal repaid. The council used this money for the installation of a water system for the service of the residents and the operations of the Newfoundland Dehydrating Company Plant. (This plant has not yet been constructed, and this, together with the declining local fishery, has had the effect of reducing the cash income of the taxpayers.) Under these circumstances, there is little prospect of the council being able to meet its obligations in the matter of Government loans. While the town has no debenture debt, it is indebted to the Provincial Government for approximately four thousand, eight hundred and forty five dollars in repayments and interest on loans. This represents about eight dollars and seventy-five cents per capita yearly.

Carbonear: — The town of Carbonear received a Provincial Government loan of ten thousand, one hundred dollars. Interest charges on this loan have been regularly met, and two thousand, six hundred and sixty-five dollars of the principal has been

paid. Carbonear requires more adequate street lighting, it requires paved streets, and a truck for the collection of garbage. In order to have all these services it will require seven hundred sixty-five thousand dollars. To date, repayments and interest on loans average seven hundred seventy-one dollars yearly, which represents about twenty cents per capita.

Freshwater, Placentia: — In 1952 this town sold a debenture issue in the amount of one hundred twenty thousand dollars at four and one-half per cent, repayable over twenty years, in order to finance the installation of a water and sewerage system. There has been no default in the repayment of interest on the issue but the Provincial Government has been obliged, in a few instances, to make the town loans in order to enable it to meet its commitments.

Mr. Speaker, a very important division of my Department is that of the Town Planning. In 1953, a Planning Act was passed by this Legislature, and in the following year a Planning Division was set up in the Department. We have there three persons, giving invaluable assistance to Town Planning. For two years, this Planning Division has worked on a plan for the City of Corner Brook; and quite recently a plan was completed for the Town of Gander, which will guide the council and serve as a basis for the application of a wise municipal policy. Recently this division completed a plan for Wabana and for the improvement of housing conditions and the much need installation of water and sewerage facilities there. The plans for Mount Pearl Park-Glendale are nearing completion. This will tie in with the development of the City of St. John's and its surrounding areas, and will control the installation of water and sewerage mains. The plan for Lewisporte is also nearing completion, and that will ensure that this town, which is the fastest growing community in the Province, will develop along economic lines capable of the provision of these services as planned. The plan for the project at Happy Valley, Labrador, is in the making; the planning and laying out of a completely new townsite allowing the development of housing and shops in an orderly and sanitary manner and paving the way for the development of Newfoundland's most modern settlement. On motion, the house recessed for ten mi-

nutes, after which Mr. Speaker, resumed the Chair.

Mr. Abbott: Mr. Speaker, at the time we took a recess, I was speaking of the planning which the Planning Division of my Department was doing. I did speak of the local project at Happy Valley, Labrador which was being considered by the Planning Division. The planning consists of the laying out of a completely new townsite for Happy Valley, which will allow the development of houses and shops in an orderly and sanitary manner. Now I realize the cost will be tremendous, because of the geographical position. As a matter of fact, we know something of the cost of building schools in that area, and the cost of building roads is just terrific because of the fact that Happy Valley is in such close proximity with Goose, where high wages are being paid and where the contractors, of course, expect to be well paid for the work. However, the plans are being made and as soon as we get the money we do hope that a great development will take place there in Happy Valley.

At Deer Lake, a new recreation centre is being planned for the promising town.

At Baie Verte Peninsula, a complete regional plan is nearing completion. That will be for the development of a two thousand square miles area. That area will accommodate ten thousand people. This plan will provide for economic and social development of new and existing communities; a plan for main roads and communications throughout the peninsula needed for the development of the basic mining, timber and fishing industries.

At Bay D'Espoir, preliminary surveys have been made for the planning of this area when the hydro and timber are developed. As for Metropolitan St. John's, a complete survey and report has been made and is now being considered by a committee of the Cabinet. This is to provide for orderly development and future administration of this important and fast growing area. This is essential if the problems that are now apparent in other metropolitan areas across Canada are to be avoided here in our Province. This survey includes the assessment of water catchment areas and suggests a unified development and conservation of this essential commodity.

Mr. G. Nightingale: (St. John's North): Mr. Speaker, may I ask the honourable member, will the control of these building lots be controlled immediately or are they under control at the present time; subdivision of building lots?

Mr. Abbott: They are under control.

Mr. Nightingale: That is the most important thing.

Mr. Abbott: The St. John's Approaches Subdivision and Building Regulations have been used as an interim measure for the improving of housing conditions at the prevention of wasteful and unsatisfactory development of land in a large area around St. John's, while the necessarily slow job of developing the metropolitan aspect of the area has been studied. Most honourable members will know that we have certain regulations in respect of setting up "housingkeeping" if you will, in the fringe areas of this city. Trailer regulations have been passed or enacted, to control the development of trailer towns, close to the American Base in St. John's, and especially Stephenville, where it is feared that substandard housing conditions were developing, which would eventually lead to the creation of slums.

This Province has taken a leading part in planning, Mr. Speaker, which is being recognized throughout the Dominion, where the various planning activities are watched with great interest.

A few minutes ago, I mentioned only those communities whose development has been consolidated and accelerated by Government loans and Government backing of debenture issues. Perhaps even more important is the Government's policy of supporting and expanding local Government, the system which we have of paying revenue grants. For instance, for every dollar up to one thousand dollars collected by a municipality in service fees, the Government pays the municipality a sum of two dollars, and on every dollar collected, from one thousand dollars to five thousand dollars, the Government will pay one dollar for each dollar collected by the municipality, and so on. The scale goes right on until we get to ninety-five thousand dollars raised, and then the Government will pay fifty cents for every dollar raised.

Towns whose financial views are rather cautious and conservative, and which was preferred not to avail themselves of Government loans and debenture floatations have managed to give their communities some services and facilities by means of local tax collections and the Government revenue grant.

In addition to revenue grants, every council receives an annual per capita road grant, which not only ensures the maintenance and extension of local roads but enables each council to devote its revenue grants to the establishment and gradual improvement of other public services such as the collection of garbage, the purchase and maintenance of fire-fighting equipment, the building of playgrounds, improvement of existing water systems and the general introduction of public amenities.

In districts where the population is too small or scattered for the establishment of municipalities to be feasible, Local Road Boards maintain and extend roads with Government financial assistance. The indirect advantage of Government revenue grants and road grants are, in many instances, nearly as important as those direct advantages which I have just mentioned. For instance, take employment on local roads. This is an important source of income for the residents of many towns. I may say for most of them, being smaller municipalities, the Government's system of municipal grants is, if only a part, a very practical answer to the problems of unemployment. The education in leadership and democracy; the encouragement of the community spirit and social responsibility is, of all the affects of local Government, the most estimable. A generation of socially conscious and politically mature men and women will prove to be the finest and even the most enduring tribute to the local Government movement in Newfoundland.

What remains to be done in the field of local Government is indicated by the number of communities which are headed for incorporation as towns, and by the minimum financial assistance which their incorporation would entail.

Take the Town of Bay de Verde with a population of one thousand people, which would require three hundred thirty-six thousand, two hundred and fifty dollars for the provision of basic municipal services.

Joe Batt's Arm with a population of one thousand would require forty-five thousand dollars, Pouch Cove, Bay Bulls and Torbay communities, with a population of about twelve hundred would each require fifty-two thousand dollars. Coley's Point, with a population of one thousand, would require ninety-seven thousand dollars. Twillingate with a population of two thousand nine hundred would require six hundred eighty-five thousand dollars. Stephenville Crossing with a population of fifteen hundred would require eight hundred and forty thousand dollars. Upper Island Cove, with a population of fourteen hundred, would require eighty-two thousand dollars. Catalina-Port Union, with a population of one thousand, two hundred and forty would require five hundred ninety-two thousand dollars. Spaniard's Bay with a population of one thousand two hundred, would require seventy-two thousand five hundred dollars. Bonavista, with a population of three thousand eight hundred, would require one million, eight hundred and fifteen thousand dollars. Botwood, with a population of three thousand five hundred would require two hundred thousand dollars. Bishop's Falls, with a population of three thousand two hundred, would require one million, one hundred two thousand, and five hundred dollars. Little Bay would require seven hundred eighty-nine thousand, five hundred dollars, and Baie Verte one million one hundred forty-five thousand dollars. The total amount required to provide minimum services for prospective towns is eleven million, four hundred fifty-three thousand, two hundred and fifty dollars.

The Community Councils Act of 1956 provides for municipal organizations for typically small settlements with a population of from two hundred to one thousand. A Community Council, as we all know, is set up to provide for the provisions of certain specific services such as road maintenance and procedures are simplified. Power of taxation is limited. The Act is designed to enable a three man council to administer the community affairs without the relatively complex administrative machinery of the larger municipalities established under the local Government Act.

At present, there are thirty organized communities in the Province. Almost with-

out exception, the services provided by the Councils of these communities are limited to the maintenance of local roads and improvement of public wells. One community has installed a water line.

Mr. Speaker, there are about three hundred additional settlements in Newfoundland with a population ranging from two hundred to one thousand. All of these could be organized municipally under the Community Councils Act. It is felt that for about two hundred and fifty settlements, including those already incorporated, minimum services would not extend beyond road maintenance and maybe provision of wells. For the remaining places, numbering seventy, each of which has a population in excess of five hundred, minimum services should include a portable fire pump in addition to roads and wells. It is estimated that, to provide roads of minimum standard, would cost about ten thousand dollars for each community. Therefore, for three hundred and twenty communities in our Province, the cost of road construction would be three million, two hundred thousand dollars, and to provide wells for these places (where a safe and adequate supply of water does not already exist) would require a further two hundred and fifty thousand dollars. Minimum fire fighting equipment for about seventy communities would cost at least three hundred and fifty thousand dollars. For those settlements with a population with less than two hundred people, basic services such as roads and wells are of course necessary, but it is considered that no practical form of municipal organization can be provided, indeed it is probably undesirable to incorporate these settlements. Instead, the standard of services in the larger communities should be raised to encourage concentrations of population. The major problem in providing municipal services in Newfoundland arises from the fact that our population is widely dispersed. Only one hundred and fifty thousand of our people live in communities with populations in excess of one thousand, the minimum population desirable for incorporation as a town. A further one hundred and twenty-five thousand people reside in places with the population ranging from two hundred to one thousand, so that the remaining one hundred and twenty-five thousand, or

about one-third of the population, live in settlements of less than two hundred.

Mr. Speaker, I hope that what I have said has conveyed to you and to the members of this honourable house the role that municipal Government has played in the life of our Province during the past nine years or more. The advance of the local Government movement in Newfoundland, like all new adventures, is an arduous but rich and satisfying one. Those who have participated in the movement have enjoyed the peculiar satisfaction of men whose success is the fruits of difficulties overcome and of hopes endangered but finally consummated. This success, we must not forget, is yet only partial. We must accept present difficulties as the spur to full and ultimate achievement.

Mr. M. M. Hollett: (Leader of the Opposition): Mr. Speaker, I do not know if this is a point of privilege or not; I have listened very carefully and with great interest to the speech by the Honourable Minister and I was greatly struck by it, as I know everyone else here must have been, — but the facts and figures, — I was wondering if there is any possibility of getting those put in pamphlet form or something, because the speech of the Honourable Minister indicates to my mind the growth of Newfoundland's community councils and local councils and all that sort of thing. It would be nice to have that. I know it is factual, but we won't get the Hansard for a long time. I wonder could it be arranged? Perhaps the Honourable Minister might be able to arrange that.

Premier Smallwood: It is a good thought.

Mr. Abbott: Mr. Speaker, I would be glad to do that.

Mr. G. Nightingale: (St. John's North): I would like to also congratulate the Minister on his address.

Mr. Smallwood: We permitted the Honourable Leader of the Opposition, and now we must all make a speech.

Mr. Speaker: Order. I do not think the honourable member for St. John's North has spoken in this debate, so he has the right if he so desires. I thought he was speaking in the debate.

Mr. Nightingale: He has spoken — If I am out of order I will sit down Sir.

Mr. Speaker: Order. I concede that the Honourable member has spoken in this debate.

Mr. U. Strickland: Mr. Speaker, I beg to move the adjournment of the debate.

On motion the debate on the Address in Reply adjourned.

On motion of Premier Smallwood, that the House go into Committee of the Whole to consider certain Resolutions designed to authorize the Government to enter into an agreement with Crown Zellerbach Corporation. Mr. Speaker left the Chair.

Mr. Clarke, Chairman of Committee of the Whole.

Hon J. R. Smallwood: (Premier): Mr. Chairman, there are two ways to bring in legislation involving money. One of these is by resolution. That is the way we propose to bring this legislation before the house.

Now, when legislation is brought in by resolution it can be debated at the resolution stage or it can be debated at second reading, or indeed it can be debated at both stages — but it is extremely rare for legislation to be debated at both stages. I believe that the Honourable Leader of the Opposition has agreed, for this part, that the better way we might adopt this case is to have the full debate at second reading. For that reason, Mr. Chairman, I do not propose to make any remarks whatever at this stage. I merely move that these resolutions be passed. Then tomorrow, if the Bill is printed, as I think it will be and the Attorney General assures me, or at least tells me, that he thinks it will be printed. It has been in the hands of the printers for some days and with the exception of one or two minor amendments which we have negotiated at the last minute by telephone between here and San Francisco, the thing has been agreed between the Government and Crown Zellerbach, and on these one or two minor amendments agreement has been reached in the last day or so, and these amendments have been passed on to the Queen's Printer and will appear in the printed Bill.

It is now possible that the final printing of the Bill may not be completed for second reading on tomorrow, but we are strongly

hopeful that it will be and that we can proceed tomorrow with second reading. In that case, I would propose tomorrow to call the Order immediately after Number One on the Order Paper, and introduce the Bill with some remarks that would give all the information I have. Then, doubtedlessly, the Opposition would want some adjournment of that debate so they might study the Bill and be ready to come back into the house with their discussion after they have given it that study. I will say, in fact, that the Bill will be found to be based pretty squarely upon the letter from the Executive Vice-President of Crown Zellerbach, addressed to me and published by me in the local press the day after New Year's Day. The agreement, I say, will be found to be based pretty squarely, with some exceptions here and there, upon that letter. It will not come as too much of a surprise to the Opposition. They will indeed be pretty familiar with it already if they have made a study of that letter from Crown Zellerbach that I did publish. I have no doubt they have mastered that letter, and they have become quite familiar with it already, if they have made a study of that letter from Crown Zellerbach that I did publish. I have no doubt they have mastered that letter and are therefore quite familiar with the terms of the agreement as it will be tabled, I hope, in the house tomorrow.

On motion, the Committee rose to report having passed this Resolution.

Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and passed certain Resolutions and recommend that a Bill be introduced to give effect to the same.

On motion, report received.

On motion, Resolutions read a first time — A Bill, "An Act to Authorize the Government to Enter into an Agreement with Crown Zellerbach."

On motion, Bill ordered read a second time on tomorrow.

Second Reading of Bill, "An Act to Amend the Department of Highways Act."

Hon. L. R. Curtis: (Attorney General): Mr. Speaker, in the absence of my honourable colleague, the Minister of Highways, I beg to move the second reading of this Bill, which I think needs no elucidation, as hon-

ourable members will have observed it deals simply with the question of signs on the highways and vests in the Minister complete control over signs and existing signs and makes provision also for signs where business is carried on. In such cases signs can be put any place within a hundred yards, I think it is.

It is really just legislation, Mr. Speaker, to control the use of signs on highways. I think my honourable friends in this house, on both sides, will agree that it is time we had some such legislation.

Mr. J. G. Higgins: (St. John's East): Mr. Speaker, I am entirely in agreement with the Attorney General as to the principle of this thing as being perfectly understandable and one we can all agree on. The point which I would like to mention would be the question of signs in connection with places such as resorts showing the name and nature of the place or resort, and I presume the purpose for which the resort is there. Does that cover the question of these neon signs which we see? Now, there are certain of these neon signs that certainly do not add to the attractiveness of the neighbourhood, particularly in the day time when they are stark skeletons and at night, unless there is some control over these neon signs, as it presently exist it does not seem to allow of any neon signs at all. Now this is a matter of which we all have knowledge. Practically every place has these neon signs, which can be seen a long distance away. Is it intended hereafter that there should not be any neon signs attached to these places or resorts? I think perhaps "restaurants" might be a little better — A place of resort has a rather evil connotation.

Mr. Speaker: That point, I think, might be taken up when the clause in which it appears is discussed in the committee stage.

Mr. Hollett: Mr. Speaker, I don't know if I am entirely in agreement. We have not had a chance to discuss that among ourselves. I see nothing very much wrong in erecting a sign within a hundred yards of the highway provided it is put up according to regulations, if it is going to advertise restaurants and resorts. I see that the whole idea is that nothing shall be put up which will mar the landscape — Is that the idea?

Mr. Curtis: That is right.

Mr. Hollett: With that I am in accord. On motion, Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow. Second Reading of Bill, "An Act Further to Amend the Highway Traffic Act."

Mr. Curtis: Mr. Speaker, in the absence of my honourable colleague, the Minister of Highways, I beg to move the second reading of this Bill, which is a Bill, "An Act Further to Amend the Highway Traffic Act." — This Bill too is a simple Bill and it provides simply that the Minister of Highways may designate two speed limits (1) a maximum and (2) a minimum and signs may be placed on the highroads indicating just what these limits are.

It is a new idea in Newfoundland, having a minimum speed limit. But I think when the Trans Canada Highway is completed it will probably be very necessary to have some minimum speed limit, otherwise you will have people blocking traffic by crawling along at a slow rate of speed. The object of this Act is simply to anticipate improvements in our roads, and to provide the means by which the Minister can set both maximum and minimum speed limits. It provides also to assist people who are being handicapped and disturbed by the fact that some people park cars on their property without their consent. I understand this is particularly the case in the vicinity of the Stadium where patrons feel they have the right. It is against the law, of course, to park in front of a side drive. But what has not been against the law is to park in a driveway, and consequently people have been able in the past, (whilst they could not park in front of a driveway,) to drive into people's driveways and close off their right of exit and entrance and generally make a nuisance of themselves. This Bill provides that such action shall be chargeable, and it provides for a fine of not less than twenty-five dollars in the event of people parking their cars without the permission of the owner of the property in such a manner as to cause a breach of the Act. I might say this is necessary in other directions too. I know I have a piece of land up in the West End and last winter people not only parked their cars on it but took it into their heads to completely

remodel the cars and take them apart and put them together again and I do not doubt sell them for scrap — and here was this unsightly mess on private land, which shows the sheer gall of some people who think because they happen to own car they have all sorts of rights and privileges — However, with the help of the press we were able to get the cars out of the place even though it took several weeks. I think there were two and there was, I think, competition between the two as to which would take longer. However, this section of the proposed Act is not proposed specifically to deal with the case I referred to, but rather to keep people from parking in other people's driveways and on their land without permission. It is meant to remedy that.

The honourable member for Green Bay objected to Section 3 of Section 5, and he has pointed out quite correctly that under this section it might be difficult — If for instance you go around the Bay and decide to park by a pond, you may unwittingly park and hold a picnic on land which is not fenced and yet which might be privately owned — I think that is a matter that we can look into when we get into Committee — Providing that parking is not to be allowed there should be a sign which states that, and it should not be an offence to park on a piece of land adjoining a lake or river.

The last section of the Bill, Mr. Speaker, is designed to enable the Town Council of Corner Brook to do what the Municipal Council of St. John's has done, i.e., delegate to a Commission the right to make rules and regulations with reference to traffic.

Mr. J. G. Higgins: (St. John's East): There is a precedent for that in St. John's.

Mr. Curtis: Of course, if it is a St. John's precedent, then in the eyes of the Opposition it is all right.

Mr. Nightingale: I just want to get at one thing. It is a tangle. We already have municipal by-laws where a car cannot be parked on a sidewalk, and now they cannot park on private property. I was wondering whether the Highroads Department or the Commission running traffic for St. John's — take section here regarding speed limits, will they apply in St. John's as well as on the highroads. Would the Minister of Highways tell

us whether thirty miles an hour will be allowed? — it is badly needed in some places.

Mr. Higgins: That is a matter of opinion.

Mr. Nightingale: For a fellow walking, yes. You see, Mr. Speaker, it is not as easy as it looks to appoint a certain commission in the City and Corner Brook wants the same thing, when it may be much better under the Highway Division.

There is another important thing, the present signs on the highways. Travelling along you do not even notice when you get to a twenty mile an hour zone, but when you get to the other end you find it was a twenty-mile an hour zone. The signs are badly placed and they should be reflector type signs for night driving, otherwise this thing would not be worth anything. They need reflectors to see them in the night as well as in the day time. I do not know whether the twenty miles applies at night time, but there are people in these villages where these signs will have to be located, and it is just as dangerous to drive in the night time as it is in the day. They need reflectors, and a little thought should be given to these villages and we need reflector type signs even in the day time when the weather is bad and these things shine up. Anyway I would like the Attorney General to please pass that to our good colleague.

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

Second Reading of Bill, "An Act Further to Amend the Mining Tax Act."

Hon. W. J. Keough: (Minister of Mines and Resources): Mr. Speaker, I don't know if there is anything I might add to the explanation I gave on the Resolution Stage. I explained then that it is necessary to exempt the Minister Land Tax Act from the provisions in the Mining Tax Act whereby taxes imposed under that Act are a substitution of all taxes on land from which ore is mined. If you do not exempt the Mineral Land Tax Act from the Act, well the Mineral Land Tax Act would be without point. Secondly, it is desirable that any payment of assessment under the Mineral Land Tax Act should be permitted to be deducted from any amount take under the Mining Tax Act. Mr. Speaker, I move second reading.

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

On motion that the house go into Committee of the Whole on various Bills.

Mr. Speaker left the Chair.

Mr. Clarke, Chairman of Committee of the Whole.

Committee of the Whole on Bill, "An Act To Incorporate the City of Corner Brook and for Other Purposes in Connection Therewith."

Mr. A. M. Duffy: (St. John's Centre): Mr. Chairman, I do not intend to spend too much time on this, what I am going to say is really not particularly in order. But it has been drawn to my attention that in Bills of this kind, (which are, I think sort of Private Bills,) in the past provision has been made whereby the people concerned may make some representation if they have any strong views of any section. Now I am not suggesting there is anything wrong with the Bill. I believe my honourable and learned colleague from St. John's East will correct me if I am wrong, but similar Bills governing the St. John's Act have been referred to a Select Committee. I merely make that reservation because it might be that sections the people in the areas mentioned are not too familiar, and might wish to have some representation.

Mr. Curtis: Mr. Chairman, this Bill has been submitted to the Government by the existing Town Council of Corner Brook. We have had it before us on at least two other occasions. A Bill was printed and tabled here, I think, either two or three years ago, and many, many copies of it were sent to Corner Brook, to all the different organizations there. I think they have gone into the matter very fully in Corner Brook. As far as the Government is concerned, Mr. Chairman, we are simply obliging them by putting this through. It is not part of our policy, except of course to incorporate the City and towns. But there is no particular clause here that we on this side are wedded to. It is a Bill which has been drafted by them, and has been reviewed by officials in my Department, and we think it now represents a Bill the house can safely pass.

Mr. Duffy: I am quite satisfied. The matter is of no interest to me, but it was brought to my attention.

Mr. J. Forsey: (Humber East): Mr. Chairman, as a representative of about one-half of the City of Corner Brook — to which this Act applies — no concern has been expressed by me. I think anybody who knows me out there, as they mostly all do, has sense enough to realize that I consider myself the representative of the entire population, and not any portion, and while they may have expressed concern there was not concern expressed to the member, and I can heartily understand such a thing. I received no concern about the Bill nor any part of the Bill, and I do agree with what the Honourable the Attorney General said — It has been well discussed by the City, and if they have not copied it word for word and page for page from the City of St. John's Act, that may be to their credit.

Mr. Nightingale: I might say, in section 1 (54) we cannot appoint a Traffic Commission annually.

Mr. Chairman: When we get to Section 1 (54).

Mr. Nightingale: That is one particular thing we might bear in mind.
On motion, Clause 1 carried.

Mr. Curtis: There are several amendments, Mr. Chairman, to Clause 2, which I do not think I need emphasis. It is just been suggested they revise the position of the lettering here, so as to put their interpretation clauses in alphabetical order. I believe we can ask the Clerk to do that, or if you like I can spell it out. It is just a case of turning them around so that, when people look at the interpretation clause, they won't have to go searching around.

Mr. Chairman, I move these amendments, although they are not really amendments.
On motion, Clause 2 as amended carried.
On motion, Clause 3 through 5 carried.

Mr. Curtis: Mr. Chairman, I suggest an amendment to Clause 6: — "The Council shall, as a corporation, have perpetual succession, and shall be capable of suing and being sued in all courts of justice, and of

acquiring, or receiving by donation, and to hold and alienate real and personal property for all municipal purposes." The words "or otherwise" to be inserted after the words "receiving by donation." Then instead of the words "to hold and alienate" the words and holding and "alienating."

On motion, Clause 6 as amended, carried.

Mr. Hollett: In Clause 7, Mr. Chairman, a seal is something recognized in law and in court, and if they are going to change overnight —

Mr. Curtis: Every company can change its seal overnight.

Mr. Hollett: They can, but they don't do it because it costs five dollars.

On motion, Clause 7 carried.

Mr. Curtis: In Clause 8, apparently the proviso had meant to take out the words "with the approval of the Minister" — There is no reason why the Minister should approve of that. I move the words be stricken out "with approval of the Minister."

On motion, Clause 8 as amended carried.
On motion, Clause 9 carried.

Mr. Higgins: This Clause 10, I take it, is the same as the one we had discussed a couple of years ago, a scandalous thing to carry.
On motion, Clauses 10 though 29 carried.

Mr. Curtis: In Clause 30 there is an amendment:—

"A majority of the members of the council present in the City constitute a quorum for the purpose of a meeting of the council." It is suggested we strike out the words "Present in the city" otherwise they have to know who is home and who is not.

Mr. Higgins: They might only have three councillors present in the City, and three would constitute a quorum.

Mr. Curtis: Out of the five.

On motion, Clause as amended carried.

On motion, Clauses 31 through 48 carried.

Mr. Curtis: In connection with Clause 39, Mr. Chairman, it has been suggested by the Department of the Attorney General that we might add a clause, sub-section (5). Now actually, Mr. Chairman, the Corner Brook

Council made an agreement with the Attorney General that they would pay the R.C.M.P. as from the 1st. day of June 1957. We had some conferences, and the Government agreed that we will find one man for every thousand population. They put that up to us; that the Government might agree to be responsible for one policeman for every thousand population, and we agreed. But I think lately there has been a tendency to renege on that a bit. I think they feel we perhaps ought to do more, so that perhaps it might be just as well if we would have Clause 49 stand for the moment, just in case the wording needs to be amended. On motion, Clause 49 stand.
On motion, Clauses 50 through 59 carried.

Mr. Curtis: I think Clause 59 might be a good place to stop. I move the Committee rise, report progress and ask leave to sit again.

On motion that the Committee rise, report progress and ask leave to sit again.

Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole have considered Bill Number 21 and have instructed me to report progress and ask leave to sit again.

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

Mr. Curtis: Mr. Speaker, I move that all remaining Orders of the Day do stand deferred, and that the house at its rising do adjourn until tomorrow Wednesday, February 12th. at 3:00 of the Clock.

Wednesday, February 12, 1958

(Afternoon Session)

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

Hon. J. R. Smallwood: (Premier): Mr. Speaker, the Honourable Leader of the Opposition and I are going to join, by permission of Your Honour and the members of the House, in a very pleasant ceremony in a moment because we are going to unveil four bronze busts of men who were very famous in their day in Newfoundland, and who between them did more than any other four men in the history of Newfoundland to

create this very House, of which we are now so proud and so happy to be members of. I refer, of course, to the two original founders of Representative Government, Dr. William Carson and Patrick Morris and the two greatest founders of Responsible Government, the first Premier of the Country, Philip Francis Little and the first Speaker of the House of Assembly under Responsible Government, John B. Garland.

After the Honourable Leader of the Opposition and I have unveiled these bronze busts, I propose to say a word about each of them, to say who did the work, who the sculptors were.

Before the Honourable Leader of the Opposition and I proceed to this pleasant duty, I would invite the attention of the House to the fact that there are presently here inside the bar today two persons who are descendants of one of the four whose busts are here. I refer to two ladies who are direct descendants, I believe of John R. Garland, the first Speaker of the House of Assembly under Responsible Government, the Speaker whose picture is the first one on the top at the left, on the wall behind me. These two ladies are present, and we are delighted and highly honoured that they are here. They are two sisters, Mrs. Thomas Serjeant, who was a Garland from Carbonear and her sister whose name I regret I do not recall. Now, the interesting thing about these two ladies historically is this; not only are they descendants of the famous Garland family, but also the Davis family, because the Davis and Garland families intermarried at Carbonear. The Davies are amongst two or three of the oldest families in the whole of Newfoundland.

If the Honourable Leader of the Opposition is ready, we will proceed at once to our duty.

(The Bronze busts were unveiled by the Honourable the Premier and the Honourable Leader of the Opposition.)

Mr. Smallwood: Beginning at the right, the first bust is that of Dr. William Carson. Dr. William Carson was a Speaker of the House, although he was not the first Speaker because, ironically enough, although he was actually the great founder, with Patrick Morris, of Representative Government in Newfoundland, he lost the contest when he ran in the District of St. John's. He was

edged out of the position by John Kent, who took his seat. However, Dr. Carson was elected in the subsequent election and became the great Speaker of this House. Dr. Carson, of course, at least in my opinion, is the greatest figure Newfoundland has ever produced. I do not think anyone before or since could have compared with Carson as a very great liberator, a very great pioneer. He is the father of Representative Government. He is the father of the General Hospital. He is the father of roads. He built the first road in Newfoundland. He is the father of agriculture. He had the first farm in Newfoundland. He was the originator of so many things it is almost incredible, almost unbelievable. He was a Scot, and he was one of the great school of Scottish and English radicals in the great radical movement of Sr. James McIntosh and Lord Holland. He came here bring these ideas with him. In fact, he introduced them to Newfoundland. He came here and found he was living in a complete and utter and unrelieved dictatorship. With all the fierce love of liberty he had, he started to do battle. He was joined by an Irishman, Patrick Morris, who sits there now beside him. He was a well-to-do merchant, businessman, but being an Irishman he too was a great lover of liberty. He wrote one of the early pamphlets espousing the cause of freedom and liberty for the people of Newfoundland. Then, the next two are thus associated with Responsible Government. The first, the one on the right is Philip Francis Little, the first Premier of Newfoundland. He was born in Prince Edward Island and came to Newfoundland to practice law. Soon after he came here he ran for election, but before running for election, he became a fierce advocate and a very powerful advocate of full Responsible Government for Newfoundland; and when Responsible Government came he, became Premier of the Province. He did not remain long in politics. He went to the Bench of the Supreme Court for a while as Acting Chief-Justice of Newfoundland. Then he went to live in Ireland, and retired from all forms of public life. He went over and settled in Ireland and died there as recently as 1897 at the age of 75. His son is still living. His son was out here a couple of years ago, astonishingly, a son of the first Premier of Newfoundland who was Premier in 1855.

Then finally, John Bingley Garland, the first Speaker under Responsible Government in Newfoundland. John Bingley Garland was a merchant also, at Trinity. He was one of the famous Garland family who were at Trinity, Harbour Grace and Carbonear. John Bingley Garland carried on an extensive business, and in 1832 he was elected to this House under Representative Government, and he became the first Speaker of the first Legislature, due to the fact that Carson, who was unquestionably, so undisputably leader of the whole movement for self-government was defeated by John Kent in the first election. John Kent was the brother-in-law of the Bishop of that day, which made him not unpopular in St. John's, so that poor Carson was edged out, and John Bingley Garland became the first Speaker. He too left Newfoundland and went to live in England. He was born in England and he died there in 1875 at eighty-five years of age.

The bust of Dr. Carson was sculptured by Mr. Leo Broe of Dublin, Eire. Mr. Broe is the President of the Sculptors' Institute of Eire and both he and his family have an outstanding tradition of sculpture behind them.

The bust of Patrick Morris was sculptured by Lady Angela Antrim of Glenarm Castel, County of Antrim, Northern Ireland. Lady Antrim studied art in Brussels and Rome and has exhibited at the Royal Academy, London, the Royal Hibernian Academy, the Royal Ulster Academy and Living Art Exhibition, Dublin. She was President of the Sculptors' Institute of Eire, 1955-56.

The bust of Philip F. Little was sculptured by Professor Frederick Herkner of Dublin, Eire. Professor Herkner was born at Breux Bohemia, but became a naturalized citizen of Ireland in 1953. He has been head of the school of Sculpture at the National College of Art in Dublin since 1938, and is a member of the International Institute of Arts and Letters. Professor Herkner won the Rome Prize for sculpture in 1929, and has exhibited in Vienna, Prague, Leipzig, Aussig, Dublin, Belfast, London and Cork and at the New York World's Fair, 1939. He has sculptured numerous monuments and public works of art in Austria, Czechoslovakia and Ireland.

The bust of John Bingley Garland was sculptured by Professor Donald Murphy of

Dublin, Eire. Professor Murphy is the Assistant to Professor Herkner in the School of Sculpture, National College of Art, Dublin, and a Lecturer in fine Arts at the National Gallery of Ireland. His many awards include the Purser-Griffith Scholarship and the Gibson Scholarship. Professor Murphy studied in Cork, Dublin, and Italy and has exhibited at the Royal Hibernian Academy and at the Irish Exhibition of Living Art in England, Wales and Finland. Amongst the public works sculptured by him are monuments in the United States and in Ireland including the John McCormack Memorial in Dublin.

Mr. Speaker, these four sculptors are Irishmen by birth or adoption. Our reason for getting these busts done by them was extremely simple. When Mr. Little was out here three years ago, I spoke to him on the subject of getting a bust of his father made and asked him if he knew of a good sculptor who might do it. He told me there were some very good sculptors in Eire and he thought it could be done. I asked him if he would look into the matter. He did so and wrote me. The prices were quite surprisingly low for really good sculptors. That interested me and my colleagues in the ideas of getting others done. To make a long story short, we got these four done and have now placed orders for four more and we will keep going until we have busts of all the public men of the past, all these whose pictures are here. That will probably mean that we will have to find a building handsome enough to contain the busts, which will lead again to something fine that will be a credit to Newfoundland, and show that we are more than merely a land of cod and fog. I thought that the House would like to know these facts about these four famous Newfoundlanders of days gone by. We will have them removed later in the day and carefully locked and stored and preserved, until we find the right place to exhibit them

Mr. Speaker: Does the Honourable Leader of the Opposition or any members wish to speak now before calling the orders?

Mr. Hollett: Mr. Speaker, I had not intended to say anything, but since you have so graciously suggested that I may, I would like, on behalf of the Opposition, to join wholeheartedly with the honourable the

Premier and the Government in the little ceremony; which, although it may be a little ceremony represents one of the greatest stepping stones in the history of Newfoundland. These are beautiful pieces of art which I think we as Newfoundlanders ought all to be proud of. I know I am happy to see the Father of Responsible Government join with me in not liking too much hair on his head. We are quite proud to have these busts on this side of the House. We are all very proud, Sir, to associate ourselves with the Honourable the Premier in saying how glad we are that direct descendants of John Bingley Garland are here today in the person of the two ladies who have already been referred to by the Honourable the Premier. We are happy to have them here and I am quite sure they must be proud to be here. As I said before, we are all quite happy to associate ourselves with this ceremony, and want to congratulate the Honourable the Premier and the Government for the foresight and sentiments they have expressed in bringing this about.

Presenting Petitions:

Premier Smallwood: Mr. Speaker, I have a petition to present from the residents of Culls Harbour in Alexander Bay. This petition is signed by not only the people of Culls Harbour but also by many people in other parts of that section of Bonavista Bay. The petition prays that a bridge or perhaps a causeway be constructed to connect Culls Harbour with Traytown in Alexander Bay. At the present time, Culls Harbour is quite isolated and can be reached only by boat. I understand that quite a number of people in St. Brendans or in the neighbourhood of St. Brendans are interested in moving and settling at Culls Harbour, but do not feel like doing so at the present time, because of the isolation of Culls Harbour, as they would be escaping isolation at St. Brendans only to embrace other isolation if they were to go to Culls Harbour before this bridge or causeway is built.

The petition is signed by Reverend Father Walsh, the Parish Priest at Gambo and also by Dr. Melville Parsons, medical doctor, and also by the Reverend H. A. Mercer, United Church Minister at Glovertown. It is signed also, as I said, by a large number of people at Culls Harbour and quite a number at St.

Brendans as well as at Traytown, Glovertown North and Glovertown South and Centre, as well as Angle Brook and Traytown and Gambo. It is, Mr. Speaker, quite a largely signed petition. To put that causeway there would not be a great job nor an expensive one. It would be, at one point, a distance of about three hundred feet and at another a distance of about three hundred yards. In either case, the water is quite shallow, quite smooth. Although it is navigable water and a bridge would have to be put there to enable boats to pass up and down, that would not be difficult because the water is so shallow that the whole job might even be done in winter, if the weather continues as civil as it has been. It might even be done this present winter.

I give the petition my strong support, as you would expect me to do, Mr. Speaker. It is in the district I represent in this House. I ask that it be laid on the Table of the House and referred to the Department to which it relates.

On motion, petition received for referral to the Department to which it relates.

Mr. M. Whalen: (Harbour Main): Mr. Speaker, I beg leave to present a petition on behalf of the people of Bacon Cove.

The prayer of the petition is for the extension of electricity to that settlement. Bacon Cove has about thirty families, Mr. Speaker. The petition is signed by sixty voters, and I think that includes about every man and woman in the locality. Most of the men are fishermen. Like other occupations, they have entered the field of competition, and find themselves severely handicapped because of lack of electricity. The nearest electric line to Bacon Cove is about one-quarter of a mile. For this reason people of that settlement think it would be highly feasible, from an economic standpoint, to have the service provided for them.

Mr. Speaker, I sincerely endorse the prayer of this petition, and ask that it be laid on the Table of the House and referred to the Department to which it relates.

On motion, petition received for references to the Department to which it relates.

Presenting Reports of Standing and Select Committees:

None.

Giving Notice of Motions:

Hon. Dr. J. McGrath: (Minister of Health): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Entitled an Act to Amend the Public Health and Welfare Act."

Hon. B. J. Abbott: (Minister of Municipal Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a bill, "An Act to Amend the Department of Municipal Affairs and Supply Act."

Hon. J. R. Chalker: (Minister of Public Works): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Department of Public Works Act."

Hon. E. S. Spencer: (Minister of Finance): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Civil Service Act."

Giving Notice of Questions:

None.

ANSWERS TO QUESTIONS:

None.

ORDERS OF THE DAY:

Adjourned Debate on the Address in Reply.

Hon. L. R. Curtis: (Attorney General): Mr. Speaker, the honourable member for Bonavista South moved the adjournment of the debate, but we did not plan to continue that debate today as we had other business outlined. But it has been decided to continue this debate, and therefore, unexpectedly I have the pleasure of addressing the House. I have the pleasure of addressing the House and I might say, Mr. Speaker, I had not intended to make any particular remarks on this occasion. After the House opened I was taken ill for a week and consequently missed the main speeches, if you can call these speeches which came early in the session the main ones. I missed those and consequently have not been in full touch with what was said during the debate. I would like first of all, Mr. Speaker, to

congratulate our new member, the honourable and learned member for St. John's South. We are very glad to see him here, and we will be very happy to see him for the balance of the session. After that, whether or not he is here is a matter between himself and his constituents. We welcome him here and are glad to see him here and hope he will have a happy time.

Hon. M. M. Hollett: (Leader of the Opposition): This session?

Premier Smallwood: Don't press that too hard now. Don't press that too much.

Mr. Hollett: What have you got in mind?

Mr. Curtis: I would, in common with some other who have spoken, say I am sorry that Sir Leonard Outerbridge felt obliged to relinquish his office as Lieutenant-Governor. Sir Leonard Outerbridge rendered to Newfoundland very distinguished service in that capacity, and I am sure that all of us on both sides of the House will wish to himself and Lady Outerbridge every happiness upon being released from the arduous duties of Government House. Sir Leonard worked fully and well and he put his best into it, and he has made it very difficult for a successor to be found who can fill his shoes.

I want also to congratulate the Honourable Campbell Macpherson upon his appointment. He comes from a family that is well respected, one of our oldest families. They have been in Newfoundland for many years, and his family has shown conspicuous interest in both the St. John's Ambulance Work and Red Cross Work that interests the people of this community. I am sure that the Honourable Campbell Macpherson will give good and faithful service to the people of Newfoundland.

I want to congratulate, Mr. Speaker, the mover and seconder of the motion that an Address in Reply be presented to His Honour. The men have shown us by their remarks just what an addition the House has had to its speaking power. I want to congratulate them, and assure them that we on this side of the House are glad to have them with us and are proud of their ability. I want also to congratulate the other speaker whom I have been able to hear that preceded me. They have all spoken well, and I

think the debate on the whole has been one of very high order.

Now, Mr. Speaker, there are several things that have happened during the past year which we on this side of the House, and indeed of which all of us in the House, may well be proud. In the first place, we have seen during the past year an extension of the Childrens' Health Scheme.

Now, since Premier Smallwood and his Government have taken over the Government of Newfoundland, we have had so many great things happen that we have begun to take them all in our stride, and things which have been done which are really monumental in nature have come so fast and have succeeded one another with such rapidity, that I am sure we don't all realize just what benefits this Government has been able to hand out to the people of this Province. The Childrens' Health Scheme, Mr. Speaker, whereby every child in Newfoundland under sixteen is entitled to medical attention, to hospital care, to diagnostic care Mr. Speaker, if you said that ten years ago the people would be thrilled, but now everybody just seems to take it as a matter of course. The Honourable the Premier has pulled another rabbit out of the hat. In fact, the rabbits have become so numerous and so expected that, although they are valuable rabbits, they just seem to pass unnoticed, and I think that due honour should be paid to my colleague and my Leader upon the very many evidences that are daily forthcoming of his worth and of his value to the people of Newfoundland as our Premier.

I referred the other day, quite briefly, in another debate, Mr. Speaker, to the last Dominion Provincial Conference. We have had a number of these Conferences since we came into Confederation in 1949. It has been my honour to attend each and every one of them, as one of the advisers to my leader, the Premier. I want to say, Mr. Speaker, and I want to emphasize the fact, that Newfoundland has every reason to be proud and profoundly thankful that Newfoundland has had, during the past eight years such a capable and such an excellent and exceptionable representative to lead the Newfoundland delegation to Ottawa and elsewhere where they have met. I have been, as I said, to all of these Dominion-

Provincial Conferences, and in every one of these the Premier of Newfoundland has, in the words of the newspaper men up there, stolen the show. He has not only stolen the show, Mr. Speaker, in every case but he has well and truly and faithfully represented Newfoundland her needs and her position. That was never more demonstrated than at the last Dominion—Provincial Conference. I have no doubt whatever in my own mind, having been there, that the Prime Minister of Canada intended that Newfoundland should be included in the Atlantic Provinces Grants that were being proposed. But I do know that the Premier of Nova Scotia and the Premier of New Brunswick, in addressing the conference, assumed that Newfoundland would have no such interest. They both assumed that the interest of Newfoundland would be fully protected by Term 29 of the Term of Union, and by the Commission that was then signing, and they spoke accordingly. I understand they were quite surprised and disturbed when, on the second day of the sessions, the Premier of Newfoundland put forth the real position, in so far as Newfoundland was concerned. Let me say, Mr. Speaker, both for the credit of our Prime Minister and the credit of these two Premiers to whom I am referring that, having heard the Premier of Newfoundland, they withdrew their remarks and agreed that they had not understood the situation and that Newfoundland of course should participate in this Atlantic Grant. I only mention this, Mr. Speaker, as one instance to show how well Newfoundland has been represented in Ottawa, when there are Dominion-Provincial Conferences requiring our attention.

Since we last met, Mr. Speaker, the Terms of Union Commission has met and Newfoundland's case was ably presented by our council. I think the Premier should be congratulated on the manner in which that case was prepared. It is true a lot of the spade work was done by our Provincial Minister without Portfolio, and by those associated with him; but the idea, Mr. Speaker, of having a Royal Commission appointed to prepare Newfoundland's case two and a half years ago was a marvelous piece of foresight, and the result was that, when the Commission on the Terms of Union met, Newfoundland's case was very,

very well prepared for presentation. As those of us who are lawyers would know, the preparation of a case goes a long way towards winning it. I feel quite sure that if, and when, the Commission reports (I should say when as there is no question of "ifs" about it) — when the Commission reports, they will place on record their appreciation of the way in which Newfoundland's case was prepared and presented; because it was so well prepared and so well documented, that the hearing took a minimum of time. That, of course, is a situation that is always welcome to any tribunal.

Now, Mr. Speaker, the Speech from the Throne, refers to a third paper mill. Ever since 1949, Mr. Speaker, this Government, lead by the Premier, has been working assiduously to get a third paper mill. I would say we don't have it, but I do think that we have completed negotiations with a company that is tremendously interested, and honestly plans, (all things being proven satisfactory,) to go ahead and erect in Newfoundland a third paper mill, and indeed even a fourth mill, based on wood in Newfoundland and Labrador. We have been very fortunate, Mr. Speaker, in having made the progress we have made with the Crown Zellerbach Corporation. They are big people. It was my pleasure to meet them, in company with the Premier, last November. They are big people. They have wonderfully well trained experts. You can see they are careful. You can see that they are able. I am satisfied that if there is any possibility of further development of paper mills in Newfoundland, these are the people who will do it. I might say personally I have no doubt about that myself. I am satisfied we have the material, and now I am satisfied we have the proper authorities, and I feel quite happy, Mr. Speaker. It is good to see that there is on the Order Paper a Resolution that a Bill be brought in to verify the agreement that has been concluded. It has taken some time, Mr. Speaker, to get the agreement into shape, but anything of that nature is worth the effort; and if this Bill that is anticipated come to fruition, I am quite sure that any of us who spent any time on it at all will feel that the time was well spent.

Mr. Speaker, I am not going to say much more. I would like to make a brief reference

to the Shops Act, because I think this is the only occasion on which I can do so. I read the report in the paper on the case that started yesterday and I have read how certain people went and called on the Premier in 1953; but what was carefully hidden, and what has not been brought to public attention, is the fact that, in 1952, Mr. Derrick Bowring, representing the employers, and Mr. A. Ryan, representing the employees, called on me, as Attorney General when the House was in session and pleaded with me for the immediate introduction of a Shop Act exactly similar to the Act we have on our Statute Books now. In 1952 Mr. Bowring, representing the employers, and Mr. Ryan, representing the employees, came to my office and asked that, at that session, the Government put through legislation making Saturday a whole holiday. Now, Mr. Speaker, these same people are saying that this is not a matter for Government — "This is a matter for us — this is not a matter for Government" — yet in 1952 they came and asked the Government, we did not ask them. Any questions of a Shop Act came first from Water Street and from the employees. Now they are trying to hide behind it and say — "What has the Government got to do with it? It is none of their business" — having asked us to bring in the question of a holiday on Saturday. Mr. Speaker, we refused to bring in their request, when they asked for a holiday on Saturday. I contacted the Premier and we said "no." When Mr. Bowring and Mr. Ryan left my office that afternoon, they were incensed that we would not do what they asked us to do right away, and indeed left my office to go and see the Premier. Now, I do not know whether they went up and saw the Premier or not. They had no satisfaction from me, because I felt the time had not come, and there had not been sufficient public support for the Saturday holiday. The point I want to make, Mr. Speaker, is that the first request that the Government intervene and make a holiday came to me from Mr. Bowring of Bowring Brothers and Mr. Ryan of the employees, and they were both irritated and cross because they did not get their way.

Mr. M. Duffy: (St. John's Centre): Mr. Speaker, may I ask the Honourable the Attorney General a question — I am merely looking for information. You say you

turned down the request of Mr. Bowring and Mr. Ryan — I was wondering why.

Mr. Curtis: I will be perfectly frank, Mr. Speaker. One of the religious denominations had, in one of their weekly periodicals, come out and opposed the idea of a Saturday holiday on the grounds that people would go out of Town on Saturday and stay out over Sunday, and they would lose their congregations. That argument, which was published in one of the church papers, was reprinted in one of the Daily Papers, I think the "Daily News," and I had seen it there and I felt, and the Premier felt, that the Government did not want to cross any of the religious denominations on this issue, at least until there was a little more pressure for it.

Mr. Duffy: Would that objection be valid today?

Mr. Curtis: No. That objection was withdrawn afterwards. The man who made it is not in the country. But I did suggest to Mr. Bowring he go and see him — fix it with him — and if he fixed it with him we would put it through, but he did not take any challenge. Now, Mr. Speaker, I just mentioned that point to show why the Government got into the holiday business. We did not butt in. We came in only because we were asked. As I said, we delayed and when we did agree to the Saturday holiday — (My honourable colleague, the Premier, has just reminded me that the Board of Trade subsequently not only asked for Saturday but had their own solicitor draft the Act) — the Premier thinks it was Mr. Phalen. In any event the Board of Trade subsequently drafted the necessary legislation and sent it to the Premier, and it can be produced. So that, Mr. Speaker, all this talk of why the Government got into it and what are we in to it for can be simply answered by saying — "we got into it because the trade asked us to."

Now the trade says: "it will ruin us — we do forty per cent of our business on Saturday — we are ruined — we are killed" — Did they know that in 1952 or were they too stupid? They know it now, and they tell us now, and as the Honourable Leader of the Opposition would say — "They are trying to pull our legs."

Mr. Duffy: Then you went along with it at first but now won't. Why? You said that you delayed legislation, but now that the trade wants to call it off you won't do it?

Mr. Curtis: No, Mr. Speaker, we are not jumping around at the dictates of the trade. The trade can change its mind overnight, because the trade only has one mind and that is Derrick Bowring. The only difference between the Act that we have now and the Act that they asked us for is that this one has the Royal Assent of Derrick Bowring and the other did not. The only difference is that it did not have the Royal Assent of Mr. Derrick Bowring now that it would have if put through in 1952, and if it were put through in 1952 it would not hurt business at all. It would have been perfectly all right. Why? Because the Merchant Princes asked for it.

Premier Smallwood: It is wrong now because the clerks asked for it.

Mr. Curtis: Now the Government gets a petition from twenty-four hundred employees, now that it was taken up for a plebiscite and more people voted for it than voted for the Deputy-Mayor. A much bigger vote went for this than for the city fathers, who run or will rule us for the next two or three years — Now it is all wrong just because Water Street —

Mr. Smallwood: King Derrick 1st. changed his mind.

Mr. Curtis: I am beginning to think, Mr. Speaker, the Honourable Leader of the Opposition is strictly correct — "we cannot do what is right — if we do it we will be damned, and if we don't do it, we will be damned."

Mr. Duffy: What about the Select Committee?

Mr. Curtis: That Select Committee just reported to this House. But no Select Committee is greater than the House.

Mr. Duffy: No, of course not.

Mr. Curtis: We appointed a Select Committee to make a report, and we have every

right, Mr. Speaker, when that Committee reports, not to take its recommendations. Since when did we abdicate in favour of a Select Committee.

Mr. G. R. Renouf: (St. John's South): It is a way out though.

Mr. Curtis: Yes, the report was very, very favourable, to Water Street. If Water Street had its way there would be no holiday. The Select Committee said in effect: "let the employees and employers work it out together." How can employees and employers get together and work it out together when one of the big stores, in question has no union at all to work with? How could they do that when the employees referred to were disbanded? If you look at the Shops Act, you will find they have gone out of existence, and you will find that the union that is there has been decertified in some of the shops. So that there is just no purpose in negotiating that way. That would just suit Water Street; bring it back to the old days, when a few of them would gather together around the fire-place and decide when the shops are to be open in the night — around their fire in the City Club. Probably they would decide one night, and the next day you would read in the paper that shops will be open on such and such a day until nine o'clock at night.

Mr. Duffy: Nonsense.

Mr. Curtis: That is not nonsense — But the day is gone when you did it, but it is the spirit that remains. The very fact that these autocrats have been brought down. —

Mr. Hollett: May I object — The Honourable the Attorney General said: "when you did it." Now that is pointing at the Opposition. We do not want to be put in that position.

Mr. Smallwood: That is right.

Mr. Duffy: I was pointed to.

Mr. Curtis: But I am quite sure the people of St. John's Centre side with the clerks in that matter — and if my honourable friend persists in opposing the interest — I am afraid he may be witnessing his last session.

We believe in accepting, Mr. Speaker, the wishes of the people. Not the little group who sit around the fire in the City Club and decide when to close their shops.

Mr. Duffy: You are the only Government in Canada doing that.

Mr. Curtis: The only Government in Canada that has been asked.
Now, Mr. Speaker, I just want to say one or two words about the Bell Island Ferry.

Mr. Smallwood: Couldn't the honourable gentleman be provoked to say a little more — keep at him.

Mr. Speaker: Order.

Mr. Curtis: Mr. Speaker, when my honourable friend goes back to St. John's Centre there will be many a clerk dying to get a chance to vote against him, and we will see that they will be reminded.

Mr. Duffy: I don't like the veiled insinuation that I am opposing the clerks, I am not. I am talking about the principle of this thing, which is more important.

Mr. Curtis: It is the principle we are trying to argue all the afternoon. Why did we get into this? Because the merchants asked us. That is the truth of why we got in at all.

Mr. Smallwood: Give a little credit to one of the Tory members who sat right there — give a little credit to him too.

Mr. Curtis: He wanted them closed Saturday night. However, Mr. Speaker, I am not going to rub it in. I think the position has been made clear. But I want to say this: — Water Street has asked for this legislation and by asking for it they did two things: — (1) they admitted we had the power. You do not ask somebody to do something that a person cannot do. By coming to us they admitted our right and ability to do it. They also admitted by coming to us that it was in their own interest, otherwise we would have every reason to presume they would not have come. No one would have come to the Government and asked them to legislate them out of forty per cent of their business.

Mr. Hollett: But you fell and listened to Water Street.

Mr. Smallwood: When two thousand and twenty-four clerks sent in a petition.

Mr. Curtis: We did not listen in 1952.

Mr. Smallwood: We did in 1953, because the clerks agreed with them — When the clerks agreed with them we did.

Mr. Speaker: Order. Order. Will the Honourable the Attorney General please pause just a moment.

There are too many interruptions. That is one point. The second point is this: — If a person interrupts it is out of order, and if he then provides a reply which he does not like he has no right then to stand up and interrupt again. At the same time I must at this time say that I do not like so many interruptions.

Mr. Curtis: Thank you, Mr. Speaker. I trust you instructed the Sergeant-at-Arms to enforce your ruling.

I was about to refer for a few minutes to the Bell Island ferry. The Honourable Minister of Health and I have been a committee, and I made a statement in this House the other day. The Tory candidate for St. John's East has seen fit, in an evening publication, to suggest that what I said was not true. Now, Mr. Speaker, I am not in the habit of telling lies, neither am I in the habit of misrepresenting; and the statement that I made to this House the other day on the whole question of the Bell Island ferry was the truth, the whole truth, and nothing but the truth. Where Mr. James McGrath gets his information to brand what I said as untrue, I do not know. I did not read the report of what I said in the paper, and I did not hear what was said on the radio nor see what was said on television, but what I said was the truth, and I do not like having the veracity of my statements impeached by some young fellow looking for re-election and trying to make political capital of it.

I told this House, Mr. Speaker, that the Minister of Health and I had arranged to get the "Elmer Jones" put in good condition and that we had arranged to have the "Kipawa" put in good condition; that as

soon as we found out that these two boats, (even if put in good condition,) would not be acceptable to the Merchant Marine Department at Ottawa that governs these things, I informed the Newfoundland Transportation Company that they had to get a third ship. I did not think they could finance it, so, at the same time, we made approaches to other people. The other people whom we approached have expressed a willingness to find a third ship. In the meantime, the Newfoundland Transportation Company has been successful in its application to the Maritime Commission in Ottawa, so that we have two companies now bidding for the service, each of which can produce a boat. I do not know which offer the Government will accept, but there is one thing I can assure the House, and that is that Bell Island will have, please God, next winter, an ideal ferry service. Indeed I think they have a pretty good one at the present time.

Mr. Hollett: Who is the other company?

Mr. Curtis: I am not at liberty to say, Mr. Speaker, who the other company is. Naturally, the enquiries were confidential. But I can assure the Honourable Leader of the Opposition that the people who made the offer, who were prepared to buy the "Elmer Jones" and who were prepared to buy the "Kipawa" and who were prepared to build a new ship, were reputable people and well able to do it and are still willing and anxious to do it. But, Mr. Speaker, who can compete with Ottawa, who can build a "Caribou" when they can get a "Dr. William Carson"? You cannot compete with them. All I hope is that we have not to pay for it, and I am afraid that after the election we may.

Mr. Smallwood: No we won't.

Mr. Curtis: No — I mean we as "Liberals." The Newfoundland Transportation Company asked them, (when we told them that they had to have a third boat, (the Maritime Commission for a loan of five hundred dollars). They did not get it. Instead, they were told that the Federal Government would build a seven hundred and fifty thousand dollar boat and charter it to them. Well, Mr. Speaker, that would apparently suit everyone. Nobody knows what the terms of

the character are, and of course until it is disclosed, no one knows the real effect of what is being done. But we must not ignore the fact that, in the House of Commons, there has been considerable agitation from the Opposition, there has been considerable questioning by the Opposition, and I personally think that when it was disclosed that the Federal Government was assisting ferries in other Provinces, the Government had no alternative but to accept the Newfoundland application. I think it is only fair to say that. It was pushed on them. The Opposition keep after them pretty relentlessly and said: "if you are doing it for Ontario and doing it for other Provinces you got to do it for Newfoundland"—Then they did — However we have it, and the honourable member for Bell Island will I hope, next winter have the pleasure of getting back and forth to Bell Island in a decent ferry. Certainly we will be glad to have it. My only reason in referring to this matter at all today is to suggest, in reply to Mr. McGrath, that he be more careful in branding other people as liars. Two people complained of that.

Mr. Speaker, I do not intend to delay the House any more. There were these few remarks I thought it would be well to make. It has been a real pleasure to have been here this year and to see the understanding that seems to exist between both sides. There is very little unfriendliness, and we are all here trying to do the one thing. We are all here trying to do what is best for Newfoundland. I am sure that as long as our present co-operation continues, our meetings will be for the benefit of the Province. (Applause from both sides).

Mr. W. Strickland: Mr. Speaker, I move the adjournment again today.

On motion, of Mr. Strickland, the debate on the Address in Reply was adjourned.

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

Honourable the Minister of Finance asks leave to move the House into a Committee of the Whole to consider Resolutions for Granting Supply to Her Majesty.

Hon. E. S. Spencer: (Minister of Finance): I have the honour, by command, to an-

nounce a message from His Honour the Lieutenant-Governor.
Message as follows read by Mr. Clerk:—

The Honourable the Minister of Finance:

I, the Lieutenant-Governor of the Province of Newfoundland, transmit Estimates of sums required for the public services of the Provinces for the year ending the 31st. March, 1959, by way of interim supply, and in accordance with the provisions of the British North America Act of 1867, as amended, I recommend these Estimates to the House of Assembly

(Sgd) **Campbell Macpherson,**
Lieutenant-Governor.

Mr. Spencer: Mr. Speaker, apropos the message read by you, Sir, from His Honour the Lieutenant-Governor, I now beg to move that the House go into Committee of the Whole to consider the matter of Interim Supply.

On Motion, Mr. Speaker, left the Chair. Mr. Clarke, Chairman of Committee of Supply.

INTERIM SUPPLY:

Mr. Spencer: Mr. Chairman, I propose with your permission to make just a few very brief remarks regarding this interim supply. Whether the Bill has been distributed, or the Resolutions, the Committee will observe that the total sum requested in fifteen million, five hundred and forty-five thousand dollars.

That is broken down, Mr. Chairman, into some sixteen items, and briefly I propose to refer to them. I have looked up the Public Accounts for the previous year, which was distributed to the House a few days ago, and I find on the basis of the figures given me here by the Comptroller that the amounts here vary from one-third of the annual vote (or rather from one-sixth of the annual vote) for 1956-57 to as high as one-quarter. In the first one, "Legislative," the amount requested is \$30,000. That is just about one-fifth of the total vote for 1957-58. Of course the Committee will appreciate we are unable at this moment to determine just what our revenue will be for the fiscal year,

and neither can we determine the expenditure until such time as the budget is brought down and the estimates have been considered. But on the basis of the previous year, which we do know fairly fully, we have these items set down and have calculated them for the benefit of the Committee. So as I have already said: under "Legislative" \$30,000, this is approximately one fifth of the expenditure under that heading for 1957-58. The next item is one-sixth, \$30,000. Executive Council. The Committee will observe there that the amount appears to be small, but will also understand that the greater part of that expenditure has already been committed and paid out of the 1957-58 vote. That covers, as the Committee will understand, salaries to the legislative members. So, the greater part of that has been paid and consequently, this proportion up to the end say of the first three months, (which is why we bring in the interim supply) will not be required for more than we estimate, about \$30,000.

Under the heading of "Finance" there is an amount of \$500,000. That is just about one-quarter of last year's expenditure. Provincial Affairs, about one-quarter of last year's expenditure. Education \$3,000,000. One of the greatest spending departments, which is just one-third of last year's amount. Under the Attorney General's Department, \$500,000, about one-quarter or in fact it is a fraction more than one-quarter. Under Mines and Resources heading, \$500,000 is about one-third of last year's expenditure. Public Works \$550,000. The Committee will observe there that the amount is much reduced. That is due to the fact that we have now two separate departments, the Department of Highways and the Department of Public Works, whereas last year we did not have two votes. When interim supply is brought in we have to provide for the two departments, because the Highways Bill had not yet gone through, to complete the Legislation, so there was then one department whereas now there are two.

Under Health, one of the greatest expenditures — Health — and Public Welfare is second. The vote for both is \$4,000,000. The first, \$4,000,000, is about one-quarter of the total vote and the second about one third.

The Board of Liquor Control \$100,000 —

That is approximately one-third of last year's expenditure.

Municipal Affairs and Supply \$4,000,000.

That is pretty nearly one-half. That is really for the first three months that this amount is meant to cover. Municipal Affairs and Supply requests \$4,000,000.

Fisheries, \$250,000 — that is about one-third of the expenditure last year. Incidentally, the Committee will remember that has nothing whatsoever to do with the Fisheries Loan Board.

Economic Development, \$100,000 — this is from one-third to one-half.

Labour, \$55,000 — approximately one-quarter of last year's vote.

Highways, \$1,500,000 — I did not compute the actual vote for the simple reason that we did not have a vote last year on the basis of Highways. As I said before, it was tied in with Public Works.

I hope, Mr. Chairman, that this brief explanation will enable the Committee to get through with this Bill as quickly as possible. Meantime, if there are any questions I can answer, I shall be happy to do so.

Hon. M. M. Hollett: (Leader of the Opposition): Mr. Chairman, would the Honourable Minister inform us whether there are any allocations for the Consolidated Fund Service. I thought last year there was an expenditure of practically four million dollars on current account. There is no provision.

Hon. J. R. Smallwood (Premier): The reason is that it does not have to be voted. It is a Statutory amount which we do not have to ask for authority to pay annually. It is by Statute. We have to pay it. It is only noted in the estimates for the interest and information of the House, and not for the authority of the House, because the authority, in fact, was given long ago. It is a statutory amount.

Mr. Hollett: Yes. I quite understand that. I thought there might be some need for an extra vote on account of recent loans.

Mr. Spencer: Not in interim supply.

Mr. Hollett: I notice on Education, Health and Public Welfare the Government asks for about one-quarter of the year's expendi-

ture. I can well understand that, because these things have to be taken care of and they are very important functions of Government. I was wondering if the Minister could inform us what the one hundred thousand dollars for Economic Development is meant to cover; what particular items?

Mr. Spencer: I have not a break down and I doubt if there is one in existence. But, for the information of the Committee, I would point out that the vote under heading XV last year, 1957-58 for Economic Development, was one hundred and seventy six thousand dollars and the actual expenditure was two hundred and fifty-nine thousand, nine hundred and twenty, so that this one hundred thousand is merely placed at approximately one-third. So that I think, Mr. Chairman, the amount is merely a vote on account. As the Committee will well understand, it is a matter of providing money to take care of the first three months work of the Government business under that particular department, and the actual amount voted will come in due course when the budget is brought in and the estimates are brought down. The Committee, I believe, will understand that it is the intention of the House to adjourn shortly, or as soon as the ordinary business of the House is completed, because of the uncertainty at this moment of the total amount of revenue which will be available to the Province — it is obvious we cannot anticipate or should not.

We hope, (we have ideas and all that kind of thing,) we hope anyway, but nobody would attempt, as I said in my Budget Speech last year, nobody in this position will attempt to anticipate just what these amounts may be. That is the reason why the budget will not be brought down until the House reconvenes following the adjournment. I believe sometime later this spring, possibly May — I do not know — We hope by that time that the Federal Government, who will have received the report of the Royal Commission will act and the amount will be determined. Then we can go ahead when we know what we are going to earn, we can come in and say how much we are to spend. That is why we have to come before the House to get a certain vote on account, and the actual accounting will come in when the budget is

brought down. These amounts all the way through, as the Honourable Leader of the Opposition has been kind enough to note, are merely portions of the amount necessary to take care of the business of the Government for each department during the first three months of the fiscal year 1958-59 which begins on April 1st.

Mr. Duffy: I quite appreciate the explanation of the Minister of Finance, but I was wondering if we could get any information on the amount of one million and a half for Highways. The same thing applies to that I suppose?

Mr. Spencer: Mr. Chairman, it is utterly impossible for me to attempt that. I do not propose to do any such thing as estimate the highways program, tentatively talked about by the Government. The situation will be known in due course. I believe the intention is to try and develop into an extensive program, but we are unable, at this moment, to break down any of these payments and to know just what they are. We do know that in Highways last year — I have that information and the honourable member can see for himself — actual expenditure was perhaps somewhere of the order of six or eight million dollars. I have not got these figures. Of course, as the Honourable the Premier has been good enough to point out for my benefit, for the first three months of the year, April, May and June it follows that the expenditure will not be so terribly high on highways because, by virtue of our very location and climatic conditions and all the rest of it, very little work that involves capital expenditure can be done in that time, only essential work perhaps. To that end, we are not asking for a large amount for highways for the first three months.

Mr. Hollett: Do I understand the Honourable Minister to say that takes care of the first three months of the fiscal year 1958-59? I take it we can gather from that the House is not likely to resume until June.

Premier Smallwood: No —

Mr. Spencer: It does not follow.

Mr. Smallwood: No. The Prime Minister of Canada has said that he would call Parlia-

ment together on the 6th. of May, so that, if he is really elected Prime Minister, he is on record as saying that Parliament will reassemble or a new session of Parliament will be called, (because it will be a new Parliament,) on the 6th. of May. Now in the very nature of things, if he is not re-elected, and Mr. Pearson is elected, he will do likewise. He must call Parliament together early in May. My information is that, well before then, the Royal Commission will have made its report and recommendations to the Government of Canada, whoever they are. That will be during the election, that will be sometime, undoubtedly, before the 31st. of March. There is no reason in the world after the election (unless it were the confusion of the first few days following the election even if the same party went back in office by the time they stagger back to Ottawa it is going to be a week and if it is going to be a new Government it will be a week before the change over takes place, which would bring us up to early April) — that by the middle of April or by the end of April the Government, whoever they are, will have received and considered the report and recommendations of the Royal Commission. They probably will release the report. They probably will not wait to have it tabled in Parliament. They probably will make a public release of it. If they do not, they will certainly table it in Parliament in early May.

What I had in my mind was that this House in adjourning, maybe this month, (if we complete all other business of the House other than the budget and the estimates,) if we adjourn this month we could adjourn to say the 10th. of May. Now, that may be cutting it a little fine, in which case we might authorize Mr. Speaker to call the House on the 10th. of May or at such later date as may seem appropriate. The thought there is to call it together just as soon as we know what is the amount that we are going to get under Term 29, without which it is virtually impossible to bring in a realistic budget. As the Honourable Leader of the Opposition knows, our hope is, in bringing a budget down this year, not merely to give the House and the people a run-down of what is proposed to be done this year, but a run-down, rather, of what is proposed to be done for the next several years. It would be absurd to forecast a program — well not

absurd to forecast but certainly absurd to forecast — without knowing what the revenue is going to be to pay for the things that are budgeted for. So that is the thought — to meet around the middle of May or earlier than that if it is practical. I am sure nobody wants to be here late in May. That is beginning to get up into the Summer. Seeing that we have had an early session, it would be a little pointless to spoil it by having an early session now and a late one in the Summer.

Mr. Hollett: Mr. Chairman, the thing I wanted to be sure of or at least to have some statement on from the Honourable the Premier is that the calling together of the House again in May or June is not, I hope, entirely contingent upon the Term 29 report. Surely, for instance, we do not know what Government is to be elected in Ottawa, and we do not know what the delays may be. I take it, therefore, that it would not be entirely contingent upon the result of Term 29.

Mr. Curtis: When the report is out, we will have some idea as to what the report —

Mr. Spencer: I think this may be said, Mr. Chairman, if we do not know the result of the Revision by that time, the House would have to come together in any case. We cannot go on when the three months are up.

Mr. Smallwood: We can only go to the end of the supply the House votes us. We cannot go beyond that. We won't have any money nor any authority to spend anything.

Mr. Hollett: There is such a thing as an "Order-in-Council."

Mr. Smallwood: You can do it for a while under certain circumstances. They are doing it in Ottawa right now and they have done it in Ottawa before and will do it again.

Mr. Hollett: The thing I want to establish is this — It ought not to be entirely contingent upon the result of Terms 29. I would not like that to be understood by the world at large. We are hoping that we will get a report and a favourable one, but whether we get the report or whether we don't we have

to open the House and do the necessary business.

Mr. Smallwood: Of course.

Mr. Hollett: I want to be sure that is clearly understood outside the House.

Mr. Smallwood: Of course it must be understood. We have to meet. We have to bring down the budget, although I have heard of cases where Governments were asked to bring down a budget and preferred not to bring down a budget, not to let everyone know what the position was. I have heard of such cases. But we have to bring down a budget and estimates and we will do so, and we hope and believe we will do it in early May, and we believe that the report of the Royal Commission will be written, we believe it will be submitted to the Canadian Government, we believe there will be a Canadian Government, we believe there will be an election on the 31st. March and there will be a Government on the 1st. day of the next month; we believe they will consider the report, we are confident it will be a good report — and of course if we could be certain and not confident, if we could know who was going to be elected on the 31st. of March, then we might be able to say almost how much the money there is going to be.

Mr. Hollett: Now the Honourable the Premier has brought up another matter. It strikes me that whatever the report of that Commission is, I take it there will be no commitments on any amounts forthcoming (by the Government) until such time as the House is called together.

Mr. Spencer: That is my contention.

Mr. Smallwood: What House?

Mr. Hollett: This House.

Mr. Smallwood: On what?

Mr. Hollett: The amount of money that may be due to us as result of Term 29.

Mr. Smallwood: We certainly cannot spend it before we get it, if that is what the Honourable Leader means. We have only authority to spend this fifteen and a half mill-

ion; if that authority is given it will be for fifteen point five million dollars, and that is the only money we will have authority to spend.

Mr. Hollett: Yes, but this House is not closed yet — I have heard of a Loan Bill.

Mr. Smallwood: This is not on loan account at all. This on ordinary current account, operating — We probably should bring in a Bill to have authority, in any case, to float a bond issue this year, in case there should be need to do it. There may not be need, but should there be need we ought to have the authority.

On motion, Resolutions passed.

On motion, the Committee rose to report having passed these Resolutions and recommend that a Bill be introduced to give effect to same.

Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and passed certain Resolutions with respect to the granting of supply to Her Majesty and recommend a Bill be introduced to give effect to same.

On motion, report received.

On motion, Resolutions read a first and second time.

On motion, 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 31st. day of March, 1959, and for Other Purposes Relating to the Public Service," read a first time.

On motion, Bill read a second time.

On motion, Bill read a third time, ordered passed and title to be as on the Order Paper.

On motion, that the House go into Committee of the Whole on various Bills, Mr. Speaker left the Chair.

Mr. Clarke, Chairman of Committee of the Whole on various Bills —

(Items 3 to 10 omitting Item 7 on the Order Paper).

Committee of the Whole on Bill, "An Act Respecting the Payment of Bounties on the Rebuilding and Repair of Fishing and Coasting Vessels."

Mr. Chairman: Clause (2) was called.

Mr. Hollett: Mr. Chairman, on Clause (2) I

think I brought out that (e): Coasting means carried by water transportation etc. to or from ports in Newfoundland. I pointed out that possibly under that definition it might include vessels registered here in Newfoundland. I was wondering if the Minister could clarify that.

Hon. J. T. Cheeseman: (Minister of Fisheries): Mr. Chairman, I am advised by legal authority that it is taken care of and can only apply to Newfoundland vessels. I am not able to give legal advice on it myself, but that is the advice we have.

Mr. J. G. Higgins: (St. John's East): Section 6, Mr. Chairman, seems to cover that.

Mr. Chairman: That question was answered the last day by reference to Section 6(e).

Mr. Hollett: I don't know, Mr. Chairman. "Which are registered in Newfoundland" it says: — It does not say only pay bounties to vessels which are registered in Newfoundland and under (c) coasting means any vessel which carried by water transportation to or from ports in Newfoundland. I grant you, under Section 6 it says — 'The Minister shall pay in respect of vessels which are registered in Newfoundland.

Mr. G. Nightingale: (St. John's North): I asked around this House several times regarding this Bill — I cannot understand spending a lot of money on vessels, reconditioning them, unless the motor is in good condition, unless they can get a loan for the motor. Possibly the vessel is not worth reconditioning them, unless the motor is in good condition, unless they can get a loan for the motor. Possibly the vessel is not worth reconditioning if the motor is not good. I really think that should be included, reconditioning of motors. It is a most important thing today. Not very many fellows hoist a sail and sail along this coast, but will use a diesel engine. I would like to know why it is not included in the reconditioning of boats. It is not much good to recondition a boat when the motor is no good, and have it tied up the rest of its life. I would like the mover to explain why we cannot include the reconditioning of motors.

Mr. Cheeseman: Mr. Chairman, the object

of this Bill is to assist in the case of rebuilding or repairing the ship itself. It has nothing to do with engines — and I submit that this is not the place to discuss that.

Mr. Clarke: This whole matter was gone over in second reading. Actually, it has to do with rebuilding and repairing coastal vessels. It should have been included in second reading if someone was to have included engines. This is a matter which should have been taken up in second reading.

Mr. Nightingale: It is a funny thing that I am always too late.

Mr. Cheeseman: In reference to the point made by the Honourable the Leader of the Opposition; I have mentioned it to my colleague, the Honourable Minister of Provincial Affairs, the only legal man here on this side of the House at the moment.

Mr. Higgins: What is the Honourable Minister without Portfolio immediately behind him?

Mr. Cheeseman: I am sorry. I am told by my legal advisers that the point raised by the honourable Leader of the Opposition is covered under Section 6, which says — “Registered in Newfoundland.” Now I am not prepared to argue the legal end.

Mr. Hollett: I will raise the matter again when we come to Section 6.

Mr. Cheeseman: Very good.

Mr. Hollett: I still don't like the definition of “Coastal” under Section 2, and that is the one we are on at the present time.
On motion, Clause 2, 3 and 4 carried.

Mr. Hollett: Mr. Chairman, if I am not too late I should like to refer to something in Section 4, sub-section 2(1) — It says “at least fifty per cent of membership.” I wonder if that should not be fifty-one per cent of membership? Perhaps the legal advisers on the other side would help us on that.

Hon. P. J. Lewis: (Minister without Portfolio): Mr. Chairman, the point taken by the Honourable Leader of the Opposition has

to do with ownership of British Ships; that is when a vessel is registered in the name of a company, registered as British company employees of the company are, apart from the company. The only question is whether or not the vessel has British status. Such a vessel would have British status, registered in Newfoundland. The fact that employees are outside would have no bearing on that matter. The company only is registered or owned by British subjects. That is what you have in mind? In addition to being British subjects, they also have to be residents of this Province in order to qualify for the bounty — residents of Newfoundland.

Mr. Hollett: Where is that?

Mr. Lewis: In the same subjection. As to the position of shareholders being fifty per cent, they also have to be resident in Newfoundland.

Mr. W. Smallwood: (Green Bay): Mr. Speaker, in this respect I have to agree with the Honourable Leader of the Opposition. The section began by saying at least fifty per cent of the membership is made up of British Subjects. Then it continues, Mr. Chairman, and says that is “controlling interest” — Membership as to fifty per cent could never be a controlling interest.

Mr. Higgins: Quite right.

Mr. Lewis: That is one position — one position or the other.

Mr. W. Smallwood (Green Bay): Does it not set forth two positions? Mr. Chairman, I do suggest that is not the wording here — “at least fifty per cent.” — If you have no more, it is no harm. The whole includes the lesser,

Mr. Higgins: Mr. Chairman, I suggest, following the reasoning of my Honourable Leader and the honourable member for Green Bay that for the word “fifty” we should substitute the words “fifty-one.”

Mr. Smallwood: (Green Bay): There is a partnership. The controlling subsection deals with unincorporated entities as well as incorporated. In one case it is fifty per cent and in the other “the controlling interest.”

So, in substance, the position of that paragraph is that they all have controlling interest. It leaves the controlling interest in a British subject anyway.

Mr. Higgins: I am sorry I have not appreciated that. I do not think the amendment would be properly acceptable.

Mr. Cheeseman: Well, Mr. Chairman, we have legal elucidations.

Premier Smallwood: They must understand it a lot better. At least we agree we don't.

Mr. Hollett: Mr. Chairman, it is not always the legal interpretation as it presently exists by members of the Bar is correct, otherwise we would have no courts whatsoever. If this is the court here that has to decide, whether we have one member of the Bar or a dozen, the House of Assembly decides. Of course I have every faith.

Mr. Curtis: Actually it is a matter of policy — not a question of control: —

(1) that at least fifty per centum of its membership is made up of British Subjects who are bona fide residents of Newfoundland or that the controlling interest in it is and will continue to be held by British subjects who are bona fide residents of Newfoundland. I think it is all right as it is.

On motion, Clause (4) carried:

On motion, Clause (5) carried.

Mr. Hollett: Mr. Chairman, Clause (6) if the one I was referring to a moment ago in connection with the definition of "Coastal." "Subject to the Act, the Minister shall pay a bounty in respect of vessels which are (c) Registered in Newfoundland."

It has been suggested that the word "only" should be inserted after the word "bounty" shall pay a bounty in respect of vessels which are registered in Newfoundland. I do not know if the Honourable the Attorney General would consider that.

Mr. Cheeseman: Mr. Chairman, I would have referred to the legal authorities.

Mr. Hollett: That would take care of the definition of "Coasting" under Clause (2):

Mr. Curtis: I see no objection.

Mr. Lewis: There is no necessity for it.

Mr. Nightingale: Mr. Chairman, this section is a very good place for me to get these marine engines in — You understand the point — It is not much good to fix up a vessel, paying a large amount of money, unless the engine is in good condition. It does not say anything about it here. It could be in one of these sections. It does not say a word as to whether it is to run when completed, whether the motor is in, whether the engine is in. I recommend that, when it is inspected, the motor should be in such condition that it will run.

Mr. Cheeseman: That has nothing to do with this Act.

Mr. Nightingale: My legal friend, the Attorney General, would probably agree that it is not much use putting new tires on a new body if the engine is "finished."

Mr. Clarke: The ruling I made just now is that this has nothing whatsoever to do with the principal of the Bill, and has nothing whatsoever to do with repairs or installation of engines. The Honourable member is still out of order in trying to work it in.

Mr. Nightingale: I don't want the installation or repairs. I want the engine in such condition when the boat is repaired they can use it.

Mr. Clarke: The honourable member is still out of order.

Mr. Nightingale: Very well.

Mr. Smallwood: The honourable gentleman got his point made.

Mr. Curtis: I think, Mr. Chairman, with respect to Section 6, the honourable member for Harbour Main, is correct. I think the section would be interrupted the same whether the word "only" is there or not.

I think the honourable gentleman will admit the word "only" is not logical there.

On motion, Clause (6) carried:

On motion, Clause (7) and (8) carried:

Hon. B. J. Abbott: (Minister of Supply): Mr. Chairman, I ask leave to amend Section 9, subsection (3) — That that section be repealed and the following substitute therefore — “which for a period of at least five years immediately before the permit was issued were engaged in the fishery and coasting or either of them or lying up in Newfoundland.”

Mr. Higgins: I would suggest, Mr. Chairman, the proper phrase would be that subsection (3) be deleted. We cannot repeal something that has not been passed.

Mr. Chairman: The motion is that the existing subsection (c) be stricken out and the following substituted:—

Mr. Cheeseman: Mr. Chairman, may I make a word of explanation in connection with that one?

Mr. Chairman: When we have read the amendment to Clause 9 (1) (c): — “which for a period of at least five years immediately before the permit was issued were engaged in the fisheries and coasting, or either of them, or lying up in Newfoundland.”

Mr. Cheeseman: Now, Mr. Chairman, the reason we have suggested that change here is that it was brought to my attention since the Bill was tabled that there are two vessels that have been licenced for the past one or two years that are in need of rebuilding and repairs, but have been lying up because either the owner is working at something else or could not afford to repair. We wanted to make sure that these people who owned these boats which are still worth rebuilding and repairing are not debarred from doing so. To make it clearer, we make this new clause.

Mr. Hollett: I was wondering about that there — “Which were older than fifteen years when the permit was issued.” I was wondering if that would disqualify a number of vessels which may have been built in Newfoundland. It could, according to this. They have to be older than fifteen years before they get a permit for repairs under this Act. I wonder what the fisheries men think of that.

Mr. Cheeseman: Mr. Chairman, on that point, I have discussed it with owners and skippers and other people who, I feel are qualified to give sound advice, and I think it would generally be agreed by anyone having knowledge of ships that a vessel that would require repairs or rebuilding from ordinary wear and tear before it reached the age of fifteen was not a very well built vessel. No vessel actually ought to be required for repairs or rebuilding, that is from ordinary wear and tear — As I said yesterday, this Bill is not intended to take care of such things as would normally be covered by ordinary marine insurance. It is true there might be exceptional cases, where a vessel four or five years old might need repairs because of bad wood having been put in her or something like that. But I submit we cannot legislate for the odd case. We are trying to take care of the normal cases. We think that fifteen years is a fair age at which to start.

Premier Smallwood: What would happen up to then might be accidental and the insurance would care for that.

Mr. Cheeseman: Most of us connected with shipping know a great many vessels built in Nova Scotia, and a great many more vessels perhaps, a higher percentage of vessels in Newfoundland, are good until they are twenty, and some of them more, before they need rebuilding — In the odd case I do say it does happen. Once in a while a vessel gives out perhaps before six or seven years, but fifteen years is reasonable.

Mr. Hollett: Would the Minister mind reading subsection (d) — what is the need for that? “Which were in need of rebuilding or repairs as a result of fair wear and tear.” What would you call fair “wear and tear?” It must be fifteen years first.

Mr. Cheeseman: Yes, it must be fifteen years old in order to qualify for any bounty.

Mr. Nightingale: I would say the motor would be pretty bad.

Mr. Abbott: Mr. Chairman, relative to the amendment I should like to add the words “Coasting or either of them who are lying up in Newfoundland not more than two

years." There is another amendment to a part of Clause 9 — Subsection 4 (c): — I move that subsection 4 (c) be amended by deleting the words "two hundred tons" and substituting therefore "four hundred tons."

Mr. C. Sheppard: (Harbour Grace): Mr. Chairman, before the passing of Section 9 — I take it that Section 9 has, I understand, laid down conditions under which the Minister will pay bounties. I would rather somebody would deal further with the matter mentioned by my honourable friend from St. John's North, on this matter of motor power. I think that should be one of the conditions of the Minister paying a bounty. I think it should be. He should be satisfied that the vessel is equipped with motor power suitable for the vessel in question. You ruled the honourable member out of order, Mr. Chairman, previously. I would respectfully suggest that, if it is agreed, I would like to move an amendment that we add subsection (d) as follows: — "equipped with motor power suitable to the vessel."

Mr. Higgins: Mr. Chairman, with respect, I submit my honourable friend's motion at this time is out of order. The time he should have brought that up was at second reading.

Mr. Clarke: I have already ruled twice on that. The whole principle of this Bill, if we are going to extend it to deal with motor power, should have been done in second reading. I cannot see we can do it now. It is out of order to append a provision there entirely outside of repairing and rebuilding.

Premier Smallwood: Perhaps my honourable friend the honourable member for Harbour Grace and the honourable member for St. John's North, and the honourable member for Placentia West, who is looking at me reproachfully, might be willing to give this a trial for a year and see what happens in the interim, and next session if it needs to be amended, it may be amended in that and a number of other respects. Let us try it for a year. The point seems to me perfectly well taken, even though this is not the right time to take it. The House has a right to define conditions under which public money is to be spent, and not only a right

but a duty as a House. But there is a time to do it and a way to do it, and this is not the last session, it is not the last legislation — We will be here again next year. It is a new Bill and a new account will be in operation for a year and will prove itself during that time or disprove itself — We can always amend it a year from now.

Mr. Canning: It is unique.

Mr. Smallwood: Yes it is new and unique. On motion, Clause (9) as amended carried. On motion, Clause (10) through (16) carried: Motion that the Committee report having passed this Bill with some amendment, carried.

Committee of the Whole on Bill, "An Act Further to Amend the Revenue and Audit Act."

Motion that the Committee report having passed this Bill without amendment, Carried.

Committee of the Whole on Bill, "An Act to Incorporate the City of Corner Brook and For Other Purposes in Connection Therewith."

Mr. Chairman: We carried Clause (59) of this Bill.

On motion Clauses (60) through (78) carried.

Mr. Higgins: Mr. Chairman, I am sure my honourable friend from St. John's North is going to be upset about that.

Mr. Smallwood: They have a Town Manager there, bringing him from England, and he hires and fires.

Mr. Higgins: That could not happen in St. John's.

Mr. Smallwood: It is time that the Deputy Mayor and Councillors of St. John's knew that this is the law in the City Government of St. John's too, and time they stopped going around interfering with these employees.

Mr. Higgins: That is right.

On motion, Clause (79) through 86 carried:

Mr. Curtis: Mr. Chairman, I would like to make some change there — Page 39 — on the last line of Subsection (7) Strike out the words "or the Supreme Court or a judge

thereof" — Let the appeal be to the District Court.

On motion, Clause (87) as amended carried.

On motion, Clauses through (98) carried:

Mr. Curtis: In Clause (99), Mr. Chairman, I move the amendment — "On any street" — That the council may erect, maintain and operate a strict automatic or other mechanical meters or devices etc. on any street.

On motion, Clause (99) as amended carried:

On motion, Clauses (100) through (129) carried.

Mr. Curtis: There is a little mistake there, Mr. Chairman — "The Council may impose a tax of not less than five dollars and not more than fifty dollars on ever — hawker and" —

Mr. Smallwood: That would include there flower girls mongers going around.

Mr. Curtis: ".....fifty dollars on peddlers". On motion, Clauses as amended carried (Clause 130):

On motion, Clauses (131) through (134) carried:

Mr. Curtis: In Clause 135, Mr. Chairman, the word "Province" should be "City."

On motion, Clause (135) as amended carried:

On motion, Clauses (136) through (143) carried;

Mr. Curtis: There is a correction in Clause (144), Mr. Chairman — I move to insert before the words "whenever." "Subject to Section 143". — "Subject to Section 143 then whenever the Council feels etc."

Mr. Smallwood: And leave the word "whenever" there?

Mr. Curtis: Yes.

On motion, Clause (134) as amended carried:

On motion, Clauses (145) to (151) carried:

Mr. Hollett: Before going on to Clause (152) — "The Council may establish, own and operate a cold storage plant of such capacity as it deems necessary and sufficient for the use of the residents of the City."

Premier Smallwood: A public cold storage

is quite commonplace. There are cold storages all over the world.

Mr. Hollett: There are?

Mr. Smallwood: I don't say in every city, but they are all over the world.

Mr. Hollett: There are none in Newfoundland.

Mr. Smallwood: More the pity there are not.

Mr. Hollett: It would be in competition with private enterprise.

Mr. Smallwood: Sure, what is the difference in running a municipality owned cold storage and an electric light system or a water system.

Mr. Hollett: I do not say there is anything wrong with it.

Mr. Smallwood: All these things are done.

Mr. Higgins: Mr. Chairman, again may I ask — Clause (154) empowers the council to appoint a traffic commission annually. As I recall, other acts passed empowers the City of St. John's to appoint a traffic commission.

Mr. Curtis: Well, St. John's asked for that. We gave it to them. Corner Brook asked for this and we gave it to them. They have profited by our experience.

Mr. Smallwood: They are afraid they will get stuck with it.

On motion, Clauses (152) through (170) carried:

Mr. Curtis: In Clause (171), third line from the bottom, Mr. Chairman, "make" should be "may."

On motion, Clauses (171) through (172) carried:

Mr. Curtis: Mr. Speaker, that just leaves one section and I move the Committee rise and ask leave to sit again to attend to that section. On motion, the Committee rose to report progress and ask leave to sit again. Mr. Speaker resumed the Chair.

Mr. Clarke: Mr. Speaker, the Committee of

the Whole Considered Bill No. 22 and directed me to report same with some amendments. "An Act Respecting the Payment of Bounties on the Rebuilding and Repairing of Fishing and Coasting Vessels."

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

Mr. Clarke: Mr. Speaker, the Committee of the Whole considered Bill No. 23 and directed me to report same without amendment. "A Bill An Act Further to Amend the Revenue and Audit Act."

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

Mr. Clarke: Mr. Speaker, the Committee of the Whole have considered Bill No. 21 "An Act to Incorporate the City of Corner Brook and for other Purposes in Connection Therewith," have made progress and ask leave to sit again on tomorrow.

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

Mr. Curtis: Mr. Speaker, I move the remaining Orders of the Day do stand deferred and that the House do now adjourn until tomorrow, Thursday at 3:00 of the clock.

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 District of Ferryland
 District of Fogo
 District of Fortune Bay and Hermitage
 District of Gander
 District of Grand Falls
 District of Green Bay
 District of Harbour Grace

 District of Harbour Main
 District of Humber East
 District of Humber West
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 District of St. John's West
 District of St. Mary's
 District of Trinity North
 District of Trinity South
 District of Twillingate
 District of White Bay North
 District of White Bay South