

THE DEBATES OF THE NEWFOUNDLAND LEGISLATURE 1932

Edited by James K. Hiller

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HOUSE OF ASSEMBLY
OFFICE OF THE SPEAKER

A pivotal turning point in the history of the Newfoundland and Labrador Legislature occurred in 1933 when, because of an economic and financial crisis, the Legislature voted to suspend democratic government (effective in 1934). The suspension was meant to be for the short-term, but lasted fifteen years. In 1948 the people of Newfoundland and Labrador voted to join Canada and the union took effect on March 31, 1949.

The debates of the last three sessions of the (then) Newfoundland Legislature (1932-33) have never been published. Meticulously reconstructed from various sources, this volume presents the most complete version of the 1932 debates of the House of Assembly and Legislative Council than has ever before been available. It will be followed by another volume for the 1933 debates.

I congratulate and thank Dr. James Hiller for his important contribution to the history of our Legislature and I am pleased, after 78 years, to present this long overdue volume.

Sincerely yours,

ROGER FITZGERALD, MHA
Speaker of the House of Assembly

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PREFACE

The debates of the last three sessions of the Newfoundland Legislature before the suspension of responsible government in 1934 were not published at the time, possibly as an economy measure. This volume contains the debates of the 1932 session, reconstructed from the *Journals* (essentially the minutes) of the House of Assembly and of the upper house, the Legislative Council; from a typewritten and in places fragmentary transcript of most of the Assembly's proceedings (in the Legislative Library); and extensive newspaper reports.

The project was largely funded by the J.R. Smallwood Centre for Newfoundland and Labrador Studies at Memorial University. I am also grateful to the students and others who helped with what proved to be a long and at times tedious process. In particular, I would like to acknowledge the valuable contribution of Keith Collier. The publication of these debates has been made possible by the House of Assembly, the Legislative Library, and the Queen's Printer. Thanks are due, therefore, to the Clerk of the House, Mr. William MacKenzie and the Director of Information Management, Ms. Kimberley Hammond, and to Ms. Trine Schioldan, Information Specialist, who prepared the index.

JKH

EDITORIAL NOTE

Extracts taken from the *Journal* of either House are printed in italics.

The debates include sometimes lengthy extracts from newspaper reports. When this occurs, the speakers' names are indented.

No transcript is available (to the best of my knowledge) of the debates of the Legislative Council, and the newspapers did not fully report its proceedings. It has been necessary, therefore, to rely heavily on the *Journal*.

Given that this text is derived from three sources, it has not been possible to impose absolute consistency in such matters as spelling and capitalization.

It should be noted as well that some of the project transcribers did not always distinguish between *The Daily News* and *The Evening Telegram* in their citations.

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INTRODUCTION

The 1932 session of the Newfoundland Legislature was the fourth and last in the life of the Liberal government led by Sir Richard A. Squires. His administration had been elected in October 1928 with a majority of sixteen over the United Newfoundland or Conservative party led by Frederick C. Alderdice.¹ This majority soon increased to seventeen as the result of a by-election in Burgeo. Three by-elections in 1930 left party standings unchanged; notably, one of them (in Lewisporte) saw the election of the first woman to the House of Assembly, Lady Helena (Strong) Squires.

The new government faced a high level of unemployment, a large (and increasing) public debt and within a year, the onset of the Great Depression. For all the talk of industrial development during the election campaign – the promise of a newsprint mill on the Gander River, for instance – the government found that its main task had to be ensuring the survival of Newfoundland as an independent political entity. These were desperate and miserable times, with the country's main industries – fishing, mining, forestry and the manufacture of pulp and paper – in serious difficulties.

In May 1931 the government found that it could no longer borrow money on the London market. The debt stood at nearly \$100 million, and interest payments absorbed about 65 per cent of current revenue. Thanks to the intervention of the Canadian Prime Minister, R.B. Bennett, the Canadian banks operating in Newfoundland agreed in June to advance a loan. There were stringent conditions attached. One result was the appointment of Sir Percy Thompson of the British Board of Inland Revenue as “financial adviser”, helped by J.H. Penson, a British Treasury official. In addition, a Montreal businessman, Robert J. Magor, was appointed to advise the government on how the country's public utilities might be run more efficiently. In December the government again faced the possibility of default, and again turned to the banks. At the last minute, on December 29, the banks agreed to a final loan, again with stern conditions attached.

This, then, was the situation when the Legislature opened on February 4, 1932: a virtually bankrupt government, whose freedom of action was constrained by the bankers' insistence that their fiscal policy be followed to the letter; a shattered economy; and high levels of poverty and unemployment – and the unemployed, certainly in St. John's, were becoming steadily more restive and demanding. It was to be a dramatic session.

At the beginning of the month, the Minister of Finance, Peter J. Cashin, had resigned. He outlined his reasons in a speech on opening day and elaborated on February 16. He charged

¹ The *Encyclopedia of Newfoundland and Labrador* [ENL] I: 715, calls Alderdice's party “Conservative”. However, Patrick O'Flaherty indicates that it was officially called the “United Newfoundland Party” – *Lost Country: The Rise and Fall of Newfoundland 1843-1933* (St. John's: Long Beach Press, 2005), 345. It was probably known by both labels. Election results are taken from ENL I: 715-717.

Squires with falsifying Minutes of Council, and other members of the government with various corrupt practices. Cashin's sensational accusations were a gift to the Opposition, which launched a sustained and vigorous attack on the Squires regime, demanding a full inquiry. Squires was evasive, and his avoidance of a full and impartial inquiry was a major factor behind his government's growing unpopularity, and discontent within his own party. Tariff increases and spending cuts were, of course, important as well.

On April 4 there was a large meeting of Squires' opponents at the Majestic Theatre, and the next day there was an initially orderly march from the Theatre to the Colonial Building to present a petition. After the crowd arrived, the demonstration turned into a riot. Windows were broken, and rioters eventually stormed into the building and ransacked many of the rooms. Squires was lucky to escape unharmed, and went into hiding.

He did not resign, though, and was present when the House reassembled on April 19. The riot had shocked the country, and proceedings were more subdued than they had been earlier in the session. Moreover, the Liberals promised that there would be an early election. The session ended on April 30, and voting day was set for June 11.² The Liberals retained only two seats, and power passed to Alderdice and the United Newfoundland Party.

FURTHER READING

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² Elections usually took place at four-year intervals, almost always in the Fall.

THE MINISTRY, 1928-1932

LIBERAL PARTY (SQUIRES) CABINET, NOVEMBER 1928 – JUNE 1932

Prime Minister and Minister of Justice: Sir Richard Squires

Colonial Secretary/Secretary of State: Arthur Barnes

Minister of Finance and Customs: Peter J. Cashin (resigned February, 1932). Succeeded by James Bindon.

Minister of Posts and Telegraphs: William W. Halfyard

Solicitor General: F. Gordon Bradley (from June, 1929)

Ministers without portfolio: Sir William Coaker; Dr. Alexander Campbell; Philip J. Lewis; Sir Tasker Cook; Dr. Harris M. Mosdell (resigned March, 1932); Richard Cramm (replaced Mosdell).

Outside Cabinet:

Minister of Agriculture and Mines: Joseph F. Downey

Minister of Public Works: Richard Hibbs

Minister of Marine and Fisheries: Harold B.C. Lake (promoted to Cabinet, May 1932).

Speaker: Albert J. Walsh

Leader of the Opposition: Frederick C. Alderdice, United Newfoundland Party